

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

## PURPOSE FUNDS

# PURPOSE INVESTMENTS

### Simplified Prospectus

**ETF shares, ETF non-currency hedged shares, Series A shares, Series A non-currency hedged shares, Series F shares, Series F non-currency hedged shares, Series I shares, Series D shares, Series TA5 shares, Series TF5 shares, Series XA shares, Series XA non-currency hedged shares, Series XF shares, Series XF non-currency hedged shares, Series XUA shares, Series XUA non-currency hedged shares, Series XUF shares, Series XUF non-currency hedged shares and Series P shares (as indicated)**

Purpose Core Dividend Fund<sup>\*\* (1)</sup>

Purpose Tactical Hedged Equity Fund<sup>\*\* (2)</sup>

Purpose Monthly Income Fund<sup>\*\* (3)</sup>

Purpose Total Return Bond Fund<sup>\*\* (3)</sup>

Purpose Best Ideas Fund<sup>\*\* (4)</sup>

Purpose Real Estate Income Fund (*formerly, Purpose Duration Hedged Real Estate Fund*)<sup>\*\* (5)</sup>

Purpose Canadian Equity Growth Fund<sup>\*\* (6)</sup>

Purpose Canadian Income Growth Fund<sup>\*\* (6)</sup>

Purpose Tactical Asset Allocation Fund<sup>\*\* (7)</sup>

Purpose Core Equity Income Fund<sup>\*\* (8)</sup>

\*\* Each a class of shares of Purpose Fund Corp.

#### **ETF units, Class A units and Class F units**

Purpose Canadian Preferred Share Fund

Purpose Marijuana Opportunities Fund

#### **ETF units, Series A units, Series UA units, Series B units, Series F units, Series TF6 units, Series UF units, Series I units, Series X units and Series P units**

Purpose Strategic Yield Fund

#### **ETF units, Series A units, Series B units, Series TA6 units, Series F units, Series UF units, Series I units, Series X units and Series P units**

Purpose Multi-Asset Income Fund

#### **ETF units, Series A units, Series F units and Series I units**

Purpose Global Climate Opportunities Fund

**ETF shares, Series A shares, Series B shares, Series F shares, Series I shares, Series X shares, Series UB shares and Series UF shares (unless otherwise indicated)**

Purpose Enhanced Premium Yield Fund<sup>\*\*\*(9)</sup>

Purpose Global Resource Fund<sup>\*\*\*(10)</sup>

Purpose Special Opportunities Fund<sup>\*\*\*(11)</sup>

Purpose Global Bond Class<sup>\*\*\*(12)</sup>

Purpose Global Innovators Fund<sup>\*\*\*(13)</sup>

\*\*\* Each a class of Purpose Mutual Funds Limited

- (1) Offering ETF shares, Series A shares, Series F shares, Series I shares, Series D shares, Series XA shares, Series XF shares, Series XUA shares, Series XUF shares and Series P shares.
- (2) Offering ETF shares, ETF non-currency hedged shares, Series A shares, Series A non-currency hedged shares, Series F shares, Series F non-currency hedged shares, Series D shares, Series XA shares, Series XA non-currency hedged shares, Series XF shares and Series XF non-currency hedged shares.
- (3) Offering ETF shares, Series A shares, Series F shares, Series D shares, Series XA shares and Series XF shares.
- (4) Offering ETF shares, ETF non-currency hedged shares, Series A shares, Series A non-currency hedged shares, Series F shares, Series F non-currency hedged shares, Series I shares, Series D shares, Series XA shares, Series XA non-currency hedged shares, Series XF shares, Series XF non-currency hedged shares, Series XUA shares, Series XUA non-currency hedged shares, Series XUF shares and Series XUF non-currency hedged shares.
- (5) Offering ETF shares, Series A shares, Series F shares, Series I shares, Series D shares, Series XA shares and Series XF shares.
- (6) Offering Series A shares and Series F shares.
- (7) Offering ETF shares, Series A shares, Series F shares, Series I shares, Series TA5 shares, Series TF5 shares, Series XA shares, Series XF shares and Series XUF shares.
- (8) Offering ETF shares, Series A shares, Series F shares and Series I shares.
- (9) Offering ETF shares, Series A shares, Series B shares, Series F shares, Series I shares, Series UB shares and Series UF shares.
- (10) Offering Series A shares, Series B shares and Series F shares.
- (11) Offering Series A shares, Series B shares, Series F shares and Series X shares.
- (12) Offering ETF shares, Series A shares, Series B shares, Series F shares and Series I shares.
- (13) Offering ETF shares, Series A shares, Series B shares, Series F shares and Series X shares.

**April 16, 2021**

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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 Purpose Funds listed on the front cover of this simplified prospectus as the “**funds**” and each individual Purpose Fund as a “**fund**”.

Each of the Purpose Trusts (defined herein) is a mutual fund established as a trust under the laws of the province of Ontario. The authorized capital of each Purpose Trust includes (a) for all Purpose Trusts, one or more classes of exchange-traded units (“**ETF Units**”) and (b) one or more classes of mutual fund units (defined herein). An unlimited number of ETF Units and mutual fund units are authorized for issuance.

On January 1, 2019, Purpose Fund Corp. amalgamated with Purpose Fund Corp. II and Connected Wealth Funds Inc. to become “**Purpose Fund Corp.**” a mutual fund corporation established under the laws of the Province of Ontario. The authorized capital of Purpose Fund Corp. includes an unlimited number of classes of non-cumulative, redeemable, non-voting shares (each, a “**corporate class**”).

Purpose Mutual Funds Limited is a mutual fund corporation established under the federal laws of Canada. The authorized capital of Purpose Mutual Funds Limited includes 1,000 classes of non-cumulative, redeemable, non-voting shares (each, a “**corporate class**”).

Purpose Fund Corp. and Purpose Mutual Funds Limited are referred to herein as the “**Companies**” and each, a “**Company**”. Each class of shares of a Company (other than the common shares of a Company) is a separate mutual fund having specific investment objectives and is specifically referable to a separate portfolio of investments. Each such class is divided into separate series of shares (“**shares**”).

This simplified prospectus 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 simplified prospectus is divided into two parts. Pages 1 to 97 of this simplified prospectus explain general information that applies to all of the funds as well as general information regarding mutual funds and their risks. Pages 98 to 179 contain specific information about each of the funds described in this simplified prospectus.

You will find more 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.

These documents are incorporated by reference into this simplified prospectus, which means that 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 us toll-free at 1-877-789-1517, by emailing us at [info@purposeinvest.com](mailto:info@purposeinvest.com) or by contacting your dealer.

You can also get copies of this simplified prospectus, the fund facts, the ETF Facts, the annual information form, the management reports of fund performance and the financial statements from Purpose's website at [www.purposeinvest.com](http://www.purposeinvest.com).

These documents and other information about the funds are also available at [www.sedar.com](http://www.sedar.com).

## GLOSSARY

In this simplified prospectus:

“**adjusted cost base**” means, in general terms, the total price you paid for all the shares of a series or units of a class or series, as the case may be, of a fund in your account, including reinvested distributions. The adjusted cost base per share of a series or units of a class or series, as the case may be, is the weighted average price paid per share of that series or per unit of that class, as applicable.

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

“**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 any day on which the TSX, NEO Exchange or such other designated exchange on which the ETF Shares or ETF Units of a fund may be listed from time to time is open for trading.

“**Canadian securities legislation**” means the applicable securities legislation in force in each province and territory of Canada, all regulations, rules, orders and policies made thereunder and all multilateral and national instruments adopted by the securities regulatory authorities.

“**CDS Participant**” means a participant in CDS that holds ETF Shares or ETF Units, as the case may be, of a fund on behalf of beneficial owners of ETF Shares or ETF Units, as applicable.

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

“**Class A Units**” means Class A currency hedged mutual fund units of a fund.

“**Class F Units**” means Class F currency hedged mutual fund units of a fund.

“**Company**” means Purpose Fund Corp. or Purpose Mutual Funds Limited.

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

“**constituent securities**” means, for each fund, securities of the constituent issuers or, where applicable, derivatives such as options, futures, forward contracts and swaps.

“**Corp. Funds**” means Purpose Corp. Funds, PFC Funds and PMF Funds and a “**Corp. Fund**” means any one of them.

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

“**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 Shares or ETF Units, as the case may be, of a fund.

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

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

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

“**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 Shares or ETF Units, as the case may be, of the fund.

“**DPSPs**” 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 Share**” means an ETF currency hedged share or ETF non-currency hedged share of the ETF series of a fund, as applicable.

“**ETF Unit**” means an ETF currency hedged unit of a fund.

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

“**Exchange**” means the TSX or NEO Exchange, 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.

“**funds**” means a class of shares of a Company specifically referable to a separate portfolio of investments or a Purpose Trust, as the case may be.

“**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.

“**investment advisors**” means StoneCastle Investment Management Inc. and Richardson Wealth Limited and “**investment advisor**” means any one of them.



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

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

“**London Inter-Bank Offered Rate**” (*LIBOR*) means the rate of interest on U.S.-dollar-denominated deposits traded between banks in London, widely monitored as an international interest rate indicator. It may be quoted as a one-month, three-month, six-month, or one-year rate. The LIBOR allows investors to match their cost of lending to their cost of funds, and is often used as a base index for setting rates of some adjustable rate financial instruments, including Adjustable Rate Mortgages (*ARMs*).

“**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 securityholders of the funds who have signed an agreement with Purpose. Management fee rebates are reinvested in shares or units, as the case may be, unless otherwise requested.

“**mutual fund shares**” means collectively, the Series A Shares, Series B Shares, Series F Shares, Series I Shares, Series D Shares, Series TA5 Shares, Series TF5 Shares, Series UB Shares, Series UF Shares, Series X Shares, Series XA Shares, Series XF Shares, Series XUA Shares, Series XUF Shares and Series P Shares of a fund, as applicable.

“**mutual fund units**” means Class A Units, Series A Units, Series UA Units, Series B Units, Series TA6 Units, Class F Units, Series F Units, Series TF6 Units, Series I Units, Series X Units and Series P Units.

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

“**NAV of the series**” and “**NAV per share**” means, in relation to a Corp. Fund, the NAV of the fund attributable to the series of shares and the NAV per share of that series, calculated by the valuation agent.

“**NI 81-102**” means National Instrument 81-102 – *Investment Funds*.

“**NEO Exchange**” means Aequitas NEO Exchange Inc.

“**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.

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

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

“**PFC Funds**” means Purpose Canadian Equity Growth Fund, Purpose Canadian Income Growth Fund, Purpose Tactical Asset Allocation Fund and Purpose Core Equity Income Fund, and “**PFC Fund**” means any one of them.

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

“**PMF Funds**” means Purpose Enhanced Premium Yield Fund, Purpose Global Resource Fund, Purpose Special Opportunities Fund, Purpose Global Bond Class and Purpose Global Innovators Fund and “**PMF Fund**” means any one of them.

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

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

“**Purpose Corp. Funds**” means Purpose Core Dividend Fund, Purpose Tactical Equity Hedged Equity Fund, Purpose Monthly Income Fund, Purpose Total Return Bond Fund, Purpose Best Ideas Fund and Purpose Real Estate Income Fund, and “**Purpose Corp. Fund**” means any one of them.

“**Purpose Trusts**” means Purpose Canadian Preferred Share Fund, Purpose Marijuana Opportunities Fund, Purpose Strategic Yield Fund, Purpose Multi-Asset Income Fund and Purpose Global Climate Opportunities Fund, and “**Purpose Trust**” means any one of them.

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

“**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 the shareholders or 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.

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

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

“**Series A Shares**” means Series A currency hedged mutual fund shares or Series A non-currency hedged mutual fund shares of a fund, as applicable.

“**Series A Units**” means Series A currency hedged mutual fund units or Series A non-currency hedged mutual fund units of a fund, as applicable.

“**Series B Shares**” means Series B currency hedged mutual fund shares or Series B non-currency hedged mutual fund shares of a fund, as applicable.

“**Series B Units**” means Series B currency hedged mutual fund units or Series B non-currency hedged mutual fund units of a fund, as applicable.

“**Series D Shares**” means Series D currency hedged mutual fund shares or Series D non-currency hedged mutual fund shares of a fund, as applicable.

“**Series F Shares**” means Series F currency hedged mutual fund shares or Series F non-currency hedged mutual fund shares of a fund, as applicable.

“**Series F Units**” means currency hedged mutual fund units or non-currency hedged mutual fund units of a fund, as applicable.

“**Series I Shares**” means Series I currency hedged mutual fund shares.

“**Series I Units**” means Series I currency hedged mutual fund units.

“**Series P Shares**” means Series P currency hedged mutual fund shares of Purpose Core Dividend Fund.

“**Series P Units**” means Series P currency hedged mutual fund units of Purpose Strategic Yield Fund and/or Purpose Multi-Asset Income Fund, as applicable.

“**Series TA5 Shares**” means Series TA5 currency hedged mutual fund shares.

“**Series TA6 Units**” means Series TA6 currency hedged mutual fund units.

“**Series TF5 Shares**” means Series TF5 currency hedged mutual fund shares.

“**Series TF6 Units**” means Series TF6 currency hedged mutual fund units.

“**Series UA Units**” means Series UA currency hedged mutual fund units.

“**Series UB Shares**” means Series UB currency hedged mutual fund shares.

“**Series UF Shares**” means Series UF currency hedged mutual fund shares.

“**Series X Shares**” means Series X currency hedged mutual fund shares.

“**Series XA Shares**” means Series XA currency hedged mutual fund shares or Series XA non-currency hedged mutual fund shares of a fund, as applicable.

“**Series XF Shares**” means Series XF currency hedged mutual fund shares or Series XF non-currency hedged mutual fund shares of a fund, as applicable.

“**Series XUA Shares**” means Series XUA currency hedged mutual fund shares or Series XUA non-currency hedged mutual fund shares of a fund, as applicable.

“**Series XUF Shares**” means Series XUF currency hedged mutual fund shares or Series XUF non-currency hedged mutual fund shares of a fund, as applicable.

“**Series X Shares**” means Series X currency hedged mutual fund shares.

“**Series X Units**” means Series X currency hedged mutual fund units.

“**share**” means an ETF Share or mutual fund share, as applicable.

“**sub-advisor**” means Neuberger Berman Breton Hill ULC.

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

“**trading day**” means a day on which: (i) a regular session of the TSX (or such other designated exchange on which the ETF Shares or ETF Units of a fund may be listed from time to time) is held; (ii) the primary market or exchange for the majority of the securities held by the fund is open for trading; and (iii) if applicable, the index provider calculates and publishes data relating to the index.

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

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

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

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

“**valuation agent**” means the company appointed from time to time by Purpose to calculate the NAV, NAV per share 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 series of shares and NAV of each class or series of units, as the case may be, of each fund and the NAV per share of each such series and NAV per unit or series of each such class, as applicable, will be calculated.

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

## **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 securities 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?**

#### *Corp. Funds*

When you invest in a mutual fund corporation, such as a Company, you are buying a portion of that mutual fund corporation called a share. Mutual fund corporations can have one or more classes of shares also known as "**funds**" and keep track of all the individual investments by recording how many shares of a class each investor owns. The more money you put into a class of a mutual fund corporation, the more shares you get. The price of a share changes every day, depending on how the investments of the class are performing. When the investments of a class rise in value, the price of a share of that class goes up. When the investments of the class drop in value, the price of the share of that class goes down.

Some classes of shares are offered in more than one series. A multi-series structure recognizes that different investors may seek the same investment objective, yet require different investment advice and/or service. Each series of a class represents an investment in the same investment portfolio of the fund. However, each series may charge a different management fee and incur its own specific expenses. As a result, a separate NAV per share is calculated for each series on a daily basis. See "Purchases, switches and redemptions – How the securities of a fund are valued" on page 35

#### *Purpose Trusts*

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 a fund are valued” on page 35.

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

This section and the section “What are the specific risks of investing in a mutual fund?” on page 11, describe the risks associated with investing in mutual funds. As you read the descriptions, keep in mind your risk comfort level and your various investments objectives to help determine which funds are right for you.

The general risks with investing in 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 the funds is not guaranteed. Unlike bank accounts or guaranteed investment certificates, mutual fund securities are not covered by Canada Deposit Insurance Corporation or any other government deposit insurer.

#### ***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 shares/units” on page 53.

### **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 mutual fund also has specific risks. The description of each fund, starting on page 11, sets out the risks that apply to that fund or to the underlying fund in which it invests. Set forth below, in alphabetical order, is a description of each of those risks.

#### ***Absence of an active market for the ETF Shares/ETF Units***

Although the ETF Shares and ETF Units of the funds (subject, in respect of the Purpose Global Climate Opportunities Fund, to meeting the TSX's original listing requirements) are listed on an Exchange (or another designated exchange), there can be no assurance that an active public market for the ETF Shares and ETF Units will develop or be sustained.

#### ***Asset class risk***

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

#### ***Capital depreciation risk***

The securities of the 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. In the case of Series TA5 Shares and Series TF5 Shares, regular monthly distributions may consist, in whole or in part, of a return of capital based on a targeted distribution rate of 5% per annum of the net asset value per Series TA5 Share or Series TF5 Share, as applicable, as determined on December 31 of the prior year (or on an initial issue price of \$20.00, where a new series is launched).

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

For Series TA5 Shares and Series TF5 Shares, the target distribution rate should not be confused with a fund's "yield" or "rate of return". An investor should not draw any conclusions about a fund's investment performance from the amount of the target distributions.

#### ***Cease trading of constituent securities 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***

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 the funds or by securityholders.

### ***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, the investment advisors and the sub-advisor are not exclusive to the Funds. Neither the manager, the investment advisors nor the sub-advisor are 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, the investment advisors or the sub-advisor 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 risk*

Credit risk is the possibility that a borrower, or the counterparty to a derivatives contract, 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.

### *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. However, with respect to the ETF non-currency hedged shares or units and non-currency hedged mutual fund shares or units, the foreign currency exposure of the portion of the portfolio attributable to such shares will not be hedged back to the Canadian dollar.

You may purchase the shares of a series or units of a class, as the case may be, of some of the funds in U.S. dollars. U.S. dollar denominated shares and units are offered only as a convenience for investors and do not act as a currency hedge between the Canadian dollar and the U.S. dollar.

### *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 the fund's third party service providers (e.g., administrators, transfer agents, custodians and sub-advisers) or issuers that the fund invests in can also subject the fund to many of the same risks associated with direct 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 a fund or its securityholders. A fund and its securityholders 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.

### ***Depository securities and receipts risk***

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

of the fund, which may result in losses to the fund or the recognition of gain at a time which is not opportune for the fund.

### ***Derivative risk***

A derivative is a type of investment whose value is derived from the performance of other investments or from the movement of interest rates, exchange rates or market indices. As long as their use is consistent with 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.

### ***Equity investment risk***

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

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

### ***ETF risk***

Investing in an 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.

### ***Financial sector issuer risk***

Some funds' portfolios may be concentrated in the financial services sector. A financial services company is one that is primarily involved in banking, mortgage finance, consumer finance, specialized finance, investment banking and brokerage, asset management and custody, corporate lending, insurance or financial investments. This may make a fund more susceptible to adverse economic or regulatory occurrences affecting this sector. Concentration of investments in financial services companies include the following risks: (a) financial services companies may suffer a setback if regulators change the rules under which they operate; (b) unstable interest rates can have a disproportionate effect on the financial services

sector; (c) financial services companies whose securities the fund may purchase may themselves have concentrated portfolios, such as a high level of loans to real estate developers, which makes them vulnerable to economic conditions that affect that sector; (d) financial services companies have been affected by increased competition, which could adversely affect the profitability or viability of such companies; and financial services companies have been significantly and negatively affected by the downturn in the subprime mortgage lending markets and the resulting impact on the world's economies.

The NAV of a fund that invests in the financial sector may therefore be more volatile than the net asset value of a more broadly diversified portfolio and may fluctuate substantially over short periods of time. This may have a negative effect on the value of its Securities and the fund's objectives. The value of such securities and the operations and profitability of such issuers will be affected by Canadian, U.S. and global economic and political factors such as unemployment, the amount of consumer spending, business investment, government spending, the volatility and strength of Canadian, U.S. and global capital markets, political instability and inflation. Any downturn in the Canadian, U.S. or global economies or political instability, which may result in higher unemployment, lower family income, lower corporate earnings, lower business investment and/or lower consumer spending, may adversely impact the performance and/or financial condition of the issuers whose securities comprise a fund's portfolio and its NAV.

### ***Floating rate loan risk***

Some of the funds invest in fixed income securities that pay interest at rates that float, adjust or vary periodically ("floating rate loans"), generally based on a recognized base lending rate (such as the London Inter-Bank Offered Rate), a prime rate or another base lending rate used by commercial banks and lenders. Changes in short-term market interest rates will directly affect the returns of the fund from such investments. If short-term market interest rates fall, a fund's returns from its floating rate loans will fall. Conversely, when short-term market interest rates rise, because of the lag between changes in such short-term rates and the resetting of the floating rates on the floating rate loans held by a fund, the impact of rising rates will be delayed to the extent of such lag. The impact of market interest rate changes on the yield of a fund's floating rate loan investments also will be affected by whether, and the extent to which, the floating rate loan is subject to a floor base rate on which interest is calculated. So long as the base rate for a floating rate loan remains under its floor base rate, changes in short-term interest rates will not affect the yield on such floating rate loan. In addition, to the extent that the interest rate spreads on floating rate loans in a fund's portfolio experience a general decline, the return on the fund's portfolio will fall and the value of the fund's assets may decrease, which would cause the fund's net asset value to decrease.

An economic downturn could lead to a higher non-payment rate, and a floating rate loan may lose significant value before a default occurs. Moreover, any specific collateral used to secure a floating rate loan may decline in value or become illiquid, which would adversely affect the loan's value. No active trading market may exist for certain floating rate loans, which may impair the ability of a fund to realize full value in the event of the need to sell a floating rate loan. Although floating rate loans typically are secured by specific collateral, there can be no assurance that liquidation of such collateral would satisfy the borrower's obligation in the event of non-payment of scheduled interest or principal or that such collateral could be readily liquidated. To the extent that a floating rate loan is collateralized, such collateral may lose value in the event of the bankruptcy of a borrower. Uncollateralized senior loans involve a greater risk of loss. Portfolio transactions in floating rate loans may take up to three weeks or more to settle. Unlike the

securities markets, there is no central clearinghouse for floating rate loans, and the floating rate loan market has not established enforceable settlement standards or remedies for failure to settle.

### ***Fluctuations in NAV and NAV per share/NAV per unit***

The NAV per share, or NAV per unit, as the case may be, will vary according to, among other things, the value of the securities held by a 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.

### ***Fund corporation risk – Corp. Funds only***

Each Corp. Fund is a separate class of shares of a Company and is available in more than one series. Each class and series of a Company has its own fees and expenses which are tracked separately. Those fees and expenses will be deducted in calculating the NAV for that class or series thereby reducing the NAV. The liabilities of each class of shares of a Company are liabilities of that Company as a whole. If one class or series is unable to pay its expenses or liabilities, the Company is legally responsible to pay those expenses and as a result, the NAV of the other classes or series may also be reduced. Similarly, if the liabilities of a

class of shares of a Company are greater than its assets, the other classes of shares of that Company may be responsible for those liabilities.

A mutual fund corporation is permitted to flow through certain income to investors in the form of dividends. These are capital gains and dividends from taxable Canadian corporations. However, a mutual fund corporation cannot flow through other income including interest, trust income and foreign income including foreign dividends. If this type of income, calculated for a Company as a whole, is greater than the expenses of that Company, that Company would become taxable. We track the income and expenses of each class of shares of a Company separately so that if the Company becomes taxable, we would usually allocate the tax to those classes of shares whose taxable income exceeded expenses.

If a Company has taxable net income, this could be disadvantageous for two types of investors: (a) investors in a RRSP, RRIF, RDSP, DPSP and a TFSA (collectively “**Registered Plans**”) and (b) investors with a lower marginal tax rate than the Company. Investors in Registered Plans do not immediately pay income tax on income received, therefore if a trust earned income it would distribute it, and the investors in a Registered Plan would not immediately pay income tax; since a Company cannot distribute the income, investors in a Registered Plan will pay the income tax indirectly. The corporate tax rate applicable to mutual fund corporations is higher than some personal income tax rates, depending on the province or territory in which the investor resides and depending on the investor’s marginal tax rate. As such, if the income is taxed inside a Company rather than distributed to the investor (and the investor pays the tax), the investor may indirectly pay a higher rate of tax on that income.

Each Company may from time to time offer one or more classes of shares which are considered to be a “**alternative mutual funds**” under Canadian securities laws. This may result in additional risk to the funds as alternative mutual funds are generally accorded greater flexibility to invest using derivatives for non-hedging purposes than mutual funds that are not alternative mutual funds under NI 81-102. Purpose Fund Corp. currently offers one class of shares, the Purpose Diversified Real Asset Fund, which is an alternative mutual fund.

#### ***Futures contract liquidity risk***

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

### ***High yield securities risk***

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

### ***Income trust risk***

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

### ***Inflation risk***

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

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

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



### ***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.

### ***Infrastructure risk***

Infrastructure companies are generally companies that are engaged in the business of developing, maintaining, servicing or managing the systems and networks of energy, transportation, communication and other physical services that are required for the normal function of society. Mutual funds that invest in these companies are subject to the risks that: the potential for realized revenue volumes on projects is significantly lower than projected and/or cost overruns occur; the nature of the right or franchise granted to the infrastructure company by a country's public sector may fundamentally change during the life of the project (e.g., a country funding an infrastructure project alters the terms of that project); macroeconomic factors such as low gross domestic product growth or high nominal interest rates raise the average cost of funding; government regulation may affect rates charged to customers; government budgetary constraints impact projects; special tariffs are imposed; and changes in tax laws, regulatory policies or accounting standards could be unfavorable. Other risks include environmental damage due to a company's operations or an accident, changes in market sentiment towards infrastructure and terrorist acts.

### ***Investment trust risk***

Some of the funds may invest in real estate, royalty, income and other investment trusts which are investment vehicles in the form of trusts rather than corporations. To the extent that claims, whether in contract, in tort or as a result of tax or statutory liability, against an investment trust are not satisfied by the trust, investors in the investment trust, including the certain funds, could be held liable for such obligations. Investment trusts generally seek to make this risk remote in the case of contract by including provisions in their agreements that the obligations of the investment trust will not be binding on investors personally. However, investment trusts could still have exposure to damage claims such as personal injury and environmental claims. Certain jurisdictions have enacted legislation to protect investors in investment trusts from the possibility of such liability.

### ***Issuer risk***

The risk that the value of a security may decline for a reason directly related to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods or services.

### ***Large redemption/investor/transaction risk***

Some funds may have particular investors who own a large proportion of the outstanding units or shares of the mutual fund. For example, other institutions such as banks and insurance companies or other mutual fund companies may purchase units or shares 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.

### ***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.

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.

### ***Marijuana sector risk***

#### **General**

The marijuana industry is subject to various laws, regulations and guidelines relating to the manufacture, management, transportation, storage and disposal of marijuana, as well as subject to laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. For example, and as discussed further below, the regulatory environment governing the medical and marijuana industries in the United States where state law permits such activities are, and will continue to be, subject to evolving regulation by governmental authorities. There can be no assurance that U.S. federal or state laws regulating marijuana will not be repealed or overturned or that governmental authorities will not limit the application of such laws within their respective jurisdictions. Accordingly, there are a number of risks associated with investing in businesses in an evolving regulatory environment, including, without limitation, increased industry competition, rapid consolidation of industry participants and potential bankruptcy of industry participants.

The *Cannabis Act*, along with the related provincial and territorial legislation regulating use, distribution and sales, came into force on October 17, 2018. This implemented a legal framework in Canada for the production, distribution, sale and possession of both medical and adult use marijuana. However, there can be no assurance that Canadian federal, provincial or territorial laws regulating marijuana will not be repealed or overturned, that proposed laws regulating marijuana will become law, or that governmental authorities will not limit the application of such laws within their respective jurisdictions. If governmental authorities begin to enforce certain laws relating to marijuana in jurisdictions where the sale and use of marijuana is currently legal or regulated, or if existing laws are repealed or curtailed, the Purpose Marijuana Opportunities Fund's investments in such businesses may be materially and adversely affected

notwithstanding the fact that the fund is not directly engaged in the sale or distribution of marijuana. Actions by governmental authorities against any individual or entity engaged in the marijuana industry, or a substantial repeal or amendment of any marijuana-related legislation, could adversely affect the Purpose Marijuana Opportunities Fund and its investments.

The constituent issuers included in Purpose Marijuana Opportunities Fund's portfolio may incur ongoing costs and obligations related to license and regulatory compliance. Failure to comply with regulations may result in additional costs for corrective measures, penalties or in restrictions of operations. In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the issuers and, therefore, on Purpose Marijuana Opportunities Fund's prospective returns.

As a result of perceived reputational risk, companies in the marijuana sector may in the future have difficulty establishing or maintaining bank accounts, or other business relationships. Failure to establish or maintain business relationships could have a material adverse effect on companies in this sector. The manager has not obtained, and does not anticipate obtaining, any ongoing legal advice regarding the compliance of the underlying companies in which the Purpose Marijuana Opportunities Fund may invest from time to time with applicable laws.

#### Risk Related to Global Issuers

With respect to global issuers that may be invested in by Purpose Marijuana Opportunities Fund, as in North America, such issuers are subject to various laws, regulations and guidelines relating to the manufacture, management, transportation, storage and disposal of marijuana, as well as being subject to laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. Even if an issuer's operations are permitted under current law, they may not be permitted in the future, in which case such issuer may not be in a position to carry on its operations in its current locations. Additionally, controlled substance legislation differs between countries and legislation in certain countries may restrict or limit the ability of certain companies in which Purpose Marijuana Opportunities Fund invests to sell their products. In addition, issuers involved in the marijuana industry face intense competition, may have limited access to the services of banks, may have substantial burdens on company resources due to litigation, complaints or enforcement actions, and are heavily dependent on receiving necessary permits and authorizations to engage in medical marijuana research or to otherwise cultivate, possess or distribute marijuana.

Generally, the marijuana industry is subject to extensive controls and regulations, which may significantly affect the financial condition of market participants. The marketability of any product may be affected by numerous factors that are beyond the control of the constituent issuers and which cannot be predicted, such as changes to government regulations, including those relating to taxes and other government levies which may be imposed. Changes in government levies, including taxes, could reduce a constituent issuer's earnings and could make future capital investments or the constituent issuer's operations uneconomical. The industry is also subject to numerous legal challenges, which may significantly affect the financial condition of market participants and which cannot be reliably predicted.

#### Regulation of Marijuana in Canada

The cultivation, distribution and sale and disposal of marijuana, among other things, remains subject to extensive regulatory oversight under the *Cannabis Act*. Such extensive controls and regulations may significantly affect the financial condition of market participants, and prevent the realization of such market participants of any benefits from an expanded market for recreational marijuana products.

## Risks Related to North American Issuers

As discussed further below, subject to further guidance from the Canadian Securities Administrators with respect to the permissibility of investments in issuers with U.S. marijuana-related activities and further clarity on the position of the U.S. Federal Government on the enforcement of U.S. federal laws relating to the marijuana industry, Purpose Marijuana Opportunities Fund is expected to invest in, and indirectly derive a portion of its revenues from, the marijuana industry in certain U.S. states, which industry is illegal under U.S. federal law. *Purpose Marijuana Opportunities Fund may therefore be indirectly involved (through investments in third party corporate entities in Canada and the United States) in the marijuana industry in the United States where local state law permits such activities, as well as the marijuana industry in Canada.*

**As discussed under “United States Marijuana Industry Risk”, as a result of the conflicting views between state legislatures and the U.S. federal government regarding marijuana, marijuana businesses in the United States are subject to inconsistent legislation and regulation. Unless and until the United States Congress amends the CSA (as defined below) with respect to marijuana (there can be no assurance as to the timing or scope of any such potential amendments), there is a risk that U.S. federal authorities may enforce current federal law, which may adversely affect the current and future investments of Purpose Marijuana Opportunities Fund in the United States. As such, there are a number of risks associated with Purpose Marijuana Opportunities Fund’s future investments in the United States, and such investments may become the subject of heightened scrutiny by regulators, stock exchanges and other authorities in Canada. As a result, Purpose Marijuana Opportunities Fund may be subject to significant direct and indirect interaction with public officials. There can be no assurance that this heightened scrutiny will not in turn lead to the imposition of certain restrictions on Purpose Marijuana Opportunities Fund’s ability to invest in the United States or any other jurisdiction and its ability to achieve its investment objective as a result.**

There can be no assurance that Canadian or U.S. federal, provincial or state laws legalizing and regulating the sale and use of marijuana will not be repealed or overturned, that proposed federal, provincial or state laws legalizing and regulating the sale and use of marijuana will become law, or that governmental authorities will not limit the application of such laws within their respective jurisdictions. If governmental authorities begin to enforce certain laws relating to marijuana in jurisdictions where the sale and use of marijuana is currently legal, or if existing laws are repealed or curtailed, Purpose Marijuana Opportunities Fund’s investments in such businesses may be materially and adversely affected notwithstanding the fact that Purpose Marijuana Opportunities Fund is not directly engaged in the sale or distribution of marijuana. Actions by governmental authorities against any individual or entity engaged in the marijuana industry, or a substantial repeal of marijuana related legislation, could adversely affect Purpose Marijuana Opportunities Fund and its investments.

### ***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 risks***

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/series risk*

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

### *No assurance of meeting investment objective*

The success of Purpose Marijuana Opportunities Fund will depend on a number of conditions that are beyond the control of Purpose Marijuana Opportunities Fund. There is a substantial risk that the investment objectives of Purpose Marijuana Opportunities Fund will not be met.

### *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.

### *Preferred securities risk*

A fund that invests in preferred securities will be subject to the risks inherent in investment in preferred securities, including the risk that the financial condition of the issuers in which the fund invests may become impaired or that the general condition of the stock markets may deteriorate.

Preferred securities are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in, and perceptions of, the issuers change.

There are specific risks associated with investing in preferred securities, including: liquidity risk, regulatory risk, and credit risk (each as separately described herein). In addition:

- Generally, preferred security holders have limited voting rights.
- Preferred securities and debt instruments may be subject to early redemption. That is they may be redeemed at the option of the issuer, or "called," before their stated maturity date. A fund investing in preferred securities is therefore subject to the possibility that during periods of falling interest rates, an issuer will call its high-yielding preferred securities or debt instruments. The fund would then be forced to invest the unanticipated proceeds at lower interest rates, resulting in a decline in the fund's income.
- Generally, preferred securities may be subject to provisions that allow an issuer, under certain conditions, to skip ("**non-cumulative**" preferred securities) or defer ("**cumulative**" preferred securities) distributions. If a fund owns a preferred security that is deferring its distribution, the fund may be required to report income for tax purposes while it is not receiving any corresponding cash.
- Preferred securities are subordinated to bonds and other debt instruments in a company's capital structure and therefore are subject to greater credit risk than those debt instruments.

- Holders of preferred securities could become holders of common shares of issuers at a time when such issuer's financial condition is deteriorating or when it has become insolvent or bankrupt or resolved to be wound-up or has been ordered wound-up or liquidated. There can be no guarantee that the common shares issued in such circumstances will pay a dividend, appreciate, or that there will be a liquid market for such common shares.

### ***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.

### ***Real estate sector risk***

In addition to general risk factors, there are certain risk factors inherent to an investment in real estate including:

- (a) possible declines in the value of real estate;
- (b) adverse changes in national, state or local real estate conditions;
- (c) obsolescence of properties;
- (d) change in the availability, cost and term of mortgage funds (including change in interest rates);
- (e) the impact of change in environmental laws;
- (f) overbuilding in a market; and
- (g) environmental problems.

### ***Rebalancing and adjustment risk***

Adjustments to baskets of securities held by a fund relating to the fund's ETF Shares or ETF Units, as the case may be, to reflect rebalancing of and adjustments to the strategies 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 investment advisor risk***

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

### ***Resource industry risk***

Mutual funds that invest in resource companies are subject to the risks of the resource industry. For example, a resource company's ability to maintain or increase production in the future depends not only on its ability to exploit existing properties, but also on its ability to select and acquire suitable properties or prospects for exploitation.

Commodity prices are unstable and are subject to fluctuation. The prices of most commodities are affected by numerous factors beyond the control of resource companies. Any material decline in commodity prices could result in a reduction of a resource company's production revenue. The economics of certain properties and facilities may change as a result of lower commodity prices. All these factors could result in a material decrease in the business activities of any single resource company, or resource companies generally.

The business activities of resource companies involved primarily in oil and gas or renewable energy exploration and development are speculative and may be adversely affected by factors outside the control of those companies.

Resource activities are subject to extensive controls and regulations imposed by various levels of government around the world that may be amended from time to time. A resource company's operations may require licenses and permits from various governmental authorities. There can be no assurance that resource companies will be able to obtain all necessary licenses and permits or obtain them in a timely manner.

Most resource activities involve making substantial capital expenditures for the acquisition, exploration, development and production of commodities. If a resource company's revenues decline, it may have limited ability to expend the capital necessary to undertake or complete future activities.

There are numerous uncertainties inherent in estimating quantities of commodity reserves and cash flows to be derived therefrom, many of which are beyond the control of resource companies. Actual production and cash flows derived therefrom will vary from a resource company's expectations and such variations could be material.

The business of exploration for energy, metals and minerals involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines or wells. Unusual or unexpected formations, formation pressures, fires, explosions, power outages, labour disruptions, flooding, cave-ins, landslides and the inability of the resource company to obtain suitable machinery, equipment or labour are all risks which may occur during exploration for and development of oil, gas and metal and mineral deposits. While a resource company may have registered its mineral exploration and mining rights or oil and gas interests with the appropriate authorities and filed all pertinent information to industry standards, this cannot be construed as a guarantee of title. In addition, the precise boundaries and locations of a resource company's properties may be challenged or subject to prior agreements and other undetected defects. The economics of developing resource properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in commodity prices, the cost and commercial

utility of processing equipment and such other factors as aboriginal land claims and government regulations, including regulations relating to royalties, allowable production, importing and exporting and environmental protection.

A resource company may become subject to liability for risks for which it cannot insure or against which it may elect not to insure.

### ***Risk of loss***

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

### ***Sector risk***

Some of the funds may invest in ETFs that provide exposure to securities involving industry sector risks. Investing in one specific sector of the stock market entails greater risk (and potential reward) than investing in all sectors of the stock market. If a sector declines or falls out of favour, the share values of most or all of the companies in that sector will generally fall faster than the market as a whole. The opposite is also true.

An industry can be significantly affected by, amongst other things, supply and demand, speculation, events relating to international political and economic developments, energy conservation, environmental issues, increased competition from other providers of services, commodity prices, regulation by various government authorities, government regulation of rates charged to customers, service interruption due to environmental, operational or other mishaps, the imposition of special tariffs and changes in tax laws, regulatory policies and accounting standards, and general changes in market sentiment. Moreover, it is possible that other developments, such as increasingly strict environmental and safety laws and regulations and enforcement policies thereunder and claims for damages to property or persons resulting from operations, could result in substantial costs and liabilities, delays or an inability to complete projects or the abandonment of projects.

Exposure to equity securities that have exposure to commodity markets may entail greater volatility than traditional securities. The value of securities exposed to commodity markets may be affected by commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes and tariffs.

The extent of these factors cannot be accurately predicted and will change from time to time, but a combination of these factors may result in issuers not receiving an adequate return on invested capital. Many industries are very competitive and involve many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome.

### ***Securities lending and repurchase and reverse repurchase transaction risk***

Certain of the funds may enter into securities lending arrangements and repurchase and reverse repurchase transactions in accordance with National Instrument 81-102 – *Investment Funds* (“**NI 81-102**”) in order to generate additional income to enhance the NAV of a 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 the fund buys a security at one price



and agrees to sell it back to the same party at a higher price. The other party to a securities lending transaction, repurchase agreement or reverse repurchase agreement delivers collateral to the fund in order to secure the transaction.

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

The funds that enter into securities lending transactions or repurchase transactions may not commit more than 50% of their NAV to securities lending or repurchase transactions at any time and such transactions may be ended at any time.

### ***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.

### ***Small exchange risk***

Certain funds may invest in securities of issuers listed on smaller or junior exchanges. Smaller exchanges may have different clearance and settlement procedures and may involve unique risks not typically associated with investing in securities of issuers listed on a major stock exchange. The securities of issuers listed on smaller exchanges may be more volatile or lack liquidity than the types of issuers typically listed

on a major exchange, and some exchanges may have higher transaction costs or potential for delay in settlement procedures. Delays in settlement may increase risk to certain funds' portfolios, limit the ability of such funds to reinvest the proceeds of a sale of securities, hinder the ability of the funds to lend its constituent securities, and potentially subject the funds to penalties for their failure to deliver.

### ***Suspension of Subscriptions Risk***

If Purpose Global Bond Class experiences a significant increase in its net asset value including from additional subscriptions, the manager may, in its sole discretion and if it determines to be in the best interest of shareholders, decide to suspend subscriptions for additional shares of the fund if considered necessary or desirable to permit the fund to achieve, or continue to achieve, its investment objectives. During a period of suspended subscriptions, if any, shareholders should note that the ETF shares of the Purpose Global Bond Class may trade at a premium or substantial premium to the net asset value per ETF share of the fund. Any suspension of subscriptions or resumption of subscriptions will be announced by press release as well as on the manager's website. The suspension of subscriptions, if any, will not (a) affect the ability of shareholders to sell their ETF shares in the secondary market at a price reflective of the net asset value per ETF share or (b) redeem their mutual fund shares at the net asset value per share.

### ***Substantial securityholder risk***

A single investor may buy or sell large numbers of securities of a fund. As a result, a fund may have to alter its portfolio significantly to accommodate large fluctuations in assets. A fund may have one or more substantial investors who hold a significant amount of securities of the fund. If a substantial investor decides to redeem its investment in the fund, the fund may be forced to sell its investments at an unfavourable market price in order to accommodate such request. The fund may also be forced to change the composition of its portfolio significantly. Such actions may result in considerable price fluctuations to the fund's NAV and negatively impact on its returns. Such risk is higher where a substantial securityholder engages in short term trading or excessive trading. The fund does, however, have policies and procedures designed to monitor, detect and deter inappropriate short-term or excessive trading. See "Short-term Trading" on page 47.

### ***Tax risk***

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

If a Company ceases to qualify as a "mutual fund corporation" under the Tax Act, the income tax considerations described in "Income Tax Considerations for Investors – Tax treatment of the funds – Corp. Fund" on page 84 would be materially and adversely different in certain respects.

If a Purpose Trust 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 treatment of the funds – Purpose Trusts" on page 84 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 Canada Revenue Agency respecting the treatment of mutual fund corporations or mutual fund trusts will not be changed in a manner that adversely affects a Corp. Fund or its shareholders, or a Purpose Trust or its unitholders. For example, changes to tax legislation or the administration thereof could affect the taxation of a fund or the constituent issuers in a fund's portfolio.

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

In determining a Company’s income for tax purposes, option premiums received on the writing of covered call options and cash-covered put options by a fund and any losses sustained on closing out options, will be treated for purposes of the Tax Act as capital gains and capital losses in accordance with Canada Revenue Agency’s published administrative practice. Canada Revenue Agency’s practice is not to grant advance income tax rulings on the characterization of items as capital or income and no advance income tax ruling has been applied for or received from the Canada Revenue Agency.

If some or all of the transactions undertaken by a Company or a Purpose Trust in respect of derivatives, including covered options and securities are reported on capital account but are subsequently determined to be on income account, the net income of the Company or the Purpose Trust for tax purposes and the taxable component of distributions to shareholders or unitholders could increase. Any such redetermination by the Canada Revenue Agency may result in the Company or the Purpose Trust being liable for additional taxes. Such potential liability may reduce NAV per series, NAV per share or NAV per unit, as applicable.

#### ***Trading price of ETF Shares/ ETF Units***

ETF Shares and ETF Units may trade in the market at a premium or discount to the NAV per ETF Share or ETF Unit, as the case may be. There can be no assurance that the ETF Shares and ETF Units will trade at prices that reflect their NAV. The trading price of the ETF Shares and ETF Units will fluctuate in accordance with changes in a fund’s NAV, as well as market supply and demand on the applicable Exchange (or such other designated exchange on which the ETF Shares or ETF Units, as applicable, of a fund may be traded from time to time). However, given that generally only a prescribed number of ETF Shares and ETF Units are issued to designated brokers and dealers, and that holders of a prescribed number of ETF Shares or ETF Units, as the case may be, (or an integral multiple thereof) may redeem such ETF Shares or ETF Units, as applicable, at their NAV, Purpose believes that large discounts or premiums to the NAV of the ETF Shares or ETF Units, as applicable, 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.

#### ***United States marijuana industry risk***

Unlike Canada, where federal, provincial and territorial legislation permits the medical and adult use of cannabis (including both marijuana and hemp) subject to prescribed regulatory requirements, marijuana continues to be a federally-prohibited controlled substance under Schedule 1 of the Controlled Substances Act (the “**CSA**”) and, as such, is illegal under federal law in the United States, despite having been authorized for medical use under state law in a vast majority of U.S. states, and authorized for adult (recreational) use under state law in more than a dozen U.S. states. The continuing illegality of marijuana

under the CSA is problematic not only for operators of marijuana-related businesses operating in compliance with state laws, but also for their financial intermediaries and other service providers who risk contravening money-laundering laws through their commercial relationships with these operators, as well as the risk of being viewed as aiding and abetting in violations of the CSA.

As a result of the conflict between U.S. federal law and certain U.S. state laws regarding the legality of marijuana, the U.S. Department of Justice has largely refrained from the prosecution of marijuana-related offenses if they comply with the applicable state laws, despite contravening the federal CSA. Financial industry regulators have also refrained from prosecution of those providing financial services to state-law compliant marijuana business operations. There have also been fiscal constraints imposed by Congress on the Department of Justice limiting the expenditure of funds for the prosecution of medical cannabis businesses operating in compliance with applicable state laws.

There is no assurance, however, that violations of the CSA will not be actively enforced by the Department of Justice or other U.S. regulatory authorities in the future. Violations of the CSA and any state laws continuing to prohibit the medical or adult use of marijuana could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings conducted by either the federal government, state governments or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, cessation of business activities or divestiture. This could have a material adverse effect on the business, revenues, operating results and financial condition Purpose Marijuana Opportunities Fund and the manager, including its reputation and ability to conduct business, its holdings (directly or indirectly) of securities of issuers that have obtained medical cannabis licenses under the laws of certain states in the United States, the listing of its securities on various stock exchanges, its financial position, operating results, profitability or liquidity or the market price of its publicly traded shares. In addition, it is difficult for the manager to estimate the time or resources that would be needed for the investigation of any such matters or its final resolution because, in part, the time and resources that may be needed are dependent on the nature and extent of any information requested by the applicable authorities involved, and such time or resources could be substantial, even if such proceedings were concluded successfully in favour of Purpose Marijuana Opportunities Fund.

## ORGANIZATION AND MANAGEMENT OF THE FUNDS

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

<b>Manager:</b> Purpose Investments Inc. 130 Adelaide Street West Suite 3100 P.O. Box 109 Toronto, Ontario M5H 3P5	Purpose is the manager, portfolio manager and promoter of the funds. Purpose manages the day-to-day business and operations of the funds, provides all general management and administrative services.
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<b>Trustee:</b> Purpose Investments Inc.	Purpose is the trustee of the Purpose Trusts. Purpose, as trustee, holds the assets of the Purpose Trusts in trust. As the Corp. Funds are each classes of shares of a Company, they have no trustee.
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**Investment Advisors:**

StoneCastle Investment  
Management Inc.  
Kelowna, British  
Columbia

An investment advisor is responsible for the investment portfolio of a fund. An investment advisor conducts research, selects, purchases, sells, and makes all investment decisions with regard to the portfolio securities of a fund.

You will find the name of the investment advisor in the fund details table for each of the funds on pages 97 to 179 of this simplified prospectus.

Richardson Wealth  
Limited Toronto, Ontario

**Sub-advisors:**

Neuberger Berman Breton  
Hill ULC  
Toronto, Ontario

The manager has appointed Neuberger Berman Breton Hill ULC and Purpose Investment Partners Inc. to act as sub-advisor and provide investment advice to certain of the funds.

Neuberger Berman Breton Hill ULC has an equity interest in Purpose LP, the parent of Purpose. Purpose Investment Partners Inc. is an affiliate of Purpose.

Purpose Investment  
Partners Inc.  
Toronto, Ontario

You will find the name of the sub-advisor in the fund details table for each of the applicable funds on pages 97 to 179 of this simplified prospectus.

**Custodian:**

CIBC Mellon Trust  
Company  
Toronto, Ontario

The custodian holds the assets of the funds.

National Bank Financial  
Inc.

National Bank Financial Inc. may hold some of the assets of some of the Funds.

Toronto, Ontario

**Registrar and Transfer  
Agent of the mutual  
fund shares/mutual fund  
units:**

CIBC Mellon Global Securities Services Company, at its principal office in Toronto, Ontario, is the registrar and transfer agent for the mutual fund shares and mutual fund units. The register for the mutual fund shares or mutual fund units, as the case may be, of each of the funds is kept in Toronto.

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

TSX Trust Company, at its principal offices in Toronto, Ontario, is the registrar and transfer agent and dividend reinvestment plan agent for the ETF Shares and ETF Units. The register of each of the funds for the ETF Shares or ETF Units, as the case may be, is kept in Toronto.

**Auditors:**

Ernst & Young LLP  
Toronto, Ontario

The auditors 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 applicable generally accepted accounting principles. The auditors are independent of the funds in accordance with 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 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 securityholders of its activities. This report will be available, at no cost, on the Purpose website at [www.purposeinvest.com](http://www.purposeinvest.com) or upon request, at no cost, by contacting Purpose by email at [info@purposeinvest.com](mailto:info@purposeinvest.com).

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

**Investments in underlying funds**

Certain of 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 or change shares of a mutual fund series of one corporate class to another mutual fund series of the same corporate class through a qualified financial advisor or broker. You cannot change ETF Shares of a corporate class to ETF Shares of another corporate class through a registered broker or dealer. You cannot transfer or convert shares of a mutual fund series for ETF Shares of a corporate class or ETF Shares of a corporate class for shares of a mutual fund series. Transferring, which involves moving money from one investment to another, and converting are also known as switching.

You can sell your fund investment by contacting your financial advisor. Selling may also be known as “**redeeming**”. ETF Shares and ETF Units may be sold over the stock exchange for the price then available in the market.

Whether you are buying or selling your funds directly with the funds, we base the transaction on the price of a fund share or fund unit, as applicable. The price per share or unit, as applicable, is called the net asset value or “**NAV**” per share or unit, as applicable. See “Purchases, switches and redemptions – How the securities of a fund are valued” on page 34.

## **How the securities of a fund are valued**

### *Corp. Funds*

Each Corp. Fund is a separate class of shares of a Company, and each class is divided into several series. Each series is divided into shares of equal value. When you invest in a Corp. Fund, you are actually purchasing shares of a specific series of the Corp. Fund.

All transactions in mutual fund shares are based on the series' NAV per share. We usually calculate the NAV for each fund on each business day after the applicable Exchange 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 applicable Exchange is held. The NAVs can change daily. A separate NAV is calculated for each series of shares.

The NAV is the price used for all purchases and redemptions of shares of that series (including purchases made on the reinvestment of distributions). The price at which shares are issued, switched or redeemed is based on the next applicable NAV determined after the receipt of the purchase, switch or redemption order. ETF Shares are purchased and sold by investors over the stock exchange for the price then available in the market.

The NAV of each series 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 series.
- (b) Second, we subtract the liabilities allocated to that series from the fair value of such series. The difference between the fair value and the liabilities expressed in Canadian dollars at the applicable exchange rate on such date (and in U.S. dollars for mutual fund shares denominated in U.S. dollars) of a series is the NAV for that series.
- (c) Lastly, we divide the NAV for a series by the total number of shares of that series that investors in the fund are holding, which gives us the NAV for that series.
- (d) For funds available for purchase in U.S. dollars, we calculate the NAV in Canadian dollars and convert it to U.S. dollars using that day's exchange rate. Please see "Optional Services – U.S. dollar purchase option" on page 56 for more details.

You can determine the worth of your investment in a fund by multiplying the NAV per share of the series of shares you own by the number of shares you own.

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

You may obtain the NAV of the respective series of each Corp. Fund by visiting Purpose's website at [www.purposeinvest.com](http://www.purposeinvest.com) or by calling 1-877-789-1517.

### *Purpose Trusts*

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

All transactions are based on the class net asset value per unit (“**unit value**”). We usually calculate the unit value for each class or series of each fund on each business day after the applicable Exchange 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 applicable Exchange is held. The NAVs can change daily. A separate NAV is calculated for each class or series of units.

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

The NAV of each class or series of a Purpose Trust is calculated as follows:

- (a) First, we determine the fair value of all of the investments and other assets allocated to a class or series.
- (b) Second, we subtract the liabilities allocated to that class from the fair value of such class or series. The difference between the fair value and the liabilities expressed in Canadian dollars at the applicable exchange rate on such date of a class or series is the net asset value for that class.
- (c) Lastly, we divide the net asset value for a class or series by the total number of units of that class that investors in the fund are holding, which gives us the NAV for that class.
- (d) In respect of mutual fund units denominated in U.S. dollars, we calculate the NAV in Canadian dollars and convert it to U.S. dollars using that day's exchange rate. Please see “Optional Services – U.S. dollar purchase option” on page 56 for more details.

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

Although the purchases and redemptions of units are recorded on a class or series basis, the assets attributable to all of the classes or series of a Purpose Trust are pooled to create one fund for investment purposes. Each class or series 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 or series has a different net asset value per unit.

You may obtain the NAV of the respective class of a Purpose Trust by visiting Purpose's website at [www.purposeinvest.com](http://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 series or class, as the case may be, is appropriate for you. Different funds or series or classes, as applicable, may have different minimum investment levels and may require you to pay different fees. The choice of different purchase options requires you to pay different fees and expenses and affects the amount of compensation received by your dealer. See “Fees and expenses” on page 60 and “Dealer compensation” on page 73.



## **Issuance of mutual fund shares/mutual fund units**

### **Purpose Corp. Funds**

#### *Series A Shares*

Series A Shares are available to all investors through authorized dealers. Series A Shares purchased in Canadian dollars are Canadian dollar denominated and Series A Shares purchased in U.S. dollars are U.S. dollar denominated.

#### *Series F Shares*

Series F Shares are available to investors who have fee-based accounts with their dealer. The manager has designed the Series F Shares to offer investors an alternative means of paying their dealer for investment advice and other services. Instead of paying sales charges, investors buying Series F Shares pay fees to their dealer for investment advice and other services. The manager does not pay any commissions to dealers in respect of the Series F Shares which allows it to charge a lower management fee. Series F Shares purchased in Canadian dollars are Canadian dollar denominated and Series F Shares purchased in U.S. dollars are U.S. dollar denominated.

If a shareholder ceases to be eligible to hold Series F Shares the manager may switch a shareholder's Series F Shares into Series A Shares of the fund after providing the shareholder with 5 days' notice, unless the shareholder notifies the manager during the notice period and the manager agrees that such shareholder is once again eligible to hold Series F Shares. Shareholders may be charged a sales commission in connection with the switch by their dealer.

#### *Series I Shares*

Series I Shares 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 the Series I Shares. If a shareholder ceases to be eligible to hold Series I Shares the manager may switch a shareholder's Series I Shares into Series A Shares of a fund after providing the shareholder with 5 days' notice, unless the shareholder notifies the manager during the notice period and the manager agrees that the shareholder is once again eligible to hold Series I Shares. Shareholders may be charged a sales commission in connection with the switch by their dealer. Series I Shares purchased in Canadian dollars are Canadian dollar denominated and Series I Shares purchased in U.S. dollars are U.S. dollar denominated.

#### *Series D Shares*

Series D Shares are available to investors who have an account with an eligible online or other discount brokerage firm (a "**discount broker**"). Generally, discount brokers do not provide investment advice or recommendations to their clients. There are no sales charges paid to discount brokers or the manager when an investor purchases Series D Shares. Certain discount brokers do not charge brokerage commissions when investors purchase or sell Series D Shares however, investors should confirm this with their discount broker. Series D Shares purchased in Canadian dollars are Canadian dollar denominated and Series D Shares a purchased in U.S. dollars are U.S. dollar denominated.

If a shareholder ceases to be eligible to hold Series D Shares the manager may switch a shareholder's Series D Shares into Series A Shares of the fund after providing the shareholder with 5 days' notice, unless the shareholder notifies the manager during the notice period and the manager agrees that such shareholder is

once again eligible to hold Series D Shares. Shareholders may be charged a sales commission in connection with the switch by their dealer.

### ***Series XA Shares, Series XF Shares, Series XUA Shares and Series XUF Shares***

Series XA Shares, Series XF Shares, Series XUA Shares and Series XUF Shares are available to investors who wish to acquire shares of a fund by exchanging eligible shares of Canadian or U.S. public companies. To redeem Series XA Shares, Series XF Shares, Series XUA Shares or Series XUF Shares of a fund, a shareholder must switch into a separate series of shares of the Purpose In-Kind Exchange Fund. The Purpose In-Kind Exchange Fund is a separate fund that is a class of shares of Purpose Fund Corp. which offers one or more series of shares on a prospectus exempt basis including to accredited investors. Series XA Shares and Series XF Shares are Canadian dollar denominated and Series XUA Shares and Series XUF Shares are U.S. dollar denominated.

### ***Series P Shares***

Series P Shares are only available to investors who have accounts with certain dealers and advisors that have an agreement with the manager regarding the purchase of Series P Shares.

### **PFC Funds / Purpose Canadian Preferred Share Fund and Purpose Marijuana Opportunities Fund**

#### ***Series A Shares/Class A Units***

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

#### ***Series F Shares/Class F Units***

Series F Shares and Class F Units are available to investors who have fee-based accounts with their dealer. The manager has designed the Series F Shares and 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 Series F Shares or Class F Units pay fees to their dealer for investment advice and other services. The manager does not pay any commissions to dealers in respect of the Series F Shares and Class F Units which allows it to charge a lower management fee. Series F Shares and Class F Units are Canadian dollar denominated.

If a securityholder ceases to be eligible to hold Series F Shares and Class F Units, as the case may be, the manager may switch a securityholder's Series F Shares or Class F Units, as applicable into Series A Shares or Class A Units, as applicable, of the fund after providing the securityholder with: (a) 5 days' notice for the PFC Funds; and (b) 30 days' notice for Purpose Canadian Preferred Share Fund, unless the securityholder notifies the manager during the applicable notice period and the manager agrees that such securityholder is once again eligible to hold Series F Shares or Class F Units, as applicable. Securityholders may be charged a sales commission in connection with the switch by their dealer.

#### ***Series I Shares***

Series I Shares 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 the Series I Shares. If a securityholder ceases to be eligible to hold Series I Shares, the manager may switch a shareholder's Series I Shares into Series A Shares or such other series of shares or class or series of units, as the case may be, as agreed to by the manager, after providing the shareholder with 5 days' notice, unless

the shareholder notifies the manager during the notice period and the manager agrees that the shareholder is once again eligible to hold Series I Shares. Shareholders may be charged a sales commission in connection with the switch by their dealer. Series I Shares are Canadian dollar denominated.

### ***Series TA5 Shares***

Series TA5 Shares are available to all investors and are generally designed for investors seeking regular monthly cash flows. The targeted distribution rate for Series TA5 Shares is five percent per annum, or such other targeted distribution rate as the manager may adjust from time to time. Targeted monthly distributions for Series TA5 Shares will generally consist of net income and/or a return of capital.

You should not confuse the target distribution rate with a fund's rate of return or yield. Distributions paid to the holders of Series TA5 Shares can either be reinvested in additional Series TA5 Shares or paid in cash except for distributions paid in connection with Series TA5 Shares that are held in a Registered Plan, other than a TFSA, which must be reinvested in Series TA5 Shares.

Distributions paid in connection with Series TA5 Shares that are held in a TFSA can either be reinvested in additional Series TA5 Shares or paid in cash. Investors who are eligible to receive Series TA5 Shares distributions in cash may opt to receive part of their distributions in cash with the remainder reinvested in additional Series TA5 Shares.

### ***Series TF5 Shares***

Series TF5 Shares are available to investors who have fee based accounts with their financial advisor or dealer. The manager has designed the Series TF5 Shares to offer investors an alternative means of paying their dealer for investment advice and other services. Instead of paying sales charges, investors buying Series TF5 Shares pay fees to their financial advisor or broker for investment advice and other services. The manager does not pay any commissions to a dealer in respect of the Series TF5 Shares which allows the manager to charge a lower management fee.

If a shareholder ceases to be eligible to hold Series TF5 Shares, the manager may switch a shareholder's Series TF5 Shares into Series TA5 Shares of the same fund (if Series TA5 Shares are offered by such fund) after providing the unitholder with 5 days' notice, unless the shareholder notifies the manager during the notice period and the manager agrees that such shareholder is once again eligible to hold Series TF5 Shares. Shareholders may be charged a sales commission in connection with the switch by their dealer.

Series TF5 Shares are generally designed for investors seeking regular monthly cash flows. The targeted distribution rate for Series TF5 Shares is five percent per annum, or such other targeted distribution rate as the manager may adjust from time to time. Targeted monthly distributions for Series TF5 Shares will generally consist of net income and/or a return of capital.

You should not confuse the target distribution rate with a fund's rate of return or yield. Distributions paid to the holders of Series TF5 Shares can either be reinvested in additional Series TF5 Shares or paid in cash except for distributions paid in connection with Series TF5 Shares that are held in a Registered Plan, other than a TFSA, which must be reinvested in Series TF5 Shares.

Distributions paid in connection with Series TF5 Shares that are held in a TFSA can either be reinvested in additional Series TF5 Shares or paid in cash. Investors who are eligible to receive Series TF5 Shares distributions in cash may opt to receive part of their distributions in cash with the remainder reinvested in additional Series TF5 Shares.

### ***Series X Shares***

Series X Shares are not available for purchase by new investors.

### ***Series XA Shares/ Series XF Shares***

Series XA Shares and Series XF Shares are available to investors who wish to acquire shares of a fund by exchanging eligible shares of Canadian or U.S. public companies. To redeem Series XA Shares or Series XF Shares of a fund, a shareholder must switch into a separate series of shares of the Purpose In-Kind Exchange Fund. The Purpose In-Kind Exchange Fund is a separate fund that is a class of shares of Purpose Fund Corp. which offers one or more series of shares on a prospectus exempt basis including to accredited investors. Series XA Shares and Series XF Shares are Canadian dollar denominated.

### **Purpose Strategic Yield Fund/ Purpose Multi-Asset Income Fund/ Purpose Global Climate Opportunities Fund**

#### ***Series A Units/ Series UA Units / Series TA6 Units***

Series A Units, Series UA Units, and Series TA6 Units are available to all investors. Series UA Units are intended for investors who want to invest in a fund in U.S. dollars and protect themselves from the impact of changes in the exchange rate between the Canadian and U.S. dollar. Series TA6 Units are intended for investors who want to receive monthly distributions. Series A Units and Series TA6 Units are Canadian dollar denominated. Series UA Units are U.S. dollar denominated.

#### ***Series B Units***

Series B Units are available to all investors. Series B Units are Canadian dollar denominated.

#### ***Series F Units/ Series TF6 Units/ Series UF Units***

Series F Units, Series TF6 Units and Series UF Units are available only to investors who participate in fee-based programs through their financial advisor. These investors pay their financial advisor an annual investment advisory fee (which the investor negotiates with his or her financial advisor) for ongoing services. Since we pay no commissions or service fees to the financial advisor and our servicing costs are lower, we charge a lower management fee to the fund in respect of these series than we charge the fund for its Series A Units or Series TA6 Units. Other groups of investors may be permitted to purchase these series if we incur no distribution costs and it makes sense for us to charge a lower management fee. Series TF6 Units are intended for investors who want to receive monthly distributions. Series UF Units are intended for investors who want to invest in a fund in U.S. dollars and protect themselves from the impact of changes in the exchange rate between Canadian and U.S. dollars. Series F Units and Series TF6 Units are Canadian dollar denominated. Series UF Units are U.S. dollar denominated.

#### ***Series I Units***

Series I Units are available only to institutional clients and investors who have been approved by us and have entered into a Series I Account Agreement with us. The criteria for approval may include the size of the investment, the expected level of account activity and the investor's total investment with us. The minimum initial investment for Series I Units is determined when the investor enters into a Series I Account Agreement with us. No management fees are charged to the funds with respect to this series of units; each investor negotiates a separate fee which is payable directly to us. Series I Units also are available to directors and employees of us and our affiliates. Series I Units are Canadian dollar denominated.

### ***Series P Units***

Series P Units are only available to investors who have accounts with certain dealers and advisors that have an agreement with the manager regarding the purchase of Series P Units. Series P Units are Canadian dollar denominated.

### ***Series X Units/ Series Y Units***

Series Y Units of the Purpose Strategic Yield Fund are no longer available for purchase. Existing holders of Series Y Units may continue to purchase additional Series Y Units pursuant to the fund's distribution reinvestment plan.

Series X Units are no longer available for purchase by new investors. Existing holders of Series X Units may continue to purchase additional Series X Units pursuant to the fund's distribution reinvestment plan.

### ***ETF Units***

ETF Units are available to all investors. ETF Units are Canadian dollar denominated.

### **PMF Funds**

#### ***Series A Shares***

Series A Shares are available to all investors through authorized dealers. Series A Shares are Canadian dollar denominated.

#### ***Series B Shares***

Series B Shares are available to all investors. Series B Shares are Canadian dollar denominated. Series UB Shares are U.S. dollar denominated.

#### ***Series F Shares/ Series UF Shares***

You can only buy Series F Shares and Series UF Shares if we and your dealer or advisor approves it first. Your dealer or advisor's participation in the series program is subject to the manager's terms and conditions. If we become aware that you no longer qualify to hold Series F Shares or Series UF Shares, we may exchange your securities to Series A Shares or Series B Shares (or Series UB Shares, as the case may be) of the same fund after we give you 10 days' notice. Series F Shares are Canadian dollar denominated. Series UF Shares are U.S. dollar denominated. Shareholders who exchange Series UF Shares for shares of another series will do so at the prevailing Canadian/U.S. dollar exchange rate.

#### ***Series I Shares***

Series I Shares of Purpose Global Bond Class and Purpose Enhanced Premium Yield Fund are not sold to the general public and are only available to institutional clients and investors who have been approved by us and have entered into a Series I Account Agreement with us.

#### ***Series UB Shares***

Series UB Shares of the Purpose Enhanced Premium Yield Fund are denominated in U.S. dollars, and the returns of this series are generally not hedged back to the Canadian dollar. Holders of Series UB Shares of

Purpose Enhanced Premium Yield Fund who exchange Series UB Shares for shares of another series will do so at the prevailing Canadian/U.S. dollar exchange rate.

***Series MC shares/ Series MU shares/ Series Y shares/ Series L shares/ Series X Shares***

Series MC shares and Series MU shares of the Purpose Enhanced Premium Yield Fund are no longer available for purchase.

Series Y shares of the Purpose Special Opportunities Fund are no longer available for purchase. Existing holders of Series Y shares may continue to purchase additional Series Y shares pursuant to the fund's distribution reinvestment plan.

Series L shares of the Purpose Global Resource Fund are no longer available for purchase. Existing holders of Series L shares may continue to purchase additional Series L shares pursuant to the fund's distribution reinvestment plan.

Series X Shares are no longer available for purchase in cash. Series X Shares will only be issued (a) on an exchange of Series X Shares of one fund for Series X Shares of another Corp. Fund and (b) pursuant to the applicable fund's dividend reinvestment plan.

**Initial investment**

An investment in mutual fund shares or mutual fund units of a fund requires securityholders 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 56.

<b>Series</b>	<b>Minimum Balance<sup>(1)</sup></b>	<b>Minimum Additional Investments/Pre-authorized purchase plans/Redemptions<sup>(2)(3)</sup></b>
<b><u>Purpose Corp. Funds</u></b>		
Series A Shares	\$5,000	\$100
Series F Shares	\$5,000	\$100
Series I Shares	N/A	N/A
Series D Shares	\$5,000	\$100
Series XA Shares	\$5,000	\$100
Series XF Shares	\$5,000	\$100
Series XUA Shares	\$5,000	\$100
Series XUF Shares	\$5,000	\$100
Series P Shares	\$5,000	\$100
<b><u>PFC Funds/ Purpose Canadian Preferred Share Fund and Purpose Marijuana Opportunities Fund</u></b>		
Series A Shares/ Class A Units	\$5,000	\$100
Series F Shares/ Class F Units	\$5,000	\$100
Series I Shares	N/A	N/A

<b>Series</b>	<b>Minimum Balance<sup>(1)</sup></b>	<b>Minimum Additional Investments/Pre-authorized purchase plans/Redemptions<sup>(2)(3)</sup></b>
Series TA5 Shares	\$5,000	\$100
Series TF5 Shares	\$5,000	\$100
Series XA Shares	\$5,000	\$100
Series XF Shares	\$5,000	\$100
<b><u>Purpose Strategic Yield Fund/ Purpose Multi-Asset Income Fund/ Purpose Global Climate Opportunities Fund</u></b>		
Series A Units, Series B Units, Series TA6 Units, Series F Units, Series TF6 Units	\$2,000	\$50
Series I Units, Class I Units	N/A	N/A
Series X Units	\$5,000	\$100
Series UA Units	\$10,000	\$50
Series UF Units	\$10,000	\$50
Series P Units	\$5,000	\$100
<b><u>PMF Funds</u></b>		
Series A Shares	\$500	\$100
Series B Shares / Series UB Shares	\$500	\$100
Series F Shares/ Series UF Shares	\$500	\$100
Series I Shares	\$100,000	100
Series X Shares	\$5,000	\$100

**Notes:**

- (1) Amounts in Canadian and U.S. dollars, as applicable.
- (2) Investors purchasing through dealers may be subject to higher minimum initial or additional investment/redemption amounts.
- (3) Minimums are per transaction in Canadian and U.S. dollars, as applicable.

**Mutual fund shares/mutual fund units**

If your balance falls below the minimum required balance for a particular fund or series or class, as the case may be, or you otherwise become ineligible to hold a particular fund or series or class, as applicable, we may redeem or switch your shares or units, as applicable. Where a securityholder is or becomes a citizen or resident of the U.S. or a resident of any other foreign country, we may require such securityholder to redeem their shares or units, as applicable, if their participation has the potential to cause adverse regulatory or tax consequences for a fund or other securityholders of a fund. We may redeem your shares or units, as applicable, if we are permitted or required to do so, including in connection with the termination of the fund, in accordance with applicable law. If we redeem or switch your shares or units, as applicable, 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 shares or units, as the case may be, 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 each 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 series of shares and class or series 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 applicable Exchange, 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, redeeming shares and switching shares or units, as the case may be, of the funds in the funds' annual information form. A dealer may establish earlier order cut-off times. Check with your dealer for details.

If Purpose Global Bond Class experiences a significant increase in its net asset value, the manager may, if it determines it to be in the best interests of shareholders, decide to suspend subscriptions for additional shares of the fund if considered necessary or desirable to permit the fund to achieve, or continue to achieve, its investment objectives or implement its investment strategies. See "What is a mutual fund and what are the risks of investing in a mutual fund? – What are the specific risks of investing in a mutual fund? – Suspensions of Subscriptions Risk" for further information.

You have to pay for your shares or units, as the case may be, when you buy them. If we do not receive payment in full, we will cancel your order and redeem the shares or units, as applicable, including any securities you bought through a switch. If we redeem the shares or units, as the case may be, for more than the value for which they were issued, the difference will go to the fund. If we redeem the shares or units, as the case may be, 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 shares or units. We must do so within one business day from the time we receive the order. If we refuse your order to buy or switch, we will immediately return any monies we received with your order.**

#### **Issuance of ETF Shares/ETF Units**

The ETF Units of the Purpose Global Climate Opportunities Fund have been conditionally approved for listing on the TSX. Subject to satisfying the TSX's original listing requirements in respect of the Purpose Global Climate Opportunities Fund on or before April 13, 2022, the ETF Units of the Purpose Global Climate Opportunities Fund 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 the Purpose Global Climate Opportunities Fund on the TSX through registered brokers and dealers in the Province or Territory where the investor resides.

The ETF Shares or ETF Units of the funds (other than the Purpose Global Climate Opportunities Fund) are listed on the applicable Exchange (as noted in the table below) and investors may buy or sell such ETF Shares or ETF Units on the applicable Exchange through registered brokers and dealers in the Province or Territory where the investor resides. Investors will incur customary brokerage commissions in buying or selling ETF Shares and ETF Units.

<b>Fund</b>	<b>Ticker Symbol</b>
Purpose Core Dividend Fund	TSX: PDF
Purpose Tactical Hedged Equity Fund	TSX: PHE (ETF shares)



	TSX: PHE.B (ETF non-currency hedged shares)
Purpose Monthly Income Fund	TSX: PIN
Purpose Total Return Bond Fund	TSX: PBD
Purpose Best Ideas Fund	TSX: PBI (ETF shares) TSX: PBI.B (ETF non-currency hedged shares)
Purpose Real Estate Income Fund	TSX: PHR
Purpose Canadian Preferred Share Fund	NEO: RPS
Purpose Tactical Asset Allocation Fund	NEO: RTA
Purpose Core Equity Income Fund	NEO: RDE
Purpose Strategic Yield Fund	TSX: SYLD
Purpose Multi-Asset Income Fund	TSX: PINC
Purpose Global Climate Opportunities Fund	TSX: CLMT
Purpose Global Bond Class	TSX: IGB
Purpose Enhanced Premium Yield Fund	TSX: PAYF
Purpose Global Innovators Fund	TSX: PINV
Purpose Marijuana Opportunities Fund	NEO: MJJ

The ETF Shares and ETF Units of the funds are being issued and sold on a continuous basis and there is no maximum number of ETF Shares or ETF Units that may be issued. The ETF Shares and ETF Units of the funds are Canadian dollar denominated.

All orders to purchase ETF Shares or ETF Units directly from a fund must be placed by designated brokers or dealers. The funds reserve the absolute right to reject any subscription order placed by a designated broker or dealer. No fees will be payable by a fund to a designated broker or dealer in connection with the issuance of ETF Shares and ETF Units. On the issuance of ETF Shares and 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 Shares or ETF Units. There is no minimum investment required for ETF Shares or ETF Units of a fund.

If Purpose Global Bond Class experiences a significant increase in its net asset value, the manager may, if it determines it to be in the best interests of shareholders, decide to suspend subscriptions for additional shares of the fund if considered necessary or desirable to permit the fund to achieve, or continue to achieve, its investment objectives or implement its investment strategies. See “What is a mutual fund and what are the risks of investing in a mutual fund? – What are the specific risks of investing in a mutual fund? – Suspensions of Subscriptions Risk” for further information.

Purpose, on behalf of each fund, has entered 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 Shares or ETF Units, as the case may be, of the fund including, without limitation: (i) to subscribe for a sufficient number of ETF Shares or ETF Units, as the case may be, to satisfy the applicable Exchange's (or such other designated exchange on which the ETF Shares or ETF Units, as applicable, of the fund may be listed from time to time) original listing requirements; (ii) to subscribe for ETF Shares or ETF Units, as the case may be, 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 Shares or ETF Units, as the case may be, on the applicable Exchange (or such other designated exchange on which the ETF Shares or ETF Units, as applicable, of the fund may be listed from time to time). Purpose may, in its discretion from time to time, reimburse any designated broker for certain expenses incurred by the designated broker in performing these duties.

The designated broker agreement provides that Purpose may from time to time require the designated broker to subscribe for ETF Shares or ETF Units, as the case may be, of a fund for cash in a dollar amount not to exceed 0.30% of the NAV of the ETF Shares or ETF Units, as applicable, of a fund per quarter. The number of ETF Shares or ETF Units, as the case may be, issued will be the subscription amount divided by the NAV per ETF Share or ETF Unit, as applicable, next determined following the delivery by Purpose of a subscription notice to the designated broker. Payment for the ETF Shares or ETF Units, as the case may be, must be made by the designated broker, and the ETF Shares or 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 Shares or ETF Units, as applicable, (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 Shares or ETF Units, as applicable, (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 Shares or ETF Units, as applicable, has been received.

For each prescribed number of ETF Shares or 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 Shares or ETF Units, as applicable, 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 Shares or ETF Units, as applicable, of the fund next determined following the receipt of the subscription order and cash subscription fee, if applicable; or (iii) a combination of securities and cash, as determined by Purpose, in an amount sufficient so that the value of the securities and cash received is equal to the NAV of the ETF Shares or ETF Units, as applicable, 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 Shares and ETF Units from time to time.

ETF Shares and 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 Shares or ETF Units, as applicable, occur. See "Purchases, switches and redemptions – Issuance of ETF Shares/ETF Units" on page 34.

## **Short-term trading**

### ***Mutual fund shares/mutual fund units***

Most mutual funds are considered long-term investments, so we discourage investors from buying redeeming or switching fund shares, or units, as the case may be, frequently.

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

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

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

### ***ETF Shares/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 as the ETF Shares and 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 Shares and 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 shares/mutual fund units***

If you redeem or switch mutual fund shares/mutual fund units within 30 days of purchase, we may charge a short-term trading fee on behalf of the fund in circumstances where we determine that the trading activity represents market timing or excessive short-term trading. This is in addition to any switch fee that you may pay to your dealer. See "Fees and Expenses – Fees and expenses payable directly by you" on page 63. No short-term trading fees are charged on redemptions made under a systematic withdrawal plan or redemptions that may occur when an investor fails to meet the minimum investment amount for the funds. See "Purchases, switches and redemptions – Switches – Switch fees" on page 34.

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

- (a) pre-authorized or systematic withdrawal plans;
- (b) redemptions of shares or units, as applicable, purchased by the reinvestment of distributions;
- (c) switches of shares from one series to another series of the same fund; or

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

Generally speaking, your trading may be considered excessive if you sell or switch your shares or 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 may have an unlimited number of series of shares/classes of units and may issue an unlimited number of shares of each series/units of each class. See “Purchases, switches and redemptions – How to buy, redeem and switch” on page 36.

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

When you buy shares or units of a fund, the price you pay is the NAV of those shares or units, as applicable. Each series of shares and class or series of units has a separate NAV (in Canadian or U.S. dollars, as applicable). See “Purchases, switches and redemptions – How the securities of a fund are valued” on page 35.

When you buy Series A Shares, Class A Units, Series A Units, Series TA5 Shares, Series P Shares or Series P Units, you may pay a fee. You and your dealer negotiate that fee, which may be up to (a) 5% of the cost of the Series A Shares, Class A Units, Series A Units or Series TA5 Shares, as applicable, or (b) 2.5% of the cost of the Series P Shares or Series P Units, as applicable, and you pay it to your dealer when you buy the shares or units, as applicable. 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, including shares bought through switches. We will continue redemptions and the calculation of a fund’s NAV for each series of shares or class or series of units, as the case may be. We may subsequently decide to start accepting new purchases or switches to that fund at any time.

### ***Switches***

Shareholders may switch shares from one series of shares of Purpose Fund Corp. to another series of shares of a Company as long as they (a) maintain the relevant minimum balance in each corporate class and (b) are eligible to purchase the new series. See “Purchases, switches and redemptions – Initial investment” on

page 34. Purpose Fund Corp. shareholders may switch Series XA Shares and Series XF Shares of one class of shares of Purpose Fund Corp. to Series XA Shares and Series XF Shares (or if authorized by the manager, to Series I Shares) of another class of shares of Purpose Fund Corp. Shareholders may switch Series XUA Shares and Series XUF Shares of one class of shares of Purpose Fund Corp. to Series XUA Shares and Series XUF Shares (or if authorized by the manager, to Series I Shares) of another class of shares of a Company. Shareholders may switch Series A Shares, Series F Shares, Series I Shares, Series Y Shares, Series TA5 Shares and Series TF5 Shares of one class of shares of Purpose Fund Corp. to Series A Shares, Series F Shares, Series I Shares, Series TA5 Shares or Series TF5 Shares of another class of shares of Purpose Fund Corp. For greater certainty, (a) mutual fund shares of one class of shares of Purpose Fund Corp. may not be switched for ETF Shares of any class of a Company and vice versa; (b) Series XA Shares, Series XF Shares, Series XUA Shares and Series XUF Shares may not be switched for Series A Shares, Series F Shares, Series I Shares (unless authorized by the manager), Series D Shares, Series Y Shares, Series TA5 Shares or Series TF5 Shares and vice versa and (c) mutual fund shares may not be switched for mutual fund units of any Purpose Trust or ETF Shares or ETF Units of any fund and vice versa. Initially mutual fund shares may be switched on any business day. Holders of mutual fund shares who wish to switch their shares for mutual fund shares of another class of shares of Purpose Fund Corp. should speak with their broker, dealer or investment advisor for further details.

Switches from one class of mutual fund shares of a Company to another class of mutual fund shares of another Company are not permitted.

The manager may, in its discretion, reject any switch request.

The manager may, in its discretion, change the frequency with which mutual fund shares may be switched at any time without notice.

Recent amendments to the Tax Act eliminate the ability of shareholders of a mutual fund corporation to switch between different share classes of such a corporation on a tax-deferred basis (the “**Switch Fund Rules**”). Pursuant to the Switch Fund Rules, a switch of Series A Shares, Series F Shares, Series I Shares, Series D Shares, Series TA5 Shares, Series TF5 Shares, Series XA Shares, Series XF Shares, Series XUA Shares of Purpose Fund Corp. or Series XUF Shares of Purpose Fund Corp. from one class of shares of Purpose Fund Corp. to Series A Shares, Series F Shares, Series I Shares, Series D Shares, Series TA5 Shares, Series TF5 Shares, Series XA Shares, Series XF Shares, Series XUA Shares or Series XUF Shares, as applicable, of a different class of shares of Purpose Fund Corp. will constitute a disposition of such shares for purposes of the Tax Act. The rules, however, should not apply to reclassifications of shares where a shareholder exchanges a share of one class for another share of the same class and both shares derive their value from the same property or group of properties. This exception is intended to permit shareholders to continue to switch between mutual fund shares of different series of the same fund on a tax-deferred basis. See “Income Tax Considerations for Investors – Calculating your capital gains or losses when you redeem your shares or units” on page 89.

If you wish to switch to a different series of shares of a corporate class than you currently hold, you must be eligible to purchase the new series. See “Purchases, switches and redemptions – How to buy, redeem and switch” on page 36.

You should keep the following in mind about switching between series:

- (a) If you are no longer eligible to hold a series of mutual fund shares we may switch your shares to Series A Shares of the same corporate class, or such other series of shares as agreed to by the manager. Because this is a switch between series of the same corporate class, it should not constitute a taxable disposition (subject to the Switch Fund Rules) and

switch fees will not be charged. See “Income Tax Considerations for Investors – Purpose Corp. Funds – Calculating your capital gains or losses when you redeem your shares”.

- (b) Any switch to or from Series I Shares of Purpose Fund Corp. is subject to the prior approval of Purpose.
- (c) Mutual fund shares of one corporate class may not be switched for ETF Shares of any corporate class. See “Type of Securities” in the fund details table for each Purpose Corp. Fund in this simplified prospectus for more information on the shares of the Purpose Corp. Funds.

You can switch from one series of shares of a corporate class to another series of shares of the same corporate class (subject to (c) above), on any business day, as long as you are eligible to hold that series of shares. Purpose may, in its discretion, change the frequency with which shares may be switched at any time without notice.

You may have to pay a fee to your dealer or financial advisor to effect such a switch. You negotiate the fee with your investment professional. See “Fees and expenses” on page 60.

The value of your investment, less any fees, will be the same immediately after the switch. You may, however, own a different number of shares because each series may have a different NAV. Switching shares from one series to another series of the same corporate class is not a taxable transaction. See “Income Tax Considerations for Investors” on page 84.

#### ***No Switching of ETF Shares***

Securityholders may not switch ETF Shares of one corporate class to ETF Shares of another corporate class of the same Company. For greater certainty, ETF Shares of one corporate class may not be switched for mutual fund shares of any corporate class.

#### ***Switch fees – Mutual fund shares***

Your dealer or financial advisor may charge you a fee of up to 2% of the amount you switch. You and your advisor negotiate the fee. In general, your dealer may receive a switch fee or a sales commission for your switch, but not both.

#### ***No Switching of Units***

Securityholders may not switch ETF Units or mutual fund units of a Purpose Trust for ETF Shares or mutual fund shares of any corporate class and a holder of ETF Shares or mutual fund shares of a class of shares of a Company may not switch its ETF Shares or mutual fund shares for ETF Units or mutual fund units of a Purpose Trust.

#### ***Switches of shares out of a Company***

If you switch from one corporate class of a Company to another mutual fund that is not within the same Company, you are redeeming your shares of that Company, as described below under “**Redemptions**”, and using the proceeds to buy shares of another mutual fund to which you are switching. This transaction is taxable and may give rise to a gain or loss for tax purposes. See “Income Tax Considerations for Investors – Tax treatment of the funds – Corp. Funds” on page 84.

## **Redemptions**

### ***Mutual fund shares/mutual fund units***

You can sell some or all of your mutual fund shares or 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 36 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 applicable Exchange, the NAV value received will be determined relative to that time. Note that your dealer may establish an earlier cut-off time. Holders of Series XA Shares, Series XF Shares, Series XUA Shares and Series XUF Shares of a Purpose Corp. Fund must switch to a separate series of shares of the Purpose In-Kind Exchange Fund in order to redeem their shares.

The funds are valued in Canadian dollars. Unlike the other funds, the unit value for Series UA Units, Series UF Shares and Series UF Units is calculated in U.S. dollars and such shares and units are purchased and redeemed only in U.S. dollars. The Canadian dollar value of the fund’s net assets attributable to its Series UA Units, Series UF Shares and Series UF Units is converted to U.S. dollars using the exchange rate available on the day on which the share or unit, as applicable, value is being determined, adjusted for the value of the currency forward hedges entered into in respect solely of such shares or units in order to minimize the effect of currency movements between the Canadian dollar and U.S. dollar. The unit value per Series UA Unit, Series UF Share and Series UF Unit of a fund is the U.S. dollar value of such net assets attributable to such series, as adjusted, divided by the number of Series UA Units, Series UF Shares or Series UF Units, as applicable, outstanding at that date.

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

Redemption requests for mutual fund shares/mutual fund units (other than Series XA Shares, Series XF Shares, Series XUA Shares, Series XUF Shares and Series I Shares of a Purpose Corp. 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 particular fund or series or you otherwise become ineligible to hold a particular fund or series, we may redeem or switch your shares. There is no minimum redemption amount for Series I Shares of the PFC Funds.

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

Your redemption (or switch) 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 shares or units, as the case may be, for your account. If the cost of repurchasing the shares or units, as applicable, is less than the redemption proceeds, the fund will keep the difference. If the cost of repurchasing the shares or units, as the case may be, 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 shares or units of a fund, you can tell us to mail you a cheque or transfer the proceeds to your bank account with any financial institution. **For non-registered accounts, you are responsible for tracking and reporting to the Canada Revenue Agency any capital gains or losses that you realize from redeeming or switching shares or units of a fund.** If you hold your funds in a Registered Plan, withholding tax may apply if you withdraw money from the plan.

The manager may at any time and from time to time redeem all or a portion of the Series XA Shares, Series XF Shares, Series XUA Shares and/or Series XUF Shares of a Purpose Fund Corp. that an investor holds in its sole discretion.

The manager has the right, upon 30 days' written notice to you to redeem securities of:

- Purpose Canadian Equity Growth Fund and Purpose Canadian Income Growth Fund owned by you if the value of those securities is less than \$5,000; and
- Purpose Canadian Preferred Share Fund and Purpose Marijuana Opportunities Fund owned by you if the value of those securities is less than \$800.

You may prevent the automatic redemption by purchasing additional securities to increase the value of your securities to an amount equal to or greater than \$5,000 or \$800, as applicable, before the end of the applicable 30 day notice period.

### ***ETF Shares/ETF Units***

On any trading day, holders of ETF Shares and ETF Units may redeem ETF Shares or ETF Units, as applicable, of any fund for cash at a redemption price per ETF Share or ETF Unit, as applicable, equal to the lesser of: (a) (i) in respect of the ETF Shares, 95% of the closing price for the ETF Shares on the applicable Exchange and (ii) in respect of the ETF Units, 95% of the market price of the ETF Units, on the effective date of redemption and (b) the NAV 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 Shares and ETF Units will generally be able to sell ETF Shares and ETF Units at the market price on the applicable Exchange (or such other designated exchange on which the ETF Shares or ETF Units, as the case may be, of a fund may be listed from time to time) through a registered broker or dealer subject only to customary brokerage commissions, holders of ETF Shares and ETF Units are advised to consult their brokers, dealers or investment advisors before redeeming their ETF Shares or 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 Shares or 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 Shares/ETF Units for baskets of securities*

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

To effect an exchange of a prescribed number of ETF Shares or ETF Units, a holder of ETF Shares or ETF Units, as the case may be, 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 Shares or ETF Units, as applicable, of the applicable fund on the effective day of the exchange request, payable by delivery of baskets of securities and cash. The ETF Shares and 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 Shares and ETF Units should be aware that the NAV per ETF Share or ETF Unit, as the case may be, 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 Shares or ETF Units, in its discretion, an ETF Share or ETF Unit 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 Shares or ETF Units of such fund.

#### *Exchange and redemption of ETF Shares/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 Shares or ETF Units holds its ETF Shares or ETF Units, as applicable. Beneficial owners of ETF Shares and ETF Units should ensure that they provide exchange and/or redemption instructions to the CDS Participants through which they hold ETF Shares or ETF Units, as the case may be, sufficiently in advance of the cut-off times described above to allow such CDS Participants to notify CDS and for CDS to notify us prior to the relevant cut-off time.

#### *When you may not be allowed to redeem your shares/units*

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

- (a) normal trading is suspended on any stock exchange or market where more than 50% of the assets of a fund are listed or traded; or
- (b) we get permission from the Canadian securities regulatory to allow us to temporarily suspend the redemption of shares and units.

### ***Special considerations for holders of ETF Shares/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 Shares and ETF Units. The funds obtained exemptive relief from the securities regulatory authorities to permit holders of ETF Shares/ETF Units to acquire more than 20% of the ETF Shares or ETF Units, as applicable, of any fund through purchases on the applicable Exchange (or such other designated exchange on which the ETF Shares/ETF Units of a fund may be listed from time to time) 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 Shares or ETF Units, as applicable, of that fund at any meeting of securityholders.

### **Non-resident securityholders**

#### *Corp. Funds*

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

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

#### *Purpose Trusts*

At no time may: (i) non-residents of Canada; (ii) partnerships that are not Canadian partnerships; or (iii) a combination of non-residents of Canada and such partnerships (all as defined in the Tax Act), be the

beneficial owners of a majority of the units of a Purpose Trust. The manager may require declarations as to the jurisdictions in which a beneficial owner of units is resident and, if a partnership, its status as a Canadian partnership. If the manager becomes aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that the beneficial owners of 40% of the units of a Purpose Trust then outstanding are, or may be, non-residents and/or partnerships that are not Canadian partnerships, or that such a situation is imminent, the manager may make a public announcement thereof. If the manager determines that more than 40% of such units are beneficially held by non-residents and/or partnerships that are not Canadian partnerships, the manager may send a notice to such non-resident unitholders and partnerships, chosen in inverse order to the order of acquisition or in such manner as the manager may consider equitable and practicable, requiring them to sell their units or a portion thereof within a specified period of not less than 30 days. If the unitholders receiving such notice have not sold the specified number of units or provided the manager with satisfactory evidence that they are not non-residents or partnerships other than Canadian partnerships within such period, the manager may, on behalf of such unitholders, sell such units and, in the interim, shall suspend the voting and distribution rights attached to such units. Upon such sale, the affected holders shall cease to be beneficial holders of units and their rights shall be limited to receiving the net proceeds of sale of such units.

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

### **International information reporting**

Due diligence and reporting obligations in the Tax Act have been enacted to implement the Canada-United States Enhanced Tax Information Exchange Agreement. Dealers through which securityholders hold their shares or units, as applicable, are subject to due diligence and reporting obligations with respect to financial accounts they maintain for their clients. Securityholders, or their controlling person(s), may be requested to provide information to their dealer to identify U.S. persons holding units. If a securityholder, or their controlling person(s), is a "Specified U.S. Person" (including a U.S. citizen who is a resident of Canada) or if a securityholder does not provide the requested information and indicia of U.S. status are present, Part XVIII of the Tax Act will generally require information about the securityholder's investments held in the financial account maintained by the dealer to be reported to the CRA, unless the investments are held within a Registered Plan. The CRA is required to provide that information to the U.S. Internal Revenue Service.

In addition, reporting obligations in the Tax Act have been enacted to implement the Organization for Economic Co-operation and Development Common Reporting Standard (the "**CRS Rules**"). Pursuant to the CRS Rules, Canadian financial institutions are required to have procedures in place to identify accounts held by tax residents of foreign countries other than the U.S. ("**Reportable Jurisdictions**") or by certain entities any of whose "controlling persons" are tax residents of Reportable Jurisdictions. The CRS Rules provide that Canadian financial institutions must report certain account information and other personal identifying details of unitholders (and, if applicable, of such controlling persons) who are tax residents of Reportable Jurisdictions to the CRA annually. Such information would generally be exchanged on a reciprocal, bilateral basis with Reportable Jurisdictions in which the account holders or such controlling persons are tax resident under the provisions and safeguards of the Multilateral Convention on Mutual Administrative Assistance in Tax Matters or the relevant bilateral tax treaty. Under the CRS Rules, securityholders will be required to provide such information regarding their investment in the fund to their dealer for the purpose of such information exchange, unless the investment is held within a Registered Plan.

## **Registration and transfer through CDS – ETF Shares/ETF Units**

Registration of interests in, and transfers of, ETF Shares and ETF Units, will be made only through CDS. ETF Shares and ETF Units must be purchased, transferred and surrendered for exchange or redemption only through a CDS Participant. All rights of an owner of ETF Shares or ETF Units, as the case may be, 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 Shares or ETF Units. Upon purchase of any ETF Shares or 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 Shares and/or ETF Units mean, unless the context otherwise requires, the beneficial owner of such ETF Shares or ETF Units, as applicable.

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

## **OPTIONAL SERVICES**

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

### **Dividend/Distribution reinvestment plan**

#### ***Mutual fund shares/mutual fund units***

The funds may earn income from their investments. They may also realize capital gains when investments are sold at a profit. A fund pays out its income (less expenses) and net realized capital gains to investors in the form of dividends in the case of the Corp. Funds or distributions in the case of the Purpose Trusts 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 shares and mutual fund units of the funds are automatically reinvested in additional mutual fund shares or mutual fund units, as the case may be. Holders of mutual fund shares or mutual fund units, as the case may be, who wish to receive cash as of a particular dividend/distribution record date should speak with their broker, dealer or investment advisor for details.

#### ***ETF Shares/ETF Units***

Each fund has adopted a reinvestment plan, which provides that a holder of ETF Shares or ETF Units (an “**ETF plan participant**”) may elect to automatically reinvest all dividends paid on the ETF Shares or ETF Units, as the case may be, held by that ETF plan participant in additional ETF Shares or ETF Units, as applicable (“**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 Shares or ETF Units who are not residents of Canada may not participate in the reinvestment plan and any holder of ETF Shares or ETF Units, as the case may be, 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 Shares and/or ETF Units who wishes to enroll in the reinvestment plan as of a particular dividend/distribution record date should notify the CDS Participant through which the holder holds its ETF Shares or ETF Units, as applicable, 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 84.

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 Shares or ETF Units, as the case may be; (ii) the plan agent; and (iii) if necessary, the applicable Exchange (or such other designated exchange on which the ETF Shares or ETF Units, as applicable, of a fund may be listed from time to time).

Purpose may amend, modify or suspend the reinvestment plan at any time in its sole discretion, provided that it gives notice of that amendment, modification or suspension to: (i) the CDS Participants through which the ETF plan participants hold their ETF Shares or ETF Units, as the case may be; (ii) the plan agent; and (iii) if necessary, the applicable Exchange (or such other designated exchange on which the ETF Shares or ETF Units, as applicable, of a fund may be listed from time to time).

### **Pre-authorized cash contribution**

#### ***Mutual fund shares (other than Series XA Shares, Series XF Shares, Series XUA Shares and Series XUF Shares)/mutual fund units***

If you want to invest in mutual fund shares (other than Series XA Shares, Series XF Shares, Series XUA Shares and Series XUF Shares of a Corp. Fund) or mutual fund units, as the case may be, of a fund on a regular basis, you can use our pre-authorized purchase plan so that money is automatically withdrawn from

your bank account at regular intervals and invested in the funds that you choose. This plan allows you to take advantage of dollar-cost averaging.

Here is how the plan works:

- (a) See “Purchases, switches and redemptions – How to buy, redeem and switch” on page 36 for the minimum initial investment and the minimum additional investments required for each fund or series or class, as the case may be.
- (b) You must have at least \$5,000 in your account to set up a pre-authorized cash contribution for a Corp. Fund or a Purpose Trust and \$1,000 in your account to set up a pre-authorized cash contribution for a PFC Fund.
- (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 shares or units, as the case may be, in the fund you choose.
- (e) We will cancel your participation in the plan if your payment is returned because there are not sufficient funds in your bank account.

You may choose this option when you first buy mutual fund shares (other than Series XA Shares, Series XF Shares, Series XUA Shares and Series XUF Shares of a Purpose Corp. Fund) or mutual fund units of a Purpose Trust 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.

You may also purchase Series A Shares, Series B Shares or Series F Shares of a PFC Fund by regular or periodic payment. Please contact your dealer or advisor for details.

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 each fund or series or class, as the case may be. You can only buy mutual fund shares and mutual fund units in Canadian dollars (and some mutual fund shares or mutual fund units, as the case may be, in U.S. 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 shares or units, as the case may be, in your account, we will terminate your pre-authorized purchase plan unless you tell us otherwise.

Purchases under a pre-authorized purchase plan providing for automatic withdrawal from your bank account may be in minimum amounts of \$50. Your initial investment in Series UB Shares and UF Shares must be at least US\$500 and subsequent investments in Series UB Shares and Series UF Shares must be at least US\$100.

Pre-authorized cash contributions are also available under the U.S. dollar purchase option. See “Optional Services – U.S. dollar purchase option” on page 56 for more details.

## **Systematic withdrawal plan**

### ***Mutual fund shares (other than Series XA Shares, Series XF Shares, Series XUA Shares and Series XUF Shares)/mutual fund units***

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

- (a) You must have at least \$15,000 in your non-registered account to set up a systematic withdrawal plan.
- (b) You can choose to withdraw a minimum of \$100 weekly, bi-weekly, semi-monthly, monthly, quarterly, semi-annually or annually, depending on the kind of account you have. For more information, please ask your dealer.
- (c) We will deposit the money directly to your bank account.
- (d) If you decide to discontinue your systematic withdrawal plan and your investment is below the minimum balance for a fund, we may ask you to increase your investment to the minimum amount or to redeem your remaining investment in the fund.

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

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

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

## **U.S. dollar purchase option**

### ***Mutual fund shares/mutual fund units***

You may purchase mutual fund shares and mutual fund units of the funds in U.S. dollars. Contact Purpose for more information.

## **Registered Plans**

Each of the funds may be purchased within all Registered Plans subject to tax rules that deal with prohibited investments. See "Income Tax Considerations for Investors – For shares/units held in a Registered Plan" on page 87.

Registered Plans receive special treatment under the Tax Act. TFSAs receive generally similar treatment under the Tax Act; however, withdrawals from a TFSA are not taxable. In addition, contributions to an RRSP are deductible from your taxable earnings up to your allowable limit. You should consult your tax advisor for more information about the tax implications of Registered Plans.

## FEES AND EXPENSES

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

Being “**no-load**” series, the type and level of expenses payable by Series F and Series I Shares of Purpose Mutual Funds Limited may change. Although security approval will not be obtained, you will be sent a written notice 60 days before the effective date of any increase in fees or other expense or introduction of a new fee or expense.

### **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 series of shares or class or series of units, as the case may be, of a fund. See the “**Fees and expenses**” in the fund details table for each fund in this simplified prospectus for information on the maximum percentage of the management fee which you will be required to pay as an investor in the funds.

Purpose is the manager of the funds. Purpose manages the day-to-day business and operations of the funds and provides all general management and administrative services.

No management fees or administration fees are payable by a fund that, to a reasonable person, would duplicate a fee payable by the underlying funds of that fund for the same service. In addition, the fund will not pay any sales fees or redemption fees upon a purchase or redemption of securities of an underlying fund. Any service fees paid by Purpose to your dealer, will be paid out of the management fee payable to Purpose.

#### **Management fee rebates**

To achieve effective and competitive management fees, Purpose may reduce the management fee borne by certain securityholders 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 securityholder. Management fee rebates are reinvested in shares or units, as the case may be, unless otherwise requested. The decision to pay management fee rebates will be in Purpose’s discretion and will be depend on a number of factors, including the size of the investment and a negotiated fee agreement between the securityholder and Purpose. Purpose reserves the right to discontinue or change management fee rebates at any time.

Management fee rebates for Purpose Canadian Equity Growth Fund, Purpose Canadian Income Growth Fund, Purpose Tactical Asset Allocation Fund, Purpose Core Equity Income Fund and the Purpose Trusts must be negotiated on a case-by-case basis by the investor or the investor’s dealer or broker with the manager and are based primarily on the size of the investment in the funds.



## **Incentive fee**

Certain funds will pay the manager an incentive fee annually, subject to all applicable taxes, equal to a percentage of the daily NAV of the applicable series of the fund as shown below.

### *Purpose Canadian Equity Growth Fund*

Such percentage will be equal to 10% of the difference by which the return in the NAV per share of the applicable series of this fund from January 1 to December 31 exceeds the percentage return of the S&P/TSX Composite Index.

### *Purpose Canadian Income Growth Fund*

Such percentage will be equal to 10% of the difference by which the return in the NAV per share of the applicable series of this fund from January 1 to December 31 exceeds the percentage return of a blended index, comprised as follows:

- S&P/TSX Income Trust Total Return Index (or any replacement of or successor to such index managed by S&P) (65%); and
- FTSE Canada Universe Bond Index (35%)

For the Purpose Canadian Equity Growth Fund and the Purpose Canadian Income Growth Fund, incentive fees will be payable in all circumstances where the performance of the subject series of units exceeds that of the applicable benchmark, even in circumstances where the value of the series of units of a fund has declined. Incentive fees, if any, are accrued daily such that, to the extent possible, the NAV per series on each valuation date will reflect any incentive fees payable as at the end of such period. The incentive fee for such funds is calculated and paid at the end of each fiscal year.

Where a mutual fund unit of Purpose Canadian Equity Growth Fund or Purpose Canadian Income Growth Fund is purchased or redeemed on a trading day other than the last valuation date of a fiscal year, the incentive fee payable to the manager in respect of such mutual fund units shall (a) in the case of a purchase, accrue as of the date on which such mutual fund units were purchased and (b) in the case of a redemption, be calculated as if the date on which such units were redeemed was the last valuation date in such fiscal year, respectively.

The manager may reduce the incentive fee payable by a fund with respect to a particular investor or series at its discretion. Investors who are entitled to the benefit of a lower incentive fee may receive a fee rebate from a fund so that those investors receive the benefit of the lower incentive fee.

## **Operating expenses**

### *Purpose Corp. Funds*

Purpose has agreed to pay for certain operating and administrative expenses (the “**administrative expenses**”) incurred by each fund in respect of the mutual fund shares and mutual fund units and ETF Shares and ETF Units which exceed 0.05% per annum of the NAV of each of such series of shares or class or series of units, as the case may be. This means the fund pays only up to 0.05% per annum of the NAV of each

such series of shares or class or series of units, as the case may be, 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 the prospectus and other regulatory reports, regulatory filing fees, exchange listing fees (if applicable) and other operating and administrative expenses incurred in connection with the day-to-day operation of a fund. However, administrative expenses do not include, and each fund will be responsible for paying (the “**additional expenses**”), the costs and expenses incurred in complying with National Instrument 81-107 – *Independent Review Committee for Investment Funds* (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 dividend/distribution reinvestment plan, portfolio transaction costs, including brokerage expenses and commissions and costs associated with the use of derivatives (if applicable), 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 each 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 a fund. The administrative expenses and additional expenses payable by a fund, plus applicable HST, will be calculated and accrued daily and paid monthly in arrears.

In addition, holders of Series XA Shares, Series XF Shares, Series XUA Shares and Series XUF Shares pay an additional fee of up to 0.65% per annum based on the value of the securities vended in and held by the Company (including an additional amount in respect of Series XUA Shares and Series XUF Shares as a result of additional costs associated with hedging foreign securities), plus an amount in respect of hedging costs (based on then current market rates) incurred in connection with all such holdings, on a pro-rata basis.

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 funds.

See “Fees and Expenses – Fees and expenses payable directly by you – Negotiated fee” below for details regarding Series I Shares.

#### *PFC Funds, PMF Funds and Purpose Trusts*

Each fund pays its own operating and administrative expenses, other than advertising costs and costs of dealer compensation programs, which are paid by the manager. Operating expenses include, but are not limited to, brokerage commissions and fees, taxes, audit, accounting and legal fees and expenses, safekeeping, trustee and custodial fees, interest

expenses, registrar and transfer agent fees, regulatory participation fees, administrative costs, the costs of complying with any new governmental or regulatory requirement introduced after the date a fund is established, investor servicing costs and costs of financial and other reports to investors, as well as renewal prospectuses.

Operating expenses and other costs of a fund are subject to applicable taxes.

As the funds have more than one series/class of securities, the securityholders of each series/class of a fund bear their pro rata share of those expenses which are common to the operation of all series/classes of the fund as well as those expenses which are attributable solely to that series/class.

See “Fees and Expenses – Fees and expenses payable directly by you – Negotiated fee” below for details regarding Series I Shares/Series I Units.

### **Independent Review Committee**

Each member of the IRC is entitled to receive an annual fee of \$7,000 plus a per meeting fee of \$400 per fund. Members are also entitled to be reimbursed for all reasonable expenses incurred in the performance of their duties. The annual retainer is apportioned among the funds managed by the manager for which the IRC acts in a manner that is fair and reasonable.

### **Fund of funds fees and expenses**

The funds may invest in underlying funds managed by Purpose or an affiliate of Purpose’s 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, it would result in the duplication of a fee for the same services.

In addition, no sales charges or redemption fees are payable by the funds in relation to their purchases or redemptions of securities of an underlying fund if the underlying fund is managed by Purpose or an affiliate.

### **Fees and expenses payable directly by you**

#### **Negotiated fee**

Holders of Series I Shares of a Purpose Corp. Fund, Purpose Tactical Asset Allocation Fund, Purpose Core Equity Income Fund, Purpose Enhanced Premium Yield Fund and Purpose Global Bond Class pay a negotiated management fee directly to Purpose, plus any additional amounts for administrative expenses up to 0.05% per annum of the NAV of such series of shares and any additional expenses as may be agreed to by the holder and Purpose. The negotiated management fee may vary for each fund and each investor in 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 negotiated management

fee which you will be required to pay as an investor in Series I Shares of the funds.

**Series I Account Agreement fee**

Holder of Series I Units of Purpose Strategic Yield Fund, Purpose Multi-Asset Income Fund and Purpose Global Climate Opportunities Fund pay a negotiated management fee up to 0.80%, 0.85% and 0.75%, respectively, directly to Purpose as agreed to by the holder and Purpose pursuant to a Series I Account Agreement between the holder and Purpose.

**Sales charges**

*Initial sales charge option*

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 (a) 5% of the purchase price of the Series A Shares, Series TA5 Shares, Series XA Shares, Series XUA Shares of Purpose Corp. Funds and PFC Funds, Series A Units, Series B Units, Series TA6 Units or Series P Units of the Purpose Strategic Yield Fund and Purpose Multi-Asset Income Fund or Series A Shares or Series B Shares of the PMF Funds or (b) 2.5% of the purchase price of the Series P Shares of Purpose Corp. Funds you buy. We deduct the sales charge from the amount you invest and pay it to your dealer as a commission. There are no sales charges payable on purchases of Series F Shares, Series I Shares, Series D Shares, Series TF5 Shares, Series XF Shares and Series XUF Shares.

For Purpose Canadian Equity Growth Fund and Purpose Canadian Income Growth Fund, a sales charge of 0-4.0% of the amount you invest will be charged if you purchase Series A Shares of such funds through your dealer. You may be able negotiate this amount with the dealer. There are no sales charges payable on purchases of Class F Units or Series F Shares. Purchasers of Class F Units or Series F Shares will, however, likely be required to pay their dealers a fee under a “fee-for-service” or wrap program.

For the Purpose Tactical Asset Allocation Fund and Purpose Core Equity Income Fund, a sales charge of 0-5.0% of the amount you invest will be charged if you purchase your Series A Shares or Series TA5 Shares of such funds, as applicable, through your dealer. There are no sales charges payable on Series F Shares or Series TF5 Shares, but holders of Series F Shares and Series TF5 Shares will generally be required to pay their dealer an advisory or asset-based fee in addition to the management fee payable to Purpose in respect of their Series F Shares and Series TF5 Shares. There are no sales charges payable on Series I Shares, but holders of Series I Shares will pay a negotiated fee to Purpose as described above.

For the Purpose Canadian Preferred Share Fund and Purpose Marijuana Opportunities Fund, a sales charge of 0-5.0% of the amount you invest will be charged if you purchase your Class A Units through your dealer. You may be able to negotiate this amount with your dealer. There are no sales charges payable on purchase of Class F Units of such funds but holders of Class F Units will generally be required to pay their dealer an

advisory or asset-based fee in addition to the management fee payable to Purpose in respect of their Class F Units.

For the PMF Funds, 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 Series A Shares, Series B Shares or Series UB Shares you buy. We deduct the sales charge from the amount you invest and pay it to your dealer as a commission.

*No-load sales charge option*

All series and classes of the funds other than Series A Shares, Series A Units, Class A Units, Series B Units, Series TA5 Shares, Series UB Shares, Series TA6 Units, Series XA Shares, Series P Shares and Series P Units are available on a “no-load” basis, meaning that no sales charges or redemption fees apply to the purchase or redemption of such securities. When you invest in these series or classes, as applicable, you may pay an investment advisory fee to your financial advisor. The investment advisory fee is negotiated between you and your financial advisor and paid by you to your financial advisor.

**Reclassification Fee**

If you are switching Series A Units or TA6 Units of Purpose Strategic Yield Fund, Purpose Multi-Asset Income Fund or Purpose Global Climate Opportunities Fund, as applicable, to a different series of units of the same fund (other than Series A Units or Series TA6 Units), you will have to pay a reclassification fee if you bought your Series A Units or Series TA6 Units under the low load deferred sales charge option. The reclassification fee is equal to the redemption fee you would have paid had you redeemed your Series A Units or Series TA6 Units. See the redemption fee schedule below. We will redeem a sufficient number of units to pay the reclassification fee. See “Purchases, Switches and Redemptions – How to buy, redeem and switch – Switches” on page 36 for more information.

**Redemption Fee**

You do not pay a sales charge to your financial advisor when you buy Series A Units and Series TA6 Units of the Purpose Strategic Yield Fund and Purpose Multi-Asset Income Fund, as applicable, under the low load deferred sales charge option. You will pay a redemption fee if you sell them within three years of buying them. The table below shows the redemption fee schedule:

<b>Series A Units and Series TA6 Units sold during the following period after you bought them</b>	<b>Redemption fee percentage of original cost</b>
during the first year	3.0%
during the second year	2.0%
during the third year	2.0%

The low load deferred sales charge option is no longer available in connection with any new purchase of Series A Units or Series TA6 Units of the Purpose Strategic Yield Fund, Purpose Multi-Asset Income Fund and Purpose Global Climate Opportunities Fund, as applicable.

**Switch fees**

You may have to pay your dealer a fee of up to 2% of the value of the mutual fund shares you switch. You negotiate this switch fee with your financial advisor, investment advisor or broker, as applicable.

You pay no redemption fee when you switch to a different fund from the Series A Units or TA6 Units of Purpose Strategic Yield Fund, Purpose Multi-Asset Income Fund and Purpose Global Climate Opportunities Fund, as applicable, you bought under the low load deferred sales charge option, but you may have to pay a redemption fee when you sell the new Series A Units or TA6 Units of Purpose Strategic Yield Fund, Purpose Multi-Asset Income Fund and Purpose Global Climate Opportunities Fund, as applicable, if you purchased such units under the deferred sales option. We calculate the redemption fee based on the cost of the original Series A Units or TA6 Units of Purpose Strategic Yield Fund, Purpose Multi-Asset Income Fund and Purpose Global Climate Opportunities Fund, as applicable, and the date you bought the original Series A Units or Series TA6 Units of Purpose Strategic Yield Fund, Purpose Multi-Asset Income Fund and Purpose Global Climate Opportunities Fund, as applicable.

**Short-term trading fees**

***Mutual fund shares***

If a holder of mutual fund shares redeems or switches mutual fund shares within 30 days of purchasing such mutual fund shares, the manager may charge a short-term trading fee on behalf of the fund of up to 2% of the value of such shares in circumstances where it determines that the trading activity represents market timing or excessive short-term trading. This charge is in addition to any switch fee that the shareholder may have to pay. Each additional switch counts as a new purchase for this purpose. 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 Shares.

***Mutual fund units***

If a holder of mutual fund units redeems mutual fund units within 30 days of purchasing such mutual fund units, the manager may charge a short-term trading fee on behalf of the fund of up to 2% of the value of such units in circumstances where it determines that the trading activity represents market timing or excessive short-term trading. No short-term trading fees are charged on redemptions made under a systematic withdrawal plan or redemptions that may occur when an investor fails to meet the minimum investment amount for the fund. At the present

time, the manager is of the view that it is not necessary to impose any short-term trading restrictions on the ETF Units.

See “Purchases, switches and redemptions – Short term trading – Short-term trading fees for mutual fund shares/mutual fund units” on page 47.

**Registered tax plan fees**

Fees may be payable to your dealer if you transfer an investment within a Registered Plan to another financial institution. None of these fees are paid to Purpose.

**Other fees and expenses**

You may have to reimburse your dealer if it suffers a loss as a result of our having to redeem your shares or units, as the case may be, for insufficient payment. See “Purchases, switches and redemptions – How to buy, redeem and switch” on page 36.

**ETF Share/ETF Unit administration fee**

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

**Investment advisory fee**

Holder of Series F Units, Series TF6 Units or Series UF Units of the Purpose Strategic Yield Fund, holders of Series F Units or Series UF Units of Purpose Multi-Asset Income Fund and holders of Series F Units of Purpose Global Climate Opportunities Fund may be charged an investment advisory fee by their financial advisor. The amount of the investment advisory fee is to be negotiated between you and your financial advisor and paid by you to your financial advisor but will not exceed 2.0%.

**Impact of sales charges**

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

- (a) you invested \$1,000 in mutual fund shares, mutual fund units, ETF Shares or ETF 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.

**Purpose Corp. Funds**

	Fee at time of purchase	Redemption fee before end of:			
		1 year	3 years	5 years	10 years
ETF Shares	Nil	Nil	Nil	Nil	Nil
Series A Shares	\$50 <sup>1</sup>	Nil	Nil	Nil	Nil
Series F Shares	Nil	Nil	Nil	Nil	Nil
Series I Shares	Nil	Nil	Nil	Nil	Nil

Series D Shares	Nil	Nil	Nil	Nil	Nil
Series XA Shares	\$50 <sup>1</sup>	Nil	Nil	Nil	Nil
Series XF Shares	Nil	Nil	Nil	Nil	Nil
Series XUA Shares	Nil	Nil	Nil	Nil	Nil
Series XUF Shares	Nil	Nil	Nil	Nil	Nil
Series P Shares	\$25 <sup>1</sup>	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 or redeem mutual fund shares or ETF Shares.

**PFC Funds/ Purpose Canadian Preferred Share Fund and Purpose Marijuana Opportunities Fund**

		Fee at time of purchase	Redemption fee before end of:			
			1 year	3 years	5 years	10 years
<b>Sales Charge Option</b>	Purpose Canadian Equity Growth Fund (Series A Shares only)	Up to \$40	Nil	Nil	Nil	Nil
	Purpose Canadian Income Growth Fund (Series A Shares only)					
<b>No Load Option<sup>(2)</sup></b>	Purpose Tactical Asset Allocation Fund (Series A Shares, Series TA5 Shares and Series XA Shares only) <sup>1</sup>	Up to \$50	Nil	Nil	Nil	Nil
	Purpose Core Equity Income Fund (Series A Shares only)					
	Purpose Canadian Preferred Share Fund (Class A Units only)					
	Purpose Marijuana Opportunities Fund (Class A Units only)					
	Purpose Canadian Preferred Share Fund (Class F Units only)	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 or redeem mutual fund shares.



**Purpose Strategic Yield Fund/ Purpose Multi-Asset Income Fund/ Purpose Global Climate Opportunities Fund**

	Fee at time of purchase	Redemption fee before end of:			
		1 year	3 years	5 years	10 years
ETF Units	Nil	Nil	Nil	Nil	Nil
Series A Units (initial sales charge option)	\$50	Nil	Nil	Nil	Nil
Series UA Units (initial sales charge option)	\$50	Nil	Nil	Nil	Nil
Series B Units (initial sales charge option)	\$50	Nil	Nil	Nil	Nil
Series TA6 Units (initial sales charge option)	\$50	Nil	Nil	Nil	Nil
Series P Units (initial sales charge option)	\$25	Nil	Nil	Nil	Nil
Series A Units (low load deferred sales charge option) <sup>(1)</sup>	Nil	\$30	\$20	Nil	Nil
Series TA6 Units (low load deferred sales charge option) <sup>(1)</sup>	Nil	\$30	\$20	Nil	Nil
Series F Units (no load option) <sup>(2)</sup>	Nil	Nil	Nil	Nil	Nil
Series TF6 Units (no load option) <sup>(2)</sup>	Nil	Nil	Nil	Nil	Nil
Series UF Units (no load option) <sup>(2)</sup>	Nil	Nil	Nil	Nil	Nil
Series I Units (no load option) <sup>(2)</sup>	Nil	Nil	Nil	Nil	Nil
Series X Units (no load option) <sup>(2)</sup>	Nil	Nil	Nil	Nil	Nil

**Note:**

- (1) The low load deferred sales charge option is no longer available in connection with any new purchase of Series A Units or Series TA6 Units of the funds.
- (2) The funds and the manager do not charge a fee or commission when you purchase shares. Your dealer or advisor may charge a commission fee of up to 5.0% on purchase, which will reduce the amount of money you invest in the funds. This is a separate agreement between you and your dealer or advisor and is negotiable by you. The chart above assumes the maximum possible charge, although you may negotiate a lower charge with your dealer or advisor.

**PMF Funds**

	Fee at time of purchase	Redemption fee before end of:			
		1 year	3 years	5 years	10 years
Series A Shares (initial sales charge option)	\$50 <sup>1</sup>	Nil	Nil	Nil	Nil
Series B Shares (initial sales charge option)	\$50 <sup>1</sup>	Nil	Nil	Nil	Nil
Series UB Shares (initial sales charge option)	US\$50 <sup>1</sup>	Nil	Nil	Nil	Nil
Series A Shares (low load deferred sales charge option) <sup>(2)</sup>	Nil	\$30	\$20	Nil	Nil
Series F Shares (no load option)	Nil	Nil	Nil	Nil	Nil
Series I Shares (no load option)	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 or redeem mutual fund shares or ETF Shares.
- (2) The low load deferred sales charge option is no longer available in connection with any new purchase of Series A Shares of the funds.

**ANNUAL RETURNS, MANAGEMENT EXPENSE RATIO AND TRADING EXPENSE RATIO  
OF ETF SHARES/ETF UNITS**

The following chart provides the annual returns, the management expense ratio (“MER”) and the trading expense ratio (“TER”) for the ETF Shares and ETF Units of certain funds for each of the last five years ending on December 31, 2020. The annual returns, MER and TER for the ETF Units of Purpose Global Climate Opportunities Fund are not yet available because that fund is new.

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b><u>Purpose Core Dividend Fund – ETF shares</u></b>					
Annual Returns (%)	-0.7	22.7	-10.8	7.3	16.9
MER (%)	0.74	0.78	0.67	0.68	0.67
TER (%)	0.13	0.12	0.12	0.06	0.10
<b><u>Purpose Tactical Hedged Equity Fund – ETF shares</u></b>					
Annual Returns (%)	4.3	8.8	-8.0	10.2	12.4
MER (%)	0.96	1.01	0.95	0.96	0.95
TER (%)	0.20	0.19	0.18	0.10	0.25
<b><u>Purpose Tactical Hedged Equity Fund – ETF non-currency hedged shares</u></b>					
Annual Returns (%)	1.9	4.9	-0.3	4.3	10.0
MER (%)	0.95	0.98	0.97	0.95	0.94
TER (%)	0.20	0.16	0.15	0.10	0.19
<b><u>Purpose Monthly Income Fund – ETF shares</u></b>					
Annual Returns (%)	3.3	11.3	-4.0	3.4	11.3
MER (%)	0.71	0.72	0.72	0.76	0.74
TER (%)	0.14	0.17	0.26	0.36	0.46
<b><u>Purpose Total Return Bond Fund – ETF shares</u></b>					
Annual Returns (%)	6.7	6.4	-3.4	3.1	7.6
MER (%)	1.08	0.86	0.72	0.83	0.74
TER (%)	0.11	0.15	0.38	0.73	0.80
<b><u>Purpose Best Ideas Fund – ETF shares</u></b>					

Annual Returns (%)	23.5	31.2	-8.3	23.3	-2.5
MER (%)	0.75	0.86	0.79	0.79	0.79
TER (%)	0.12	0.14	0.10	0.06	0.14
<b><u>Purpose Best Ideas Fund – ETF non-currency hedged shares</u></b>					
Annual Returns (%)	25.9	27.1	-0.2	17.4	-4.0
MER (%)	0.73	0.85	0.76	0.76	0.78
TER (%)	0.12	0.12	0.10	0.05	0.08
<b><u>Purpose Real Estate Income Fund – ETF shares</u></b>					
Annual Returns (%)	-8.0	23.5	1.1	-2.8	14.1
MER (%)	0.78	0.79	0.78	0.79	0.79
TER (%)	0.32	0.14	0.12	0.12	0.11
<b><u>Purpose Tactical Asset Allocation Fund – ETF shares</u></b>					
Annual Returns (%)	13.4	13.6	-1.3	N/A <sup>(1)</sup>	N/A
MER (%)	0.80	0.94	0.89	0.94	N/A
TER (%)	0.01	0.00	0.00	0.00	N/A
<b><u>Purpose Core Equity Income Fund – ETF shares</u></b>					
Annual Returns (%)	4.6	17.6	-7.6	N/A <sup>(1)</sup>	N/A
MER (%)	0.86	0.80	0.88	0.86	N/A
TER (%)	0.03	0.02	0.02	0.03	N/A
<b><u>Purpose Marijuana Opportunities Fund – ETF Units</u></b>					
Annual Returns (%)	61.6	-14.5	10.3	N/A <sup>(2)</sup>	N/A
MER (%)	1.48	0.97	0.98	N/A <sup>(2)</sup>	N/A
TER (%)	1.36	0.96	1.67	N/A <sup>(2)</sup>	N/A
<b><u>Purpose Canadian Preferred Share Fund – ETF Units</u></b>					
Annual Returns (%)	6.0	1.0	-13.7	N/A <sup>(1)</sup>	N/A
MER (%)	0.91	1.00	0.99	0.98	N/A
TER (%)	0.06	0.14	0.30	0.48	N/A
<b><u>Purpose Strategic Yield Fund – ETF Units</u></b>					
Annual Returns (%)	10.7	8.1	N/A <sup>(1)</sup>	N/A	N/A

Returns (%)					
MER (%)	0.97	0.97	1.22	N/A	N/A
TER (%)	0.1	0.00	0.01	N/A	N/A
<b><u>Purpose Multi-Asset</u></b>					
<b><u>Income Fund – ETF Units</u></b>					
Annual	1.4	14.5	N/A <sup>(1)</sup>	N/A	N/A
Returns (%)					
MER (%)	1.02	0.99	0.99	N/A	N/A
TER (%)	0.08	0.06	0.16	N/A	N/A

**Notes:**

- (1) Investment performance has not been disclosed for the stated period because the ETF shares of the fund had not been offered for 12 consecutive months.
- (2) Information is not available because no ETF units of the fund were issued as of December 31, 2017.

The following chart provides the annual returns, the MER and the TER for the ETF Shares of certain funds from the date of its inception to October 31, 2020.

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b><u>Purpose Enhanced</u></b>					
<b><u>Premium Yield Fund –</u></b>					
<b><u>ETF shares</u></b>					
Annual	1.4	3.4	N/A <sup>(1)</sup>	N/A	N/A
Returns (%)					
MER (%)	0.92	0.88	N/A	N/A	N/A
TER (%)	0.13	0.32	N/A	N/A	N/A
<b><u>Purpose Global Bond</u></b>					
<b><u>Class – ETF shares</u></b>					
Annual	2.1	1.3	N/A <sup>(2)</sup>	N/A	N/A
Returns (%)					
MER (%)	0.75	0.74	1.69	N/A	N/A
TER (%)	0.01	0.00	0.00	N/A	N/A
<b><u>Purpose Global</u></b>					
<b><u>Innovators Fund – ETF</u></b>					
<b><u>shares</u></b>					
Annual	33.8	-0.6	N/A <sup>(2)</sup>	N/A	N/A
Returns (%)					
MER (%)	1.34	1.35	1.64	N/A	N/A
TER (%)	0.32	0.29	0.48	N/A	N/A

**Notes:**

- (1) Information is not available because no ETF units of the fund were issued as of October 31, 2018.
- (2) Investment performance has not been disclosed for the stated period because the ETF shares of the fund had not been offered for 12 consecutive months.

**PRICE RANGE AND TRADING VOLUME OF ETF SHARES/ETF UNITS**

The following table sets out the consolidated market price range and monthly trading volume of the ETF Shares and ETF Units of the funds (other than the ETF Units of the Purpose Global Climate Opportunities Fund because that fund is new) on the Exchange on which the ETF Shares or ETF Units, as the case may be, of the fund are listed.

**Purpose Core Dividend Fund – ETF Shares**

	Price		Volume (000's)
	High	Low	
<b><u>2020</u></b>			
April	\$24.05	\$20.51	296
May	\$23.84	\$22.14	588
June	\$25.49	\$23.01	254
July	\$24.54	\$23.24	163
August	\$25.23	\$24.4	132
September	\$25.34	\$24.13	229
October	\$25.32	\$23.91	183
November	\$26.78	\$24.28	186
December	\$26.89	\$26.44	719
<b><u>2021</u></b>			
January	\$27.57	\$26.43	692
February	\$27.35	\$26.72	182
March	\$29.25	\$27.16	184
April	\$29.39	\$29.11	36

**Purpose Tactical Hedged Equity Fund – ETF Shares**

	Price		Volume (000's)
	High	Low	
<b><u>2020</u></b>			
April	\$23.60	\$22.43	8
May	\$23.76	\$23.14	9
June	\$23.99	\$23.58	6
July	\$24.75	\$24.49	6
August	\$25.74	\$25.1	10
September	\$26.04	\$24.43	19
October	\$25.77	\$24.61	5
November	\$26.25	\$25.2	23
December	\$26.96	\$26.3	8
<b><u>2021</u></b>			
January	\$27.66	\$27.02	16
February	\$28.06	\$27.42	6
March	\$28.13	\$27.42	12

**Purpose Tactical Hedged Equity Fund – ETF non-currency hedged shares**

	Price		Volume (000's)
	High	Low	
<b><u>2020</u></b>			
April	\$25.77	\$24.42	3
May	\$25.95	\$25.36	7

**Purpose Tactical Hedged Equity Fund – ETF non-currency hedged shares**

	Price		Volume (000's)
	High	Low	
June	\$25.63	\$25.3	193
July	\$26.21	\$25.99	2
August	\$26.61	\$26.17	4
September	\$26.72	\$25.75	19
October	\$26.59	\$25.97	9
November	\$27.17	\$26.81	60
December	\$27.16	\$26.48	38
<b><u>2021</u></b>			
January	\$27.87	\$27.45	3
February	\$28.14	\$27.44	1
March	\$27.85	\$27.4	2

**Purpose Monthly Income Fund – ETF Shares**

	Price		Volume (000's)
	High	Low	
<b><u>2020</u></b>			
April	\$16.97	\$16.06	3
May	\$17.01	\$16.56	21
June	\$17.3	\$16.98	6
July	\$17.46	\$17.1	6
August	\$17.66	\$17.5	2
September	\$17.62	\$17.19	29
October	\$17.53	\$17.24	8
November	\$18	\$17.19	23
December	\$18	\$17.89	10
<b><u>2021</u></b>			
January	\$18.25	\$17.88	13
February	\$18.15	\$17.83	17
March	\$18.23	\$17.86	14

**Purpose Total Return Bond Fund – ETF Shares**

	Price		Volume (000's)
	High	Low	
<b><u>2020</u></b>			
April	\$17.80	\$16.64	760
May	\$18.09	\$17.49	116
June	\$18.28	\$17.95	93
July	\$18.46	\$18.04	50
August	\$18.53	\$18.36	44
September	\$18.60	\$18.19	72

**Purpose Total Return Bond Fund – ETF Shares**

	Price		Volume (000's)
	High	Low	
October	\$18.50	\$18.29	74
November	\$18.66	\$18.35	65
December	\$18.81	\$18.62	75
<b><u>2021</u></b>			
January	\$18.82	\$18.68	196
February	\$18.77	\$18.35	58
March	\$18.44	\$18.18	630

**Purpose Best Ideas Fund – ETF Shares**

	Price		Volume (000's)
	High	Low	
<b><u>2020</u></b>			
April	\$ 29.90	\$ 26.08	20
May	\$ 31.81	\$ 28.91	21
June	\$ 33.01	\$ 31.34	13
July	\$ 34.42	\$ 32.44	16
August	\$ 35.85	\$ 34.51	5
September	\$ 38.47	\$ 34.65	11
October	\$ 38.38	\$ 35.40	11
November	\$ 39.95	\$ 35.18	15
December	\$ 40.69	\$ 39.71	269
<b><u>2021</u></b>			
January	\$ 41.74	\$ 39.35	35
February	\$ 41.87	\$ 40.11	69
March	\$ 41.72	\$ 39.20	36

**Purpose Best Ideas Fund – ETF non-currency hedged shares**

	Price		Volume (000's)
	High	Low	
<b><u>2020</u></b>			
April	\$ 35.80	\$ 31.23	25
May	\$ 37.60	\$ 35.21	56
June	\$ 38.31	\$ 37.52	25
July	\$ 39.44	\$ 38.86	1
August	\$ 41.70	\$ 40.78	2
September	\$ 43.10	\$ 40.03	8
October	\$ 44.04	\$ 41.15	8
November	\$ 45.40	\$ 41.01	6
December	\$ 45.67	\$ 44.35	4
<b><u>2021</u></b>			

**Purpose Best Ideas Fund – ETF non-currency hedged shares**

	Price		
	High	Low	Volume (000's)
January	\$ 46.51	\$ 44.55	22
February	\$ 46.97	\$ 45.71	7
March	\$ 45.83	\$ 44.48	11

**Purpose Real Estate Income Fund – ETF Shares**

	Price		
	High	Low	Volume (000's)
<b><u>2020</u></b>			
April	\$ 18.54	\$ 15.62	9
May	\$ 17.89	\$ 16.36	11
June	\$ 19.35	\$ 17.67	12
July	\$ 18.51	\$ 17.71	11
August	\$ 18.49	\$ 18.13	181
September	\$ 18.67	\$ 17.63	9
October	\$ 18.59	\$ 17.67	1
November	\$ 19.67	\$ 18.00	8
December	\$ 19.45	\$ 19.02	206
<b><u>2021</u></b>			
January	\$ 19.64	\$ 18.97	45
February	\$ 19.83	\$ 19.61	15
March	\$ 20.58	\$ 19.45	19

**Purpose Tactical Asset Allocation Fund – ETF Shares**

	Price		
	High	Low	Volume (000's)
<b><u>2020</u></b>			
April	\$ 23.25	\$ 21.25	2118
May	\$ 23.26	\$ 22.78	904
June	\$ 23.90	\$ 22.97	532
July	\$ 24.19	\$ 23.67	654
August	\$ 24.94	\$ 24.29	442
September	\$ 25.04	\$ 24.16	955
October	\$ 24.60	\$ 23.91	598
November	\$ 25.21	\$ 23.93	767
December	\$ 25.45	\$ 25.07	749
<b><u>2021</u></b>			
January	\$ 25.88	\$ 25.28	685
February	\$ 26.18	\$ 25.56	822
March	\$ 26.22	\$ 25.54	1142



**Purpose Core Equity Income Fund – ETF Shares**

	Price		Volume (000's)
	High	Low	
<b><u>2020</u></b>			
April	\$ 18.44	\$ 16.45	56
May	\$ 18.56	\$ 17.84	28
June	\$ 19.34	\$ 18.41	36
July	\$ 19.61	\$ 18.74	49
August	\$ 19.84	\$ 19.39	36
September	\$ 19.70	\$ 18.90	38
October	\$ 19.44	\$ 18.36	41
November	\$ 20.73	\$ 18.63	71
December	\$ 21.00	\$ 20.66	776
<b><u>2021</u></b>			
January	\$ 21.38	\$ 20.81	776
February	\$ 21.48	\$ 20.99	12
March	\$ 22.59	\$ 21.37	6

**Purpose Canadian Preferred Share Fund – ETF Units**

	Price		Volume (000's)
	High	Low	
<b><u>2020</u></b>			
April	\$ 15.88	\$ 13.71	529
May	\$ 16.02	\$ 15.24	49
June	\$ 16.68	\$ 15.42	171
July	\$ 17.43	\$ 16.05	140
August	\$ 18.20	\$ 17.04	109
September	\$ 18.49	\$ 17.60	320
October	\$ 18.16	\$ 17.58	123
November	\$ 19.10	\$ 17.61	162
December	\$ 19.83	\$ 18.97	94
<b><u>2021</u></b>			
January	\$ 20.69	\$ 19.73	155
February	\$ 22.30	\$ 20.67	606
March	\$ 23.01	\$ 22.39	252

**Purpose Marijuana Opportunities Fund – ETF Units**

	Price		Volume (000's)
	High	Low	
<b><u>2020</u></b>			
April	\$ 14.00	\$ 11.78	29
May	\$ 16.74	\$ 13.01	15
June	\$ 17.25	\$ 14.73	14

**Purpose Marijuana Opportunities Fund – ETF Units**

	Price		Volume (000's)
	High	Low	
July	\$ 17.48	\$ 14.59	28
August	\$ 19.50	\$ 17.33	13
September	\$ 18.37	\$ 16.25	12
October	\$ 20.01	\$ 16.87	10
November	\$ 26.80	\$ 20.63	38
December	\$ 29.00	\$ 26.66	33
<b><u>2021</u></b>			
January	\$ 36.29	\$ 29.88	42.62
February	\$ 45.44	\$ 34.79	103.08
March	\$ 43.12	\$ 34.38	45.43

**Purpose Strategic Yield Fund – ETF Units**

	Price		Volume (000's)
	High	Low	
<b><u>2020</u></b>			
April	\$ 16.40	\$ 14.56	144
May	\$ 16.95	\$ 15.75	29
June	\$ 17.70	\$ 16.87	497
July	\$ 17.56	\$ 16.99	52
August	\$ 18.27	\$ 17.51	135
September	\$ 18.68	\$ 18.04	28
October	\$ 18.74	\$ 18.23	249
November	\$ 19.32	\$ 18.49	79
December	\$ 19.85	\$ 19.30	57
<b><u>2021</u></b>			
January	\$ 20.35	\$ 19.67	92
February	\$ 20.69	\$ 20.08	564
March	\$ 21.05	\$ 20.66	144

**Purpose Multi-Asset Income Fund – ETF Units**

	Price		Volume (000's)
	High	Low	
<b><u>2020</u></b>			
April	\$ 15.60	\$ 13.56	108
May	\$ 15.90	\$ 14.82	105
June	\$ 16.99	\$ 15.56	84
July	\$ 16.74	\$ 16.23	88
August	\$ 17.40	\$ 16.82	90
September	\$ 17.52	\$ 17.07	77
October	\$ 17.60	\$ 17.15	70

**Purpose Multi-Asset Income Fund – ETF Units**

	Price		Volume (000's)
	High	Low	
November	\$ 18.70	\$ 17.29	124
December	\$ 18.93	\$ 18.63	95
<b><u>2021</u></b>			
January	\$ 19.71	\$ 18.71	67
February	\$ 19.87	\$ 19.46	61
March	\$ 20.35	\$ 19.69	104

**Purpose Enhanced Premium Yield Fund – ETF Shares**

	Price		Volume (000's)
	High	Low	
<b><u>2020</u></b>			
April	\$ 18.46	\$ 17.29	71
May	\$ 18.84	\$ 18.46	43
June	\$ 19.01	\$ 18.77	41
July	\$ 19.14	\$ 18.87	9
August	\$ 19.13	\$ 19.03	3
September	\$ 19.25	\$ 18.98	75
October	\$ 19.24	\$ 18.89	86
November	\$ 19.51	\$ 19.00	43
December	\$ 19.49	\$ 19.43	8
<b><u>2021</u></b>			
January	\$ 19.63	\$ 19.29	62
February	\$ 19.75	\$ 19.45	16
March	\$ 19.68	\$ 19.27	47

**Purpose Global Bond Class – ETF Shares**

	Price		Volume (000's)
	High	Low	
<b><u>2020</u></b>			
April	\$ 18.23	\$ 17.06	540
May	\$ 18.63	\$ 18.02	94
June	\$ 19.07	\$ 18.58	177
July	\$ 19.41	\$ 18.96	60
August	\$ 19.51	\$ 19.31	101
September	\$ 19.46	\$ 19.12	65
October	\$ 19.37	\$ 19.13	179
November	\$ 19.76	\$ 19.20	81
December	\$ 19.93	\$ 19.76	82
<b><u>2021</u></b>			
January	\$ 20.02	\$ 19.86	120

**Purpose Global Bond Class – ETF Shares**

	Price		Volume (000's)
	High	Low	
February	\$ 20.07	\$ 19.84	265
March	\$ 19.94	\$ 19.73	154

**Purpose Global Innovators Fund – ETF Shares**

	Price		Volume (000's)
	High	Low	
<b><u>2020</u></b>			
April	\$ 20.67	\$ 18.66	3
May	\$ 22.85	\$ 21.01	5
June	\$ 23.47	\$ 22.91	5
July	\$ 24.23	\$ 23.85	2
August	\$ 24.36	\$ 24.36	0
September	\$ 25.96	\$ 25.62	1
October	\$ 27.50	\$ 27.12	3
November	\$ 28.66	\$ 25.42	4
December	\$ 30.92	\$ 28.15	16
<b><u>2021</u></b>			
January	\$ 33.42	\$ 30.12	13
February	\$ 35.55	\$ 32.16	8
March	\$ 33.64	\$ 29.02	16

**DEALER COMPENSATION**

**How your investment professional and dealer are paid**

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

***Initial Sales Charge***

**Purpose Corp. Funds, Purpose Strategic Yield Fund, Purpose Multi-Asset Income Fund, Purpose Global Climate Opportunities Fund and PMF Funds**

***Series A Shares, Series A Units, Series B Units, Series TA6 Units, Series XA Shares, Series XUA Shares and Series P Shares***

If you buy Series A Shares, Series A Units, Series UA Units, Series B Units, Series TA6 Units, Series XA Shares, Series XUA Shares, Series P Shares or Series P Units, the commission you negotiate (up to 5% of your purchase amount for Series A Shares, Series XA Shares and Series XUA Shares and up to 2.5% of your purchase amount for Series P Shares and Series P Units) 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 Series A Shares, Series A Units, Series UA Units, Series B Units, Series TA6 Units, Series XA Shares, Series

XUA Shares, Series P Shares or Series P Units. The funds may also charge a short-term trading fee if you redeem your shares within 30 days of buying them.

See “Purchases, switches and redemptions – Short-term trading – Short-term trading fees for mutual fund shares/mutual fund units” on page 47.

### **PFC Funds, Purpose Canadian Preferred Share Fund and Purpose Marijuana Opportunities Fund**

A dealer which distributes Series A Shares of Purpose Canadian Equity Growth Fund or Purpose Canadian Income Growth Fund may receive a sales commission of up to 4.0% (\$40 for each \$1,000 investment) of sales of such fund by the dealer. A dealer which distributes Series A Shares, Class A Units, Series TA5 Shares or Series XA Shares, as applicable, of Purpose Tactical Asset Allocation Fund, Purpose Core Equity Income Fund, Purpose Canadian Preferred Share Fund and Purpose Marijuana Opportunities Fund may receive a sales commission of up to 5.0% (\$50 for each \$1,000 investment) of sales of such funds by the dealer. This sales charge is deducted from the amount purchased, at the time of purchase, as a commission for the investment firm.

#### ***Switch fee***

When you switch mutual fund shares from one corporate class of Purpose Fund Corp. to another, you may have to pay your dealer a switch fee of up to 2%. You negotiate the fee with your investment professional. Your dealer is required to observe the rules of any self-regulatory organization to which it belongs when initiating such switches, including any requirement to obtain your consent prior to initiating such switches.

#### ***Trailing Commission***

#### **Purpose Corp. Funds**

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 Series A Shares, Series D Shares, Series P Shares, Series XA Shares and Series XUA Shares of the Purpose Corp. Funds. The service fee is a percentage of the value of the shares or units, as the case may be, 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 shares or units, as applicable, 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.

<b>Fund</b>	<b>Annual Trailing Commission</b>	
	<b>Series A Shares/ Series XA Shares/ Series XUA Shares</b>	<b>Series D Shares and Series P Shares</b>
Purpose Core Dividend Fund	1.00% <sup>(1)</sup>	0.25% <sup>(1)</sup>
Purpose Tactical Hedged Equity Fund	1.00% <sup>(1)</sup>	0.25% <sup>(1)</sup>
Purpose Monthly Income Fund	1.00% <sup>(1)</sup>	0.25% <sup>(1)</sup>
Purpose Total Return Bond Fund	0.50% <sup>(1)</sup>	0.15% <sup>(1)</sup>
Purpose Best Ideas Fund	1.00% <sup>(1)</sup>	0.25% <sup>(1)</sup>
Purpose Real Estate Income Fund	1.00% <sup>(1)</sup>	0.25% <sup>(1)</sup>

**Note:**

(1) Plus applicable HST.

We do not pay service fees on Series F Shares, Series I Shares, Series XF Shares, Series XUF Shares or ETF Shares of Purpose Corp. Funds.

**PFC Funds, Purpose Canadian Preferred Share Fund, Purpose Marijuana Opportunities Fund, Purpose Strategic Yield Fund, Purpose Multi-Asset Income Fund and Purpose Global Climate Opportunities Fund**

Fund	Annual Trailing Commission	
	Series A Shares/ Class A Units/Series A Units/Series UA Units/Series B Units/Series TA5 Shares/Series TA6 Units/Series XA Shares	Series X Units
Purpose Canadian Equity Growth Fund	1.00% <sup>(1)</sup>	N/A
Purpose Canadian Income Growth Fund	1.00% <sup>(1)</sup>	N/A
Purpose Canadian Preferred Share Fund	0.75%	N/A
Purpose Tactical Asset Allocation Fund	1.00% <sup>(1)</sup>	N/A
Purpose Core Equity Income Fund	1.00% <sup>(1)</sup>	N/A
Purpose Marijuana Opportunities Fund	1.00% <sup>(1)</sup>	N/A
Purpose Strategic Yield Fund	0.75%	0.40%
Purpose Multi-Asset Income Fund	1.00%	N/A
Purpose Global Climate Opportunities Fund	1.00%	N/A

**Note:**

(1) Plus applicable HST.

The trailing commissions may be paid to your dealer annually for as long as you hold the securities with that dealer. Payments are calculated and accrued daily and paid monthly at the above monthly rates and are based on the value of the assets held in such fund by dealer's clients. We also pay trailing commissions to the discount broker for Series A Shares and Class A Units of the funds that you purchase through your discount brokerage account.

These trailing commissions are paid by the manager from management fees received and are not paid by a fund directly. The manager may, at its discretion, negotiate, change the terms and conditions of these trailing commissions as long as they comply with Canadian securities laws, or discontinue the payment of trailing commissions to dealers. We reserve the right to change the frequency of these payments at our discretion.

For a description of the trailing commission payable in respect of the Series P Units, see "Dealer Compensation – Trailing Commission – Purpose Core Dividend Fund, Purpose Strategic Yield Fund and Purpose Multi-Asset Income Fund – Series P Shares and Series P Units".

No trailing commissions are paid in respect of Series F Shares, Class F Units, Series TF5 Shares, Series XF Shares, Series XUF Shares, Series I Shares, ETF Shares or ETF Units.

**PMF Funds**

Dealers and advisors may be paid a "trailing commission" by the manager, for assets that their sales representatives place in the Series A Shares, Series B Shares or Series UB Shares or previously placed in

Series X Shares of the PMF Funds, including trailing commissions paid to discount brokers for mutual fund shares you purchase and hold in your discount brokerage account. The manager may, at its discretion, negotiate, change the terms and conditions of, or discontinue the trailing commission with dealers and advisors.

The trailing commission is calculated as a percentage of assets each dealer or advisor has placed in each series of shares of a PMF Fund. The trailing commission is calculated based on the closing balance of client accounts for each calendar month. The trailing commission will not be paid if the assets are removed from the PMF Fund. Trailing commissions are paid monthly at rates set within ranges according to the following table. No trailing commissions are paid in respect of Series F Shares, Series UF Shares, Series I Shares or ETF Shares.

Fund	Annual Trailing Commission			
	Series A Shares	Series B Shares	Series UB Shares	Series X Shares
Purpose Enhanced Premium Yield Fund	0.75%	0.75%	0.75%	N/A
Purpose Global Resource Fund	1.00%	1.00%	N/A	N/A
Purpose Special Opportunities Fund	1.00%	1.00%	N/A	0.50%
Purpose Global Bond Class	0.50%	0.50%	N/A	N/A
Purpose Global Innovators Fund	1.00%	1.00%	N/A	0.50%

**Note:**

(1) Plus applicable HST.

**Purpose Corp. Funds, PFC Funds, PMF Funds, Purpose Canadian Preferred Share Fund and Purpose Marijuana Opportunities Fund – Series F Shares/Class F Units, Series UF Shares, Series I Shares, Series XF Shares and ETF Shares/ETF Units**

***Series F Shares, Class F Units, Series UF Shares, Series I Shares and Series XF Shares***

We do not pay your dealer a commission if you buy Series F Shares, Class F Units, Series UF Shares, Series I Shares and Series XF Shares. Investors who buy Series F Shares, Class F Units, Series UF Shares, Series I Shares or Series XF Shares 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 shares or units, as the case may be, within 30 days of buying them. See “Purchases, switches and redemptions – Short term trading – Short-term trading fees for mutual fund shares/mutual fund units” on page 47.

***ETF Shares/ETF Units***

We do not pay your dealer a commission if you buy ETF Shares or 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 Shares or the ETF Units. See “Purchases, switches and redemptions – Short-term trading – ETF Shares/ETF Units” on page 47.

**Purpose Core Dividend Fund, Purpose Strategic Yield Fund and Purpose Multi-Asset Income Fund - Series P Shares and Series P Units**

Advisors may be paid a “trailing commission” by the manager, for assets that their sales representatives place in the Series P Shares or Series P Units, as applicable, of the funds. The manager may, in its discretion, negotiate, change the terms and conditions of, or discontinue the trailing commission with advisors.

The trailing commission is calculated as a percentage of assets each advisor has placed in Series P Shares or Series P Units, as the case may be, of the applicable fund. The trailing commission is calculated based on the closing balance of client accounts for each calendar month. The trailing commission will not be paid if the assets are removed from the Series P Shares or Series P Units, as applicable, of the fund. Trailing commissions are calculated and accrued daily and paid monthly at an annual rate of 0.25% of the value of the assets held in Series P Shares or Series P Units, as the case may be, of the fund by the advisor's clients.

The trailing commission on the Series P Shares and Series P Units of the funds are paid by the manager from management fees received and are not paid by the applicable fund directly. The manager may, in its discretion, negotiate and change the terms and conditions of the trailing commission as long it complies with Canadian securities law and may discontinue the payment of trailing commissions at any time.

### **Other forms of dealer support**

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

### **Equity Interest**

Richardson Wealth Limited is the investment advisor of Purpose Tactical Asset Allocation Fund and Purpose Core Equity Income Fund. Richardson Wealth Limited is an IROC member firm. Richardson Wealth Limited is owned by GMP Capital Inc.

## **DEALER COMPENSATION FROM MANAGEMENT FEES**

23.62% of the total management fees paid by funds in respect of all the series or classes, as applicable, of the funds was used to pay for dealer commissions or was paid to dealers for other marketing, promotional or educational activities of the funds in the financial period ended December 31, 2020.

## **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), and
- (b) you hold your shares or units as capital property and your transactions in shares or units, as the case may be, 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 dividends or distributions, capital gains dividends or distributions or a return of capital; and
- (b) any capital gains you realize when you redeem shares or units of the fund.



## Tax treatment of the funds

### *Corp. Funds*

Each fund represents a class of shares of a Company. All of the classes of shares of a Company will together be treated as a single taxpayer for income tax purposes and the income, gains, deductions and losses of all of the classes of the Company, and the tax attributes of all of the assets of the classes of shares of the Company, will be taken into account in the aggregate in computing the income tax liability of a Company as a whole. In general, a Company will not pay tax on taxable dividends received from taxable Canadian corporations. A Company will be subject to tax each year on its net income (including interest and foreign income) and net taxable capital gains at normal corporate rates applicable to mutual fund corporations, but will generally be entitled to a refund of tax on its capital gains when shares are redeemed or capital gains dividends are paid to shareholders. The Company intends to pay dividends only to the extent necessary to minimize the overall tax liability of the Company.

Each Company has established a policy to determine how it will allocate income and capital gains in a tax-efficient manner among the classes of shares of a Company in a way that is fair, consistent and reasonable for shareholders. The amount of dividends and capital gains dividends paid to shareholders of a Company is based on this tax allocation policy, which has been approved by the board of directors of a Company.

The income of a fund includes dividends, interest and other distributions the fund earns from its investments as well as income or capital gains from its investments in certain derivatives. A fund may realize income or capital gains or losses when it sells its investments.

### *Purpose Trusts*

Each Purpose Trust includes in computing its income taxable distributions received on securities held by it, including any special dividends, the taxable portion of capital gains realized by the fund on the disposition of securities held by it, and income earned by any securities lending activity.

Each Declaration of Trust governing a Purpose Trust requires that the fund distribute its net income and net realized capital gains, if any, for each taxation year of the fund to its unitholders to such an extent that the Purpose Trust will not be liable in any taxation year for ordinary income tax (after taking into account any applicable losses of the Purpose Trust and any capital gains refunds to which the fund is entitled). If in a taxation year the income for tax purposes of the Purpose Trust exceeds the cash available for distribution by the fund, such as in the case of the receipt by the fund of special dividends, the fund will distribute its income through a payment of reinvested distributions.

If a Purpose Trust invests in another fund (an “**Underlying Fund**”) that is a Canadian resident trust other than a SIFT trust, the Underlying Fund may designate a portion of amounts that it distributes to the fund as may reasonably be considered to consist of: (i) taxable dividends (including eligible dividends) received by the Underlying Fund on shares of taxable Canadian corporations; and (ii) net taxable capital gains realized by the Underlying Fund. Any such designated amounts will be deemed for tax purposes to be received or realized by the Purpose Trust as a taxable dividend or taxable capital gain, respectively. An Underlying Fund that pays foreign withholding tax may make designations such that the Purpose Trust may be treated as having paid its share of such foreign tax.

Each Purpose Trust may be subject to the suspended loss rules contained in the Tax Act. A loss realized on a disposition of property may be considered to be a suspended loss when a fund acquires a property (a “**substituted property**”) that is the same or identical to the property disposed of, within 30 days before and 30 days after the disposition and the fund owns the substituted property 30 days after the original

disposition. If a loss is suspended, the Purpose Trust cannot deduct the loss from the fund's gains until the substituted property is sold and is not reacquired within 30 days before and after the sale.

In determining the income of a Purpose Trust, gains or losses realized upon dispositions of securities in which the fund has invested will constitute capital gains or capital losses of the fund in the year realized unless the fund is considered to be trading or dealing in securities or otherwise carrying on a business of buying and selling securities or the fund has acquired the securities in a transaction or transactions considered to be an adventure in the nature of trade. The manager has advised counsel that if a Purpose Trust holds "**Canadian securities**" (as defined in the Tax Act) it will elect in accordance with the Tax Act to have each such security treated as capital property. Such election will ensure that gains or losses realized by the fund on the disposition of Canadian securities are taxed as capital gains or capital losses.

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

Legislative Proposals released by the Minister of Finance (Canada) on July 30, 2019 proposed amendments to the Tax Act that would, effective for taxation years of the Purpose Trusts beginning on or after March 20, 2020, (a) deny a Purpose Trust a deduction for any income of the Purpose Trust designated to a unitholder on a redemption of units, where the unitholder's proceeds of disposition are reduced by the designation and (b) deny a Purpose Trust a deduction for the portion of a capital gain designated to a unitholder on a redemption of units that is greater than the unitholder's accrued gain on those units, where the unitholder's proceeds of disposition are reduced by the designation. If such proposed amendments to the Tax Act are enacted in their current form, any amounts that would otherwise have been designated to redeeming unitholders may be made payable to the remaining non-redeeming unitholders to ensure the Purpose Trust will not be liable for non-refundable income tax thereon. Accordingly, the amounts of taxable distributions made to unitholders of a Purpose Trust may be greater than they would have been in the absence of such amendments.

The manager has advised counsel that, generally, each Purpose Trust will include gains and deduct losses on income account, rather than as capital gains and capital losses, in connection with investments made through derivative transactions, except where such derivatives are entered into in order to hedge, and are sufficiently linked with, securities that are held on capital account by the fund, and will recognize such gains or losses for tax purposes at the time they are realized by the fund. Where a Purpose Trust uses derivatives to hedge foreign currency exposure with respect to securities held on capital account, gains or losses realized on such derivatives will generally be treated as capital gains or capital losses. A derivative that is on capital account may nonetheless be treated on income account if it is a "**derivative forward agreement**" within the meaning of the Tax Act.

Each Purpose Trust is required to compute its income and gains for tax purposes in Canadian dollars. Therefore, the amount of income, cost, proceeds of disposition and other amounts in respect of investments that are not Canadian dollar denominated will be affected by fluctuations in the exchange rate of the Canadian dollar against the relevant foreign currency.

A Purpose Trust may pay foreign withholding or other taxes in connection with investments in foreign securities.

## **How your investment is taxed**

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

### **For shares/units held in a Registered Plan**

#### *Eligibility*

It is intended that shares or units, as the case may be, of each of the funds will be qualified investments for trusts governed by Registered Plans.

In the case of a TFSA, RRSP, RRIF, RESP and a RDSP provided that you do not hold a significant interest in the applicable Company or a Purpose Trust and you deal at arm's length with the applicable Company or a Purpose Trust for purposes of the Tax Act, the shares of a fund or such units, 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.

Securities received on the redemption of ETF Shares or ETF Units of a fund may not be a qualified investment for trusts governed by Registered Plans.

#### *Distributions and capital gains*

If you hold your shares or units of a fund through a Registered Plan, you will not pay tax on distributions or capital gains 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 a RESP or certain withdrawals from a RDSP and withdrawals from a TFSA).

### **For shares/units held in a non-registered account**

#### *Buying shares/units before a dividend/distribution payment*

The NAV of the shares or units, as the case may be, may include income and/or capital gains that have been earned but not yet distributed. If you buy shares or units of a fund just before it declares a dividend or distribution, as the case may be, you will be taxed on that dividend payment. Any amount reinvested in additional shares or units, as applicable, of the fund will be added to the adjusted cost base of your shares or units, as applicable.

#### *Distributions – Corp. Funds*

As a holder of shares, you may receive ordinary dividends which will be treated as taxable dividends (including eligible dividends) paid by a Canadian company. The amount of such dividends will be included in computing your income whether or not they are reinvested in additional shares. The dividend gross-up and tax credit treatment normally applicable to taxable dividends (including eligible dividends) paid by Canadian companies will apply to such dividends.

You may also receive a capital gains dividend. Each Company may realize capital gains on the disposition of portfolio assets including as a result of shareholders of a class switching their shares into shares of another class. Capital gains dividends will be paid out of such capital gains so that shareholders and not the Company will pay the capital gains tax. The directors of the Company will decide when, how much, and to which class of shareholders capital gains dividends will be paid. If you receive a capital gains dividend, you will be treated as if you had realized a capital gain in the amount of the dividend, whether or not the

amount is reinvested in additional shares of the fund. One-half of your net capital gains for the year will be included in your income.

If a fund pays a return of capital, such amount will generally not be taxable but will reduce the adjusted cost base of the shareholder's shares of the fund. However, where such returns of capital are reinvested in new shares, the overall adjusted cost base of the shareholder's shares will not be reduced. In the circumstance that reductions to the adjusted cost base of a shareholder's shares would result in such adjusted cost base becoming a negative amount, that amount will be treated as a capital gain realized by the shareholder and the adjusted cost base will then be zero.

You will be informed each year of the amount of taxable dividends (including eligible dividends) and capital gains dividends that have been paid out to you.

### ***Distributions – Purpose Trusts***

If you hold your units of a Purpose Trust 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 a Purpose Trust, whether you receive the distributions in cash or you reinvest them in units of a Purpose Trust. Any amount reinvested in additional units of a Purpose Trust will be added to the adjusted cost base of your units.

Distributions from a Purpose Trust are treated as ordinary income, capital gains, foreign income, dividends (including eligible dividends) from Canadian companies or non-taxable amounts (including a return of capital). Each type of distribution is taxed differently, with distributions that are treated as dividend income, capital gains or a return of capital being treated more favourably than other distributions.

You will be informed each year of the type of distributions paid to you and what amounts are treated as taxable capital gains, taxable dividends (including eligible dividends) on shares of Canadian companies, foreign income and non-taxable amounts (including a return of capital), and the amount of any foreign taxes paid by the Purpose Trust 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 Purpose Trust 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.

Distributions made by a Purpose Trust from gains on certain derivatives are considered ordinary income, not capital gains.

If you pay management fees directly in respect of units of a Purpose Trust 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 shares or units*

You are responsible for tracking and reporting to the Canada Revenue Agency any capital gain or loss that you realize. Your capital gain or loss for tax purposes on a redemption of shares (including a switch between classes or series of a Company pursuant to the Switch Fund Rules) or units, as the case may be, is the difference between the amount you receive for the redemption (less any fees) and the adjusted cost base of those shares or units, as applicable. 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 shares or units, as the case may be, redeemed to pay any fees in connection with switches or short-term trading fees.

If you have bought shares or units at various times, you will likely have paid various prices. This includes shares or units you received through reinvested distributions or switches. Your adjusted cost base of a share of a series or unit of a class, as the case may be, is the weighted average cost of all the shares you hold in that series or units you hold in that class, as the case may be, of the fund.

How to calculate the adjusted cost base of a share or unit, as the case may be, of a series or class, as applicable, 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 shares of the series or units of the class, as the case may be, and any amounts switched from other funds other than a switch between classes of a Company, if applicable.
- (c) Add the adjusted cost base of any shares of another class of the Company that have been switched into shares of the series, if applicable.
- (d) Add the amount of any reinvested dividends/distributions or other distributions.
- (e) Subtract the adjusted cost base of any shares or units, as the case may be, that were previously sold, redeemed or switched to another fund or to another series.
- (f) Subtract any distributions that have been treated as a return of capital.
- (g) Divide by the number of shares of that series or units of that class, as the case may be, that you own.

Pursuant to the Switch Fund Rules, if you switch your investment from shares of one class of a Company to shares of another class of a Company, then you will be considered to have sold or redeemed your shares, and the cost of your new shares will be equal to the fair market value of the shares that were switched at the time of their disposition.

The Switch Fund Rules should not apply to reclassifications of shares where a shareholder exchanges a share of one class of mutual fund shares for another share of the same class and both shares derive their value from the same property or group of properties. This exception permits shareholders to continue to switch between mutual fund shares of different series of the same fund on a tax-deferred basis.

### ***Portfolio turnover rate***

In general, the higher the portfolio turnover rate of a fund in a year, the greater the chance that a securityholder may receive a capital gains dividend or distribution. If reinvested, this amount will be added to the adjusted cost base of the securityholder's shares or units, as the case may be, 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 who receive distributions of taxable dividends or capital gains from a Purpose Trust or dividends from a Company or who realize net capital gains from the disposition of securities of a fund may be subject to alternative minimum tax under the Tax Act.

## **WHAT ARE YOUR LEGAL RIGHTS?**

### **Mutual fund shares/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 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 Shares/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 Shares or 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 Shares or ETF Units, as the case may be, 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 Shares 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 Shares or ETF Units, as the case may be, 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) to treat the ETF Shares and the mutual fund shares of each class of shares of the Company as if such shares were separate funds in connection with their compliance with the provisions of Parts 9, 10 and 14 of NI 81-102.

Purpose Marijuana Opportunities Fund, Purpose Global Innovators Fund, Purpose Strategic Yield Fund and Purpose Multi-Asset Income Fund have also received relief from Canadian securities regulatory authorities to permit the funds to appoint two custodians. In addition to CIBC Mellon Trust Company, such funds may appoint National Bank Financial Inc. (“**NBF**”) as the custodian of certain of its securities which may from time to time be in demand by borrowers (the “**In Demand Securities**”). NBF’s responsibility for custody of the funds’ assets will apply to the In Demand Securities transferred by the funds to and held by NBF.

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

### **How to read these fund descriptions**

#### ***Fund details***

Each of the Purpose Trusts is a mutual fund established as a trust under the laws of the province of Ontario. The authorized capital of each Purpose Trust includes one or more classes of exchange-traded units and one or more classes of mutual fund 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”.

Each of the Purpose Trusts is a mutual fund established as a trust under the laws of the province of Ontario. The authorized capital of each Purpose Trust includes one or more classes of exchange-traded units and one or more classes of mutual fund units. An unlimited number of ETF Units and mutual fund units are authorized for issuance.

On January 1, 2019 Purpose Fund Corp. amalgamated with Redwood Fund Corp. and Connected Wealth Funds Inc. to become “Purpose Fund Corp.” a mutual fund corporation established under the laws of the Province of Ontario. The authorized capital of Purpose Fund Corp. includes an unlimited number of classes of non-cumulative, redeemable, non-voting shares.

Purpose Mutual Funds Limited is a mutual fund corporation established under the federal laws of Canada. The authorized capital of Purpose Mutual Funds Limited includes 1,000 classes of non-cumulative, redeemable, non-voting shares.

Each class of shares of a Company (other than the common shares of a Company) is a separate mutual fund having specific investment objectives and is specifically referable to a separate portfolio of investments. Each such class is divided into separate series of shares. The authorized capital of each Company includes one or more series of mutual fund shares and for all Corp. Funds other than the Purpose Canadian Equity Growth Fund, Purpose Enhanced Premium Yield Fund, Purpose Global Resource Fund and Purpose Special Opportunities Fund one or more series of exchange-traded shares. Each share of a series represents an equal, undivided interest in the portion of the fund’s net assets attributable to that series. Expenses of each series are tracked separately and a separate NAV is calculated for each series. 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 series of shares or class or series of units, as applicable, that the fund offers. The table also highlights that shares or units, as the case may be, of the fund are a qualified investment for Registered Plans. You will find more information about Registered Plans on page 59. The table also tells you the management fee and administration expenses, if applicable for each series of shares or class or series of units, as the case may be, of the fund.

### **What does the fund invest in?**

#### ***Investment objectives***

This section outlines the investment objectives of each fund and the type of securities in which the fund may invest to achieve those investment objectives. A fund’s investment objectives may include capital preservation, generating income, capital growth or a combination of the three. Some 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 investment advisor uses to achieve the fund's investment objectives. It gives you a better understanding of how your money is being managed. The format also allows you to compare more easily how different mutual funds are managed.

This section also highlights:

- (a) any significant investment restrictions adopted by the fund; and
- (b) the potential use of derivatives and a description of how they will be used.

### **How the funds engage in securities lending transactions**

Certain funds may enter into securities lending 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.

### **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.

All of the funds 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.

### **Investing in underlying funds**

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

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

- (a) management style;
- (b) investment performance and consistency;

- (c) risk tolerance levels;
- (d) calibre of reporting procedures; and
- (e) quality of the manager and/or investment advisor.

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

### **How the funds engage in short selling**

A short sale by a fund involves borrowing securities from a lender and selling those securities in the open market (or “selling short” the securities). At a later date, the same number of securities are repurchased by that 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 on the borrowed securities. 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 to the lender, the fund will make a profit for the difference (less any interest the fund is required to pay to the lender). Selling short provides the funds with more opportunities for profits when markets are generally volatile or declining.

Some of the funds 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 funds 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 funds would sell short securities representing a market index or sub index. The funds 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.

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

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

## **Action on portfolio adjustment**

Whenever the portfolio of a fund allocable to the ETF Shares or ETF Units, as applicable, 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 Shares or ETF Units, as the case may be, 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 Shares or ETF Units, as the case may be, 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?” on page 9 and “What are the general risks of investing in a mutual fund?” on page 10.

## **Who should invest in this fund?**

This section tells you the type of investment portfolio or investor the 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 fund risk ratings 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.

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 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, we use 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) as a proxy. 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.

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

### **Dividend/distribution policy**

This section tells you how often the fund pays out distributions of income and capital or dividends or a return of capital and how they are paid. See "Income Tax Considerations for Investors" on page 84 for more information.

### **Fund expenses indirectly borne by investors**

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](http://www.purposeinvest.com), send an email to us at [info@purposeinvest.com](mailto: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 funds' annual information form.

### **Performance Benchmarks for Payments of Incentive Fees**

#### ***FTSE/TMX Canada Universe Bond Index<sup>1</sup>***

The FTSE/TMX Canada Universe Bond Index is designed to be a broad measure of the Canadian investment-grade fixed income market. Returns are calculated daily, and are weighted by market capitalization, so that the return on a bond influences the return on the index in proportion to the bond's market value. The FTSE/TMX Canada Universe Bond Index has been published since 1979. It is intended to be a transparent index, with individual security holdings disclosed electronically each day.

The FTSE/TMX Canada Universe Bond Index is divided into a variety of sub-indices according to term and credit. The main term sub-sectors are short, mid and long. The short sub-indices include bonds with remaining effective terms greater than 1 year and less than or equal to 5 years. The mid sub-indices include bonds with remaining terms greater than 5 years and less than or equal to 10 years, while the long sub-indices include remaining terms greater than 10 years.

#### ***S&P/TSX Income Trust Total Return Index***

The S&P/TSX Income Trust Total Return Index is a component of the S&P/TSX Composite Index. It contains all of the income trust constituents from the S&P/TSX Composite Index, and is not capped. This index is the parent index to the S&P/TSX Capped Energy Trust and S&P/TSX Capped REIT Indices. The TSX serves as the distributor of both real-time and historical data for this index.

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<sup>1</sup> Source: PC-Bond, a business unit of TSX Inc. Copyright © TSX Inc. All rights reserved. The information contained herein may not be redistributed, sold or modified or used to create any derivative work without the prior written consent of TSX Inc.

**PURPOSE CORE DIVIDEND FUND**

<b>Fund Type</b>	North American dividend-paying equity securities	
<b>Date Started</b>	ETF shares – September 3, 2013 Series A shares – September 3, 2013 Series F shares – September 3, 2013 Series I shares – September 3, 2013 Series D shares – May 8, 2014 Series XA shares – August 4, 2014 Series XF shares – July 22, 2014 Series XUA shares – September 24, 2015 Series XUF shares – April 27, 2015 Series P shares – January 14, 2019	
<b>Type of Securities</b>	ETF shares, Series A shares, Series F shares, Series I shares, Series D shares, Series XA shares, Series XF shares, Series XUA shares, Series XUF shares and Series P shares	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	ETF shares	0.55% <sup>(1)</sup>
	Series A shares, Series XA shares and Series XUA shares	1.55% <sup>(1)</sup>
	Series F shares, Series XF shares and Series XUF shares	0.55% <sup>(1)</sup>
	Series I shares	Holders of Series I shares pay a negotiated management fee directly to Purpose of up to 0.55% <sup>(1)</sup>
	Series D shares	0.80% <sup>(1)</sup>
	Series P shares	0.80% <sup>(1)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Investment Sub-advisor</b>	Neuberger Berman Breton Hill ULC	
<b>Auditor</b>	Ernst & Young LLP	

**Note:**

(1) Plus applicable HST.

**What does the fund invest in?**

***Investment Objectives***

The fund seeks to provide shareholders with (i) long-term capital appreciation through investment in a portfolio of high quality North American dividend-paying equity securities; and (ii) monthly distributions.

***Investment Strategies***

The fund invests in a portfolio of high quality North American dividend-paying equity securities based on a fundamental rules-based portfolio selection strategy that intends to create value and reduce risk over the investment period.

The fund's investment strategy systematically selects companies that have attractive dividend yield and the ability to grow their businesses and dividends for shareholders in the future. The portfolio is structured to reduce risk by using both quality and financial risk screens in order to exclude from the investment universe companies that have low financial strength and limited capacity for business and dividend growth. The fund's portfolio is broadly diversified by industry sector, with no one industry representing more than 20% of the NAV of the fund. 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 exposure to foreign currencies and/or as a substitute for direct investment. The fund may enter into securities lending transactions to generate additional income.

The portfolio holdings are reconstituted and rebalanced quarterly. The investment advisor may in its discretion, change the frequency with which the portfolio is reconstituted and rebalanced. Generally, a substantial portion of the foreign currency exposure within the portfolio will be hedged back to the Canadian dollar by using derivatives including currency forward contracts in the investment advisor's discretion.

**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 share;
- (b) risk of loss;
- (c) capital depreciation risk;
- (d) equity investment risk;
- (e) asset class risk;
- (f) currency risk;
- (g) derivative risk;
- (h) reliance on the manager and investment advisor risk;
- (i) liquidity risk;
- (j) fund corporation risk;
- (k) tax risk;
- (l) changes in legislation;
- (m) cease trading of constituent securities risk;
- (n) securities lending and repurchase and reverse repurchase transaction risk; and
- (o) cyber security risk.

Additional risks associated with an investment in the ETF shares and ETF shares (non-currency hedged) include:

- (a) absence of an active market for the ETF shares and ETF shares (non-currency hedged);
- (b) rebalancing and adjustment risk; and
- (c) trading price of ETF shares and ETF shares (non-currency hedged).

**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 distributions payable to you monthly;
- (c) you are investing for the medium and/or long term; and
- (d) you can tolerate low to medium risk.

The fund’s risk classification is based on the fund’s returns and the return of a blended index composed of the Dow Jones Canada Select Dividend Index (CAD) (50%) and Dow Jones Select US Dividend Index (USD) (50%).

Please see “Specific information about each of the mutual funds described in this document – Investment risk classification methodology” on page 95 for a description of how we determined the classification of this fund’s risk level.

**Dividend Policy**

The fund expects to make distributions monthly. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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, if any, are made annually in February. For more information see “Specific information about each of the mutual funds described in this document – Dividend/distribution policy” on page 96 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 series of this fund, if applicable. See “Purchases, switches and redemptions – How to buy, redeem and switch” on page 36 for a description of each series 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 60 for more information.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
ETF shares (\$)	\$7.77	\$25.51	\$46.53	\$116.60



*Purpose Core Dividend Fund*

Series A shares (\$)	\$19.32	\$62.73	\$113.18	\$276.08
Series F shares (\$)	\$7.87	\$25.85	\$47.15	\$118.13
Series D shares (\$)	\$10.92	\$35.74	\$65.00	\$161.69
Series I shares (\$)	-	-	-	-
Series XA shares (\$)	\$25.51	\$82.36	\$147.71	\$355.23
Series XF shares (\$)	\$13.65	\$44.56	\$80.83	\$199.79
Series XUA shares (\$)	\$25.41	\$82.03	\$147.13	\$353.92
Series XUF shares (\$)	\$14.80	\$48.28	\$87.48	\$215.64
Series P shares (\$)	\$11.03	\$36.08	\$65.61	\$163.17

**Notes:**

- 1 Based on a \$1,000 investment and 5% return each year. Actual performance may vary.
- 2 Information regarding fund expenses indirectly borne by investors for Series I shares is not available because no Series I shares had been sold the public as of December 31, 2020.

**PURPOSE TACTICAL HEDGED EQUITY FUND**

<b>Fund Type</b>	North American equity fund	
<b>Date Started</b>	ETF shares – September 3, 2013 ETF shares (non-currency hedged) – April 29, 2014 Series A shares – September 3, 2013 Series A shares (non-currency hedged) – April 29, 2014 Series F shares – September 3, 2013 Series F shares (non-currency hedged) – April 29, 2014 Series D shares – May 9, 2014 Series XA shares – December 29, 2015 Series XA shares (non-currency hedged) – April 27, 2015 Series XF shares – July 22, 2014 Series XF shares (non-currency hedged) – December 12, 2016	
<b>Type of Securities</b>	ETF shares, ETF shares (non-currency hedged), Series A shares, Series A shares (non-currency hedged), Series F shares, Series F shares (non-currency hedged), Series D shares, Series XA shares, Series XA shares (non-currency hedged), Series XF shares and Series XF shares (non-currency hedged)	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	ETF shares and ETF shares (non-currency hedged)	0.80% <sup>(1)</sup>
	Series A shares, Series A shares (non-currency hedged), Series XA shares and Series XA shares (non-currency hedged)	1.80% <sup>(1)</sup>
	Series F shares, Series F shares (non-currency hedged), Series XF shares and Series XF shares (non-currency hedged)	0.80% <sup>(1)</sup>
	Series D shares	1.05% <sup>(1)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Investment Sub-advisor Auditor</b>	Neuberger Berman Breton Hill ULC Ernst & Young LLP	

**Note:**

(1) Plus applicable HST.

**What does the fund invest in?**

**Investment Objectives**

The fund seeks to provide shareholders with (i) consistent long-term capital appreciation with an attractive risk-adjusted rate of return investing in a portfolio of U.S. listed equities; and (ii) less volatility and low correlation to U.S. equity markets by hedging the fund’s exposure to overall market risk.

**Investment Strategies**

The fund uses a multi-factor, fundamental rules-based portfolio selection strategy to select long portfolio securities from a universe of U.S. listed equities.

The selection strategy emphasizes factors that have shown to be effective at differentiating between strong and weak performing stocks including: fundamental change, valuation, growth and quality. The investment advisor uses option strategies to hedge a substantial majority of the fund's notional exposure, in order to reduce overall market exposure and the market risk associated with the fund's portfolio investments. This hedging is intended to enable the fund to take advantage of the expected value (or alpha) associated with the fund's individual portfolio investments but with reduced risk that is associated with the overall market (or beta). Tactical hedging is implemented through the use of derivative instruments as permitted by Canadian securities laws including but not limited to market index futures contracts, options and swaps. 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 exposure to foreign currencies and/or as a substitute for direct investment. The fund may enter into securities lending transactions to generate additional income.

The portfolio holdings are reconstituted and rebalanced monthly. The investment advisor may in its discretion, change the frequency with which the portfolio is reconstituted and rebalanced. With respect to the mutual fund shares (other than the mutual fund shares (non-currency hedged)) and ETF shares (other than the ETF shares (non-currency hedged)) generally, a substantial portion of the foreign currency exposure within the portfolio will be hedged back to the Canadian dollar by using derivatives including currency forward contracts in the investment advisor's discretion. With respect to the mutual funds (non-currency hedged) and ETF shares (non-currency hedged) the foreign currency exposure of the portfolio will not be hedged back to the Canadian dollar.

**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 share;
- (b) risk of loss;
- (c) capital depreciation risk;
- (d) equity investment risk;
- (e) currency risk;
- (f) derivative risk;
- (g) reliance on the manager and investment advisor risk;
- (h) rebalancing and adjustment risk;
- (i) fund corporation risk;
- (j) tax risk;
- (k) liquidity risk;
- (l) cease trading of constituent securities risk;

- (m) changes in legislation risk;
- (n) credit risk;
- (o) distributions in specie;
- (p) securities lending and repurchase and reverse repurchase transaction risk; and
- (q) cyber security risk.

Additional risks associated with an investment in the ETF shares and ETF shares (non-currency hedged) include:

- (a) absence of an active market for the ETF shares and ETF shares (non-currency hedged);
- (b) rebalancing and adjustment risk; and
- (c) trading price of ETF shares and ETF shares (non-currency hedged).

**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 distributions payable to you annually;
- (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 medium risk if investing in the hedged series, and low to medium risk if investing in the non-currency hedged series.

The fund's risk classification is based on the fund's returns and the return of S&P 500 Total Return Hedged to CAD Index for the hedged series and the S&P 500 Total Return Index for the non-currency hedged series.

Please see "Specific information about each of the mutual funds described in this document – Investment risk classification methodology" on page 95 for a description of how we determined the classification of this fund's risk level.

**Dividend Policy**

The fund expects to make distributions annually, if any. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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 February. For more information see "Specific information about each of the mutual funds described in this document – Dividend/distribution policy" on page 96 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 series of this fund, if applicable. See “Purchases, switches and redemptions – How to buy, redeem and switch” on page 36 for a description of each series 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 60 for more information.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
ETF shares (\$)	\$10.08	\$33.02	\$60.10	\$149.79
ETF shares (non-currency hedged) (\$)	\$9.97	\$32.68	\$59.48	\$148.29
Series A shares (\$)	\$21.42	\$69.41	\$124.98	\$303.39
Series A shares (non-currency hedged) (\$)	\$21.63	\$70.08	\$126.15	\$306.10
Series F shares (\$)	\$9.97	\$32.68	\$59.48	\$148.29
Series F shares (non-currency hedged) (\$)	\$10.29	\$33.70	\$61.32	\$152.77
Series D shares (\$)	\$13.23	\$43.21	\$78.40	\$193.99
Series XA shares (\$)	\$27.09	\$87.31	\$156.36	\$374.67
Series XA shares (non-currency hedged) (\$)	-	-	-	-
Series XF shares (\$)	\$15.33	\$49.97	\$90.49	\$222.79
Series XF shares (non-currency hedged) (\$)	\$16.07	\$52.33	\$94.69	\$232.74

**Notes:**

- 1 Based on a \$1,000 investment and 5% return each year. Actual performance may vary.
- 2 Information regarding fund expenses indirectly borne by investors for Series XA shares (non-currency hedged) is not available because no Series XA shares (non-currency hedged) had been sold the public as of December 31, 2020.

## PURPOSE MONTHLY INCOME FUND

<b>Fund Type</b>	North American balanced fund	
<b>Date Started</b>	ETF shares – September 6, 2013 Series A shares – September 6, 2013 Series F shares – September 6, 2013 Series D shares – May 9, 2014 Series XA shares – August 13, 2015 Series XF shares – July 23, 2014	
<b>Type of Securities</b>	ETF shares, Series A shares, Series F shares, Series D shares, Series XA shares and Series XF shares	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	ETF shares	0.55% <sup>(1)</sup>
	Series A shares and Series XA shares	1.55% <sup>(1)</sup>
	Series F shares and Series XF shares	0.55% <sup>(1)</sup>
	Series D shares	0.80% <sup>(1)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Investment Sub-advisor</b>	Neuberger Berman Breton Hill ULC	
<b>Auditor</b>	Ernst & Young LLP	

**Note:**

(1) Plus applicable HST.

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

The fund seeks to (i) maximize total return, consisting of dividend income and capital appreciation by tactically investing in a broad range of asset classes which may include equity, fixed income and inflation sensitive securities and cash; and (ii) provide shareholders with stable monthly distributions.

*Investment Strategies*

The fund is tactically managed across a broad range of asset classes including equities, fixed income, inflation sensitive securities and cash based on a risk-parity weighting methodology, with the goal of achieving a positive total return in diverse market environments while reducing portfolio risk. “Risk parity methodology” or “risk parity based asset allocation strategy” is broadly defined as a strategy that aims to spread portfolio risk, as measured by volatility of the rate of return on the portfolio, equally across all asset classes. In other words, each asset class in the portfolio is weighted such that all asset classes have the same marginal contribution to the total risk of the portfolio. The fund may choose to (a) write cash-covered put options in respect of the individual securities and market indices in order to receive premium income, reduce overall portfolio volatility and reduce the net cost of acquiring the securities subject to put options, (b) write covered call options on individual securities to seek to receive premium income, reduce overall portfolio volatility and enhance the portfolio’s total return, (c) use warrants, ETFs and derivatives such as options, forward contracts, futures contracts and swaps for both hedging and non-hedging purposes to generate income, hedge against losses from changes in the prices of the fund’s investments and from exposure to foreign currencies 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 to provide cover for the

writing of cash covered put options in respect of securities in which the fund is permitted to invest. Options may be either exchange-traded or over-the-counter options.

In addition, when appropriate, the portfolio may also use derivatives, including but not limited to options, futures contracts, forward contracts and swaps as permitted by Canadian securities laws, to hedge against interest rate exposure, manage duration risk and hedge market exposure to protect capital. The fund may enter into securities lending transactions to generate additional income.

The portfolio holdings are reconstituted and rebalanced monthly. The investment advisor may in its discretion, change the frequency with which the portfolio is reconstituted and rebalanced at any time without notice. Generally, a substantial portion of the foreign currency exposure within the portfolio will be hedged back to the Canadian dollar by using derivatives including currency forward contracts in the investment advisor's discretion.

**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 share;
- (b) risk of loss;
- (c) capital depreciation risk;
- (d) equity investment risk;
- (e) interest rate risk;
- (f) currency risk;
- (g) commodity risk;
- (h) reliance on the manager and investment advisor risk;
- (i) credit risk;
- (j) derivative risk;
- (k) futures contract liquidity risk;
- (l) futures contract margin risk;
- (m) fund corporation risk;
- (n) tax risk;
- (o) liquidity risk;
- (p) illiquid securities risk;
- (q) cease trading of constituent securities risk;

- (r) changes in legislation risk;
- (s) securities lending and repurchase and reverse repurchase transaction risk; and
- (t) cyber security risk.

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

- (a) absence of an active market for the ETF shares;
- (b) rebalancing and adjustment risk; and
- (c) trading price of ETF shares.

### **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 distributions payable to you monthly;
- (c) you are investing for the medium and/or long term; and
- (d) you can tolerate low risk.

The fund's risk classification is based on the fund's returns and the return of a blended index composed of the S&P/TSX 60 Index (30%), S&P 500 Index CAD Hedged (20%) and FTSE TMX Canada Universe Bond Index (50%).

Please see "Specific information about each of the mutual funds described in this document – Investment risk classification methodology" on page 95 for a description of how we determined the classification of this fund's risk level.

### **Dividend Policy**

The fund expects to make distributions monthly. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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 February. Monthly distributions are targeted at \$0.083 per share (\$1.00 per annum representing an annual dividend yield of 5.00% based on the \$20.00 per share initial issue price). For more information see "Specific information about each of the mutual funds described in this document – Dividend/distribution policy" on page 96 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 series of this fund, if applicable. See "Purchases, switches and redemptions – How to buy, redeem and switch" on page 36 for a description of each series and their



*Purpose Monthly Income Fund*

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 60 for more information.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
ETF shares (\$)	\$7.45	\$24.48	\$44.67	\$112.03
Series A shares (\$)	\$18.48	\$60.05	\$108.43	\$265.01
Series F shares (\$)	\$7.56	\$24.83	\$45.29	\$113.55
Series D shares (\$)	\$10.61	\$34.72	\$63.16	\$157.24
Series XA shares (\$)	\$24.99	\$80.70	\$144.82	\$348.69
Series XF shares (\$)	\$13.96	\$45.58	\$82.64	\$204.13

**Note:**

1 Based on a \$1,000 investment and 5% return each year. Actual performance may vary.

**PURPOSE TOTAL RETURN BOND FUND**

<b>Fund Type</b>	Total return bond fund	
<b>Date Started</b>	ETF shares – September 4, 2013 Series A shares – September 4, 2013 Series F shares – September 4, 2013 Series D shares – May 9, 2014 Series XA shares – February 20, 2015 Series XF shares – July 23, 2014	
<b>Type of Securities</b>	ETF shares, Series A shares, Series F shares, Series I shares, Series D shares, Series XA shares and Series XF shares	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	ETF shares	0.45% <sup>(1)</sup>
	Series A shares and Series XA shares	0.95% <sup>(1)</sup>
	Series F shares and Series XF shares	0.45% <sup>(1)</sup>
	Series D shares	0.60% <sup>(1)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Investment Sub-advisor</b>	Neuberger Berman Breton Hill ULC	
<b>Auditor</b>	Ernst & Young LLP	

**Note:**

(1) Plus applicable HST.

**What does the fund invest in?**

***Investment Objectives***

The fund seeks to achieve a positive total return in diverse market environments over time by tactically allocating its assets among a broad range of fixed income securities, including government debt, investment grade corporate debt and high yield debt.

***Investment Strategies***

The fund obtains exposure primarily to a portfolio of fixed income securities including government debt, investment grade corporate debt, notes and high yield debt instruments. The fund primarily invests in a portfolio of North American fixed income securities but may also invest globally. The fund may invest in (i) derivatives such as options, futures contracts, forward contracts, swaps and credit derivatives and/or (ii) underlying funds, in each case as permitted by Canadian securities laws, to achieve its investment objectives. 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 exposure to foreign currencies and/or as a substitute for direct investment. The fund may enter into securities lending transactions to generate additional income.

The portfolio holdings are rebalanced monthly. The investment advisor may in its discretion, change the frequency with which the portfolio is reconstituted and rebalanced. Generally, a substantial portion of the

foreign currency exposure within the portfolio will be hedged back to the Canadian dollar by using derivatives including currency forward contracts in the investment advisor's discretion.

**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 share;
- (b) risk of loss;
- (c) capital depreciation risk;
- (d) debt securities risk;
- (e) interest rate risk;
- (f) high yield securities risk;
- (g) credit risk;
- (h) currency risk;
- (i) reliance on the manager and investment advisor risk;
- (j) derivative risk;
- (k) liquidity risk;
- (l) illiquid securities risk;
- (m) cease trading of constituent securities risk;
- (n) changes in legislation risk;
- (o) fund corporation risk;
- (p) tax risk;
- (q) securities lending and repurchase and reverse repurchase transaction risk; and
- (r) cyber security risk.

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

- (a) absence of an active market for the ETF shares;
- (b) rebalancing and adjustment risk; and
- (c) trading price of ETF shares.

**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 distributions payable to you monthly;
- (c) you are investing for the medium and/or long term; and
- (d) you can tolerate low to medium risk.

The fund’s risk classification is based on the fund’s returns and the return of FTSE TMX Canada Universe Bond Index.

Please see “Specific information about each of the mutual funds described in this document – Investment risk classification methodology” on page 95 for a description of how we determined the classification of this fund’s risk level.

**Dividend Policy**

The fund expects to make a distribution each month. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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 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 February. For more information see “Specific information about each of the mutual funds described in this document – Dividend/distribution policy” on page 96 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 series of this fund, if applicable. See “Purchases, switches and redemptions – How to buy, redeem and switch” on page 36 for a description of each series 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 60 for more information.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
ETF shares (\$)	\$11.34	\$37.10	\$67.45	\$167.61
Series A shares (\$)	\$17.33	\$56.36	\$101.88	\$249.66
Series F shares (\$)	\$11.34	\$37.10	\$67.45	\$167.61
Series D shares (\$)	\$13.23	\$43.21	\$78.40	\$193.99
Series XA shares (\$)	\$23.73	\$76.73	\$137.85	\$332.86
Series XF shares (\$)	\$17.64	\$57.37	\$103.67	\$253.87

**Note:**

1 Based on a \$1,000 investment and 5% return each year. Actual performance may vary.



## PURPOSE BEST IDEAS FUND

<b>Fund Type</b>	North American equity fund	
<b>Date Started</b>	ETF shares – April 29, 2014 ETF shares (non-currency hedged) – October 24, 2014 Series A shares – April 29, 2014 Series A shares (non-currency hedged) – October 24, 2014 Series F shares – April 29, 2014 Series F shares (non-currency hedged) – October 24, 2014 Series I shares – April 29, 2014 Series D shares – May 9, 2014 Series XA shares – December 30, 2015 Series XA shares (non-currency hedged) – April 27, 2015 Series XF shares – July 23, 2014 Series XF shares (non-currency hedged) – August 20, 2015 Series XUA shares – September 24, 2015 Series XUA shares (non-currency hedged) – August 20, 2015 Series XUF shares – April 27, 2015 Series XUF shares (non-currency hedged) – April 27, 2015	
<b>Type of Securities</b>	ETF shares, ETF shares (non-currency hedged), Series A shares, Series A shares (non-currency hedged), Series F shares, Series F shares (non-currency hedged), Series I shares, Series D shares, Series XA shares, Series XA shares (non-currency hedged), Series XF shares, Series XF shares (non-currency hedged), Series XUA shares, Series XUA shares (non-currency hedged), Series XUF shares and Series XUF shares (non-currency hedged)	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	ETF shares and ETF shares (non-currency hedged)	0.65% <sup>(1)</sup>
	Series A shares, Series A shares (non-currency hedged), Series XA shares, Series XA shares (non-currency hedged), Series XUA shares, Series XUA shares (non-currency hedged)	1.65% <sup>(1)</sup>
	Series F shares, Series F shares (non-currency hedged), Series XF shares, Series XF shares (non-currency hedged), Series XUF shares, Series XUF shares (non-currency hedged)	0.65% <sup>(1)</sup>
	Series I shares	0.65% <sup>(1)</sup> Holders of Series I shares pay a negotiated management fee directly to Purpose of up to 0.65% <sup>(1)</sup>
	Series D shares	0.90% <sup>(1)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Investment Sub-advisor</b>	Neuberger Berman Breton Hill ULC	
<b>Auditor</b>	Ernst & Young LLP	

**Note:**

(1) Plus applicable HST.

**What does the fund invest in?**

***Investment Objectives***

The fund seeks to provide shareholders with attractive long-term capital appreciation by investing in a portfolio of North American equities considered to be high conviction securities across a group of some of the world's most renowned investment managers. The group of investment managers is selected by the manager and the investment advisor.

***Investment Strategies***

The fund invests in a portfolio of equities listed on major North American exchanges selected from a universe of equities held by some of the world's most renowned investment managers as reported through their public filings. These managers are well respected and exhibit outstanding historical performance records. The investment advisor may in its discretion change the number of holdings held by the fund. 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 exposure to foreign currencies and/or as a substitute for direct investment. The fund may enter into securities lending transactions to generate additional income.

The portfolio holdings are reconstituted and rebalanced on a quarterly basis. The investment advisor may in its discretion, change the frequency with which the portfolio is reconstituted and rebalanced. With respect to the mutual fund shares (other than the mutual fund shares (non-currency hedged)) and ETF shares (other than the ETF shares (non-currency hedged)) generally, a substantial portion of the foreign currency exposure within the portfolio will be hedged back to the Canadian dollar by using derivatives including currency forward contracts in the investment advisor's discretion. With respect to the mutual funds (non-currency hedged) and ETF shares (non-currency hedged) the foreign currency exposure of the portfolio will not be hedged back to the Canadian dollar.

**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 share;
- (b) risk of loss;
- (c) capital depreciation risk;
- (d) equity investment risk;
- (e) currency risk;
- (f) derivative risk;
- (g) reliance on the manager and investment advisor risk;
- (h) fund corporation risk;
- (i) cease trading of constituent securities risk;

- (j) changes in legislation risk;
- (k) tax risk;
- (l) liquidity risk;
- (m) securities lending and repurchase and reverse repurchase transaction risk; and
- (n) cyber security risk.

Additional risks associated with an investment in the ETF shares and ETF non-currency hedged shares include:

- (a) absence of an active market for the ETF shares and ETF non-currency hedged shares;
- (b) rebalancing and adjustment risk; and
- (c) trading price of ETF shares and ETF non-currency hedged shares.

**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 distributions payable to you annually;
- (c) you are investing for the medium and/or long term; and
- (d) you can tolerate medium risk.

The fund's risk classification is based on the fund's returns and the return of Russell Top 200 Growth Index Total Return (USD) for the hedged series and the Russell Top 200 Growth Index Total Return (CAD) for the non-currency hedged series.

Please see "Specific information about each of the mutual funds described in this document – Investment risk classification methodology" on page 95 for a description of how we determined the classification of this fund's risk level.

**Dividend Policy**

The fund expects to make distributions annually, if any. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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 February. For more information see "Specific information about each of the mutual funds described in this document – Dividend/distribution policy" on page 96 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 series of this fund, if applicable. See “Purchases, switches and redemptions – How to buy, redeem and switch” on page 36 for a description of each series 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 60 for more information.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
ETF shares (\$)	\$7.87	\$25.85	\$47.15	\$118.13
ETF shares (non-currency hedged) (\$)	\$7.66	\$25.17	\$45.91	\$115.08
Series A shares (\$)	\$19.00	\$61.73	\$111.40	\$271.94
Series A shares (non-currency hedged) (\$)	\$19.11	\$62.06	\$111.99	\$273.32
Series F shares (\$)	\$8.09	\$26.54	\$48.39	\$121.17
Series F shares (non-currency hedged) (\$)	\$7.77	\$25.51	\$46.53	\$116.60
Series I shares (\$)	-	-	-	-
Series D shares (\$)	\$10.92	\$35.74	\$65.00	\$161.69
Series XA shares (\$)	\$25.30	\$81.70	\$146.56	\$352.61
Series XA shares (non-currency hedged) (\$)	-	-	-	-
Series XF shares (\$)	\$13.34	\$43.55	\$79.01	\$195.44
Series XF shares (non-currency hedged) (\$)	\$13.34	\$43.55	\$79.01	\$195.44
Series XUA shares (\$)	\$25.62	\$82.69	\$148.29	\$356.53
Series XUA shares (non-currency hedged) (\$)	-	-	-	-
Series XUF shares (\$)	\$14.28	\$46.59	\$84.46	\$208.45
Series XUF shares (non-currency hedged) (\$)	-	-	-	-

**Notes:**

- 1 Based on a \$1,000 investment and 5% return each year. Actual performance may vary.
- 2 Information regarding fund expenses indirectly borne by investors for Series I shares, Series XA shares (non-currency hedged), Series XUA shares (non-currency hedged) and Series XUF shares (non-currency hedged) is not available because no Series I shares, Series XA shares (non-currency hedged), Series XUA shares (non-currency hedged) and Series XUF shares (non-currency hedged) had been sold to the public as of December 31, 2020.

*Purpose Real Estate Income Fund (formerly, Purpose Duration Hedged Real Estate Fund)*

**PURPOSE REAL ESTATE INCOME FUND (FORMERLY, PURPOSE DURATION HEDGED REAL ESTATE FUND)**

<b>Fund Type</b>	North American equity fund	
<b>Date Started</b>	ETF shares – April 29, 2014 Series A shares – April 29, 2014 Series F shares – April 29, 2014 Series I shares – April 29, 2014 Series D shares – May 9, 2014 Series XA shares – December 30, 2015 Series XF shares – July 23, 2014	
<b>Type of Securities</b>	ETF shares, Series A shares, Series F shares, Series I shares, Series D shares, Series XA shares and Series XF shares	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	ETF shares	0.65% <sup>(1)</sup>
	Series A shares and Series XA shares	1.65% <sup>(1)</sup>
	Series F shares and Series XF shares	0.65% <sup>(1)</sup>
	Series I shares	Holder of Series I shares pay a negotiated management fee directly to Purpose of up to 0.65% <sup>(1)</sup>
	Series D shares	0.90% <sup>(1)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Auditor</b>	Ernst & Young LLP	

**Note:**

(1) Plus applicable HST.

**What does the fund invest in?**

***Investment Objectives***

The fund seeks to (i) provide shareholders with long-term capital appreciation by investing in a portfolio of real estate focused equity securities listed on major North American exchanges and (ii) reduce the risk of rising interest rates associated with real estate equity securities by tactically hedging the duration of the portfolio.

***Investment Strategies***

The fund uses an active, fundamental approach to investing in real estate equities. The fund will also employ technical analysis to assist in security selection drawing on macroeconomic factors and trends in addition to company-specific growth, equity and value factors. The fund may invest in underlying funds to achieve its investment objectives. See “Specific information about each of the mutual funds described in this document – Investing in Underlying Funds” on page 93.

The fund may hedge its portfolio’s interest rate exposure in order to reduce the portfolio’s sensitivity to rising interest rates. Hedging is intended to enable the portfolio to take advantage of the expected value associated with the fund’s individual portfolio investments while managing the risk that real estate securities have associated with rising interest rates. The interest rate hedging is implemented through the use of derivative instruments in compliance with NI 81-102 including but not limited to market index futures contracts, options and swaps.

*Purpose Real Estate Income Fund (formerly, Purpose Duration Hedged Real Estate Fund)*

To manage the interest rate hedge, the investment advisor considers multiple factors including trends in interest rates and sensitivity of the portfolio to changes in interest rates in various market environments. The interest rate hedging strategy is implemented through the use of derivative instruments in compliance with NI 81-102 including by selling U.S. treasury interest futures contracts. 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 exposure to foreign currencies and/or as a substitute for direct investment. The fund may enter into securities lending transactions to generate additional income.

Generally, a substantial portion of the foreign currency exposure within the portfolio will be hedged back to the Canadian dollar by using derivatives including currency forward contracts in the investment advisor's discretion.

**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 share;
- (b) risk of loss;
- (c) capital depreciation risk;
- (d) equity investment risk;
- (e) real estate sector risk;
- (f) derivative risk;
- (g) interest rate risk;
- (h) asset class risk;
- (i) currency risk;
- (j) reliance on the manager and investment advisor risk;
- (k) fund corporation risk;
- (l) tax risk;
- (m) liquidity risk;
- (n) cease trading of constituent securities risk;
- (o) changes in legislation risk;
- (p) securities lending and repurchase and reverse repurchase transaction risk; and
- (q) cyber security risk.

*Purpose Real Estate Income Fund (formerly, Purpose Duration Hedged Real Estate Fund)*

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

- (a) absence of an active market for the ETF shares;
- (b) rebalancing and adjustment risk; and
- (c) trading price of ETF shares.

**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 distributions payable to you monthly;
- (c) you are investing for the medium and/or long term; and
- (d) you can tolerate medium risk.

The fund's risk classification is based on the fund's returns and the return of a blended index composed of the Dow Jones US Real Estate Index (50%) and S&P/TSX Capped REIT Index (50%).

Please see "Specific information about each of the mutual funds described in this document – Investment risk classification methodology" on page 95 for a description of how we determined the classification of this fund's risk level.

**Dividend Policy**

The fund expects to make distributions monthly. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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, if any, are made annually in February. For more information see "Specific information about each of the mutual funds described in this document – Dividend/distribution policy" on page 96 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 series of this fund, if applicable. See "Purchases, switches and redemptions – How to buy, redeem and switch" on page 36 for a description of each series 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 60 for more information.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
ETF shares (\$)	\$8.19	\$26.88	\$49.00	\$122.69
Series A shares (\$)	\$19.74	\$64.07	\$115.54	\$281.58
Series F shares (\$)	\$8.29	\$27.22	\$49.62	\$124.20
Series I shares (\$)	-	-	-	-
Series D shares (\$)	\$11.13	\$36.42	\$66.22	\$164.66

*Purpose Real Estate Income Fund (formerly, Purpose Duration Hedged Real Estate Fund)*

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
Series XA shares (\$)	\$27.82	\$89.61	\$160.38	\$383.66
Series XF shares (\$)	\$15.86	\$51.65	\$93.49	\$229.91

**Notes:**

- 1 Based on a \$1,000 investment and 5% return each year. Actual performance may vary.
- 2 Information regarding fund expenses indirectly borne by investors for Series I shares is not available because no Series I shares had been sold to the public as of December 31, 2020.

**PURPOSE CANADIAN EQUITY GROWTH FUND**

<b>Fund Type</b>	Canadian equity fund	
<b>Date Started</b>	Series A shares – September 16, 2009 Series F shares – September 16, 2009	
<b>Type of Securities</b>	Series A shares and Series F shares	
<b>Management Fee</b>	<b>Series</b> Series A shares Series F shares	<b>Management Fee</b> 2.50% <sup>(1)</sup> 1.50% <sup>(1)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Investment Advisor</b>	StoneCastle Investment Management Inc. (Kelowna, British Columbia)	
<b>Auditor</b>	Ernst & Young LLP	

**Note:**

(1) Plus applicable HST.

**What does the fund invest in?**

***Investment Objectives***

The fund seeks to outperform the broad Canadian equity market as measured by the S&P/TSX Composite Index, over a time period longer than 5 years, providing long-term capital appreciation and value by investing primarily in equities of Canadian issuers. To assist in achieving this objective the fund may focus its assets in specific industry sectors and asset classes based on analysis of business cycles, industry sectors and market outlook.

***Investment Strategies***

The investment advisor adheres to a top-down approach that focuses on the overall market and sector specific issues and a bottom-up approach that focuses on company specific issues. The fund has the ability to take positions in equities (including income trusts), fixed income securities, convertible securities, mutual funds, ETFs and cash. The investment advisor will seek to identify and select for the fund the best risk return opportunities it finds available across the capitalization spectrum. The manager estimates that up to a maximum of approximately 20% (at the time of investment and on a cost basis) of the fund will be invested in foreign investments at any time, though normally less than 10% of the fund will be invested in foreign investments. The portfolio is positioned in accordance with the investment advisor's market view from time to time. Sector allocations may vary significantly over time. The fund may overweigh certain sectors and asset classes while seeking investment opportunities or for defensive purposes, when deemed appropriate by the investment advisor. This may result in the fund's portfolio weightings being different from the weightings of the fund's benchmark indices.

The fund may invest in derivative instruments, such as options, futures contracts (including interest rate futures contracts), currency forwards or swap agreements (including credit default swaps) subject to applicable securities legislation and any other restrictions described in this simplified prospectus, for hedging and non-hedging purposes. The use of these derivative transactions may allow the fund to obtain net long or short exposures to select currencies, interest rates, countries, duration or credit risks. These derivatives may be used to enhance fund returns, reduce the impact of fluctuations in the value of foreign

currencies compared to the Canadian dollar, and increase liquidity and/or gain exposure to certain instruments or markets (e.g. the corporate bond market) in a more efficient or less expensive way.

The fund may also engage in short selling. In determining whether securities of a particular issuer should be sold short, the investment advisor uses the same analysis that is described above for deciding whether to purchase securities. The fund will engage in short selling as a complement to the fund's investment objectives. For a more detailed description of short selling, please refer to "How the funds engage in short selling" on page 94.

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

The fund may invest in underlying funds to achieve its investment objectives. See "Specific information about each of the mutual funds described in this document – Investing in Underlying Funds" on page 93.

The investment advisor's investment positions could include:

- (a) undervalued securities;
- (b) steady growth companies;
- (c) event driven opportunities;
- (d) underfollowing/misunderstood securities/situations; and
- (e) theme oriented companies.

**What are the risks of investing in the fund?**

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

- (a) commodity risk;
- (b) concentration risk;
- (c) derivatives risk;
- (d) equity securities risk;
- (e) fund corporation risk;
- (f) inflation risk;
- (g) interest rate risk;
- (h) legal risk;
- (i) liquidity risk;
- (j) market risk;
- (k) multi-class/series risk;

- (l) reliance on the manager and investment advisor risk;
- (m) private company risk;
- (n) regulatory risk
- (o) securities lending and repurchase and reverse repurchase transactions risk;
- (p) short selling risk;
- (q) small capitalization company risk;
- (r) substantial securityholder risk;
- (s) tax risk; and
- (t) 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 distributions payable to you annually;
- (c) you are investing for the long term; and
- (d) you can tolerate medium to high risk.

The fund's risk classification is based on the fund's returns and the return of the S&P/TSX Composite Index.

Please see "Specific information about each of the mutual funds described in this document – Investment risk classification methodology" on page 95 for a description of how we determined the classification of this fund's risk level.

### **Dividend Policy**

The fund expects to make distributions annually, if any. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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, if any, are made annually in February. For more information see "Specific information about each of the mutual funds described in this document – Dividend/distribution policy" on page 96 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 series of this fund, if applicable. See "Purchases, switches and



*Purpose Canadian Equity Growth Fund*

redemptions – How to buy, redeem and switch” on page 36 or a description of each series 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 60 for more information.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
Series A shares (\$)	\$127.26	\$371.96	\$607.33	\$1,181.39
Series F shares (\$)	\$117.18	\$345.93	\$569.98	\$1,130.03

**Note:**

1 Based on a \$1,000 investment and 5% return each year. Actual performance may vary.

**PURPOSE CANADIAN INCOME GROWTH FUND**

<b>Fund Type</b>	Canadian income trust and fixed income fund	
<b>Date Started</b>	Series A shares – March 29, 2011 Series F shares – June 27, 2012	
<b>Type of Securities</b>	Series A shares and Series F shares	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	Series A shares	2.25% <sup>(1)</sup>
	Series F shares	1.25% <sup>(1)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Investment Advisor</b>	StoneCastle Investment Management Inc.	
<b>Auditor</b>	Ernst & Young LLP	

**Note:**

(1) Plus applicable HST.

**What does the fund invest in?**

*Investment Objectives*

The fund seeks to achieve income and long term capital growth by investing in primarily income oriented equities, income trusts, Canadian convertible and fixed income securities and other Canadian income producing securities.

*Investment Strategies*

The investment advisor uses a top-down approach to set asset allocation and a bottom-up approach to set individual security selection. The fund has the ability to invest primarily in money market instruments, equities, fixed income securities, convertible securities, mutual funds, ETFs and cash. The investment advisor will seek to identify and select for the fund the best risk return opportunities it finds available across the capitalization spectrum. In adverse market, economic and/or political conditions, the investment advisor may invest the fund's assets in cash or cash equivalent securities. The fund estimates that up to approximately 20% (at the time of investment and on a cost basis) of the fund will be invested in foreign investments at any time, though normally less than 10% of the fund will be invested in foreign investments

The fund's portfolio turnover rate may be greater than 70%. This means the fund may frequently trade the securities in its portfolio, and may have implications for you as an investor:

- (a) the fund may earn taxable capital gains, which may be passed on to you; and
- (b) your returns may be reduced by the higher trading costs associated with frequent trading.

There is not necessarily a relationship between a high turnover rate and the performance of the fund.

The fund may invest in derivative instruments, such as options, futures contracts (including interest rate futures contracts), currency forwards or swap agreements (including credit default swaps) subject to applicable securities legislation and any other restrictions described in this simplified prospectus, for hedging and non-hedging purposes. The use of these derivative transactions may allow the fund to obtain

net long or short exposures to select currencies, interest rates, countries, duration or credit risks. These derivatives may be used to enhance fund returns, reduce the impact of fluctuations in the value of foreign currencies compared to the Canadian dollar, and increase liquidity and/or gain exposure to certain instruments or markets (e.g. the corporate bond market) in a more efficient or less expensive way.

The fund may also engage in short selling. In determining whether securities of a particular issuer should be sold short, the investment advisor uses the same analysis that is described above for deciding whether to purchase securities. The fund will engage in short selling as a complement to the fund's investment objectives. For a more detailed description of short selling, please refer to "Specific information about each of the mutual funds described in this document" beginning on page 92.

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

**What are the risks of investing in the fund?**

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

- (a) commodity risk;
- (b) concentration risk;
- (c) credit risk;
- (d) derivatives risk;
- (e) equity securities risk;
- (f) fund corporation risk;
- (g) high yield security risk;
- (h) inflation risk;
- (i) income trust risk;
- (j) interest rate risk;
- (k) legal risk;
- (l) liquidity risk;
- (m) market risk;
- (n) multi-class/series risk;
- (o) reliance on the manager and investment advisor risk;
- (p) private company risk;
- (q) regulatory risk

- (r) securities lending and repurchase and reverse repurchase transactions risk;
- (s) short selling risk;
- (t) small capitalization company risk;
- (u) substantial securityholder risk;
- (v) tax risk; and
- (w) 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 distributions payable to you monthly;
- (c) you are investing for the medium and/or long term; and
- (d) you can tolerate low to medium risk.

The fund's risk classification is based on the fund's returns and the return of a blended index composed of the S&P/TSX Composite Total Return Index (65%) and FTSE TMX Canada Bond Universe Index (35%).

Please see "Specific information about each of the mutual funds described in this document – Investment risk classification methodology" on page 95 for a description of how we determined the classification of this fund's risk level.

**Dividend Policy**

The fund expects to make distributions annually, if any. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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, if any, are made annually in February. For more information see "Specific information about each of the mutual funds described in this document –Dividend/distribution policy" on page 96 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 series of this fund, if applicable. See "Purchases, switches and redemptions – How to buy, redeem and switch" on page 36 for a description of each series 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 60 or more information.

*Purpose Canadian Income Growth Fund*

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
Series A shares (\$)	\$32.76	\$105.01	\$187.06	\$442.49
Series F shares (\$)	\$24.46	\$79.05	\$141.92	\$342.11

**Note:**

<sup>1</sup> Based on a \$1,000 investment and 5% return each year. Actual performance may vary.

**PURPOSE TACTICAL ASSET ALLOCATION FUND**

<b>Fund Type</b>	Tactical balanced								
<b>Date Started</b>	Series A shares – November 4, 2015 Series F shares – November 4, 2015 Series I shares – May 11, 2017 Series TA5 shares – April 16, 2021 Series TF5 shares – April 16, 2021 Series XA shares – November 1, 2019 Series XF shares – November 1, 2019 Series XUF shares – April 16, 2021 ETF shares – May 11, 2017								
<b>Type of Securities</b>	Series A shares, Series F shares, Series I shares, Series TA5 shares, Series TF5 shares, Series XA shares, Series XF shares, Series XUF shares and ETF shares								
<b>Management Fee</b>	<table> <thead> <tr> <th><b>Series</b></th> <th><b>Management Fee</b></th> </tr> </thead> <tbody> <tr> <td>Series A shares, Series TA5 shares and Series XA shares</td> <td>2.00%<sup>(1)</sup></td> </tr> <tr> <td>Series F shares, Series TF5 shares, Series XF shares, Series XUF shares and ETF shares</td> <td>1.00%<sup>(1)</sup></td> </tr> <tr> <td>Series I shares</td> <td>Holder of Series I shares pay a negotiated management fee directly to Purpose of up to 1.00% per annum<sup>(1)</sup></td> </tr> </tbody> </table>	<b>Series</b>	<b>Management Fee</b>	Series A shares, Series TA5 shares and Series XA shares	2.00% <sup>(1)</sup>	Series F shares, Series TF5 shares, Series XF shares, Series XUF shares and ETF shares	1.00% <sup>(1)</sup>	Series I shares	Holder of Series I shares pay a negotiated management fee directly to Purpose of up to 1.00% per annum <sup>(1)</sup>
<b>Series</b>	<b>Management Fee</b>								
Series A shares, Series TA5 shares and Series XA shares	2.00% <sup>(1)</sup>								
Series F shares, Series TF5 shares, Series XF shares, Series XUF shares and ETF shares	1.00% <sup>(1)</sup>								
Series I shares	Holder of Series I shares pay a negotiated management fee directly to Purpose of up to 1.00% per annum <sup>(1)</sup>								
<b>Registered Plan Eligibility</b>	Eligible								
<b>Investment Advisor</b>	Richardson Wealth Limited (Toronto, Ontario)								
<b>Auditor</b>	Ernst & Young LLP								

**Note:**

(1) Plus applicable HST.

**What does the fund invest in?**

**Investment Objectives**

The fund seeks to provide long-term capital appreciation with lower volatility and correlation to the overall equity markets by investing in ETFs that are listed on North American exchanges and that represent North American equities, bonds and cash, using a tactical approach. The fund’s tactical investment approach can allocate the portfolio to equities, bonds and cash to achieve its objectives.

Any change to the fundamental investment objectives must be approved by a majority of votes cast at a meeting of securityholders called for that purpose.

**Investment Strategies**

The investment advisor will employ a proprietary, quantitatively driven investment process which drives its asset allocation decisions. The fund’s quantitative approach provides signals to the portfolio management team to increase equity exposure in up-markets and increase bond exposure in down-markets, in an effort to generate returns and also to avoid significant market declines. The holdings can oscillate

between 100% equity and 100% bonds/cash, using ETFs and cash, dependent upon the indicator's short-term outlook for the market.

The portfolio management team's indicators include technical market trends, with an emphasis on relative strength and momentum. Additional factors include monetary policy indicators, U.S., Canadian and global economic indicators and a fundamental assessment of valuation metrics. The anticipated exposure to foreign securities is 30% of the portfolio, with an upper limit of 50% of the portfolio in foreign securities.

With approximately 80% of the portfolio following these indicators in a systematic multi-factored model, emotion is eliminated from decisions on asset allocation and whether to take a bullish or bearish approach, as the investment advisor will have discretion on security selection decisions, but no discretion with respect to asset allocation decisions in the management of 80% of the portfolio. The management of the remaining approximately 20% of the portfolio is fully discretionary with respect to both asset allocation and security selection decisions. This remaining 20% of the portfolio is allocated at the investment advisor's discretion following the investment advisor's fundamental view of asset allocation given market conditions.

Individual ETFs are selected for the entire portfolio based on a number of factors. The primary factor is ensuring that the ETF provides effective tracking to the desired underlying bond or equity index. Cost is an important consideration, taking into account both the embedded manufacturer's management expense ratio, and such liquidity factors as ETF size, bid / ask spread, volume and market maker support. The portfolio also focuses on diversification across ETF manufacturers. This is a tactical investment strategy that utilizes ETFs as they are a vehicle that can easily and efficiently change the equity / bond allocation for the portfolio. These strategies may result in the fund's portfolio weighting being substantially different from the composition of a balanced benchmark. The portfolio is benchmarked against 40% S&P/TSX Composite Total Return Index, 20% S&P 500 Total Return Index and 40% FTSE TMX Canada Bond Universe Index.

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

The fund may choose to deviate from its investment objectives by temporarily investing most or all of its assets in cash or fixed income securities during periods of market downturn or as a result of other adverse market, economic, political or other considerations.

**What are the risks of investing in the fund?**

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

- (a) capital depreciation risk;
- (b) cease trading of constituent securities risk;
- (c) commodity risk;
- (d) credit risk;
- (e) currency risk;
- (f) depository securities and receipts risk;
- (g) derivative risk;

- (h) fund corporation risk;
- (i) high yield security risk;
- (j) income trust risk;
- (k) inflation risk;
- (l) interest rate risk;
- (m) foreign investment risk;
- (n) market risk;
- (o) maturity risk;
- (p) multi-class/series risk;
- (q) reliance on the manager and investment advisor risk;
- (r) rebalancing and adjustment risk;
- (s) regulatory risk;
- (t) sector risk;
- (u) securities lending and repurchase and reverse repurchase transaction risk;
- (v) tax risk;
- (w) underlying fund risk; and
- (x) cyber security risk.

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

- (a) absence of an active market for the ETF shares;
- (b) rebalancing and adjustment risk; and
- (c) trading price of ETF shares.

**Who should invest in this fund?**

This fund may be right for you if:

- (a) you want to gain exposure to both global equity and fixed income securities, by utilizing a tactical investment approach to North American listed ETFs;
- (b) you want distributions payable to you annually;



- (c) you are investing for the medium and/or long term; and
- (d) you can tolerate low to medium risk.

The fund's risk classification is based on the fund's returns and the return of a blended index composed of the S&P/TSX Composite Total Return Index (40%), S&P 500 Total Return Index (20%) and FTSE TMX Canada Bond Universe Index (40%).

Please see "Specific information about each of the mutual funds described in this document – Investment risk classification methodology" on page 95 for a description of how we determined the classification of this fund's risk level.

### **Dividend Policy**

The fund expects to make distributions annually, if any. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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, if any, are made annually in February. For more information see "Specific information about each of the mutual funds described in this document –Dividend/distribution policy" on page 96 of the simplified prospectus.

#### *For Series TA5 Shares and Series TF5 Shares*

We distribute income and/or return of capital monthly and capital gains, if any, annually in December. We make monthly distributions based on a target distribution rate of 5% per annum of the net asset value per security of the fund determined as at December 31 of the prior year.

For investors who purchase Series TA5 Shares and Series TF5 Shares in a non-registered account, these distributions will be automatically paid in cash unless you tell us that you would prefer distributions to be reinvested in additional Series TA5 Shares or Series TF5 Shares, as applicable. If you hold your Series TA5 Shares or Series TF5 Shares in a Registered Plan, other than a TFSA, any distributions must be reinvested in additional Series TA5 Shares or Series TF5 Shares, as applicable. Distributions paid in connection with Series TA5 Shares or Series TF5 Shares that are held in a TFSA can either be reinvested in additional Series TA5 Shares or Series TF5 Shares, as applicable, or paid in cash. Investors who are eligible to receive Series TA5 Shares or Series TF5 Shares distributions in cash may opt to receive part of their distributions in cash with the remainder reinvested in additional Series TA5 Shares or Series TF5 Shares, as applicable.

Cash payments may be subject to a minimum threshold which may be determined by us and changed without notice to you.

In December of each year, we will pay or make payable to securityholders sufficient net income and net realized capital gains so that the fund will not be liable for income tax. If the targeted monthly amount paid to holders of Series TA5 Shares and Series TF5 Shares in December is less than the amount that is required to be paid or made payable to holders of those securities to eliminate the fund's liability for income tax, the distribution in December on Series TA5 Shares and Series TF5 Shares will be increased (and the effective distribution rate for the year will exceed 5%). If the targeted monthly amount paid to holders of Series TA5 Shares and Series TF5 Shares in December is greater than the amount that is required to be paid or made payable to holders of those securities to eliminate the fund's liability for income tax, the difference will be a return of capital. If you have elected to receive your monthly distribution in cash and not reinvest the

distributions, it is expected that the value of your investment in the fund will decline more rapidly over time.

The character for Canadian tax purposes of monthly distributions made on Series TA5 Shares and Series TF5 Shares during the year will not be determined with certainty until after the end of the fund's taxation year.

The target distribution rate may be adjusted from time to time. If the target distribution rate is increased beyond 5% per annum, it may result in a larger amount being distributed as a return of capital. A return of capital distribution is not taxable but reduces the adjusted cost base of your securities. You should not confuse the target distribution rate with the fund's rate of return or yield. Returns of capital will result in a reduction of a securityholder's original investment and may result in the return to a securityholder of the entire amount of the securityholder's original investment. You should consult your tax advisor regarding the tax implications of receiving monthly income and/or return of capital with respect to Series TA5 Shares and Series TF5 Shares. See "Capital Depletion Risk" for more information about the risks associated with depletion of capital.

Distributions on Series TA5 Shares and Series TF5 Shares are not guaranteed to occur on a specific date and the fund is not responsible for any fees or charges incurred by you because the fund did not effect a distribution on a particular day. The fund may at its discretion change its distribution policy from time to time.

#### 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 series of this fund, if applicable. See "Purchases, switches and redemptions – How to buy, redeem and switch" on page 36 for a description of each series 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 60 for more information.

	1 year	3 years	5 years	10 years
ETF shares (\$)	\$8.40	\$27.56	\$50.24	\$125.72
Series A shares (\$)	\$19.95	\$64.74	\$116.73	\$284.33
Series F shares (\$)	\$8.50	\$27.90	\$50.86	\$127.23
Series I shares (\$)	-	-	-	-
Series TA5 shares (\$)	-	-	-	-
Series TF5 shares (\$)	-	-	-	-
Series XA shares (\$)	\$15.12	\$49.29	\$89.28	\$219.93
Series XF shares (\$)	\$19.21	\$62.40	\$112.58	\$274.70
Series XUF shares (\$)	-	-	-	-

**Note:**

- 1 Based on a \$1,000 investment and 5% return each year. Actual performance may vary.
- 2 Information regarding fund expenses indirectly borne by investors for Series I shares is not available because no Series I shares had been sold to the public as of December 31, 2020.
- 3 Information regarding fund expenses indirectly borne by investors for Series TA5 shares, Series TF5 shares and Series XUF shares is not available because the Series TA5 shares, Series TF5 shares and Series XUF shares of this fund were not offered prior to the date hereof.

**PURPOSE CORE EQUITY INCOME FUND**

<b>Fund Type</b>	North American equity	
<b>Date Started</b>	Series A shares – November 4, 2015 Series F shares – November 4, 2015 Series I shares – May 11, 2017 ETF shares – May 11, 2017	
<b>Type of Securities</b>	Series A shares, Series F shares, Series I shares, and ETF shares.	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	Series A shares	2.00% <sup>(1)</sup>
	Series F shares and ETF shares	1.00% <sup>(1)</sup>
	Series I shares	Holder of Series I shares pay a negotiated management fee directly to Purpose of up to 1.00% per annum <sup>(1)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Investment Advisor</b>	Richardson Wealth Limited (Toronto, Ontario)	
<b>Auditor</b>	Ernst & Young LLP	

**Note:**

(1) Plus applicable HST.

**What does the fund invest in?**

***Investment Objectives***

The fund seeks to outperform the Canadian equity market over a time period longer than 5 years, by investing primarily in large capitalization, dividend paying stocks of Canadian issuers. To assist in achieving this objective, the fund may, from time to time, overweight its assets in specific industry sectors, and the fund may also invest in U.S. stocks to provide greater return potential and better diversification.

***Investment Strategies***

The investment advisor will employ fundamental analysis seeking to identify superior investment opportunities with the potential for capital appreciation and sustainable distribution or dividends over the long term. The investment advisor will seek Canadian and U.S. issuers with attractive dividends or distributions and business models that can benefit from both industry and macro-economic trends. The fund will invest predominantly in Canadian listed, large cap equity issuers, which will primarily be dividend paying. The fund may invest in dividend paying U.S. listed equity issuers. The U.S. allocation will be determined by the investment advisor’s outlook for the U.S. market relative to the Canadian market. The investment advisor also believes the U.S. market offers better diversification as many dividend paying companies are in sectors underrepresented in the Canadian market.

The fund may also invest in other securities such as income trusts; real estate investment trusts; and underlying funds as permitted by applicable securities laws or exemptive relief that may be relied upon; and the fund may hold cash. See “Specific information about each of the mutual funds described in this document - Investing in Underlying Funds” on page 93.

The investment advisor will seek to identify and select for the fund the best risk/ return opportunities available across the capitalization spectrum. The investment advisor's macro views of the economy and the markets may influence the fund's asset and sector allocation. The fund may follow a more concentrated investment approach and from time to time overweight certain industry sectors and asset classes, when deemed appropriate by the investment advisor.

The fund is benchmarked against the S&P/TSX Composite Total Return Index. The fund may overweight an industry sector up to the greater of 20% of the portfolio or 1.5 times the weighting of that sector in the S&P/TSX Composite Total Return Index.

The fund may invest in derivative instruments, such as options, futures contracts (including interest rate futures contracts), currency forwards or swap agreements (including credit default swaps) subject to applicable securities legislation and any other restrictions described in this fund's simplified prospectus, for hedging and non-hedging purposes. The use of these derivative transactions may allow the fund to obtain net long or short exposures to select currencies, interest rates, countries, duration or credit risks. These derivatives may be used to enhance fund returns, reduce the impact of fluctuations in the value of foreign currencies compared to the Canadian dollar, and increase liquidity and/or gain exposure to certain instruments or markets (e.g. the corporate bond market) in a more efficient or less expensive way.

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

The fund may choose to deviate from its investment objectives by temporarily investing most or all of its assets in cash or fixed income securities during periods of market downturn or as a result of other adverse market, economic, political or when the investment advisor believes there is poor risk/reward in equities.

**What are the risks of investing in the fund?**

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

- (a) commodity risk;
- (b) concentration risk;
- (c) credit risk;
- (d) credit risk;
- (e) currency risk;
- (f) depository securities and receipts risk;
- (g) derivative risk;
- (h) fund corporation risk;
- (i) income trust risk;
- (j) inflation risk;
- (k) interest rate risk;

- (l) foreign investment risk;
- (m) issuer risk;
- (n) legal risk;
- (o) market risk;
- (p) maturity risk;
- (q) multi-class/series risk;
- (r) reliance on the manager and investment advisor risk;
- (s) regulatory risk;
- (t) sector risk;
- (u) securities lending and repurchase and reverse repurchase transaction risk;
- (v) tax risk;
- (w) underlying fund risk; and
- (x) cyber security risk.

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

- (a) absence of an active market for the ETF shares;
- (b) rebalancing and adjustment risk; and
- (c) trading price of ETF shares.

**Who should invest in this fund?**

The fund might be right for you if:

- (a) you want exposure to the Canadian and U.S. equity market;
- (b) you own, or plan to own, other types of investments to diversify their portfolio;
- (c) you want distributions paid to you monthly;
- (d) you have a medium to long-term investment horizon; and
- (e) you can tolerate low to medium risk.

The fund's risk classification is based on the fund's returns and the return of the S&P/TSX Composite Total Return Index.

Please see “Specific information about each of the mutual funds described in this document – Investment risk classification methodology” on page 95 for a description of how we determined the classification of this fund’s risk level.

**Dividend Policy**

The fund expects to make distributions monthly. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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, if any, are made annually in February. For more information see “Specific information about each of the mutual funds described in this document –Dividend/distribution policy” on page 96 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 series of this fund, if applicable. See “Purchases, switches and redemptions – How to buy, redeem and switch” on page 36 for a description of each series 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 60 for more information.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
ETF shares (\$)	\$9.03	\$29.61	\$53.94	\$134.79
Series A shares (\$)	\$20.68	\$67.08	\$120.86	\$293.89
Series F shares (\$)	\$9.13	\$29.95	\$54.56	\$136.29
Series I shares (\$)	-	-	-	-

**Note:**

- 1 Based on a \$1,000 investment and 5% return each year. Actual performance may vary.
- 2 Information regarding fund expenses indirectly borne by investors for Series I shares is not available because no Series I shares had been sold to the public as of December 31, 2020.

**PURPOSE CANADIAN PREFERRED SHARE FUND**

<b>Fund Type</b>	Preferred share fixed income	
<b>Date Started</b>	Class A units – October 14, 2004 Class F units – July 6, 2007 ETF units – December 22, 2016	
<b>Type of Securities</b>	Class A units, Class F units and ETF units	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	Class A units	1.50% <sup>(1)</sup>
	Class F units and ETF units	0.75% <sup>(1)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Investment Sub-advisor</b>	Purpose Investment Partners Inc.	
<b>Auditor</b>	Ernst & Young LLP	

**Note:**

(1) Plus applicable HST.

**What does the fund invest in?**

***Investment Objectives***

The fund seeks to provide a consistent stream of income with potential for capital appreciation by investing in Canadian income producing securities and Canadian equities.

***Investment Strategies***

The fund will invest in Canadian preferred securities, with a focus on preferred securities; dividend paying Canadian equities; income and royalty trusts; ETFs; and fixed-income investments, with a view to consistent interest or distribution payments. Investments in floating rate preferred securities will be of Canadian issuers whose debt, at a minimum, has an investment grade rating at the time of purchase. Up to 5% of the fund's portfolio may be invested in equities and the fund may invest up to approximately 20% (at the time of investment and on a cost basis) of its assets in foreign securities.

The fund uses a top-down and bottom-up investment process, focusing on the risk return relationship of individual securities within a diversified portfolio. The process includes a macroeconomic forecast for the respective global and local economies, establishing investment themes and industries to overweight or underweight based on the portfolio manager's outlook for a particular sector, view of current market trends and phase of the economic cycle. Fundamental research is used to select securities believed to offer attractive risk-adjusted returns based on the portfolio manager's view of a company's growth prospects.

The fund may invest in derivative instruments, such as options, futures, forward contracts, swaps and other similar investments, in a manner which is consistent with the investment objective of the fund and as permitted by applicable securities legislation, for hedging and non-hedging purposes. The fund may engage in derivative transactions to seek return, to hedge against fluctuations in securities prices, interest rates or currency exchange rates, or as a substitute for the purchase or sale of securities or currencies. The use of these derivatives provide exposure to certain instruments or markets in a more efficient or less expensive way. The fund expects to use derivatives principally when seeking to gain exposure to equity securities

using futures contracts on securities indices and/or when seeking to gain or reduce exposure to certain currencies by buying or selling forward foreign currency exchange contracts. However, the fund may also purchase or sell forwards or other types of futures contracts, options on futures contracts, exchange traded and over-the-counter options; equity collars; equity-linked securities and equity swap agreements.

The fund may also engage in short selling. 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 securities. The fund may engage in short selling as a complement to the fund's investment objectives. For a more detailed description of short selling, see "Specific information about each of the mutual funds described in this document – How the funds engage in short selling" on page 94.

The fund may choose to deviate from its investment objectives by temporarily investing most or all of its assets in cash or fixed income securities during periods of market downturn or as a result of other adverse market, economic, political or other considerations.

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

**What are the risks of investing in the fund?**

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

- (a) credit risk;
- (b) currency risk;
- (c) derivatives risk;
- (d) equity investment risk;
- (e) maturity risks;
- (f) foreign investment risk;
- (g) income trust risk;
- (h) interest rate risk;
- (i) liquidity risk;
- (j) multi-class/series risk;
- (k) reliance on the manager and investment advisor risk;
- (l) preferred securities risk;
- (m) regulatory risk;
- (n) securities lending and repurchase and reverse repurchase transaction risk;
- (o) short selling risk;



- (p) substantial securityholder risk;
- (q) tax risk;
- (r) underlying fund risk; and
- (s) cyber security risk.

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

- (a) absence of an active market for the ETF units;
- (b) rebalancing and adjustment risk; and
- (c) trading price of ETF units.

### **Who should invest in this fund?**

The fund might be right for you if:

- (a) you are seeking a flow of income, exposure to income through a portfolio of Canadian preferred securities, potential for capital appreciation;
- (b) you want distributions paid to you monthly;
- (c) you have a medium to long-term investment horizon; and
- (d) you can tolerate low to medium risk.

The fund's risk classification is based on the fund's returns and the return the S&P/TSX Preferred Total Return Index.

Please see "Specific information about each of the mutual funds described in this document – Investment risk classification methodology" on page 95 for a description of how we determined the classification of this fund's risk level.

### **Dividend Policy**

The fund expects to make distributions monthly. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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, if any, are made annually in February. For more information see "Specific information about each of the mutual funds described in this document – Dividend/distribution policy" on page 96 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 series of this fund, if applicable. See "Purchases, switches and redemptions – How to buy, redeem and switch" on page 36 for a description of each series and their

*Purpose Canadian Preferred Share Fund*

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 60 for more information.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
ETF units (\$)	\$9.55	\$31.32	\$57.02	\$142.30
Class A units (\$)	\$18.27	\$59.38	\$107.24	\$262.23
Class F units (\$)	\$9.66	\$31.66	\$57.64	\$143.80

**Note:**

1 Based on a \$1,000 investment and 5% return each year. Actual performance may vary.

**PURPOSE MARIJUANA OPPORTUNITIES FUND**

<b>Fund Type</b>	Global balanced fund	
<b>Date Started</b>	Class A units – May 11, 2017 Class F units – May 11, 2017 ETF units – May 11, 2017	
<b>Type of Securities</b>	Class A units, Class F units and ETF units	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	Class A units	1.75% <sup>(1)</sup>
	Class F units	0.75% <sup>(1)</sup>
	ETF Units	0.75% <sup>(1)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Auditor</b>	Ernst & Young LLP	

**Note:**

(1) Plus applicable HST.

**What does the fund invest in?**

***Investment Objectives***

The fund seeks to provide unitholders with attractive long-term capital appreciation by investing in global issuers with interest in the marijuana or marijuana related industries. While the fund will primarily invest in equity securities, it may also acquire other types of securities of publicly listed companies, including, but not limited to, ADRs, preferred shares, convertible securities, debt securities, subscription receipts, options and warrants.

***Investment Strategies***

The fund will primarily invest in equity securities from domestic and global issuers that are involved in marijuana and marijuana related businesses, including research and development and other ancillary businesses to the marijuana industry. The business activities of these companies may include marijuana production and distribution, edible and infused marijuana products, hemp products, consumption devices, biopharmaceuticals, biotechnology, nutraceuticals, real estate, technology, security solutions, investing and financing, delivery systems, retail distribution, media, entertainment and technology. The number of holdings and percentages by region will vary over time and will be based on the most attractive risk/reward opportunities across each region.

The fund may invest in various types of securities of companies listed in domestic and/or international markets, including, but not limited to, common shares, ADRs, preferred shares, convertible securities, debt securities, subscription receipts, options and warrants.

The portfolio manager will employ a multi-faceted investment approach that is intended to create long term value over the investment period. The portfolio manager will primarily use top-down analysis in determining the overall asset allocation of the fund and such allocation will be based on technical analysis, industry trends and regulations, behavioural research and prevailing economic and investment conditions, including the portfolio manager's view on valuation and outlook of the marijuana industry and related industries.

The portfolio manager will primarily use a bottom-up process for security selection, including techniques such as fundamental analysis to assess growth potential and to make an evaluation of the financial condition and management of an issuer, its industry and the overall economy. The portfolio manager will also use a growth approach to identify companies that have better than average current or prospective earnings growth relative to the market and their peer group. The portfolio manager may also employ alternative investment strategies, including event-related special situations investing including, for instance, investment in securities of issuers undergoing or undertaking tenders, mergers and acquisitions, liquidations, and spin-offs.

The fund will not invest in securities of companies that have exposure to, the medical and/or recreational cannabis industries in the United States unless and until such time as these activities become permitted. With respect to investment in U.S. issuers, the fund may invest in securities of companies that currently, or in the future, derive some portion of their revenues from the medical and/or recreational cannabis industries in those U.S. states where such activities have been legalized by state law (at present, Alaska, California Colorado, Maine, Massachusetts, Nevada, Oregon and Washington), notwithstanding that the prescription, marketing and sale of cannabis remains illegal under U.S. federal law.

If an issuer included in the fund's portfolio becomes delisted from a domestic or international exchange due to non-compliance by that issuer with the rules and policies of the exchange, including, without limitation, the requirement that issuers do not engage in ongoing business activities that violate U.S. federal law regarding marijuana, or if the portfolio manager determines that the activities of any issuer are not in compliance with such rules and policies, the portfolio manager will remove the securities of that issuer from the fund's portfolio as soon as reasonably practicably.

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

The fund may also engage in short selling. 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 securities. The fund may engage in short selling as a complement to the fund's investment objectives. For a more detailed description of short selling, see "Specific information about each of the mutual funds described in this document – How the funds engage in short selling" on page 94.

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 portfolio manager. The fund may be exposed to securities traded in foreign currencies and may, in the portfolio 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.

The fund may hold all or a portion of its assets in cash or cash equivalents or invest in short term bonds or money market instruments in response to adverse market, economic and/or political conditions or for liquidity, defensive or other purposes. As a result, the fund may not be fully invested in accordance with its investment objectives.

**What are the risks of investing in the fund?**

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

- (a) marijuana sector risk;
- (b) United States marijuana industry risk;
- (c) cease trading of constituent securities risk;
- (d) concentration risk;
- (e) equity securities risk;
- (f) regulatory risk;
- (g) sector risk;
- (h) short selling risk;
- (i) small capitalization company risk;
- (j) credit risk;
- (k) currency risk;
- (l) debt securities risk;
- (m) depository securities and receipts risk;
- (n) derivatives risk;
- (o) foreign investment risk;
- (p) income trust risk;
- (q) interest rate risk;
- (r) liquidity risk;
- (s) multi-class/series risk;
- (t) no assurance of meeting investment objective;
- (u) reliance on the manager and investment advisor risk;
- (v) preferred securities risk;
- (w) small exchange risk;
- (x) large redemption/investor/transaction risk;

- (y) tax risk;
- (z) underlying fund risk; and
- (aa) cyber security risk.

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

- (a) absence of an active market for the ETF units;
- (b) rebalancing and adjustment risk; and
- (c) trading price of ETF units.

### **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 distributions payable to you annually;
- (c) you are investing for the medium and/or long term; and
- (d) you can tolerate high risk.

The fund's risk classification is based on the fund's returns and the return of the North American Marijuana Index.

Please see "Specific information about each of the mutual funds described in this document – Investment risk classification methodology" on page 95 for a description of how we determined the classification of this fund's risk level.

### **Distribution Policy**

The fund expects to make distributions annually, if any. **Distributions on mutual fund units are reinvested in additional mutual fund units of the same class of the fund unless you tell your dealer to inform us that you want them in cash.** Distributions are not guaranteed and may change from time to time at our discretion. For more information see "Specific information about each of the mutual funds described in this document – Dividend/distribution policy" on page 96 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 series of this fund, if applicable. See "Purchases, switches and redemptions – How to buy, redeem and switch" on page 36 for a description of each series 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 60 for more information.

*Purpose Marijuana Opportunities Fund*

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
ETF units (\$)	\$15.54	\$50.64	\$91.69	\$225.64
Class A units (\$)	\$26.78	\$86.32	\$154.64	\$370.81
Class F units (\$)	\$14.60	\$47.61	\$86.27	\$212.77

**Note:**

1 Based on a \$1,000 investment and 5% return each year. Actual performance may vary.

**PURPOSE STRATEGIC YIELD FUND**

<b>Fund Type</b>	Global neutral balanced	
<b>Date Started</b>	Series A units – August 26, 2011 Series UA units – August 30, 2019 Series B units – August 26, 2011 Series F units – August 26, 2011 Series TF6 units – May 12, 2016 Series UF units – April 3, 2014 Series I units – May 30, 2013 Series X units <sup>(1)</sup> – June 30, 2011 Series P units – January 14, 2019 ETF units – March 5, 2018	
<b>Type of Securities</b>	ETF units, Series A units, Series UA units, Series B units, Series F units, Series TF6 units, Series UF units, Series I units, Series X units and Series P units	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	Series A units, Series UA units and Series B units	1.55% <sup>(2)</sup>
	Series F units, Series TF6 units and Series UF units	0.80% <sup>(2)</sup>
	Series I units	Investors in Series I units are charged a management fee of up to 0.80% directly by us that is negotiated between the investor and us. <sup>(2)</sup>
	Series X units	1.45% <sup>(2)</sup>
	Series P units	1.05% <sup>(2)</sup>
	ETF units	0.80% <sup>(2)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Investment Sub-advisor</b>	Purpose Investment Partners Inc.	
<b>Auditor</b>	Ernst & Young LLP	

**Notes:**

- (1) Series X units of the fund are not available for purchase by new investors. Existing holders of Series X units of the fund can continue to make additional investments into the fund in connection with the fund's distribution reinvestment plan.
- (2) Plus applicable HST.

**What does the fund invest in?**

***Investment Objectives***

The fund's investment objective is to seek to provide investors with a high yield by investing primarily in, or obtaining exposure primarily to, fixed income securities of corporate issuers located in Canada or the United States. Investments in fixed income securities generally will be below investment grade.

The investment objective cannot be changed unless unitholders of the fund approve the change at a meeting.



***Investment Strategies***

To achieve its investment objective, the fund invests in an actively managed portfolio comprised primarily of Canadian and U.S. dollar denominated high yield debt securities, convertible bonds and loans and also may invest in any other yield-based security or asset class that develops over time. The fund seeks to select securities based on their expected return relative to risk characteristics, taking into consideration factors such as industry attractiveness, issuer credit quality, yield, duration and call protection. The fund seeks to maintain a portfolio diversified by company, market capitalization, sector, industry, credit rating and, where appropriate, region. To a lesser extent, the fund may invest in other types of fixed income securities and dividend-paying common shares. The fund may hold other equity securities from time to time resulting from the conversion or restructuring of the fund's other investments, and may take short positions in equity securities as a hedge for the fund's long positions in convertible bonds of such issuers. The fund may hold Canadian or U.S. government debt and/or cash equivalents may be held from time to time as market conditions dictate. There is no limit on the percentage of the fund's assets that may be invested outside Canada.

Generally, a substantial portion of the foreign currency exposure within the portfolio will be hedged back to the Canadian dollar by using derivatives including currency forward contracts in the portfolio manager's discretion. Series UA units and Series UF units will be hedged back to U.S. dollars using derivatives. The returns on the fund's Series UA units and Series UF units will differ from the returns on its other series because the effect of the currency hedging, as well as the additional costs associated with employing the hedging strategy, will be only be reflected in the NAV of the Series UA units and Series UF units.

The fund may use derivatives for hedging and non-hedging purposes in accordance with NI 81-102. The fund may also enter into repurchase agreements, reverse repurchase agreements and/or securities lending transactions to generate additional income.

The fund may invest in underlying funds to achieve its investment objectives. See "Specific information about each of the mutual funds described in this document – Investing in Underlying Funds" on page 93.

**What are the risks of investing in the fund?**

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

- (a) credit risk;
- (b) currency risk;
- (c) derivatives risk;
- (d) equity investment risk;
- (e) foreign investment risk;
- (f) interest rate risk;
- (g) large redemption/investor/transaction risk;
- (h) liquidity risk;
- (i) market risk;

- (j) multi-class/series risk;
- (k) securities lending and repurchase and reverse repurchase transactions risk;
- (l) small capitalization risk;
- (m) underlying fund risk;
- (n) tax risk;
- (o) rebalancing and adjustment risk; and
- (p) cyber security risk.

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

- (a) absence of an active market for the ETF units;
- (b) rebalancing and adjustment risk; and
- (c) trading price of ETF units.

For more information about these risks as well as a general discussion about the risks of investing in mutual funds, please see “What is a mutual fund?” on page 9 and “What are the general risks of investing in a mutual fund?” on page 10.

### **Who should invest in this fund?**

This fund may be right for you if:

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

The fund’s risk classification is based on the fund’s returns and the return the ICE BofAML US High Yield Index.

Please see “Specific information about each of the mutual funds described in this document – Investment risk classification methodology” on page 95 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 shares are reinvested in additional mutual fund shares of the same series 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. For more information see “Dividend/distribution policy” on page 96 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 series of this fund, if applicable. See “Purchases, switches and redemptions – How to buy, redeem and switch” on page 36 for a description of each series 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 60 for more information.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
ETF units (\$)	\$10.19	\$33.36	\$60.71	\$151.28
Series A units (\$)	\$18.90	\$61.39	\$110.80	\$270.56
Series UA units (\$)	\$18.59	\$60.39	\$109.02	\$266.40
Series B units (\$)	\$18.90	\$61.39	\$110.80	\$270.56
Series F units (\$)	\$10.61	\$34.72	\$63.16	\$157.24
Series I units (\$)	\$0.00	\$0.00	\$0.00	\$0.00
Series Y units (\$)	\$15.54	\$50.64	\$91.69	\$225.64
Series UF units (\$)	\$10.50	\$34.38	\$62.55	\$155.75
Series TF6 units (\$)	\$10.50	\$34.38	\$62.55	\$155.75
Series X units (\$)	\$15.12	\$49.29	\$89.28	\$219.93
Series P units (\$)	\$14.49	\$47.27	\$85.67	\$211.33

**Notes:**

1 Based on a \$1,000 investment and 5% return each year. Actual performance may vary.

**PURPOSE MULTI-ASSET INCOME FUND**

<b>Fund Type</b>	North American Equity														
<b>Date Started</b>	Series A units – August 28, 2015 Series B units – August 28, 2015 Series TA6 units – May 12, 2016 Series F units – August 28, 2015 Series UF units – May 12, 2016 Series I units – August 28, 2015 Series X units <sup>(1)</sup> – May 12, 2016 Series P units – August 10, 2018 ETF units – March 5, 2018														
<b>Type of Securities</b>	Series A units, Series B units, Series TA6 units, Series F units, Series UF units, Series I units, Series X units, Series P units and ETF units														
<b>Management Fee</b>	<table border="0"> <thead> <tr> <th><b>Series</b></th> <th><b>Management Fee</b></th> </tr> </thead> <tbody> <tr> <td>Series A units, Series B units and Series TA6 units</td> <td>1.85%<sup>(2)</sup></td> </tr> <tr> <td>Series F units and Series UF units</td> <td>0.85%<sup>(2)</sup></td> </tr> <tr> <td>Series I units</td> <td>Investors in Series I units are charged a management fee of up to 0.85% directly by us that is negotiated between the investor and us.<sup>(2)</sup></td> </tr> <tr> <td>Series X units</td> <td>0.75%<sup>(2)</sup></td> </tr> <tr> <td>Series P units</td> <td>0.95%<sup>(2)</sup></td> </tr> <tr> <td>ETF Units</td> <td>0.85%<sup>(2)</sup></td> </tr> </tbody> </table>	<b>Series</b>	<b>Management Fee</b>	Series A units, Series B units and Series TA6 units	1.85% <sup>(2)</sup>	Series F units and Series UF units	0.85% <sup>(2)</sup>	Series I units	Investors in Series I units are charged a management fee of up to 0.85% directly by us that is negotiated between the investor and us. <sup>(2)</sup>	Series X units	0.75% <sup>(2)</sup>	Series P units	0.95% <sup>(2)</sup>	ETF Units	0.85% <sup>(2)</sup>
<b>Series</b>	<b>Management Fee</b>														
Series A units, Series B units and Series TA6 units	1.85% <sup>(2)</sup>														
Series F units and Series UF units	0.85% <sup>(2)</sup>														
Series I units	Investors in Series I units are charged a management fee of up to 0.85% directly by us that is negotiated between the investor and us. <sup>(2)</sup>														
Series X units	0.75% <sup>(2)</sup>														
Series P units	0.95% <sup>(2)</sup>														
ETF Units	0.85% <sup>(2)</sup>														
<b>Registered Plan Eligibility</b>	Eligible														
<b>Investment Sub-advisor</b>	Purpose Investment Partners Inc. (fixed income portfolio only)														
<b>Auditor</b>	Ernst & Young LLP														

**Notes:**

- (1) Series X units of the fund are not available for purchase by new investors. Existing holders of Series X units of the fund can continue to make additional investments into the fund in connection with the fund's distribution reinvestment plan.
- (2) Plus HST.

**What does the fund invest in?**

**Investment Objectives**

The investment objectives of the fund are to generate a high level of income and long-term capital growth by investing primarily in a mix of income-producing securities, including but 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, which may be located anywhere in the world.

***Investment Strategies***

To achieve its investment objective, the portfolio manager will actively manage the equity, fixed income, and cash components of the fund. The fund is not limited to how much it invests in each asset class. This will vary according to market conditions. The portfolio manager decides how much of the fund's assets are invested in equity and fixed income securities according to market conditions. The fund can invest up to 100% of its assets in foreign securities.

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. See "Specific information about each of the mutual funds described in this document – Investing in Underlying Funds" on page 93.

When buying and selling equity securities, the portfolio manager examines each company's potential for success in light of its current financial condition, its industry and position within the industry and economic and market conditions. The portfolio manager focuses primarily on a company's financial stability, potential to generate sustainable return on equity over time and valuation when deciding whether or not to invest in the company. The portfolio manager invests in companies believed to be undervalued in the marketplace in relation to factors such as the company's assets, sales, earnings, growth potential, cash flow, or in relation to secretaries of other companies in the same industry. The portfolio manager also considers factors such as balance sheet strength, earnings estimates, ability to pay dividends and quality of management.

Fixed income securities may include foreign corporate and government fixed income securities. 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 and floating rate debt instruments. These investments may be denominated in or have exposure to foreign currencies.

When buying and selling fixed income securities, the portfolio manager analyzes the security's feature, its current price compared to its estimated long-term value, the credit quality of the issuer and any short-term trading opportunities resulting from market inefficiencies. An analysis of credit quality will consider balance sheet strength of the issuer, company leverage ratios, stability of income, management strength and track record, and risks to the issuer that may impair its ability to meet its obligations to debtholders. The portfolio manager selects the maturity of each investment according to market conditions.

When buying and selling high yield securities, the portfolio manager relies on fundamental analysis of each issuer and its potential in view of its current financial condition, its industry position and economic and market conditions. The portfolio manager considers a security's features and current price compared to its estimated long-term value, and the earnings potential, credit standing and management of the security's issuer. The portfolio manager may invest in high yield securities that do not produce income, including defaulted securities and common stock or in companies in a troubled or uncertain financial condition.

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 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.

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

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

The fund also may engage in short selling as permitted by securities regulations. In determining whether securities of a particular issuer should be sold short, the portfolio 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. Please see "Specific information about each of the mutual funds described in this document – How the funds engage in short selling" on page 94 for more information.

**What are the risks of investing in the fund?**

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

- (a) commodity risk;
- (b) concentration risk;
- (c) credit risk;
- (d) currency risk;
- (e) derivatives risk;
- (f) equity investment risk;
- (g) floating rate loan risk;
- (h) foreign investment risk;
- (i) interest rate risk;
- (j) investment trust risk;
- (k) large redemption/investor/transaction risk;
- (l) liquidity risk;
- (m) multi-class/series risk;

- (n) securities lending and repurchase and reverse repurchase transactions risk;
- (o) short selling risk;
- (p) small capitalization company risk;
- (q) underlying fund risk;
- (r) tax risk;
- (s) cyber security risk; and
- (t) rebalancing and adjustment risk.

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

- (a) absence of an active market for the ETF units;
- (b) rebalancing and adjustment risk; and
- (c) trading price of ETF units.

**Who should invest in this fund?**

This fund may be right for you if:

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

The fund's risk classification is based on the fund's returns and 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 each of the mutual funds described in this document – Investment risk classification methodology" on page 95 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 shares are reinvested in additional mutual fund shares of the same series 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. For more information see "Specific information about each of the mutual funds described in this document – Dividend/distribution policy" on page 96 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 series of this fund, if applicable. See “Purchases, switches and redemptions – How to buy, redeem and switch” on page 36 for a description of each series 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 60 for more information.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
ETF units (\$)	\$10.71	\$35.06	\$63.78	\$158.72
Series A units (\$)	\$22.37	\$72.41	\$130.26	\$315.52
Series B units (\$)	\$22.37	\$72.41	\$130.26	\$315.52
Series TA6 units (\$)	\$10.71	\$35.06	\$63.78	\$158.72
Series F units (\$)	\$1.15	\$3.82	\$7.00	\$17.83
Series I units (\$)	\$22.58	\$73.07	\$131.43	\$318.20
Series UF units (\$)	\$10.40	\$34.04	\$61.94	\$154.26
Series X units (\$)	\$9.55	\$31.32	\$57.02	\$142.30
Series P units (\$)	\$11.97	\$39.14	\$71.11	\$176.45

**Note:**

<sup>1</sup> Based on a \$1,000 investment and 5% return each year. Actual performance may vary.



**PURPOSE GLOBAL CLIMATE OPPORTUNITIES FUND**

<b>Fund Type</b>	Global Equity Fund	
<b>Date Started</b>	Series A units – April 16, 2021 Series F units – April 16, 2021 Series I units – April 16, 2021 ETF units – April 16, 2021	
<b>Type of Securities</b>	Series A units, Series F units, Series I units and ETF units	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	Series A units	1.75% <sup>(1)</sup>
	Series F units	0.75% <sup>(1)</sup>
	Series I units	Investors in Series I units are charged a management fee of up to 0.75% directly by us that is negotiated between the investor and us. <sup>(1)</sup>
	ETF units	0.75% <sup>(1)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Auditor</b>	Ernst & Young LLP	

**Notes:**

(1) Plus HST.

**What does the fund invest in?**

**Investment Objectives**

The fund seeks to provide investors with long-term capital growth through the selection, management and trading of global positions in equity, debt and derivative securities.

The fund will be global in nature and diversified across small, medium and large capitalization companies with an emphasis on industries, sub-sectors and businesses that are best positioned to contribute to, and benefit from, the fight against climate change.

**Investment Strategies**

The fund’s portfolio will consist primarily of securities that generate capital gains, but will also include investments that generate income. In managing the portfolio, the portfolio manager intends to use the strategies described below.

The fund may have exposure to all sectors of the economy, with an emphasis on industries, sub-sectors and businesses that are best positioned to contribute to, and benefit from, the fight against climate change.

The portfolio manager believes that global consensus around the dangers posed by climate change and the resultant commitments to materially reduce greenhouse gas (“**GHG**”) emissions will result in coordinated policy that will ultimately reward businesses best able to internalize traditional economic externalities (e.g. GHG emissions) with minimal or positive effect. Within a set of identified themes, the portfolio manager will use bottom-up fundamental analysis to identify attractively valued low-impact businesses, those with greater carbon intensity but high abatement opportunities, technology companies developing and deploying

transformational technologies, and businesses related to incremental natural resource demand created by these new technologies. Key inputs will be forecast revenue growth potential incorporating analysis of total addressable market (“**TAM**”), valuation multiples such as price-to-earnings relative to peers, and evaluation of balance sheet strength. The portfolio is diversified across technology life-cycle from mature through early adoption, demonstration and prototype.

The portfolio manager may elect to initiate a program to offset the fund’s GHG emissions. A carbon offset broadly refers to a reduction in GHG emissions – or an increase in carbon storage – that is used to compensate for emissions that occur elsewhere. The portfolio manager may choose to offset the fund’s GHG emissions either through regulated or voluntary markets.

The portfolio manager will incorporate ESG analysis into its investment framework but may have exposure to traditional fossil fuel companies with high abatement potential, along with materials companies that extract natural resources critical to key technologies within the energy transition. The incorporation of ESG is not intended to limit the fund’s scope, but to tilt holdings across all industries to those businesses that carry higher ESG ratings based on a combination of third party and internal research.

The fund will invest in private securities up to the maximum allowed under NI 81-102.

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 exposure to foreign currencies and/or as a substitute for direct investment.

The fund may write covered call options and cash-covered put options and purchase call options and put options with the effect of closing out existing call and put positions written by the fund. The fund may also purchase put options in order to protect the fund from declines in the market prices of the individual securities in the portfolio or the portfolio as a whole. The fund may enter into trades to close out positions in such permitted derivatives. The fund may also use derivatives to hedge foreign currency exposure, credit risk or interest rate risk. Such permitted derivatives may include exchange-traded options, futures contracts, options on futures, over-the-counter options and forward contracts.

The fund may invest in underlying funds to achieve its objectives. See “Specific information about each of the mutual funds described in this document – Investing in Underlying Funds” on page 93.

The fund may also engage in short selling as allowed by the securities regulations. In determining whether securities of a particular issuer should be sold short, the portfolio manager will use the same analytical framework as described above. The fund will engage in short selling as a complement to fund’s primary discipline of buying securities with the expectation that they appreciate in market value. Please see “Specific information about each of the mutual funds described in this document – How the funds engage in short selling” on page 94 for more information.

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 portfolio manager. The fund may be exposed to securities traded in foreign currencies and may, in the portfolio 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.

The fund may hold all or a portion of its assets in cash or cash equivalents or invest in short term bonds or money market instruments in response to adverse market, economic and/or political conditions or for liquidity, defensive or other purposes. As a result, the fund may not be fully invested in accordance with its investment objectives.

**What are the risks of investing in the fund?**

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

- (a) market risk;
- (b) foreign investment risk;
- (c) currency risk;
- (d) liquidity risk;
- (e) sector risk;
- (f) short selling risk;
- (g) reversal of global political consensus around combating climate change risk;
- (h) derivative risk;
- (i) multi-class/series risk;
- (j) securities lending and repurchase and reverse transaction risk;
- (k) tax risk; and
- (l) cyber security risk.

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

- (a) absence of an active market for the ETF units;
- (b) rebalancing and adjustment risk; and
- (c) trading price of ETF units.

**Who should invest in this fund?**

This fund may be right for you if:

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

The fund's risk classification is based on the fund's returns and the return of the 100% Solactive Climate Change Total Return Index.

Please see "Specific information about each of the mutual funds described in this document – Investment risk classification methodology" on page 95 for a description of how we determined the classification of this fund's risk level.

### **Distribution Policy**

The fund may make distributions monthly. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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 February. Year end distributions will be payable in cash only. For more information see "Specific information about each of the mutual funds described in this document – Dividend/distribution policy" on page 96 of the simplified prospectus.

### **Fund Expenses Indirectly Borne By Investors**

Information regarding fund expenses borne by investors is not available because this fund was created on April 16, 2021.

**PURPOSE ENHANCED PREMIUM YIELD FUND**

<b>Fund Type</b>	Equity fund	
<b>Date Started</b>	Series A shares – November 3, 2014 Series B shares – November 3, 2014 Series F shares – November 3, 2014 Series I shares – November 3, 2014 Series UB shares – November 3, 2014 Series UF shares – November 3, 2014 ETF shares – April 29, 2019	
<b>Type of Securities</b>	Series A shares, Series B shares, Series F shares, Series I shares, Series UB shares, Series UF shares and ETF shares	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	Series A shares	1.50% <sup>(1)</sup>
	Series B shares	1.50% <sup>(1)</sup>
	Series F shares	0.75% <sup>(1)</sup>
	Series I shares	Holders of Series I shares pay a negotiated management fee directly to Purpose of up to 0.75% <sup>(1)</sup>
	Series UB shares	1.50% <sup>(1)</sup>
	Series UF shares	0.75% <sup>(1)</sup>
	ETF shares	0.75% <sup>(1)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Investment Advisor</b>	Neuberger Berman Breton Hill ULC	
<b>Auditor</b>	Ernst & Young LLP	

**Note:**

(1) Plus HST.

**What does the fund invest in?**

***Investment Objectives***

The fund seeks to provide shareholders with long-term capital appreciation and high monthly income by investing in equity markets including by (a) writing cash covered put options to receive premiums and reduce the net cost of acquiring securities and (b) directly investing in equity securities and writing call options on these securities to receive dividends and premiums.

The fundamental investment objective of the fund cannot be changed without the approval of the fund's shareholders.

***Investment Strategies***

To achieve its investment objectives, the fund will use various portfolio selection strategies to invest in (a) a broad range of equity securities and cash in order to create long term value, generate regular income and reduce risk over the investment period and (b) a broad range of derivative instruments in compliance with

Canadian securities laws to enhance portfolio income, offer long-term capital appreciation and preserve capital.

The fund may choose to (a) write cash-covered put options in respect of individual securities, ETFs and market indices from time to time in response to market conditions 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, ETFs and market indices from time to time in response to market conditions 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 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 may also enter into securities lending transactions to generate additional income.

The fund may invest up to 100% of its assets in foreign securities and will be exposed to securities traded in foreign currencies. The fund 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.

**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 share;
- (b) risk of loss;
- (c) capital depreciation risk;
- (d) equity investment risk;
- (e) asset class risk;
- (f) currency risk;
- (g) derivative risk;
- (h) collateral risk;
- (i) counterparty risk;
- (j) credit risk;
- (k) debt securities risk;
- (l) futures contract liquidity risk;
- (m) futures contract margin risk;

- (n) interest rate risk;
- (o) distribution in specie risk;
- (p) reliance on the manager and investment advisor risk;
- (q) liquidity risk;
- (r) absence of an active market for the ETF Shares;
- (s) fund corporation risk;
- (t) tax risk;
- (u) changes in legislation;
- (v) cease trading of constituent securities risk;
- (w) securities lending and repurchase and reverse repurchase transaction risk; and
- (x) cyber security risk.

The fund will also be exposed to the following risks:

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

- (a) absence of an active market for the ETF shares;
- (b) rebalancing and adjustment risk; and
- (c) trading price of ETF shares

**Who should invest in this fund?**

This fund may be right for you if:

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

The fund's risk classification is based on the fund's returns and the return of a blended index composed of the CBOE S&P 500 PutWrite Index (USD) (80%) and CBOE S&P 500 PutWrite Index (CAD) (20%).

Please see "Specific information about each of the mutual funds described in this document – Investment risk classification methodology" on page 95 for a description of how we determined the classification of this fund's risk level.

## Dividend Policy

The fund expects to make distributions monthly. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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, if any, are made annually in February. For more information see “Specific information about each of the mutual funds described in this document – Dividend/distribution policy” on page 96 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 series of this fund, if applicable. See “Purchases, switches and redemptions – How to buy, redeem and switch” on page 36 for a description of each series 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 60 for more information.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
ETF shares (\$)	\$9.66	\$31.66	\$57.64	\$143.80
Series A shares (\$)	\$18.59	\$60.39	\$109.02	\$266.40
Series B shares (\$)	\$18.48	\$60.05	\$108.43	\$265.01
Series F shares (\$)	\$9.76	\$32.00	\$58.25	\$145.30
Series I shares (\$)	\$6.62	\$21.74	\$39.70	\$99.76
Series UB shares (\$)	\$19.11	\$62.06	\$111.99	\$273.32
Series UF shares (\$)	\$9.45	\$30.98	\$56.41	\$140.80

**Note:**

<sup>1</sup> Based on a \$1,000 investment and 5% return each year. Actual performance may vary.



**PURPOSE GLOBAL RESOURCE FUND**

<b>Fund Type</b>	Resource equity fund	
<b>Date Started</b>	Series A shares – June 19, 2006 Series B shares – June 19, 2006 Series F shares – June 19, 2006	
<b>Type of Securities</b>	Series A shares, Series B shares and Series F shares	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	Series A shares	1.90% <sup>(1)</sup>
	Series B shares	1.90% <sup>(1)</sup>
	Series F shares	0.90% <sup>(1)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Auditor</b>	Ernst & Young LLP	

**Note:**

(1) Plus HST.

**What does the fund invest in?**

***Investment Objectives***

The fundamental investment objective of the fund is to provide current income and long-term capital appreciation by investing primarily in a diversified portfolio of North American resource equity and income securities, including dividend paying or distribution paying North American resource equity and income securities such as common shares, income trust units, convertible bonds, and, to a lesser extent, interest-bearing securities such as corporate bonds. The fund may, from time to time, engage in the short-selling of securities that the portfolio manager believes are overvalued.

The fundamental investment objective of the fund cannot be changed without the approval of the fund's shareholders.

***Investment Strategies***

The fund's investment strategy entails initially investing in shares of resource issuers engaged in oil and gas or mining exploration, development or production or energy production, including alternative energy production such as from wind, and that (i) have experienced management; (ii) have a strong exploration program in place; (iii) may require time to mature; and (iv) offer potential for future growth. It is anticipated that the resource issuers will include a significant number of junior issuers.

The portfolio manager will manage the investment portfolio so as to achieve capital appreciation of the fund's investments. This continuing investment management program may involve the divestiture of shares and other investments and the reinvestment of the net proceeds from such dispositions in securities of resource issuers, as well as other issuers in the oil and gas, mining, pulp and paper, and forestry industries, energy producers and related resource business issuers, such as pipeline or service companies and utilities. The portfolio manager may also consider non-investment factors such as cash flow and liquidity requirements, hold periods and restrictions.

The fund's portfolio will consist primarily of investments which generate capital gains, but will also include investments which generate income. In managing the portfolio, the portfolio manager intends to use the strategies described below.

The fund may invest in underlying funds to achieve its investment objectives. See "Specific information about each of the mutual funds described in this document – Investing in Underlying Funds" on page 93.

The portfolio manager will make investments in securities which it believes are undervalued based on its traditional fundamental research and analysis of such securities. These will include, in particular, securities of issuers with improving fundamentals such as growing revenues and earnings, strong balance sheets and solid management, capital structure and business franchises.

The portfolio manager will manage the relative weightings of the long and short positions in the fund's portfolio to achieve its investment objective. The fund's net market exposure will depend on, among other things, the portfolio manager's view of domestic and international economic and market trends. The total market value of the fund's short positions at any time will not exceed the total market value of its long positions. As a result, the fund will at no time have negative market exposure. The fund will be limited to short selling up to 20% of its net assets.

The portfolio manager may participate in special warrant arbitrage situations by purchasing special warrant securities of an issuer while selling short the securities which underlie the special warrants. In so doing, the portfolio manager will attempt to take advantage of a spread between the price of the special warrant securities and the price of the underlying securities.

The portfolio manager may participate in merger arbitrage situations by purchasing securities of an issuer that is the target in a proposed merger and selling short the securities of the acquiror. Where the consideration offered to the Shareholders of the target includes securities of the acquiror, the fund may be able to take advantage of instances where the target's securities trade below the announced offer price, reflecting the time value of money and the possibility that the transaction may not be completed.

The portfolio manager may participate in convertible arbitrage situations by purchasing convertible securities of an issuer while short selling the underlying securities into which such convertible securities may be converted. In doing so, the portfolio manager will attempt to take advantage of mis-pricing between the market price of the convertible securities and the underlying securities.

The portfolio manager may trade in securities of issuers that may be involved in a restructuring or a business unit spin-off in order to take advantage of the differences in the market value of the securities of the original issuer versus those of the spun-off entities.

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. Please see "Specific information about each of the mutual funds described in this document – How the funds engage in short selling" on page 94 for more information.

The fund may write covered call options and cash covered put options and purchase call options and put options with the effect of closing out existing call options and put options written by the fund. The fund may also purchase put options in order to protect the fund from declines in the market prices of the individual securities in the portfolio or in the value of the portfolio as a whole. The fund may enter into trades to close out positions in such permitted derivatives. The fund may also use derivatives to hedge the

fund's foreign currency exposure, credit risk or interest rate risk. Such permitted derivatives may include exchange-traded options, futures contracts, options on futures, over-the-counter options and forward contracts.

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

**What are the risks of investing in the fund?**

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

- (a) resource industry risk;
- (b) income trust risk;
- (c) fluctuations in NAV and NAV per share/NAV per unit;
- (d) market risk;
- (e) small capitalization company risk;
- (f) foreign investment risk;
- (g) currency risk;
- (h) short selling risk;
- (i) liquidity risks;
- (j) sector risk;
- (k) derivative risk;
- (l) multi-class/series risk;
- (m) tax risk;
- (n) securities lending and repurchase and reverse repurchase risk;
- (o) underlying fund risk; **and**
- (p) cyber security risk.

**Who should invest in this fund?**

This fund may be right for you if:

- (a) you want moderate capital growth over the long term;
- (b) you want distributions payable to you monthly;

- (c) you are investing for the medium and/or long term; and
- (d) you can tolerate high risk.

The fund’s risk classification is based on the fund’s returns and the return of the S&P/TSX Composite Index (CAD).

Please see “Specific information about each of the mutual funds described in this document – Investment risk classification methodology” on page 95 for a description of how we determined the classification of this fund’s risk level.

**Dividend Policy**

The fund expects to make distributions annually, if any. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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, if any, are made annually in February. For more information see “Specific information about each of the mutual funds described in this document – Dividend/distribution policy” on page 96 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 series of this fund, if applicable. See “Purchases, switches and redemptions – How to buy, redeem and switch” on page 36 for a description of each series 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 60 for more information.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
Series A shares (\$)	\$33.39	\$106.96	\$190.43	\$449.81
Series B shares (\$)	\$33.81	\$108.26	\$192.67	\$454.68
Series F shares (\$)	\$22.16	\$71.74	\$129.08	\$312.83

**Note:**

<sup>1</sup> Based on a \$1,000 investment and 5% return each year. Actual performance may vary.

**PURPOSE SPECIAL OPPORTUNITIES FUND**

<b>Fund Type</b>	Special opportunities Canadian fund	
<b>Date Started</b>	Series A shares – April 12, 1990 Series B shares – April 12, 1990 Series F shares – April 12, 1990 Series X shares – December 3, 2009 <sup>(1)</sup>	
<b>Type of Securities</b>	Series A shares, Series B shares, Series F shares and Series X shares	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	Series A shares	2.50% <sup>(2)</sup>
	Series B shares	2.50% <sup>(2)</sup>
	Series F shares	1.50% <sup>(2)</sup>
	Series X shares	2.00% <sup>(2)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Auditor</b>	Ernst & Young LLP	

**Notes:**

- (1) Series X shares of the fund are not available for purchase by new investors. Existing holders of Series X shares of the fund can continue to make additional investments into the fund in connection with the fund’s dividend reinvestment plan.
- (2) Plus HST.

**What does the fund invest in?**

***Investment Objectives***

The investment objective of the fund is to seek capital appreciation through investment in equity securities of companies whose product, service or management team the investment advisor believes can realize value and growth. The investment advisor may rely on “top down” fundamental research to identify equity securities of companies in a particular industry or sector, but portfolio diversification will be driven primarily from the fund’s investments, as opposed to targeting sector weights.

The fundamental investment objective of the fund cannot be changed without the approval of the fund’s shareholders.

***Investment Strategies***

The investment advisor will employ alternative investment strategies, including event-related special situations investing (including, for instance, investment in securities of issuers undergoing or undertaking tenders, mergers and acquisitions, liquidations, spin-offs and recapitalizations) and the purchase of undervalued shares in the equity markets.

The fund may invest in foreign securities up to a maximum of 40% of the total cost of the fund’s property. Typically, the fund invests between 0 - 10% of the total cost of the fund’s property in foreign securities.

From time to time the fund may use clearing corporation options and listed warrants (“**permitted derivatives**”) as permitted by Canadian securities regulators and consistent with the investment objectives and strategies of the fund. The fund may use these permitted derivatives for hedging and non-hedging purposes.

As a complement to the fund's primary discipline of buying securities with the expectation that they will appreciate in value, the fund may engage in a limited amount of short selling. Short selling may occur in circumstances where securities are expected to depreciate in value, or where securities are believed to be overvalued in relation to their intrinsic value, but will occur only within certain controls and limitations. Securities will be sold short only for cash and the fund will receive the cash proceeds within normal trading settlement periods for the market in which the short sale is made. All short sales will be effected only through market facilities through which those securities are normally bought and sold and the fund will short sell a security only if: (i) the security is listed and posted for trading on a stock exchange and either the issuer of the security has a market capitalization of not less than \$300 million of the security sold short at the time the short sale is made or the investment advisor has pre-arranged to borrow securities for the purposes of such short sale; or (ii) the securities sold short are bonds, debentures or other evidences of indebtedness of or guaranteed by the Government of Canada or any province or territory of Canada or the U.S. Government. As well, at the time securities of a particular issuer are sold short by the fund, the aggregate market value of all securities of that issuer sold short will not exceed 5% of the net assets of the fund. The fund also will place a "stop-loss" order (effectively a standing instruction) with a dealer to immediately repurchase for the fund the securities sold short if the trading price of the securities exceeds 115% (or a lower percentage determined by us) of the price at which the securities were sold short.

The aggregate market value of all securities sold short by the fund will not exceed 20% of its net assets on a daily marked-to-market basis. The fund may deposit assets with lenders in accordance with industry practice in relation to its obligations arising under short sale transactions. The fund also will hold cash cover in an amount, including the fund's assets deposited with lenders, that is at least 150% of the aggregate market value of all securities it sold short on a daily marked-to-market basis. No proceeds from short sales will be used by the fund to purchase long positions other than cash cover. Where a short sale is effected in Canada, every dealer that holds fund assets as security in connection with the short sale must be a registered dealer and a member of a self-regulatory organization that is a participating member of the Canadian Investor Protection Fund. Where a short sale is effected outside Canada, every dealer that holds fund assets as security in connection with the short sale must be a member of a stock exchange and have a net worth in excess of the equivalent of \$50 million determined from its most recent audited financial statements. The aggregate assets deposited by the fund with any single dealer as security in connection with short sales will not exceed 10% of the fund's net assets at the time of deposit.

**What are the risks of investing in the fund?**

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

- (a) market risk;
- (b) small capitalization company risk;
- (c) foreign investment risk;
- (d) currency risk;
- (e) liquidity risk;
- (f) sector risk;
- (g) short selling risk;
- (h) derivative risk;

- (i) multi-class/series risk;
- (j) securities lending and repurchase and reverse repurchase risk;
- (k) tax risk; and
- (l) cyber security risk.

**Who should invest in this fund?**

This fund may be right for you if:

- (a) you want moderate capital growth over the long term;
- (b) you want distributions payable to you monthly;
- (c) you are investing for the medium and/or long term; and
- (d) you can tolerate high risk.

The fund’s risk classification is based on the fund’s returns and the return of the S&P/TSX Composite Index (CAD).

Please see “Specific information about each of the mutual funds described in this document – Investment risk classification methodology” on page 95 for a description of how we determined the classification of this fund’s risk level.

**Dividend Policy**

The fund expects to make distributions annually, if any. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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, if any, are made annually in February. For more information see “Specific information about each of the mutual funds described in this document – Dividend/distribution policy” on page 96 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 series of this fund, if applicable. See “Purchases, switches and redemptions – How to buy, redeem and switch” on page 36 for a description of each series 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 60 for more information.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
Series A shares (\$)	\$35.28	\$112.81	\$200.48	\$471.55
Series B shares (\$)	\$35.28	\$112.81	\$200.48	\$471.55
Series F shares (\$)	\$23.52	\$76.06	\$136.68	\$330.21
Series X shares (\$)	\$29.51	\$94.87	\$169.52	\$403.97

**Note:**

<sup>1</sup> Based on a \$1,000 investment and 5% return each year. Actual performance may vary.

**PURPOSE GLOBAL BOND CLASS**

<b>Fund Type</b>	Global bond fund	
<b>Date Started</b>	ETF shares – December 18, 2013 Series A shares – December 18, 2013 Series B shares – December 18, 2013 Series F shares – December 18, 2013 Series I shares – December 18, 2013	
<b>Type of Securities</b>	ETF shares, Series A shares, Series B shares, Series F shares and Series I shares	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	Series A shares	1.00% <sup>(1)</sup>
	Series B shares	1.00% <sup>(1)</sup>
	Series F shares	0.50% <sup>(1)</sup>
	Series I shares	Holder's of Series I shares pay a negotiated management fee directly to Purpose of up to 0.50% <sup>(1)</sup>
	ETF shares	0.50% <sup>(1)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Auditor</b>	Ernst & Young LLP	

**Note:**

(1) Plus HST.

**What does the fund invest in?**

***Investment Objectives***

The investment objective of the fund is to provide Shareholders with exposure to a diversified portfolio of corporate, government or other bonds, and debt instruments or debt-like securities, of investment grade and noninvestment grade North American and/or international issuers. This could include investments in corporate bonds, notes, floating rate notes, convertible bonds, preferred shares, bank loans, government bonds or other income-producing securities.

The fundamental investment objective of the fund cannot be changed without the approval of the fund's shareholders.

***Investment Strategies***

The fund will obtain exposure primarily to a portfolio (the "Portfolio") of government and corporate investment grade fixed income securities from around the world, the average rating of which will be investment grade.

The fund may invest up to 20% of its net asset value in high yield fixed income securities rated below investment grade and up to 15% of its net asset value in structured corporate credit products such as CLO debt tranches and other types of asset-backed securities.

The fund may also invest, in each case as permitted by Canadian securities laws, in:



- corporate and sovereign securities and, without limitation across the capital structure, senior secured debt, senior unsecured debt, subordinated debt, convertible debt, fixed and floating rate debt, bank loans, company-specific and market-linked fixed income derivatives, as well as other fixed income investment products as determined by the sub-advisor;
- underlying funds and ETFs; and
- other fixed income securities.

The fund may hedge the Portfolio's interest rate exposure in order to seek to reduce the Portfolio's sensitivity to changing interest rates, including through the use of derivative instruments, including but not limited to options, futures contracts, forwards, swaps and credit derivatives. The fund may enter into securities lending transactions to seek to generate additional income.

The fund may also enter into total return swaps and other derivatives including forward contracts, options, futures and credit derivatives on various loans and/or other fixed income indices or baskets, effectively buying exposure to a basket of loans and other fixed income securities. The fund's assets may also be invested in short-term, high quality money market securities either directly or through a short-term fund managed by a third party. The fund may also invest in illiquid securities to the extent permitted under NI 81-102.

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

The fund's portfolio holdings will be reconstituted and rebalanced in the discretion of the manager. The fund's manager may, in its discretion, change the frequency with which the Portfolio is reconstituted and rebalanced. Generally, a substantial portion of the foreign currency exposure within the Portfolio will be hedged back to the Canadian dollar by using derivatives including currency forward contracts in the manager's discretion. Up to 100% of the fund's assets may be invested in foreign securities.

The fund may obtain its exposure to the Portfolio by investing up to 100% of its net assets in units of Purpose Global Bond Fund.

**What are the risks of investing in the fund?**

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

- (a) underlying fund risk;
- (b) capital depreciation risk;
- (c) collateral risk;
- (d) credit risk;
- (e) debt securities risk;
- (f) interest rate risk;

- (g) liquidity risk;
- (h) suspension of subscriptions risk;
- (i) securities lending and repurchase and reverse repurchase transaction risk;
- (j) reliance on the manager and investment advisor (or sub-advisor) risk;
- (k) tax risk; and
- (l) cyber security risk.

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

- (a) absence of an active market for the ETF shares;
- (b) rebalancing and adjustment risk; and
- (c) trading price of ETF shares.

**Who should invest in this fund?**

This fund may be right for you if:

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

The fund's risk classification is based on the fund's returns and the return of Purpose Global Bond Fund (the underlying fund).

Please see "Specific information about each of the mutual funds described in this document – Investment risk classification methodology" on page 95 for a description of how we determined the classification of this fund's risk level.

**Dividend Policy**

The fund expects to make distributions monthly. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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 February. Monthly distributions are targeted at approximately \$0.04167 per share (\$0.50 per annum). For more information see "Specific information about each of the mutual funds described in this document – Dividend/distribution policy" on page 96 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 series of this fund, if applicable. See “Purchases, switches and redemptions – How to buy, redeem and switch” on page 36 for a description of each series 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 60 for more information.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
ETF shares (\$)	\$7.87	\$25.85	\$47.15	\$118.13
Series A shares (\$)	\$13.96	\$45.58	\$82.64	\$204.13
Series B shares (\$)	\$13.65	\$44.56	\$80.83	\$199.79
Series F shares (\$)	\$7.77	\$25.51	\$46.53	\$116.60
Series I shares (\$)	\$7.87	\$25.85	\$47.15	\$118.13

**Note:**

<sup>1</sup> Based on a \$1,000 investment and 5% return each year. Actual performance may vary.

**PURPOSE GLOBAL INNOVATORS FUND**

<b>Fund Type</b>	Global equity fund	
<b>Date Started</b>	Series A shares – July 6, 2011 Series B shares – July 6, 2011 Series F shares – July 6, 2011 Series X shares <sup>(1)</sup> – July 6, 2011 ETF shares – March 5, 2018	
<b>Type of Securities</b>	ETF shares, Series A shares, Series B shares, Series F shares and Series X shares	
<b>Management Fee</b>	<b>Series</b>	<b>Management Fee</b>
	Series A shares	1.75% <sup>(2)</sup>
	Series B shares	1.75% <sup>(2)</sup>
	Series F shares	0.75% <sup>(2)</sup>
	Series X shares	1.75% <sup>(2)</sup>
	ETF shares	1.00% <sup>(2)</sup>
<b>Registered Plan Eligibility</b>	Eligible	
<b>Auditor</b>	Ernst & Young LLP	

**Notes:**

- (1) Series X shares of the fund are not available for purchase by new investors. Existing holders of Series X shares of the fund can continue to make additional investments into the fund in connection with the fund's dividend reinvestment plan.
- (2) Plus HST.

**What does the fund invest in?**

***Investment Objectives***

The fund seeks to provide shareholders with long term capital growth through the selection, management and strategic sector rotation and trading of global positions in equity, debt and derivative securities.

The fund may have exposure to all sectors of the economy, with the ability to focus its assets in specific industry sectors and asset classes based on analysis of business cycles, industry sectors and market outlook. The fund will be global in nature and invest in small, medium and large cap companies.

***Investment Strategies***

The fund's portfolio will consist primarily of investments which generate capital gains, but will also include investments which generate income. In managing the portfolio, the portfolio manager intends to use the strategies described below.

The fund will examine macroeconomic events that result in shifts in behaviour and supply and demand in the market in both traditional and new industries. In traditional industries such as oil and gas and mining, the fund will focus on investing in companies with emerging technologies and new discoveries that improve and enhance operations and productivity but may consider other investment factors such as cash flow and liquidity requirements, hold periods and restrictions, risk factors, stop-loss containment and tax efficient distributions.

The portfolio manager will make investments in securities which it believes are undervalued based on its traditional fundamental research and analysis of such securities. These will include, in particular, securities of issuers with improving fundamentals such as growing revenues and earnings, strong balance sheets and solid management, capital structure and business franchises.

The portfolio manager will manage the relative weightings of the long and short positions in the fund's portfolio to achieve its investment objective. The fund's net market exposure will depend on, among other things, the portfolio manager's view of domestic and international economic and market trends. The total market value of the fund's short positions at any time will not exceed the total market value of its long positions. As a result, the fund will at no time have negative market exposure. The fund will be limited to short selling up to 20% of its net assets.

The portfolio manager may participate in special warrant arbitrage situations by purchasing special warrant securities of an issuer while selling short the securities which underlie the special warrants. In so doing, the portfolio manager will attempt to take advantage of a spread between the price of the special warrant securities and the price of the underlying securities.

The portfolio manager may participate in merger arbitrage situations by purchasing securities of an issuer that is the target in a proposed merger and selling short the securities of the acquiror. Where the consideration offered to the Shareholders of the target includes securities of the acquiror, the fund may be able to take advantage of instances where the target's securities trade below the announced offer price, reflecting the time value of money and the possibility that the transaction may not be completed.

The portfolio manager may participate in convertible arbitrage situations by purchasing convertible securities of an issuer while short selling the underlying securities into which such convertible securities may be converted. In doing so, the portfolio manager will attempt to take advantage of mis-pricing between the market price of the convertible securities and the underlying securities.

The portfolio manager may trade in securities of issuers that may be involved in a restructuring or a business unit spin-off in order to take advantage of the differences in the market value of the securities of the original issuer versus those of the spun-off entities.

The fund may write covered call options and cash covered put options and purchase call options and put options with the effect of closing out existing call options and put options written by the fund. The fund may also purchase put options in order to protect the fund from declines in the market prices of the individual securities in the portfolio or in the value of the portfolio as a whole. The fund may enter into trades to close out positions in such permitted derivatives. The fund may also use derivatives to hedge the fund's foreign currency exposure, credit risk or interest rate risk. Such permitted derivatives may include exchange-traded options, futures contracts, options on futures, over-the-counter options and forward contracts.

The fund may invest in underlying funds to achieve its investment objectives. See "Specific information about each of the mutual funds described in this document – Investing in Underlying Funds" on page 93.

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. Please see "Specific information about each of the mutual funds described in this document – How the funds engage in short selling" on page 94 for more information.

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

**What are the risks of investing in the fund?**

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

- (a) market risk;
- (b) foreign investment risk;
- (c) currency risk;
- (d) liquidity risk;
- (e) sector risk;
- (f) short selling risk;
- (g) derivative risk;
- (h) multi-class/series risk;
- (i) securities lending and repurchase and reverse transaction risk;
- (j) tax risk; and
- (k) cyber security risk.

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

- (a) absence of an active market for the ETF shares;
- (b) rebalancing and adjustment risk; and
- (c) trading price of ETF shares.

**Who should invest in this fund?**

This fund may be right for you if:

- (a) you want moderate capital growth over the long term;
- (b) you want distributions payable to you monthly;
- (c) you are investing for the long term; and
- (d) you can tolerate medium risk.

The fund's risk classification is based on the fund's returns and the return of the S&P 500 Index (USD).

Please see “Specific information about each of the mutual funds described in this document – Investment risk classification methodology” on page 95 for a description of how we determined the classification of this fund’s risk level.

### Dividend Policy

The fund expects to make distributions monthly. **Distributions on mutual fund shares are reinvested in additional mutual fund shares of the same series 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 February. For more information see “Specific information about each of the mutual funds described in this document – Dividend/distribution policy” on page 96 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 series of this fund, if applicable. See “Purchases, switches and redemptions – How to buy, redeem and switch” on page 36 for a description of each series 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 60 for more information.

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
ETF shares (\$)	\$14.07	\$45.92	\$83.25	\$205.57
Series A shares (\$)	\$25.51	\$82.36	\$147.71	\$355.23
Series B shares (\$)	\$25.20	\$81.36	\$145.98	\$351.31
Series F shares (\$)	\$14.07	\$45.92	\$83.25	\$205.57
Series X shares (\$)	\$4.20	\$13.84	\$25.32	\$64.00

**Note:**

<sup>1</sup> Based on a \$1,000 investment and 5% return each year. Actual performance may vary.

## PURPOSE FUNDS

You will find more information about each fund in its annual information form, fund facts, management reports of fund performance, financial statements and ETF Facts. 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](mailto: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, the financial statements and the ETF Facts from the Purpose website at [www.purposeinvest.com](http://www.purposeinvest.com).

These documents and other information about the funds, such as information circulars and material contracts, are also available at [www.sedar.com](http://www.sedar.com).

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