

*This document contains key information you should know about Purpose Canadian Preferred Share Fund (“the Fund”). You can find more details in the fund’s simplified prospectus. Ask your representative for a copy, contact Purpose Investments Inc. at 1-877-789-1517 or info@purposeinvest.com, or visit www.purposeinvest.com.*

**Before you invest in any fund, consider how the fund would work with your other investments and your tolerance for risk.**

## QUICK FACTS

|  |                  |                         |                                   |
|--|------------------|-------------------------|-----------------------------------|
| Fund Code:                             | PFC1900          | Fund Manager:           | Purpose Investments Inc.          |
| Date Class Started:                    | October 14, 2004 | Portfolio Manager:      | Purpose Investments Inc.          |
| Total Value of Fund on March 31, 2021: | \$138.5 million  | Investment Sub-Advisor: | Purpose Investment Partners Inc.  |
| Management Expense Ratio (MER):        | 1.74%            | Distributions:          | Monthly <sup>(1)</sup>            |
|  |                  | Minimum Investment:     | \$5,000 initial, \$100 subsequent |

## WHAT DOES THE FUND INVEST IN?

The Fund invests 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 charts below give you a snapshot of the fund’s investments on March 31, 2021. The fund’s investments will change.

### TOP 10 INVESTMENTS (MARCH 31, 2021)

| Company   | % of Net Asset Value |
|---|----------------------|
| 1. Toronto Dominion Bank Non Cum 5 Yr Rate Pfd Ser 3  | 5.47%                |
| 2. Tc Energy Corporation                              | 4.86%                |
| 3. Royal Bank Of Ca, Pref. 4.00% Sr. "Az"             | 4.72%                |
| 4. Ecn Capital Corp Pref. Series A                    | 4.70%                |
| 5. Brookfield Asset Management Inc., Pref. 4.50%      | 2.97%                |
| 6. Toronto-Dominion Bank (The), Pref.                 | 2.97%                |
| 7. Brookfield Infrastructure Partners L.P.            | 2.96%                |
| 8. Toronto-Dominion Bank (The), Pref. 3.9% Series "A" | 2.71%                |
| 9. Altgas Ltd., Pref. Series "E"                      | 2.69%                |
| 10. Royal Bank Of Canada Non Cum 5Yr Rate Reset Pfd   | 2.65%                |
| <b>Total percentage of top 10 investments</b>         | <b>36.71%</b>        |
| <b>Total number of investments</b>                    | <b>85</b>            |

### INVESTMENT MIX (MARCH 31, 2021)

| Sector       | % of Net Asset Value |
|--------------|----------------------|
| Financials   | 55.95%               |
| Energy       | 20.66%               |
| Utilities    | 19.37%               |
| Industrials  | 2.92%                |
| Real Estate  | 1.09%                |
| <b>Total</b> | <b>100.00%</b>       |

## HOW RISKY IS IT?

The value of the Fund can go down as well as up. You could lose money.

One way to gauge risk is to look at how much a fund’s returns change over time. This is called “volatility”.

In general, funds with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. Funds with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

## RISK RATING

Purpose Investments Inc. has rated the volatility of the Fund as **low to medium**.

This rating is based on how much the Fund’s returns have changed from year to year. It doesn’t tell you how volatile the Fund will be in the future. The rating can change over time. A fund with a low risk rating can still lose money.



For more information about the risk rating and specific risks that can affect the Fund’s returns, see the “What are the Risks of Investing in the Fund?” and “Who Should

Invest In This Fund?” sections of the Fund’s simplified prospectus.

## NO GUARANTEES

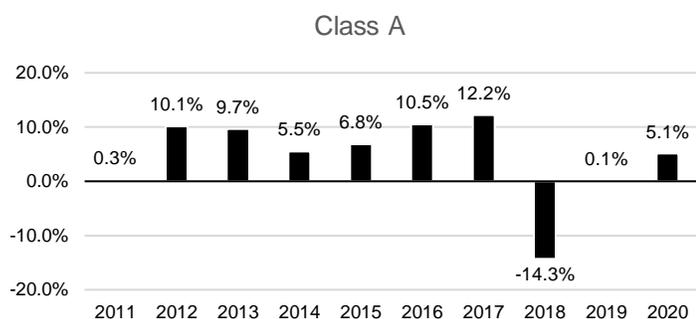
Like most mutual funds, this Fund doesn’t have any guarantees. You may not get back the amount of money you invest.

## HOW HAS THE FUND PERFORMED?

This section shows you how Class A units of the Fund have performed in each of the past 10 years. Returns are after expenses have been deducted. These expenses reduce the Fund’s returns.

### Year-by-Year Returns

This chart shows how Class A units of the Fund have performed in each of the past 10 years. The Fund dropped in value in 1 of the past 10 years. The range of returns and change from year to year can help you assess how risky the Fund has been in the past. It does not tell you how the Fund will perform in the future.



### Best and Worst 3-month Returns

This table shows the best and worst returns for Class A units of the Fund in a 3-month period over the past 10 years. The best and worst 3-month returns could be higher or lower in the future. Consider how much of a loss you could afford to take in a short period of time.

|              | Return  | 3 months ending | If you invested \$1,000 at the beginning of the period |
|--------------|---------|-----------------|--|
| Best return  | 19.88%  | August 31, 2020 | Your investment would rise to \$1,198.80               |
| Worst return | -26.83% | March 31, 2020  | Your investment would fall to \$731.69                 |

### Average Return

A person who invested \$1,000 in Class A units of the Fund since inception would have \$1,664.24 as at March 31, 2021. This works out to an annual compound return of 5.22%.

### WHO IS THE FUND FOR?

Investors who:

- are seeking a flow of income, exposure to income through a portfolio of Canadian preferred securities, potential for capital appreciation;
- want distributions paid to them monthly;
- are planning to hold investment for the medium to long term; and
- can tolerate low to medium risk

**Do not invest in this Fund unless you are willing to accept the potential loss of a portion of your investment, or if you have a short-term investment horizon.**

### A WORD ABOUT TAX

In general, you’ll have to pay income tax on any money you make on a fund. How much you pay depends on the tax laws where you live and whether or not you hold the fund in a registered plan, such as a Registered Retirement Savings Plan or a Tax-Free Savings Account.

Keep in mind that if you hold your fund in a non-registered account, fund distributions are included in your taxable income, whether you get them in cash or have them reinvested.

### HOW MUCH DOES IT COST?

The following tables show the fees and expenses you could pay to buy, own and sell Class A units of the Fund. The fees and expenses, including any commissions, can vary among series of a fund and among funds. Higher commissions can

influence representatives to recommend one investment over another. Ask about other funds and investments that may be suitable for you at a lower cost.

## 2. FUND EXPENSES

You don't pay these expenses directly. They affect you because they reduce the Fund's returns.

As of December 31, 2020, the Fund's expenses were 1.80% of its value. This equals \$18.00 for every \$1,000 invested.

|   | Annual rate (as a % of the fund's value) |
|---|--|
| <b>Management expense ratio (MER)</b><br>This is the total of the Fund's management fee (which includes the trailing commission) and operating expenses. Purpose waived some of the Fund's expenses. If it had not done so, the MER would have been higher. | 1.74%                                    |
| <b>Trading expense ratio (TER)</b><br>These are the Fund's trading costs.   | 0.06%                                    |
| <b>Fund Expenses</b>  | <b>1.80%</b>                             |

### More About the Trailing Commission

The trailing commission is an ongoing commission. It is paid for as long as you own the Fund. It is for the services and advice that your representative and their firm provide to you.

Purpose Investments Inc. pays the trailing commission to your representative's firm. It is paid from the Fund's management fee and is based on the value of your investment.

| Fee                 | Amount of trailing commission                   |  |
|---------------------|---|--|
|                     | In Percent (%)                                  | In Dollars (\$)                            |
| Trailing Commission | 0.75% of the value of your investment each year | \$7.50 each year on every \$1,000 invested |

## 3. OTHER FEES

You may have to pay other fees when you buy, hold, sell or switch units of the Fund.

| Fee                    | What you pay   |
|------------------------|--|
| Short-term trading fee | We will impose a short-term trading fee payable by the unitholder of up to 2% of the aggregate net asset value of the units sold or switched within 30 days of purchase, except in limited circumstances. This fee goes to the Fund. |
| Switch fee             | A representative may charge up to 2% of the value of the units switched to another Purpose Fund. This fee is payable by the unitholder and goes to the Fund.   |

### WHAT IF I CHANGE MY MIND?

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

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

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

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

### FOR MORE INFORMATION

Contact Purpose Investments Inc. or your representative for a copy of the fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the Fund's legal documents.

**Purpose Investments Inc.**  
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To learn more about investing in mutual funds, see the brochure **Understanding mutual funds**, which is available on the website of the Canadian Securities Administrators at [www.securities-administrators.ca](http://www.securities-administrators.ca).

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**QUICK FACTS**

|  |                 |                         |                                   |
|--|-----------------|-------------------------|-----------------------------------|
| Fund Code:                             | PFC1901         | Fund Manager:           | Purpose Investments Inc.          |
| Date Class Started:                    | July 6, 2007    | Portfolio Manager:      | Purpose Investments Inc.          |
| Total Value of Fund on March 31, 2021: | \$138.5 million | Investment Sub-Advisor: | Purpose Investment Partners Inc.  |
| Management Expense Ratio (MER):        | 0.92%           | Distributions:          | Annually <sup>(1)</sup>           |
|  |                 | Minimum Investment:     | \$5,000 initial, \$100 subsequent |

**WHAT DOES THE FUND INVEST IN?**

The Fund invests 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.

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**INVESTMENT MIX (MARCH 31, 2021)**

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| <b>Total</b> | <b>100.00%</b>       |

**HOW RISKY IS IT?**

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**RISK RATING**

Purpose Investments Inc. has rated the volatility of the Fund as **low to medium**.

This rating is based on how much the Fund’s returns have changed from year to year. It doesn’t tell you how volatile the Fund will be in the future. The rating can change over time. A fund with a low risk rating can still lose money.



For more information about the risk rating and specific risks that can affect the Fund’s returns, see the “What are the Risks of Investing in the Fund?” and “Who Should

Invest In This Fund?” sections of the Fund’s simplified prospectus.

**NO GUARANTEES**

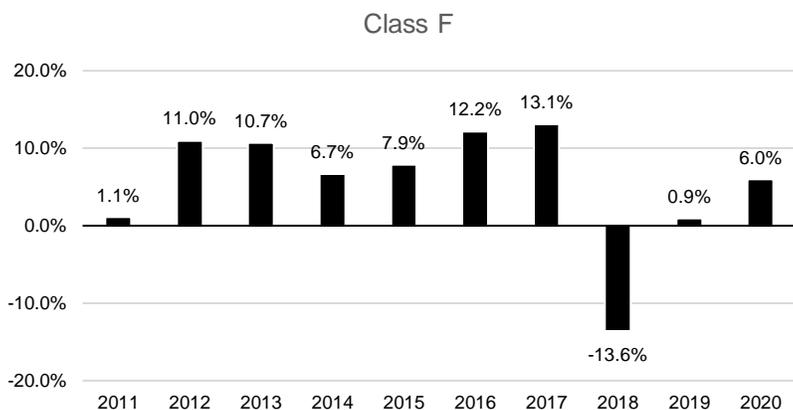
Like most mutual funds, this Fund doesn’t have any guarantees. You may not get back the amount of money you invest.

**HOW HAS THE FUND PERFORMED?**

This section shows you how Class F units of the Fund have performed in each of the past 10 years. Returns are after expenses have been deducted. These expenses reduce the Fund’s returns.

**Year-by-Year Returns**

This chart shows how Class F units of the Fund have performed in each of the past 10 years. The Fund dropped in value in 1 of the past 10 years. The range of returns and change from year to year can help you assess how risky the Fund has been in the past. It does not tell you how the Fund will perform in the future.



**Best and Worst 3-month Returns**

This table shows the best and worst returns for Class F units of the Fund in a 3-month period over the past 10 years. The best and worst 3-month returns could be higher or lower in the future. Consider how much of a loss you could afford to take in a short period of time.

|              | Return  | 3 months ending | If you invested \$1,000 at the beginning of the period |
|--------------|---------|-----------------|--|
| Best return  | 20.13%  | August 31, 2020 | Your Investment would rise to \$1,201.33               |
| Worst return | -26.68% | March 31, 2020  | Your Investment would fall to \$733.23                 |

**Average Return**

A person who invested \$1,000 in Class F units of the Fund since inception would have \$1,828.09 as at March 31, 2021. This works out to an annual compound return of 6.22%.

**WHO IS THE FUND FOR?**

Investors who:

- are seeking a flow of income, exposure to income through a portfolio of Canadian preferred securities, potential for capital appreciation;
- want distributions paid to them monthly
- purchase units through a fee-based account;
- are planning to hold investment for the medium to long term; and
- can tolerate low to medium risk

**Do not invest in this Fund unless you are willing to accept the potential loss of a portion of your**

**investment, or if you have a short-term investment horizon.**

**A WORD ABOUT TAX**

In general, you’ll have to pay income tax on any money you make on a fund. How much you pay depends on the tax laws where you live and whether or not you hold the fund in a registered plan, such as a Registered Retirement Savings Plan or a Tax-Free Savings Account.

Keep in mind that if you hold your fund in a non-registered account, fund distributions are included in your taxable income, whether you get them in cash or have them reinvested.

**HOW MUCH DOES IT COST?**

The following tables show the fees and expenses you could pay to buy, own and sell Class F units of the Fund. The fees and expenses, including any commissions, can vary among series of a fund and among funds. Higher commissions can influence representatives to recommend one investment over another. Ask about other funds and investments that may be suitable for you at a lower cost.

**1. SALES CHARGES**

There are no sales charges payable on purchases of Class F units. Purchasers of Class F units will, however, likely be required to pay their representatives a fee directly under a fee-based program with their representatives. Class F is available through representatives who have a Class F agreement with Purpose.

**2. FUND EXPENSES**

You don't pay these expenses directly. They affect you because they reduce the Fund's returns.

As of December 31, 2020, the Fund's expenses were 0.98% of its value. This equals \$9.80 for every \$1,000 invested.

|   | Annual rate (as a % of the fund's value) |
|---|--|
| <b>Management expense ratio (MER)</b><br>This is the total of the Fund's management fee (which includes the trailing commission) and operating expenses. Purpose waived some of the Fund's expenses. If it had not done so, the MER would have been higher. | 0.92%                                    |
| <b>Trading expense ratio (TER)</b><br>These are the Fund's trading costs.   | 0.06%                                    |
| <b>Fund Expenses</b>  | <b>0.98%</b>                             |

**More About the Trailing Commission**

No trailing commission is paid in respect of Class F.

**3. OTHER FEES**

You may have to pay other fees when you buy, hold, sell or switch units of the Fund.

| Fee                    | What you pay   |
|------------------------|--|
| Short-term trading fee | We will impose a short-term trading fee payable by the unitholder of up to 2% of the aggregate net asset value of the units sold or switched within 30 days of purchase, except in limited circumstances. This fee goes to the Fund. |
| Switch fee             | A representative may charge up to 2% of the value of the units switched to another Purpose Fund. This fee is payable by the unitholder and goes to the Fund.   |
| Advisory Fee           | Purchases 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.                                     |

**WHAT IF I CHANGE MY MIND?**

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

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

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

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

**FOR MORE INFORMATION**

Contact Purpose Investments Inc. or your representative for a copy of the fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the Fund's legal documents.

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