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The Manager may, in its complete discretion, instead accept subscription proceeds consisting of (i) cash only in an amount equal to the NAV of the applicable PNU of the CI ETF determined at the Valuation Time on the effective date of the subscription order, plus (ii) if applicable, any fees payable in connection with cash-only payments for subscriptions of a PNU of the applicable CI ETF, representing, as applicable, brokerage expenses, commissions, transaction costs and other costs or expenses that the CI ETF incurs or expects to incur in purchasing securities on the market with such cash proceeds.

The Manager will, except when circumstances prevent it from doing so, publish the applicable PNU for a CI ETF following the close of business on each Trading Day on its website, [www.ci.com](http://www.ci.com). The Manager may, at its discretion, increase or decrease the applicable PNU from time to time.

#### **To the Applicable Designated Broker in Special Circumstances**

Units may be issued by a CI ETF to the applicable Designated Broker in connection with the rebalancing of and adjustments to the CI ETF as described under *“Investment Strategies – Rebalancing Events”* and when cash redemptions of Units occur as described below under *“Exchange and Redemption of Units – Exchange of Units of a CI ETF at NAV per Unit for Baskets of Securities and/or Cash”*.

#### **To Unitholders as Reinvested Distributions**

In addition to the issuance of Units as described above, Units of a CI ETF may be issued to Unitholders on the automatic reinvestment of certain distributions in accordance with the distribution policy of the CI ETF. See *“Distribution Policy”*.

#### ***Buying and Selling Units of a CI ETF***

The Units of the CI ETFs have been conditionally approved for listing on the TSX. Subject to satisfying the TSX’s original listing requirements, the Units of the CI ETFs will be listed on the TSX and investors will be able to buy or sell such Units on the TSX through registered brokers and dealers in the province or territory where the investors reside. Investors may incur customary brokerage commissions in buying or selling Units. No fees are paid by investors to the Manager or any CI ETF in connection with buying or selling of Units on the TSX.

#### ***Special Considerations for Unitholders***

The provisions of the so-called “early warning” requirements set out in Canadian securities legislation do not apply in connection with the acquisition of Units. In addition, each CI ETF is entitled to rely on exemptive relief from the Canadian securities regulatory authorities to permit a Unitholder to acquire more than 20% of the Units of a CI ETF through purchases on the TSX without regard to the takeover bid requirements of applicable Canadian securities legislation.

Units of each CI ETF are, in the opinion of the Manager, index participation units within the meaning of NI 81-102. A mutual fund wishing to invest in Units of a CI ETF should make its own assessment of its ability to do so after careful consideration of the relevant provisions of NI 81-102, including but not limited to whether the Units of the CI ETF should be considered index participation units, as well as the control, concentration and certain of the *“fund-of-funds”* restrictions of NI 81-102. No purchase of Units of a CI ETF should be made solely in reliance on the above statements.

## EXCHANGE AND REDEMPTION OF UNITS

### ***Exchange of Units of a CI ETF at NAV per Unit for Baskets of Securities and/or Cash***

Unitholders of a CI ETF may exchange the applicable PNU (or an integral multiple thereof) of the CI ETF on any Trading Day for Baskets of Securities and cash, subject to the requirement that a minimum PNU be exchanged. To effect an exchange of Units of a CI ETF, a Unitholder must submit an exchange request in the form and at the location prescribed by the CI ETF from time to time at or before 9:00 a.m. (Toronto time) on a Trading Day, or such other time prior to the Valuation Time on such Trading Day as the Manager may permit. The exchange price will be equal to the NAV of each PNU tendered for exchange determined at the Valuation Time on the effective date of the exchange request, payable by delivery of a Basket of Securities (constituted as most recently published prior to the effective date of the exchange request) and cash. The Units will be redeemed in the exchange. The Manager will also make available to Dealers and the Designated Broker the applicable PNU to redeem Units of a CI ETF on each Trading Day. The effective date of an exchange request is the Trading Day on which the Valuation Time that applies to such redemption request takes place.

Upon the request of a Unitholder, the Manager may, in its complete discretion, satisfy an exchange request by delivering cash only in an amount equal to the NAV of each PNU tendered for exchange determined at the Valuation Time on the effective date of the exchange request, provided that the Unitholder agrees to pay any fee payable in connection with cash-only payments for exchange of a PNU of the applicable CI ETF, representing, as applicable, brokerage expenses, commissions, transaction costs and other costs or expenses that the CI ETF incurs or expects to incur in selling Units on the market to obtain the necessary cash for the exchange.

If an exchange request is not received by the applicable cut-off time, the exchange request will be effective only on the next Trading Day. Settlement of exchanges for Baskets of Securities and/or cash will generally be made by the second Trading Day after the effective day of the exchange request.

If any Units in which a CI ETF has invested are cease traded at any time by order of a Canadian securities regulatory authority or other relevant regulator or stock exchange, the delivery of Baskets of Securities to a Unitholder, Dealer or Designated Broker on an exchange in the PNU may be postponed until such time as the transfer of the Baskets of Securities is permitted by law.

As described under “*Exchange and Redemption of Units – Book-Entry Only System*”, registration of interests in, and transfers of, Units will be made only through the book-entry only system of CDS. The redemption rights described below must be exercised through the CDS Participant through which the owner holds Units. Beneficial owners of Units should ensure that they provide redemption instructions to the CDS Participant through which they hold such Units sufficiently in advance of the cut-off times described below to allow such CDS Participant to notify CDS and for CDS to notify the Registrar and Transfer Agent prior to the relevant cut-off time.

### ***Redemption of Units of a CI ETF for Cash***

On any Trading Day, Unitholders of a CI ETF may redeem (i) Units of the CI ETF for cash at a redemption price per Unit equal to 95% of the closing price for the Units on the TSX on the effective day of the redemption, subject to a maximum redemption price per Unit equal to the NAV per Unit on the effective day of redemption, less any applicable redemption fee determined by the Manager, in its sole discretion, from time to time, or (ii) a PNU of a CI ETF or a multiple PNU of a CI ETF for cash equal to the NAV of that number of Units of the CI ETF less any applicable redemption fee determined by the Manager, in its sole discretion from time to time. Because Unitholders will generally be able to sell Units at the market price on the TSX through a registered broker or dealer subject only to customary brokerage commissions, Unitholders of the CI ETFs are advised to consult their brokers, dealers or investment advisors before redeeming such Units for cash. No fees or expenses are paid by Unitholders to the Manager or any CI ETF in connection with selling Units on the TSX.

In order for a cash redemption to be effective on a Trading Day, a cash redemption request with respect to the applicable CI ETF must be delivered to the Manager in the form and at the location prescribed by the Manager from time to time at or before 9:00 a.m. (Toronto time) on such Trading Day. Any cash redemption request received after such time will be effective only on the next Trading Day. The cash redemption request forms may be obtained from any registered broker or dealer. Where possible, payment of the redemption price will be made by no later than the second Trading Day after the effective day of the redemption.

Unitholders that have delivered a redemption request prior to the Distribution Record Date for any distribution will not be entitled to receive that distribution.

In connection with the redemption of Units of a CI ETF, the CI ETF will generally dispose of securities or other financial instruments.

### ***Suspension of Exchanges and Redemptions***

The Manager may suspend the exchange or redemption of Units of a CI ETF or payment of redemption proceeds of a CI ETF: (i) during any period when normal trading is suspended on a stock exchange or other market on which Units owned by the CI ETF are listed and traded, if these Units represent more than 50% by value or underlying market exposure of the total assets of the CI ETF, without allowance for liabilities, and if these Units are not traded on any other exchange that represents a reasonably practical alternative for the CI ETF; or (ii) with the prior permission of the Canadian securities regulatory authorities where required, for any period not exceeding 30 days during which the Manager determines that conditions exist which render impractical the sale of assets of the CI ETF or which impair the ability of the Custodian to determine the value of the assets of the CI ETF. The suspension may apply to all requests for exchange or redemption received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders making such requests shall be advised by the Manager of the suspension and that the exchange or redemption will be effected at a price determined on the Trading Day following the termination of the suspension. All such Unitholders shall have and shall be advised that they have the right to withdraw their requests for exchange or redemption. The suspension shall terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over a CI ETF, any declaration of suspension made by the Manager shall be conclusive.

### ***Costs Associated with Exchanges and Redemptions***

An amount may be charged by the Manager at its discretion, on behalf of a CI ETF, to exchanging or redeeming Unitholders to offset certain transaction costs including brokerage expenses, commissions and other costs and expenses associated with the exchange or redemption of Units of a CI ETF. The current redemption fee of a CI ETF is available upon request.

This fee, which is payable to the applicable CI ETF, does not apply to Unitholders who buy and sell their Units through the facilities of the TSX.

### ***Allocations of Capital Gains to Redeeming or Exchanging Unitholders***

Pursuant to the Declaration of Trust, subject to the ATR Rule, a CI ETF may allocate and designate as payable any capital gains realized by the CI ETF as a result of any disposition of property of the CI ETF undertaken to permit or facilitate the redemption or exchange of Units to a Unitholder whose Units are being redeemed or exchanged. Any such allocations and designations will reduce the redemption price otherwise payable to the redeeming Unitholder.

***Book-Entry Only System***

Registration of interests in, and transfers of, Units of a CI ETF will be made only through the book-entry only system of CDS. Units of a CI ETF must be purchased, transferred and surrendered for redemption only through a CDS Participant. All rights of an owner of Units must be exercised through, and all payments or other property to which such owner is entitled will be made or delivered by, CDS or the CDS Participant through which the owner holds such Units. Upon buying Units of a CI ETF, the owner will receive only the customary confirmation. References in this prospectus to a holder of Units means, unless the context otherwise requires, the owner of the beneficial interest of such Units.

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

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

A CI ETF has the option to terminate registration of Units through the book-entry only system in which case certificates for Units in fully registered form will be issued to beneficial owners of such Units or to their nominees.

***Short-Term Trading***

Unlike conventional open-end mutual funds in which short term trading by investors may cause the mutual fund to incur additional unnecessary trading costs in connection with the purchase of additional portfolio securities and the sale of portfolio securities to fund unitholder redemptions, the Manager does not believe that it is necessary to impose any short-term trading restrictions on the CI ETFs at this time as: (i) the CI ETFs are exchange-traded funds that are primarily traded in the secondary market; and (ii) the few transactions involving Unitholders of the CI ETFs that do not occur on the secondary market involve Designated Brokers and Dealers, who can only purchase or redeem Units in a PNU and on whom the Manager may impose an redemption fee. The redemption fee is intended to compensate the CI ETFs for any costs and expenses incurred by the CI ETFs in order to fund the redemption.

**PRIOR SALES*****Trading Price and Volume***

This information is not yet available for the CI ETFs because they are new.

**INCOME TAX CONSIDERATIONS**

The following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations under the Tax Act for the CI ETFs and for a prospective investor in a CI ETF that, for the purposes of the Tax Act at all relevant times, is an individual (other than a trust), is resident in Canada, holds Units of the CI ETF, and any portfolio securities accepted as payment for Units of a CI ETF, as capital property, has not with respect to Units or portfolio securities entered into a "*derivative forward agreement*" as that term is defined in the Tax Act, is not affiliated and deals at arm's with the CI ETF and the Designated Broker or Dealer (a "**Holder**").

Generally, Units of a CI ETF will be considered to be capital property to a Holder provided that the Holder does not hold such Units in the course of carrying on a business of buying and selling securities and has not acquired them in

one or more transactions considered to be an adventure or concern in the nature of trade. Certain Holders who might not otherwise be considered to hold Units of the CI ETF as capital property may, in certain circumstances, be entitled to have such Units and all other “*Canadian securities*” owned or subsequently acquired by them treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act.

This summary is based on the current provisions of the Tax Act, all specific proposals to amend the Tax Act that have been publicly announced by the Minister of Finance (Canada) prior to the date hereof (the “**Tax Amendments**”), and counsel’s understanding of the current published administrative policies and assessing practices of the CRA. This summary does not take into account or anticipate any other changes in the law whether by legislative, administrative or judicial action and it does not take into account provincial, territorial or foreign income tax legislation or considerations, which may differ significantly from those discussed herein. There can be no assurance that the Tax Amendments will be enacted in the form publicly announced, or at all.

**This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any investor in Units of a CI ETF. Prospective investors should consult their own tax advisors with respect to the income tax consequences to them of an acquisition of Units of a CI ETF based on their particular circumstances.**

This summary is also based on the assumptions that: (i) the CI ETFs will comply with their investment restrictions; (ii) none of the issuers of the securities in the portfolio of a CI ETF will be foreign affiliates of the CI ETF or of any Holder; (iii) none of the securities in the portfolio of a CI ETF will be a “*tax shelter investment*” within the meaning of section 143.2 of the Tax Act; (iv) none of the securities in the portfolio of a CI ETF will be an “*offshore investment fund property*” (or an interest in a partnership that holds such property) that would require the CI ETF (or the partnership) to include significant amounts in income pursuant to section 94.1 of the Tax Act; (v) none of the securities in the portfolio of a CI ETF will be an interest in a trust (or a partnership which holds such an interest) which would require the CI ETF (or the partnership) to report significant amounts of income in connection with such interest pursuant to the rules in section 94.2 of the Tax Act, or an interest in a non-resident trust other than an “*exempt foreign trust*” as defined in section 94 of the Tax Act (or a partnership which holds such an interest); and (vi) no CI ETF will enter into any arrangement where the result is a “*dividend rental arrangement*” for purposes of the Tax Act.

This summary also assumes that no CI ETF will be a “*SIFT trust*” for purposes of the Tax Act or a “*covered entity*” for purposes of the Equity Repurchase Rules. See “*Risk Factors – Tax Risk*”.

### ***Status of the CI ETFs***

This summary is based on the assumption that each CI ETF will comply at all material times with the conditions prescribed in the Tax Act and otherwise so as to qualify as a “*mutual fund trust*” within the meaning of the Tax Act.

### ***Taxation of the CI ETFs***

Each of the CI ETFs will elect to have a taxation year that ends on December 15 of each calendar year.

Each CI ETF must pay tax on its net income (including net realized taxable capital gains) for a taxation year, less the portion thereof that it deducts in respect of the amount paid or payable (or deemed to be paid or payable) to its Unitholders in the calendar year in which the taxation year-end falls. An amount will be considered to be payable to a Unitholder of a CI ETF in a calendar year if it is paid to the Unitholder in that year by the CI ETF or if the Unitholder is entitled in that year to enforce payment of the amount. The Declaration of Trust requires that each CI ETF distribute its net income and net realized capital gains, if any, for each taxation year of the CI ETF to Unitholders to such an extent that the CI ETF will not be liable in any taxation year for ordinary income tax (after taking into account any applicable losses of the CI ETF and any Capital Gains Refund to which the CI ETF is entitled).

A CI ETF will be required to include in its income for each taxation year taxable distributions received or deemed to be received on securities held by it, including any special dividends, the taxable portion of capital gains realized by

the CI ETF on the disposition of securities held by it and any income earned by any securities lending activity and taxable capital gains or income realized through transactions in derivatives.

A loss realized by a CI ETF on a disposition of capital property will be a suspended loss for purposes of the Tax Act if the CI ETF, or a person affiliated with the CI ETF, acquires a property (a “**substituted property**”) that is the same as or identical to the property disposed of, within 30 days before and 30 days after the disposition and the CI ETF, or a person affiliated with the CI ETF, owns the substituted property 30 days after the original disposition. If a loss is suspended, a CI ETF cannot deduct the loss from the CI ETF’s capital gains until the substituted property is disposed of and is not reacquired by the CI ETF, or a person affiliated with the CI ETF, within 30 days before and after the disposition.

In general, a CI ETF will realize a capital gain (or capital loss) upon the actual or deemed disposition of a security included in its portfolio to the extent the proceeds of disposition, net of any amounts included as interest on the disposition of the security and any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such security, unless the CI ETF were considered to be trading or dealing in securities or otherwise carrying on a business of buying and selling securities or the CI ETF has acquired the security in a transaction or transactions considered to be an adventure or concern in the nature of trade. Each CI ETF purchases the securities in its portfolio with the objective of receiving distributions and income thereon and takes the position that gains and losses realized on the disposition of its securities are capital gains and capital losses. Each CI ETF will make an election under subsection 39(4) of the Tax Act so that all securities held by the CI ETF that are “*Canadian securities*” (as defined in the Tax Act), including Canadian securities acquired in connection with a short sale, will be deemed to be capital property to the CI ETF.

Each CI ETF is entitled for each taxation year throughout which it is a “*mutual fund trust*” for purposes of the Tax Act to reduce (or receive a refund in respect of) its liability, if any, for tax on its net realized capital gains by an amount determined under the Tax Act based on the redemptions of Units during the year (the “**Capital Gains Refund**”). The Capital Gains Refund in a particular taxation year may not completely offset the tax liability of a CI ETF for such taxation year which may arise upon the sale or other disposition of securities included in the portfolio in connection with the redemption of Units.

As described under “*Risk Factors – Tax Risk*”, a CI ETF will be able to designate capital gains to Unitholders on an exchange or redemption of Units up to the capital gain designation limit. The Manager does not intend to allocate capital gains to exchanging or redeeming Unitholders in a manner that would result in the allocated amounts being non-deductible under the ATR Rule.

In general, gains and losses realized by a CI ETF from derivative transactions, including short sales of securities other than Canadian securities, will be on income account except where such derivatives are used to hedge portfolio securities held on capital account provided there is sufficient linkage, subject to the DFA Rules discussed below, and such gains and losses will be recognized for tax purposes at the time they are realized by the CI ETF.

The Tax Act contains rules (the “**DFA Rules**”) that target certain financial arrangements (described in the DFA Rules as “*derivative forward agreements*”) that seek to reduce tax by converting, through the use of derivative contracts, the return on an investment that would have the character of ordinary income to capital gains. The DFA Rules are broad in scope and could apply to other agreements or transactions (including certain options). If the DFA Rules were to apply in respect of derivatives utilized by a CI ETF, gains realized in respect of the property underlying such derivatives could be treated as ordinary income rather than capital gains.

A CI ETF may enter into transactions denominated in currencies other than the Canadian dollar. The cost and proceeds of disposition of securities, dividends, interest and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars using the appropriate exchange rates determined in accordance with the detailed rules in the Tax Act in that regard. The amount of income, gains and losses realized by a CI ETF may be affected by fluctuations in the value of foreign currencies relative to the Canadian dollar.

A CI ETF may derive income or gains from investments in countries other than Canada, and as a result, may be liable to pay income or profits tax to such countries. To the extent that such foreign tax paid by a CI ETF exceeds 15% of the amount included in the CI ETF's income from such investments, such excess may generally be deducted by the CI ETF in computing its net income for the purposes of the Tax Act. To the extent that such foreign tax paid does not exceed 15% of the amount included in the CI ETF's income from such investments and has not been deducted in computing the CI ETF's income, the CI ETF may designate in respect of a Unitholder a portion of its foreign source income that can reasonably be considered to be part of the CI ETF's income distributed to such Unitholder so that such income and a portion of the foreign tax paid by the CI ETF may be regarded as foreign source income of, and foreign tax paid by, the Unitholder for the purposes of the foreign tax credit provisions of the Tax Act.

A CI ETF is entitled to deduct an amount equal to the reasonable expenses that it incurs in the course of issuing Units. Such issue expenses paid by a CI ETF and not reimbursed are deductible by the CI ETF rateably over a five-year period subject to reduction in any taxation year which is less than 365 days. In computing its income under the Tax Act, a CI ETF may deduct reasonable administrative and other expenses incurred to earn income. However, the deductibility of interest and financing expenses incurred by a CI ETF may be subject to limitations in certain circumstances pursuant to Tax Amendments.

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

***Taxation of Holders of a CI ETF (other than Plans)***

A Holder will generally be required to include in computing income for a particular taxation year of the Holder such portion of the net income of a CI ETF, including the taxable portion of any net realized capital gains, as is paid or becomes payable to the Holder in that particular taxation year, whether or not such amounts are reinvested in additional Units (including pursuant to the Reinvestment Plan), including in the case of Holders who receive Management Fee Distributions to the extent they are paid out of net income and net taxable capital gains of the CI ETF. Provided that an election is made by a CI ETF to have a taxation year that ends on December 15 of each calendar year, amounts paid or payable by the CI ETF to a Holder after December 15 and before the end of the calendar year are deemed to have been paid or become payable to the Holder on December 15.

Under the Tax Act, a CI ETF is permitted to deduct in computing its income for a taxation year an amount that is less than the amount of its distributions of income for the year, to the extent necessary to enable the CI ETF to use, in that year, losses from prior years without affecting the ability of the CI ETF to distribute its income annually. In such circumstances, the amount distributed to a Holder of a CI ETF but not deducted by the CI ETF will not be included in the Holder's income. However, the adjusted cost base of the Holder's Units of the CI ETF will be reduced by such amount. The non-taxable portion of a CI ETF's net realized capital gains for a taxation year, the taxable portion of which was designated in respect of a Holder in the calendar year in which that taxation year ends, that is paid or becomes payable to the Holder in the calendar year in which that taxation year ends will not be included in computing the Holder's income for the year. Any other amount in excess of a Holder's share of the net income of a CI ETF for a taxation year that is paid or becomes payable to the Holder in the calendar year in which that taxation year ends (i.e. returns of capital) will not generally be included in the Holder's income for the year, but will reduce the adjusted cost base of the Holder's Units of the CI ETF. To the extent that the adjusted cost base of a Unit of a CI ETF to a Holder would otherwise be a negative amount, the negative amount will be deemed to be a capital gain and the adjusted cost base of the Unit to the Holder will be increased by the amount of such deemed capital gain to zero.

Provided that appropriate designations are made by a CI ETF, such portion of the net realized taxable capital gains of the CI ETF, the taxable dividends received or deemed to be received by the CI ETF on shares of taxable Canadian corporations and foreign source income as is paid or becomes payable to a Holder will effectively retain its character and be treated as such in the hands of the Holder for purposes of the Tax Act. To the extent that amounts are designated as taxable dividends from taxable Canadian corporations, the gross-up and dividend tax credit rules will apply.



Holders will be informed each year of the composition of the amounts distributed to them, including amounts in respect of both cash and reinvested distributions. This information will indicate whether distributions are to be treated as ordinary income, taxable dividends (including eligible dividends), taxable capital gains, return of capital or foreign source income, and as to foreign tax deemed paid by the Holder as those items are applicable.

On the disposition or deemed disposition of a Unit of a CI ETF, including the exchange or redemption of a Unit, a Holder will realize a capital gain (or capital loss) to the extent that the Holder's proceeds of disposition (other than any amount payable by a CI ETF which represents capital gains allocated and designated to the redeeming Holder), net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Unit. For the purpose of determining the adjusted cost base of a Holder's Units of a particular series of a CI ETF, when additional Units of that series of the CI ETF are acquired by the Holder (pursuant to the Reinvestment Plan or otherwise), the cost of the newly acquired Units of that series of the CI ETF will be averaged with the adjusted cost base of all Units of the same series of the CI ETF owned by the Holder as capital property immediately before that time. For this purpose, the cost of Units that have been issued on a distribution will generally be equal to the amount of the distribution. A consolidation of Units of a CI ETF following a distribution paid in the form of additional Units of the CI ETF will not be regarded as a disposition of Units of the CI ETF and will not affect the aggregate adjusted cost base to a Holder of Units of that series of the particular CI ETF.

In the case of an exchange of Units for a Basket of Securities, a Holder's proceeds of disposition of Units would generally be equal to the aggregate of the fair market value of the distributed property and the amount of any cash received. The cost to a Holder of any property received from the CI ETF upon the exchange will generally be equal to the fair market value of such property at the time of the distribution, less any amount that is deductible as interest accrued on such property to the date of distribution and not yet due.

In general, one-half of any capital gain (a "**taxable capital gain**") realized by a Holder on the disposition of Units of a CI ETF or a taxable capital gain designated by the CI ETF in respect of the Holder in a taxation year of the Holder will be included in computing the Holder's income for that year and one-half of any capital loss (an "**allowable capital loss**") realized by the Holder in a taxation year of the Holder generally must be deducted from taxable capital gains realized by the Holder in the taxation year or designated by the CI ETF in respect of the Holder in the taxation year in accordance with the detailed provisions of the Tax Act. Allowable capital losses for a taxation year in excess of taxable capital gains for that taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains in accordance with the provisions of the Tax Act.

Subject to the limits imposed by the ATR Rule, when a Holder redeems Units of a CI ETF for cash or exchange Units of a CI ETF for a Basket of Securities and cash, the CI ETF may allocate and designate capital gains the Holder as partial payment of the redemption or exchange price, as applicable. Any capital gains so allocated and designated must be included in the calculation of the Holder's income in the manner described above and will reduce the Holder's proceeds of disposition.

Each Holder who pays for Units of a CI ETF by delivering a Basket of Securities will be disposing of securities in exchange for Units. Assuming that such securities are held by the Holder as capital property for purposes of the Tax Act, the Holder will generally realize a capital gain (or a capital loss) in the taxation year of the Holder in which the disposition of such securities takes place to the extent that the proceeds of disposition for such securities, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such securities to the Holder. For this purpose, the proceeds of disposition to the Holder of securities disposed of will equal the aggregate of the fair market value of the Units received for the securities. The cost to a Holder of Units acquired in exchange for a Basket of Securities and cash (if any) will be equal to the aggregate of the cash paid (if any) to a CI ETF plus the fair market value of the securities disposed of in exchange for Units at the time of disposition, which sum would generally be equal to or would approximate the fair market value of the Units received as consideration in exchange for a Basket of Securities and cash (if any).

A Holder will be required to compute all amounts, including the adjusted cost base of Units of the applicable CI ETF and proceeds of disposition, in Canadian dollars in accordance with the detailed rules in the Tax Act.

Amounts designated by a CI ETF to a Holder of the CI ETF as taxable capital gains or dividends from taxable Canadian corporations, and taxable capital gains realized on the disposition of Units of the CI ETF may increase the Holder's liability for alternative minimum tax.

### ***Tax Implications of the CI ETF's Distribution Policy***

The NAV per Unit of a CI ETF will, in part, reflect any income and capital gains that the CI ETF has accrued and/or realized, but not yet paid or made payable out as a distribution. Accordingly, an investor who acquires Units of a CI ETF at any time in the year, including on a reinvestment of distributions or a distribution of Units, but prior to a distribution being paid or made payable will have to pay tax on the entire distribution (to the extent it is a taxable distribution) notwithstanding that such amounts may have been reflected in the price paid by the investor for the Units. Further, where an investor acquires Units in a calendar year after December 15 of such year, such investor may become taxable on income earned or capital gains realized in the taxation year ending on December 15 of such calendar year but that had not been made payable before the Units were acquired.

### **Taxation of Plans**

Amounts of income and capital gains included in a Plan's income from Units are generally not taxable under Part I of the Tax Act provided the Units are "*qualified investments*" for the Plan and in the case of certain Plans, not "*prohibited investments*" for the Plan. However, amounts withdrawn from a Plan may be subject to tax (other than a return of contributions from a RESP or certain withdrawals from a RDSP, TFSA or FHSA).

Investors should consult with their own advisors regarding the tax implications of establishing, amending, terminating or withdrawing amounts from a Plan.

### **Eligibility for Investment**

Provided that a CI ETF qualifies or is deemed to qualify as a "*mutual fund trust*" within the meaning of the Tax Act, or the Units of the applicable CI ETF are listed on a designated stock exchange within the meaning of the Tax Act (which currently includes the TSX), the Units of that CI ETF will be "*qualified investments*" for the Plan for purposes of the Tax Act.

Notwithstanding that Units of a CI ETF may be "*qualified investments*" for a Plan, the holder of a TFSA, RDSP or FHSA, the annuitant under an RRSP or RRIF and the subscriber of an RESP (each a "**Plan Holder**") will be subject to a penalty tax in respect of Units held by such TFSA, RDSP, FHSA, RRSP, RRIF, or RESP, as the case may be, if such Units are a "*prohibited investment*" for such Plans for the purposes of the Tax Act. Generally, Units of a CI ETF would be a prohibited investment for a Plan if the Plan Holder (i) does not deal at arm's length with the applicable CI ETF for purposes of the Tax Act; or (ii) has a "*significant interest*" as defined in the Tax Act in the applicable CI ETF. Generally, a controlling individual will not be considered to have a "*significant interest*" in a CI ETF unless the controlling individual owns 10% or more of the value of the outstanding Units of such CI ETF, either alone or together with persons and partnerships with which the controlling individual does not deal at arm's length. In addition, under a safe harbour for newly established mutual funds, Units of a CI ETF will not be a "*prohibited investment*" under the Tax Act for a Plan at any time during the first 24 months of the CI ETF's existence provided that the CI ETF is, or is deemed to be, a "*mutual fund trust*" under the Tax Act, and the CI ETF remains in substantial compliance with the requirements of NI 81-102 or follows a reasonable policy of investment diversification within the period or if such Units are otherwise "*excluded property*" as defined in the Tax Act for the Plan. Investors should consult their own tax advisors for advice with respect to whether Units of a CI ETF would be a "*prohibited investment*" for their Plans. In the case of an exchange of Units of a CI ETF by a Plan for a Basket of Securities of the CI ETF, or a distribution *in specie* on the termination of the CI ETF, the Plan will receive securities. The securities received may or may not be "*qualified investments*" for the Plan and may or may not be "*prohibited investments*" for the Plan. Investors should

consult their own tax advisors for advice on whether or not such securities would be “*qualified investments*” and not “*prohibited investments*” for their Plans.

## **ORGANIZATION AND MANAGEMENT DETAILS OF THE CI ETFs**

### ***Manager of the CI ETFs***

CI GAM, a registered portfolio manager and investment fund manager, is the promoter, manager and trustee of each CI ETF. The Manager’s principal office is located at 15 York Street, Second Floor, Toronto, Ontario M5J 0A3. The Manager is a wholly owned subsidiary of CI Financial Corp., which is listed on the TSX (TSX: CIX). The Manager performs or arranges for the performance of management services for each CI ETF, is responsible for the administration of each CI ETF, and provides investment advisory and portfolio management services to the CI ETFs. The Manager is entitled to receive fees as compensation for management services rendered to each CI ETF.

### **Duties and Services Provided by the Manager to the CI ETFs**

Pursuant to the Declaration of Trust, unless the Portfolio Manager has been appointed in respect of a CI ETF, the Manager is responsible for execution of each CI ETF’s investment strategy, and also provides and/or arranges for the provision of required administrative services to the CI ETF including, without limitation: investment advisory and portfolio management services, implementation of the CI ETF’s investment strategies, negotiating contracts with certain third-party service providers, including, but not limited to, investment managers, custodians, registrars, transfer agents, auditors and printers; authorizing the payment of operating expenses incurred on behalf of the CI ETF; maintaining accounting records; preparing the reports to Unitholders and to the applicable Canadian securities regulatory authorities; calculating the amount and determining the frequency of distributions by the CI ETF; preparing financial statements, income tax returns and financial and accounting information as required; ensuring that Unitholders are provided with financial statements and other reports as are required from time to time by applicable law; ensuring that the CI ETF complies with all other regulatory requirements including continuous disclosure obligations under applicable securities laws; administering purchases, redemptions and other transactions in Units; arranging for any payments required upon termination of the CI ETFs; and dealing and communicating with Unitholders. The Manager will provide office facilities and personnel to carry out these services, if not otherwise furnished by any other service provider to the CI ETFs. The Manager will also monitor the investment strategy of each CI ETF to ensure that each CI ETF complies with its investment objective, investment strategies and investment restrictions and practices.

No manager of a CI ETF shall be a person who (i) is not a resident of Canada for purposes of the Tax Act, or (ii) does not agree to carry out its functions of managing the CI ETF in Canada.

Pursuant to the Declaration of Trust, the Manager has full authority and responsibility to manage and direct the business and affairs of each CI ETF, to make all decisions regarding the business of the CI ETF and to bind the CI ETF. The Manager may delegate certain of its powers to third parties where, in the discretion of the Manager, it would be in the best interests of the CI ETFs to do so.

The Manager is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Unitholders of the CI ETFs, and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Declaration of Trust provides that the Manager will not be liable to a CI ETF or to any Unitholder or any other person for any loss or damage relating to any matter regarding that ETF, including any loss or diminution of value of the assets of the CI ETF if it has satisfied its standard of care set forth above.

The Manager and each of its directors, officers, employees and agents may be indemnified out of the assets of a CI ETF from and against all claims whatsoever, including costs, charges and expenses in connection therewith, brought, commenced or prosecuted against it for or in respect of any act, deed, matter or thing whatsoever made, done or

omitted in or in relation to the execution of its duties to the CI ETF as long as the person acted honestly and in good faith with a view to the best interests of the CI ETF.

The Manager may resign upon 90 days' prior written notice to the Trustee (defined below) or upon such lesser notice period as the Trustee may accept. The Manager may also be removed by the Trustee on at least 90 days' written notice to the Manager. The Trustee shall make every effort to select and appoint a successor manager prior to the effective date of the Manager's resignation.

The Manager is entitled to fees for its services as manager under the Declaration of Trust as described under "*Fees and Expenses*" and will be reimbursed for all reasonable costs and expenses incurred by the Manager on behalf of a CI ETF. The Manager may, in its discretion, terminate a CI ETF without the approval of Unitholders if, in its opinion, it is no longer economically feasible to continue the CI ETF and/or it would otherwise be in the best interests of Unitholders to terminate the CI ETF.

The administration and management services of the Manager under the Declaration of Trust are not exclusive and nothing in the Declaration of Trust prevents the Manager from providing similar administrative and management services to other investment funds and other clients (whether or not their investment objectives and policies are similar to those of a CI ETF) or from engaging in other activities.

#### **Directors and Executive Officers of the Manager**

The name, municipality of residence, position and principal occupation of each of the directors and executive officers of the Manager are as follows:

<b><i>Name and municipality of residence</i></b>	<b><i>Office held with the Manager</i></b>	<b><i>Principal occupation in the last five years</i></b>
Darje Urbanky Toronto, Ontario	Director, President, Chief Operating Officer, and Ultimate Designated Person	President and Ultimate Designated Person (since April 2021), Director (since December 2019) and Chief Operating Officer, CI GAM, since September 2018  President (since June 2019) and Chief Operating Officer, CI Financial Corp. since September 2018
Yvette Zhang Toronto, Ontario	Director and Chief Financial Officer	Director and Chief Financial Officer, CI GAM, since October 2022
Elsa Li Toronto, Ontario	Director, Senior Vice-President and General Counsel, and Corporate Secretary	Director (since October 2022), Senior Vice-President and General Counsel (since March 2022), and Corporate Secretary, CI GAM, since March 2017
William Chinkiwsky Toronto, Ontario	Chief Compliance Officer	Chief Compliance Officer, CI GAM, since February 2021 Head, Global Asset Management Compliance, Bank of Montreal, from October 2012 to February 2021

Except where another company is disclosed above, all directors and executive officers have held position(s) with CI GAM for the last five (5) consecutive years. Where a director or executive officer has held multiple positions within CI GAM or another company for the last five (5) consecutive years, the above table generally sets out only the current or most recently held position(s) held at such company. The start date for each position generally refers to the date on which the director or executive officer commenced the applicable position(s).

As of December 7, 2023, the directors and senior officers of the Manager did not beneficially own, directly or indirectly, in aggregate, any class or series of voting or equity securities of the Manager or any material amount of any class or series of voting or equity securities of any material service provider to the CI ETFs or to the Manager.

### ***Portfolio Manager***

The Manager’s portfolio management team is responsible for executing the investment strategy for the CI ETFs.

Investment decisions by the individual portfolio managers are not subject to oversight, approval or ratification of a committee; however, we are ultimately responsible for the advice given.

<b><i>Name and Title</i></b>	<b><i>Fund</i></b>	<b><i>Length of Service with the Manager</i></b>	<b><i>Principal Occupation in the last 5 years</i></b>
Lijon Geeverghese Vice President, Portfolio Manager – Capital Markets	CI U.S. Enhanced Value Index ETF CI U.S. Enhanced Momentum Index ETF	8 years	Vice President, Portfolio Manager – Capital Markets, since 2023  Portfolio Manager, CI GAM, 2015 to 2023

### ***Designated Brokers***

The Manager, on behalf of each CI ETF, has entered into an agreement with a registered dealer (a “**Designated Broker Agreement**”) pursuant to which the registered dealer (each such registered dealer, a “**Designated Broker**”) has agreed to perform certain duties relating to that CI ETF including, without limitation: (i) to subscribe for a sufficient number of Units of that CI ETF to satisfy the TSX’s original listing requirements; (ii) to subscribe for Units of that CI ETF on an ongoing basis, and (iii) to post a liquid two way market for the trading of Units of that CI ETF on the TSX. Payment for Units of a CI ETF must be made by the Designated Broker, and those Units will be issued, by no later than the second Trading Day after the subscription notice has been delivered.

Units do not represent an interest or an obligation of such Designated Broker or Dealers or any affiliate thereof and a Unitholder of a CI ETF will not have any recourse against any such parties in respect of amounts payable by the CI ETF to such Designated Broker or Dealers.

### ***Brokerage Arrangements***

The Portfolio Manager is responsible for selecting members of securities exchanges, brokers and investment dealers for the execution of transactions in respect of the applicable CI ETF’s investments and, when applicable, the negotiation of commissions in connection therewith. The CI ETFs are responsible to pay any commissions negotiated in relation to these brokerage arrangements, except where prohibited by applicable law. The Portfolio Manager has established policies and procedures for selecting markets, brokers and investment dealers for the execution of transactions in respect of the CI ETFs’ investments and for seeking to obtain the best execution for those transactions.

The name of any broker or third party that provides research and/or order execution goods and services through a soft dollar arrangement with the Portfolio Manager will be provided upon request by contacting the Portfolio Manager at 1-800-792-9355 or by e-mail at [service@ci.com](mailto:service@ci.com).

The Portfolio Manager’s allocation of brokerage business for effecting portfolio transactions on behalf of a CI ETF is based on decisions made by the portfolio managers, analysts and traders of the Portfolio Manager, and will only be

made in compliance with applicable law and in accordance with the Portfolio Manager's policies and procedures. The Portfolio Manager does not allocate brokerage business to affiliates. The allocation of business among brokers is based on a number of factors including, but not limited to, the quality of service and the terms offered for specific transactions including price, volume, speed and certainty of execution, the competitiveness of commission terms and prices, the range of brokerage services provided, the quality of research provided, total transaction cost, the broker's capital strength and stability and the Portfolio Manager's knowledge of any actual or apparent operational problems of the brokers. These same factors are used by the Portfolio Manager in making a good-faith determination as to the reasonableness of the commission rate and such other benefits that may be derived by the CI ETF.

In addition, the Portfolio Manager may, consistent with its duty to seek best execution, utilize the services of soft dollar brokerage firms. A portion of the commissions generated through the use of soft dollar brokerage accounts are used to pay for order execution and research goods and services which may include, but are not limited to, order management systems, trading software and raw market data, custody, clearance and settlement services, databases, analytical software and research reports. The order execution and research goods and services may be provided directly from the soft dollar brokerage firm, or indirectly from a third party.

### ***Conflicts of Interest***

The Manager, the Portfolio Manager and their affiliates are engaged in a wide range of investment management, investment advisory and other business activities. The services provided by the Manager under the Declaration of Trust are not exclusive and nothing in the agreement prevents the Manager, the Portfolio Manager or any of their affiliates from providing similar services to other investment funds or clients (whether or not their investment objectives, strategies and policies are similar to those of the CI ETFs) or from engaging in other activities. The Manager and Portfolio Manager therefore will have conflicts of interest in allocating management time, services and functions to the CI ETFs and the other persons for which they provide similar services. The Manager's or Portfolio Manager's investment decisions for the CI ETFs will be made independently of those made on behalf of their other clients or for their own investments. On occasion, however, the Manager and the Portfolio Manager will make the same investment for a CI ETF and for one or more of their other clients. If a CI ETF and one or more of the other clients of the Manager or the Portfolio Manager, or any of their affiliates, are engaged in the purchase or sale of the same security, the transactions will be effected on an equitable basis. In this regard, the Manager or the Portfolio Manager will generally endeavour to allocate investment opportunities to the CI ETFs on a pro rata basis.

The Manager and the Portfolio Manager may trade and make investments for their own accounts, and the Manager and the Portfolio Manager currently trade and manage and will continue to trade and manage accounts other than a CI ETF's accounts utilizing trading and investment strategies which are the same as or different from the ones to be utilized in making investment decisions for the CI ETF. In addition, in proprietary trading and investment, the Manager and the Portfolio Manager may take positions the same as, different than or opposite to those of a CI ETF. Furthermore, all of the positions held by accounts owned, managed or controlled by the Manager will be aggregated for purposes of applying certain position limits. As a result, a CI ETF may not be able to enter into or maintain certain positions if such positions, when added to the positions already held by the CI ETF and such other accounts, would exceed applicable limits. All of such trading and investment activities may also increase the level of competition experienced with respect to priorities of order entry and allocations of executed trades. See "*Risk Factors*".

The Manager has established policies and procedures relating to conflicts of interest. The Manager has adopted the CI Financial's Code of Conduct, CI Conflicts of Interest Policy and CI Personal Trading Policy (the "**Codes**"), which establish rules of conduct designed to ensure fair treatment of the Unitholders and to ensure that at all times the interests of the CI ETFs and its Unitholders are placed above personal interests of employees, officers and directors of the Manager, and each of its subsidiaries, affiliates and portfolio sub-advisers. The Codes apply the highest standards of integrity and ethical business conduct. The objective is not only to remove any potential for real conflict of interest, but also to avoid any perception of conflict. The Codes address the area of investments, which covers personal trading by employees, conflict of interest, and confidentiality among departments and portfolio sub-advisers. They also address confidentiality, fiduciary duty, enforcement of rules of conduct and sanctions for violations.

The Manager and the Portfolio Manager may at times have interests that differ from the interests of the Unitholders. Where the Manager, the Portfolio Manager or their affiliates otherwise perceive in the course of business, that it is or may be in a material conflict of interest position, the matter will be referred to the IRC. The IRC will consider all matters referred to it and provide its recommendations to the Manager as soon as possible.

In evaluating these conflicts of interest, potential investors should be aware that the Manager and the Portfolio Manager have a responsibility to the Unitholders to exercise good faith and fairness in all dealings affecting the CI ETFs. In the event that a Unitholder believes that the Manager or the Portfolio Manager has violated its duty to such Unitholder, the Unitholder may seek relief for itself or on behalf of the CI ETFs to recover damages from or to require an accounting by the Manager or the Portfolio Manager. Unitholders should be aware that the performance by the Manager and the Portfolio Manager of their responsibilities to the CI ETFs will be measured in accordance with (i) the provisions of the agreement by which each of the Manager and the Portfolio Manager has been appointed to its position with the CI ETFs; and (ii) applicable laws.

A registered dealer acts as a Designated Broker, and one or more registered dealers may act as a Dealer and/or a market maker. These relationships may create actual or perceived conflicts of interest which investors should consider in relation to an investment in a CI ETF. In particular, by virtue of these relationships, these registered dealers may profit from the sale and trading of Units. The Designated Broker, as market maker of the CI ETFs in the secondary market, may therefore have economic interests which differ from and may be adverse to those of Unitholders.

Any such registered dealer and its affiliates may, at present or in the future, engage in business with the CI ETFs, the issuers of Units making up the investment portfolio of the CI ETFs, or with the Manager or any funds sponsored by the Manager or its affiliates, including by making loans, entering into derivative transactions or providing advisory or agency services. In addition, the relationship between any such registered dealer and its affiliates, and the Manager and its affiliates may extend to other activities, such as being part of a distribution syndicate for other funds sponsored by the Manager or its affiliates.

No Designated Broker or Dealer has been involved in the preparation of this prospectus or has performed any review of the contents of this prospectus. The applicable Designated Broker and Dealers do not act as underwriters of any CI ETF in connection with the distribution of Units under this prospectus. Units of the CI ETF do not represent an interest or an obligation of any Designated Broker, any Dealer or any affiliate thereof, and a Unitholder does not have any recourse against any such parties in respect of amounts payable by a CI ETF to the applicable Designated Broker or Dealers. The Canadian securities regulators have provided the CI ETFs with a decision exempting the CI ETFs from the requirement to include a certificate of any underwriter in the prospectus.

#### ***Independent Review Committee***

NI 81-107 requires the CI ETFs to establish the IRC to whom the Manager must refer conflict of interest matters for review or approval. NI 81-107 also imposes obligations upon the Manager to establish written policies and procedures for dealing with conflict of interest matters, maintain records in respect of these matters and provide assistance to the IRC in carrying out its functions. The IRC will be required to conduct regular assessments and provide reports to the Manager and to Unitholders in respect of its functions.

The IRC members are entitled to be compensated by CI ETFs and reimbursed for all reasonable costs and expenses incurred in relation to the duties they perform as IRC members, which are typically nominal and associated with travel and the administration of meetings. In addition, the members of the IRC are entitled to be indemnified by the CI ETFs, except in cases of wilful misconduct, bad faith, negligence, or breach of their standard of care.

Set out below is a list of the individuals who comprise the IRC for the CI ETFs:

- Karen Fisher

- Thomas A. Eisenhower
- Donna E. Toth
- James McPhedran
- John Sheedy

Each member of the IRC is independent of the Manager, the Manager's affiliates and the CI ETFs. The IRC provides independent oversight and impartial judgment on conflicts of interest involving the CI ETFs. Its mandate is to consider matters relating to conflicts of interest and recommend to the Manager what action the Manager should take to achieve a fair and reasonable result for the CI ETFs in those circumstances; and to review and advise on or consent to, if appropriate, any other matter required by the Declaration of Trust and by applicable securities laws, regulations and rules. The IRC meets at least quarterly.

The IRC will prepare a report, at least annually, of its activities for Unitholders which will be available on the CI ETF's website at [www.ci.com](http://www.ci.com), or at the Unitholder's request at no cost, by contacting the Manager at [service@ci.com](mailto:service@ci.com).

The IRC members perform a similar function as the IRC for other investment funds managed by the Manager or the Manager's affiliates. The Chair of the IRC is paid \$88,000 annually and each member other than the Chair is paid \$72,000. Members of the IRC are also paid a meeting fee of \$1,500 per meeting after the sixth meeting attended. Their annual fees are allocated across all investment funds managed by the Manager with the result that only a small portion of such fees were allocated to any single fund.

As of December 7, 2023, the members of the IRC did not beneficially own, directly or indirectly, in aggregate, any material amount of issued and outstanding Units of the CI ETFs, (ii) any class or series of voting or equity securities of the Manager, or (iii) any material amount of any class or series of voting or equity securities of any material service provider to the CI ETFs or to the Manager.

#### ***Liquidity Risk Oversight Committee***

The Manager has established a Liquidity Risk Oversight Committee, which is responsible for the oversight of policies and procedures related to measurement, monitoring, mitigation, and reporting of liquidity risks of the CI ETFs and is part of the Manager's broader risk management process. The committee is comprised of a diverse group of individuals with representatives from product development, risk management, compliance, portfolio management and fund operations.

#### ***Trustee***

CI GAM is also the trustee of the CI ETFs (in such capacity, the "Trustee") pursuant to the Declaration of Trust. The Trustee may resign and be discharged from all further duties under the Declaration of Trust upon 90 days' prior written notice to the Manager or upon such lesser notice as the Manager may accept.

The Trustee is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the CI ETFs, and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Declaration of Trust provides that the Trustee will not be liable in carrying out its duties under the Declaration of Trust as long as the Trustee has adhered to its standard of care set out above. In addition, the Declaration of Trust contains other customary provisions limiting the liability of the Trustee and indemnifying the Trustee in respect of certain liabilities incurred by it in carrying out its duties.

The Trustee will not receive any fees from the CI ETFs but will be reimbursed for all expenses and liabilities that it properly incurs in carrying out activities on behalf of the CI ETFs.



***Custodian***

The Custodian is the custodian of the assets of each CI ETF pursuant to an amended and restated custodial services agreement dated as of April 11, 2022 between the Manager, as manager and trustee of the CI ETFs, and CIBC Mellon Trust Company, as may be further supplemented, amended and/or amended and restated from time to time (the “**Custody Agreement**”). The Custodian is located in Toronto, Ontario. Pursuant to the Custody Agreement, the Custodian is required to exercise its duties with the same degree of care, diligence and skill that a reasonably prudent person would exercise in the same circumstances, or, if higher, the degree of care, diligence and skill that the Custodian exercises in respect of its own property of a similar nature in its custody. Provided the Custodian has not breached its standard of care as set out in the Custody Agreement, the Custodian shall not be responsible for the holding or control of any property of a CI ETF which is not directly held by the Custodian, including any property of a CI ETF that is loaned or pledged to a counterparty.

Under the Custody Agreement, the Manager, for and on behalf of the CI ETFs, shall pay fees to the Custodian at such rate as determined by the parties from time to time and shall reimburse the Custodian for all reasonable expenses and disbursements incurred in the performance of its duties under the Custody Agreement. The CI ETFs shall also indemnify the Custodian or any of its officers, directors, employees or agents for any loss, damage or expense, including reasonable counsel fees and expenses, arising in connection with the Custody Agreement, except to the extent caused by a breach by the Custodian of its standard of care or a material breach of the Custody Agreement. The Manager and the CI ETFs will be indemnified in certain circumstances as set out in the Custody Agreement. Either party may terminate the Custody Agreement upon at least 90 days’ written notice or immediately if the other party becomes insolvent, or makes an assignment for the benefit of creditors, or a petition in bankruptcy is filed by or against that party and is not discharged within 30 days, or proceedings for the appointment of a receiver for that party are commenced and not discontinued within 30 days.

***Valuation Agent***

The Manager has retained the Valuation Agent to provide accounting and valuation services in respect of the CI ETFs pursuant to the amended and restated fund administration services agreement between the Manager and the Valuation Agent made as of April 11, 2022, as may be further supplemented, amended and/or amended and restated from time to time.

***Auditors***

Ernst & Young LLP is the auditor of the CI ETFs. The office of the auditors is located at Ernst & Young Tower, 100 Adelaide Street West, P.O. Box 1, Toronto, Ontario, M5H 0B3 Canada.

***Registrar and Transfer Agent***

The Registrar and Transfer Agent, at its principal offices in Toronto, Ontario, is the registrar and transfer agent for each CI ETF pursuant to a master registrar and transfer agency agreement.

***Lending Agent***

The Lending Agent is the lending agent for the CI ETFs pursuant to the Securities Lending Agreement. The Lending Agent is located in New York, New York. The Manager and the Lending Agent may each terminate the Securities Lending Agreement upon 30 days’ written notice to the other at any time. The Lending Agent is not an affiliate of the Manager.

Under the Securities Lending Agreement, the collateral posted by a securities borrower in respect of a CI ETF is required to have an aggregate value of not less than 102% of the market value of the loaned securities. The Manager and the CI ETFs will indemnify the Lending Agent and its affiliates, and the Lending Agent and its affiliates will indemnify the Manager and the CI ETFs, from all losses, damages, liabilities, costs or expenses (including reasonable counsel fees and expenses but excluding consequential damages), suffered by the parties arising from: (i) the failure of certain indemnifying parties to perform any of their obligations under the Securities Lending Agreement, (ii) any inaccuracy of any representation or warranty made by certain indemnifying parties in the Securities Lending Agreement, or (iii) the fraud, bad faith, wilful misconduct or reckless disregard of duties by certain indemnifying parties. The Lending Agent and certain of its affiliates will also indemnify the Manager and the CI ETFs in the case of certain indemnifying parties' failure to meet the standard of care under the Securities Lending Agreement or for certain indemnifying parties' failure to return the loaned security upon termination of the Securities Lending Agreement. Either party may terminate the Securities Lending Agreement by giving the other party 30 days' written notice.

### ***Promoter***

The Manager took the initiative in founding and organizing the CI ETFs and accordingly, the Manager is the promoter of the CI ETFs within the meaning of securities legislation of certain provinces and territories of Canada. Except as otherwise described herein, the Manager will not receive any benefits, directly or indirectly, from the issuance of Units of the CI ETF offered hereunder.

### ***Accounting and Reporting***

A CI ETF's fiscal year is the calendar year or such other fiscal period permitted under the Tax Act as that CI ETF elects. The annual financial statements of a CI ETF shall be audited by that CI ETF's auditors in accordance with Canadian generally accepted auditing standards. The auditors will be asked to report on the fair presentation of the annual financial statements in accordance with the International Financial Reporting Standards. The Manager will arrange for a CI ETF's compliance with all applicable reporting and administrative requirements.

The Manager will keep, or arrange for the keeping of, adequate books and records reflecting the activities of each CI ETF. A Unitholder or his or her duly authorized representative will have the right to examine the books and records of a CI ETF during normal business hours at the offices of the Manager or such other location as the Manager shall determine. Notwithstanding the foregoing, a Unitholder shall not have access to any information that, in the opinion of the Manager, should be kept confidential in the interests of a CI ETF.

### ***Designated Website***

A CI ETF is required to post certain regulatory disclosure documents on a designated website. The designated website of the CI ETF this document pertains to can be found at [www.ci.com](http://www.ci.com).

## **CALCULATION OF NAV**

The NAV per Unit for the Hedged Common Units and the Unhedged Common Units is determined in Canadian dollars.

A separate NAV per Unit is calculated for each series by taking the value of the assets of the CI ETF, subtracting any liabilities of the CI ETF common to all series, subtracting any liabilities of the particular series, and dividing the balance by the number of Units held by investors in such series of the CI ETF.

Please note that the NAV per Unit for each Hedged Series takes into account the use of derivatives such as forward currency contracts, as applicable, and the costs and gains of hedging transactions undertaken by each such Hedged Series will accrue solely to it.

The Manager calculates NAV of each CI ETF and each of its series at the Valuation Time on each “**Valuation Day**”, which is any day that the Manager is open for a full day of business. The NAV per Unit of each series of a CI ETF so determined will be adjusted to the nearest cent per Unit of that series and will remain in effect until the next Valuation Day. The NAV per Unit of each series of a CI ETF may be determined at an earlier Valuation Time if the Manager closes earlier on that Valuation Day.

***Valuation Policies and Procedures of the CI ETFs***

In calculating the NAV, each CI ETF values the various assets as described below. The Manager may deviate from these valuation practices in circumstances where this would be appropriate, for example, if trading in a security is halted because of significant negative news about the company.

<b>Type of asset</b>	<b>Method of valuation</b>
Liquid assets, including cash on hand, on deposit or on call; bills and notes and accounts receivable; prepaid expenses; cash dividends to be received; and interest accrued but not yet received	Valued at full face value unless the Manager determines the asset is not worth full face value, in which case the Manager will determine a fair value.
Money market instruments	The purchase cost amortized to the instrument’s due date.
Bonds, debentures or other debt obligations	The mid-price, which is the average of the bid and ask prices quoted by a pricing vendor selected by the Manager. The pricing vendor will determine the price from quotes received from one or more dealers in the applicable bond, debenture, or debt obligation market, selected for this purpose by the pricing vendor.
Shares, subscription rights and other securities listed or traded on a stock exchange	The latest available sale price reported by any means in common use. If a price is not available, the Manager will determine a price not higher than the latest available asked price and not lower than the latest available bid price. If the securities are listed or traded on more than one exchange, the Manager will calculate the value in a manner that it believes accurately reflects fair value. If the Manager believes stock exchange quotations do not accurately reflect the price the CI ETF would receive from selling a security, the Manager can value the security at a price the Manager believes reflects fair value.
Shares, subscription rights and other securities not listed or traded on a stock exchange	The price quotation or valuation that the Manager believes best reflects fair value.
Restricted securities as defined in NI 81-102	The market value of securities of the same class which are not restricted, multiplied by the percentage that the CI ETF’s acquisition cost was of the market value of such securities at the time of acquisition. The extent of the restrictions (including materiality) will be taken into consideration, provided that a gradual taking into account of the actual value of the securities may be made where the date on which the restrictions will be lifted is known or such lower value as may be available from reported quotations in common use.
Long positions in clearing corporation options, options on futures, over-the-counter options, debt-like securities, warrants, and rights	The current market value.
Premiums received from written clearing corporation options,	Treated as deferred credits and valued at an amount equal to the market value that would trigger closing the position. The deferred credit is

<b>Type of asset</b>	<b>Method of valuation</b>
options on futures, or over-the-counter options	deducted when calculating the NAV of the CI ETF. Any securities that are the subject of a written clearing corporation option or over-the-counter option will be valued as described above.
Futures contracts, forward contracts, and swaps	Valued according to the gain or loss the CI ETF would realize if the position were closed out on the day of the valuation. If daily limits are in effect, the value will be based on the current market value of the underlying interest. Margin paid or deposited in respect of futures contracts, forward contracts and swaps will be reflected as an account receivable and margin consisting of assets other than cash shall be noted as held as margin.
Assets valued in foreign currency; deposits and contractual obligations payable to the CI ETF in a foreign currency; and liabilities and contractual obligations the CI ETF must pay in a foreign currency	Valued using the exchange rate at 4:00 p.m. Eastern time on the Valuation Day.
Precious metals (certificates or bullion) and other commodities	Precious metals (certificates or bullion) and other commodities are valued at their fair market value, generally based on prevailing market prices as reported on exchanges or other markets.
Securities of other mutual funds, other than exchange-traded mutual funds	The value of the securities will be the NAV per security on that day or, if the day is not a Valuation Day of the CI ETF, the NAV per security on the most recent Valuation Day. The Manager may also use fair value to value the securities.

When a portfolio transaction becomes binding, the transaction is included in the next calculation of the CI ETF's NAV.

The following are liabilities of the CI ETFs:

- all bills and accounts payable
- all administrative expenses payable and/or accrued
- all contractual obligations to pay money or property, including distributions the CI ETF has declared but not yet paid
- allowance that we have approved for taxes or contingencies
- all other liabilities except liabilities to investors for outstanding Units.

Prior to the calculation of the NAV of each series of the CI ETF, any assets and liabilities of the CI ETF denominated in a currency other than the CI ETF's base currency will be translated into the base currency of the CI ETF at the prevailing rate of exchange, as determined by the Manager, on the applicable Valuation Day. Each CI ETF's base currency is in Canadian dollars.

In calculating the NAV of a CI ETF, the CI ETF will generally value its investments based on the market value of its investments at the time the NAV of the CI ETF is calculated. If no market value is available for an investment of the CI ETF or if the Manager determines that such value is inappropriate in the circumstances (i.e., when the value of an investment of the CI ETF has been materially changed by effects occurring after the market closes), the Manager will value such investments using methods that have generally been adopted by the marketplace. Fair valuing the investments of a CI ETF may be appropriate if: (i) market quotations do not accurately reflect the fair value of an investment; (ii) an investment's value has been materially affected by events occurring after the close of the exchange or market on which the investment is principally traded; (iii) a trading halt closes an exchange or market early; or (iv) other events result in an exchange or market delaying its normal close. The risk in fair valuing an investment of a CI ETF is that the value of the investment may be higher or lower than the price that the CI ETF may be able to realize if the investment had to be sold.

In determining the NAV of a CI ETF, Units of the CI ETF subscribed for will be deemed to be outstanding immediately following the calculation of the applicable NAV per Unit that is the issue price of the Units and the amount payable in connection with the issuance shall then be deemed to be an asset of the CI ETF. Units of a CI ETF that are being redeemed shall be deemed to remain outstanding until immediately following the calculation of the applicable NAV per Unit that is the redemption price of the Units and thereafter, the redemption proceeds, until paid, will be a liability of the CI ETF.

### ***Reporting of NAV***

Following the Valuation Time on each Valuation Day, the most recent NAV or NAV per Unit of a CI ETF will be made available to persons or companies, at no cost, by calling the Manager at 1-800-792-9355 (toll free), or checking the CI ETF's website at [www.ci.com](http://www.ci.com).

## **ATTRIBUTES OF THE UNITS**

### ***Description of the Units Distributed***

Each CI ETF is authorized to issue an unlimited number of redeemable, transferable Units. Each Unit represents an undivided interest in the net assets of that CI ETF pursuant to this prospectus.

The NAV per Security for the Hedged Common Units and the Unhedged Common Units is determined in Canadian dollars.

On December 16, 2004, the *Trust Beneficiaries' Liability Act, 2004* (Ontario) came into force. This statute provides that holders of units of a trust are not, as beneficiaries, liable for any default, obligation or liability of the trust if, when the default occurs or the liability arises: (i) the trust is a reporting issuer under the *Securities Act* (Ontario); and (ii) the trust is governed by the laws of Ontario. Each CI ETF is a reporting issuer under the *Securities Act* (Ontario) and is governed by the laws of Ontario by virtue of the provisions of the Declaration of Trust.

Each Unit of a series of a CI ETF entitles the owner to one vote at meetings of Unitholders of the CI ETF. Each Unit of a series of a CI ETF is entitled to participate equally with all other Units of the same series of the CI ETF with respect to all payments made to Unitholders of that series, other than Management Fee Distributions and allocations of capital gains to redeeming Unitholders, including distributions of net income and net realized capital gains, and, on liquidation, to participate equally in the net assets of that series of the CI ETF remaining after satisfaction of any outstanding liabilities that are attributable to that series of Units of the CI ETF.

Notwithstanding the foregoing, pursuant to the Declaration of Trust, a CI ETF may allocate and designate as payable any capital gains realized by the CI ETF as a result of any disposition of property of the CI ETF undertaken to permit or facilitate the redemption or exchange of Units of the CI ETF to a Unitholder whose Units of the CI ETF are being redeemed or exchanged. All Units of a CI ETF will be fully paid, with no liability for future assessments, when issued and will not be transferable except by operation of law. Unitholders of a CI ETF are entitled to require the CI ETF to redeem their Units as outlined under the heading "*Exchange and Redemption of Units*".

### ***Exchange of Units for Baskets of Securities and/or Cash***

Unitholders of a CI ETF, acting through the Designated Broker or Dealer, may exchange the applicable PNU (or an integral multiple thereof) of the CI ETF on any Trading Day for Baskets of Securities and/or cash, subject to the requirement that a minimum PNU be exchanged. See "*Exchange and Redemption of Units*".

***Redemptions of Units for Cash***

On any Trading Day, Unitholders of a CI ETF may redeem Units of the CI ETF for cash at a redemption price per Unit equal to 95% of the closing price for the Units on the TSX on the effective day of the redemption, subject to a maximum redemption price per Unit equal to the NAV per Unit on the effective date of the redemption. See “*Exchange and Redemption of Units*”.

***Modification of Terms***

Any amendment to the Declaration of Trust that creates a new series of Units of a CI ETF will not require notice to existing Unitholders of the CI ETF unless such amendment in some way affects the rights of existing holders of Units or the value of their investment.

All other rights attached to the Units of a CI ETF may only be modified, amended or varied in accordance with the terms of the Declaration of Trust. See “*Unitholder Matters — Amendments to the Declaration of Trust*”.

***Voting Rights in the Portfolio Securities***

Unitholders of a CI ETF will not have any voting rights in respect of the securities in the CI ETF’s portfolio.

**UNITHOLDER MATTERS*****Meetings of Unitholders***

Meetings of Unitholders of a CI ETF will be held if called by the Manager as desirable or as otherwise required by securities legislation.

***Matters Requiring Unitholder Approval***

NI 81-102 requires a meeting of Unitholders of a CI ETF to be called to approve certain changes described in NI 81-102. In the absence of an exemption, the Manager will seek Unitholder approval for any such change.

The Manager will also seek Unitholder approval of any matter which is required by the constitutive documents of a CI ETF, by the laws applicable to the CI ETF or by any agreement to be submitted to a vote of the Unitholders.

In addition, the auditors of a CI ETF may not be changed unless:

- (a) the IRC of the CI ETF has approved the change; and
- (b) Unitholders have received at least 60 days’ notice before the effective date of the change.

Approval of Unitholders of a CI ETF will be deemed to have been given if expressed by resolution passed at a meeting of Unitholders, duly called on at least 21-days’ notice and held for the purpose of considering the same, by at least a majority of the votes cast.

***Amendments to the Declaration of Trust***

If a Unitholder meeting is required to amend a provision of the Declaration of Trust, no change proposed at a meeting of Unitholders of a CI ETF shall take effect until the Manager has obtained the prior approval of not less than a majority, or such greater or lesser percentage as may be required or permitted by securities legislation, of the votes cast at such meeting of Unitholders of the CI ETF or, if separate series meetings are required, at meetings of each series of Unitholders of the CI ETF.

Subject to any requirements of securities legislation, the Trustee in its discretion may amend the Declaration of Trust after providing prior notice to the Unitholders of the applicable CI ETF.

All Unitholders of the CI ETF shall be bound by an amendment affecting the CI ETF from the effective date of the amendment.

The Trustee may amend the Declaration of Trust with respect to a CI ETF without the approval of or prior notice to any Unitholders, including for the following purposes, provided that the Trustee is of the reasonable opinion that the amendment will not be prejudicial to Unitholders and is necessary or desirable:

- (a) ensure compliance with applicable laws, regulations or policies of any governmental authority having jurisdiction over the CI ETF or the distribution of its Units;
- (b) remove any conflicts or other inconsistencies which may exist between any terms of the Declaration of Trust and any provisions of any applicable laws, regulations or policies affecting the CI ETF, the Trustee or its agents;
- (c) make any change or correction in the Declaration of Trust which is a typographical correction or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission or error contained therein;
- (d) facilitate the administration of the CI ETF as a “*mutual fund trust*” or make amendments or adjustments in response to any existing or proposed amendments to the Tax Act or its administration which might otherwise adversely affect the tax status of a CI ETF or its Unitholders;
- (e) protect the Unitholders of the CI ETF; or
- (f) make any change or correction which is necessary or desirable for the purpose of bringing the Declaration of Trust into conformity with current market practice within the securities or investment fund industries or curing or correcting any administrative difficulty.

### ***Permitted Mergers***

A CI ETF may, without Unitholders’ approval, enter into a merger or other similar transaction which has the effect of combining the funds or their assets (a “**Permitted Merger**”) with any other investment fund or funds that have investment objectives that are similar to the applicable CI ETF’s portfolio, subject to:

- (a) approval of the merger by the CI ETF’s IRC in accordance with NI 81-107;
- (b) the CI ETF being reorganized with, or its assets being transferred to, another mutual fund to which NI 81-102 and NI 81-107 apply, and that is managed by the Manager, or an affiliate of the Manager;
- (c) compliance with certain other requirements of applicable securities legislation; and
- (d) Unitholders have received at least 60 days’ notice which notice may be by way of press release, before the effective date of the Permitted Merger.

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

### ***Reporting to Unitholders***

The Manager, on behalf of a CI ETF, will in accordance with applicable laws furnish to each Unitholder unaudited semi-annual financial statements and an interim management report of fund performance for the CI ETF within 60 days of the end of each semi-annual period and audited annual financial statements and an annual management report of fund performance for the CI ETF within 90 days of the end of each financial year. Both the semi-annual and the annual financial statements of each CI ETF will contain a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and a schedule of investment portfolio.

Any tax information necessary for Unitholders to prepare their annual federal income tax returns will also be distributed to them within 90 days after the end of each taxation year of the CI ETFs. Neither the Manager nor the Registrar and Transfer Agent are responsible for tracking the adjusted cost base of a Unitholder's Units. Unitholders should consult with their tax or investment adviser in respect of how to compute the adjusted cost base of their Units and in particular how designations made by the CI ETF to a Unitholder affect the Unitholder's tax position.

The NAV per Unit of each CI ETF will be determined by the Manager on each Valuation Day and will usually be published daily in the financial press.

### **TERMINATION OF THE CI ETFS**

Subject to complying with applicable securities law, the Manager may terminate a CI ETF at its discretion on at least 60 days' advance written notice to Unitholder of the CI ETF.

If a CI ETF is terminated, the Trustee is empowered to take all steps necessary to effect the termination of the CI ETF. Prior to terminating a CI ETF, the Trustee may discharge all of the liabilities of the CI ETF and distribute the net assets of the CI ETF to the Unitholders of the CI ETF.

Upon termination of a CI ETF, each Unitholder of the CI ETF shall be entitled to receive at the Valuation Time on the termination date out of the assets of the CI ETF: (i) payment for that Unitholder's Units at the NAV per Unit for that series of Units of the CI ETF determined at the Valuation Time on the termination date; plus (ii) where applicable, any net income and net realized capital gains that are owing to or otherwise attributable to such Unitholder's Units that have not otherwise been paid to such Unitholder; less (iii) any applicable redemption charges and any taxes that are required to be deducted. Payment shall be made by cheque or other means of payment payable to such Unitholder and drawn on the CI ETF's bankers and may be mailed by ordinary post to such Unitholder's last address appearing in the registers of Unitholders of that CI ETF or may be delivered by such other means of delivery acceptable to both the Manager and such Unitholder.

The rights of Unitholders to exchange, redeem and convert Units of a CI ETF described under "*Exchange and Redemption of Units*" will cease as and from the date of termination of the CI ETF.

### ***Procedure on Termination***

The Trustee shall be entitled to retain out of any assets of a CI ETF, at the date of termination of the CI ETF, full provision for all costs, charges, expenses, claims and demands incurred or believed by the Trustee or the Manager, as applicable, to be due or to become due in connection with or arising out of the termination of the CI ETF and the distribution of its assets to the Unitholders of the CI ETF. Out of the moneys so retained, the Trustee or the Manager, as applicable are entitled to be indemnified and saved harmless against all costs, charges, expenses, claims and demands.



## PLAN OF DISTRIBUTION

Units of each CI ETF are being offered for sale on a continuous basis by this prospectus and there is no maximum number of Units of a CI ETF that may be issued. The Units of each CI ETF are offered for sale at a price equal to the NAV of such series of Units determined at the Valuation Time on the effective date of the subscription order.

The Units of the CI ETFs have been conditionally approved for listing on the TSX. Subject to satisfying the TSX's original listing requirements, the Units of the CI ETFs will be listed on the TSX and investors will be able to buy or sell such Units on the TSX through registered brokers and dealers in the province or territory where the investors reside. Investors may incur customary brokerage commissions in buying or selling Units. No fees are paid by investors to the Manager or any CI ETF in connection with buying or selling of Units on the TSX.

### ***Non-Resident Unitholders***

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 CI ETF (on either a number of Units, or fair market value basis) and the Manager shall inform the Registrar and Transfer Agent of a CI ETF of this restriction. 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 CI ETF then outstanding (on either a number of Units, or fair market value basis) 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 the Units of a CI ETF (on either a number of Units, or fair market value basis) are beneficially held by non-residents and/or partnerships that are not Canadian partnerships, the Manager may send a notice to such non-residents and/or 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 the 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 CI ETF as a "*mutual fund trust*", for purposes of the Tax Act or, alternatively, may take such other action or actions as may be necessary to maintain the status of the CI ETF as a "*mutual fund trust*", for purposes of the Tax Act.

## RELATIONSHIP BETWEEN THE CI ETFS AND THE DEALERS

The Manager, on behalf of a CI ETF, may enter into various agreements (each, a "**Dealer Agreement**") with registered dealers (that may or may not be a Designated Broker) (each such registered dealer, a "**Dealer**") pursuant to which the Dealers may subscribe for Units of the CI ETF as described under "*Purchases of Units*". Such registered dealers may be related to the Manager. See "*Organization and Management Details of the CI ETFS — Conflicts of Interest*".

A Dealer Agreement may be terminated by the registered dealer at any time by notice to the Manager, provided that, except in certain conditions, no such termination will be permitted after the registered dealer has subscribed for Units of a CI ETF and such subscription has been accepted by the Manager.

No Designated Broker or Dealer has been involved in the preparation of this prospectus, nor has it performed any review of the contents of this prospectus. The applicable Designated Broker and Dealers do not act as underwriters of any CI ETF in connection with the distribution of its Units under this prospectus. See *“Organization and Management Details of the CI ETFs — Conflicts of Interest”*.

#### **PRINCIPAL HOLDERS OF UNITS**

The Manager currently holds one Unit of each series of the CI ETFs, comprising all of the currently issued and outstanding Units of each CI ETF. From time to time, a CI ETF or another investment fund managed by the Manager or an affiliate thereof, may beneficially own, directly or indirectly, more than 10% of the outstanding Units of a CI ETF.

#### **PROXY VOTING DISCLOSURE FOR PORTFOLIO SECURITIES HELD**

The proxy voting record for each CI ETF for the annual period from July 1 to June 30 will be available at any time after August 31 following the end of that annual period, to any Unitholder on request, at no cost, and will also be available on the internet at [www.ci.com](http://www.ci.com). Information contained on a CI ETF’s website is not part of this prospectus and is not incorporated herein by reference.

##### ***The Manager’s Proxy Voting Policy***

The proxies associated with the portfolio securities held by each CI ETF will be voted by the Portfolio Manager in accordance with the Manager’s proxy voting policy and guidelines, which has been designed to provide general guidance, in compliance with the applicable Canadian legislation, for the voting of proxies. The Manager is responsible for completing and executing all corporate actions including the voting of proxies on behalf of each CI ETF. The Portfolio Manager will vote all proxies in the best interests of the Unitholders of each CI ETF, as determined solely by the Portfolio Manager and subject to its proxy voting policy and applicable Canadian legislation.

The Manager’s proxy voting policy sets out the voting procedures to be followed in voting routine and non-routine matters, together with general guidelines suggesting a process to be followed in determining how and whether to vote proxies. Although the proxy voting policy allows for the creation of a standing policy for voting on certain routine matters, each routine and non-routine matter must be assessed on a case-by-case basis to determine whether the applicable standing policy or general proxy voting policy should be followed. The proxy voting policy also addresses situations in which the Portfolio Manager may not be able to vote, or where the costs of voting outweigh the benefits.

Situations may exist in which, in relation to proxy voting matters, the Portfolio Manager or the Manager may be aware of an actual, potential, or perceived conflict between its interest and the interests of Unitholders. Any conflicts of interests which may arise in connection with the voting of proxies must be reported immediately to the Manager’s chief compliance officer. Where the Manager is aware of such a conflict, it must bring the matter to the attention of its IRC. The IRC will, prior to the vote deadline date, review any such matter, and will take the necessary steps to ensure that the proxy is voted in accordance with what the IRC believes to be the best interests of unitholders, and in a manner consistent with the proxy voting policy. Where it is deemed advisable to maintain impartiality, the Manager’s IRC may choose to seek out and follow the voting recommendation of an independent proxy research and voting service.

The Manager’s current proxy voting policy and procedures are available to Unitholders of the CI ETFs on request, at no cost, by calling toll-free 1-800-792-9355 or by writing to CI at 15 York Street, Second Floor, Toronto, Ontario M5J 0A3.

## MATERIAL CONTRACTS

The only contracts material to the CI ETFs, as applicable, are the:

- (a) **Declaration of Trust.** For additional disclosure related to the Declaration of Trust, see “*Organization and Management Details of the CI ETFs – Trustee*”, “*Attributes of Units – Modification of Terms*”, and “*Unitholder Matters – Amendments to the Declaration of Trust*”;
- (b) **Custody Agreement.** For additional disclosure related to the Custody Agreement, see “*Organization and Management Details of the CI ETFs – Custodian*”; and
- (c) **License Agreement.** For additional disclosure relating to the License Agreement, see “*Other Material Facts*”.

Copies of these agreements may be examined at the head office of the Manager, which is located at 15 York Street, Second Floor, Toronto, Ontario M5J 0A3.

## LEGAL AND ADMINISTRATIVE PROCEEDINGS

The CI ETFs are not involved in any legal proceedings, nor is the Manager aware of existing or pending legal or arbitration proceedings involving the CI ETFs.

## EXPERTS

Ernst & Young LLP, the auditors of the CI ETFs, have consented to the use of their report on the statement of financial position of the CI ETFs dated December 15, 2023. Ernst & Young LLP has confirmed that they are independent with respect to the CI ETFs within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

## EXEMPTIONS AND APPROVALS

The CI ETFs have obtained exemptive relief from the Canadian securities regulatory authorities, subject to applicable conditions:

- (a) to permit a Unitholder to acquire more than 20% of the Units through purchases on the TSX, without regard to the takeover bid requirements of applicable Canadian securities legislation;
- (b) to relieve the CI ETFs from the requirement that a prospectus contain a certificate of the underwriters;
- (c) to permit a CI ETF to invest up to 10% of its NAV in securities of exchange-traded mutual funds that are not index participation units and are not reporting issuers in Canada, but whose securities are listed for trading on a stock exchange in the United States;
- (d) to permit a CI ETF to use references to Lipper Leader ratings and Lipper Awards in sales communications;
- (e) to permit the disclosure and marketing of annual FundGrade A+ Awards and monthly FundGrade Ratings;

- (f) to permit each CI ETF to deposit portfolio assets with a borrowing agent (that is not the CI ETF's custodian or sub-custodian) as security in connection with a short sale of securities, provided that the aggregate market value of the portfolio assets being deposited, excluding the aggregate market value of the proceeds from outstanding short sales of securities held by the borrowing agent, does not exceed 10% of the NAV of the CI ETF at the time of deposit;
- (g) to permit each CI ETF to invest more than 10% of its net assets in debt obligations issued or guaranteed by either the Federal National Mortgage Association ("**Fannie Mae**") or the Federal Home Loan Mortgage Corporation ("**Freddie Mac**", and such debt obligations, "**Fannie or Freddie Securities**") by purchasing securities of an issuer, entering into a specified derivative transaction or purchasing index participation units, provided that: (a) such investments are consistent with the CI ETF's investment objective; (b) the Fannie or Freddie Securities or the corporate debt of Fannie Mae or Freddie Mac ("**Fannie or Freddie Debt**"), as applicable, maintain a credit rating assigned by Standard & Poor's Rating Services (Canada) or an equivalent rating assigned by one or more other designated rating organizations to a Fannie or Freddie Security or Fannie or Freddie Debt, as applicable, that is not less than the credit rating when assigned by such designated rating organization to the debt of the United States government of approximately the same term as the remaining term to maturity of, and denominated in the same currency as, the Fannie or Freddie Security or the Fannie or Freddie Debt, as applicable; and (c) such rating is not less than a credit rating of BBB- assigned by Standard & Poor's Rating Services or an equivalent rating by one or more other designated rating organizations;
- (h) to exclude purchases and holdings by each CI ETF of fixed income securities that qualify for, and may be traded pursuant to, the exemption from the registration requirements of the Securities Act of 1933 (U.S.), for resale from consideration as an "*illiquid asset*" under NI 81-102, provided that certain conditions are met;
- (i) to permit a CI ETF, subject to certain conditions, to appoint more than one custodian, including prime brokers, each of which is qualified to be a custodian under section 6.2 of NI 81-102, and each of which is subject to all of the other requirements in NI 81-102 Part 6 Custodianship of Portfolio Assets; and
- (j) to permit a CI ETF, subject to certain conditions, to allow in specie subscriptions and redemptions, by a) a Managed Account (as defined in such exemptive relief) in relation to a CI ETF or a Pooled Fund (as defined in such exemptive relief), and b) a Pooled Fund in relation to another Pooled Fund or a CI ETF.

The CI ETFs have also received permission from their IRC to invest in securities of CI Financial Corp., including unlisted debt securities, and trade in portfolio securities with other mutual funds managed by the Manager or any of its affiliates, subject to complying with rules relating thereto contained in NI 81-107 and other conditions.

## OTHER MATERIAL FACTS

### ***International Information Reporting***

The CI ETFs are required to comply with due diligence and reporting obligations in the Tax Act enacted to implement the Canada-United States Enhanced Tax Information Exchange Agreement (collectively, the "**FATCA Rules**"). As long as Units of the CI ETFs are and continue to be listed on the TSX, the CI ETFs should not have any U.S. reportable accounts and, as a result, they should not be required to provide information to the CRA in respect of Unitholders. However, dealers through which Unitholders hold Units of a CI ETF are subject to due diligence and reporting obligations with respect to financial accounts that they maintain for their clients. Pursuant to the FATCA Rules, dealers are required to have procedures in place to identify accounts held by a "*U.S. Specified Person*" (including a

U.S. citizen or green card holder who is resident in Canada), or by certain entities any of whose “controlling persons” are U.S. Specified Persons. If a Unitholder or in the case of certain entities its “controlling persons” is a U.S. Specified Person or if the Unitholder does not provide the requested information and U.S. indicia is present, the Unitholder’s dealer will be required under Part XVIII of the Tax Act to report certain information to the CRA about such Unitholder’s investment in a CI ETF, unless the Units are held by a Plan other than, subject to the current administrative position of the CRA, a FHSA.

In addition, due diligence and reporting obligations in Part XIX of the Tax Act which came into force on July 1, 2017, have implemented the Organization for Economic Co-operation and Development’s (the “OECD”) Common Reporting Standard (the “CRS Rules”). Pursuant to the CRS Rules, in order to meet the objectives of the OECD’S Common Reporting Standard (the “CRS”), Canadian financial institutions are required to have procedures in place to identify accounts held by residents of foreign countries which have agreed to a bilateral information exchange with Canada under the CRS (the “Participating Jurisdictions”), or by certain entities any of whose “controlling persons” are resident in a Participating Jurisdiction, and to report the required information to the CRA. Such information will be exchanged by the CRA on a reciprocal, bilateral basis with the Participating Jurisdictions in which the Unitholders, or such controlling persons, are resident. Under the CRS Rules, Unitholders will be required to provide the required information regarding their investment in a CI ETF to the Unitholder’s dealer for the purpose of the information exchange, unless the Units are held by a Plan.

Based on the current administrative position of the CRA and certain Tax Amendments, FHSAs are currently not required to be reported to the CRA.

### **Index Information – Indexes**

The Manager has entered into a License Agreement dated April 26, 2022, as amended and supplemented from time to time (the “License Agreement”) pursuant to which it has the right, on and subject to the terms of the License Agreement, to use the following indexes as a basis for the operation of the CI ETFs and to use certain trademarks in connection with the CI ETFs:

- VettaFi US Enhanced Value Index (CAD Hedged)
- VettaFi US Enhanced Value Index
- VettaFi US Enhanced Momentum Index (CAD Hedged)
- VettaFi US Enhanced Momentum Index

(collectively, the “Indexes”).

The License Agreement is for a term of three years and will automatically renew for successive one (1) year terms unless either party provides written notice no less than 60 days prior to the end of the current term of such party’s intention to not renew.

### **Disclaimer – VettaFi**

*Alerian, VettaFi and the Indexes are service marks of VettaFi LLC (“VettaFi”) and have been licensed for use by CI Global Asset Management. The Indexes are not issued, sponsored, endorsed, sold or promoted by VettaFi or its affiliates. VettaFi makes no representation or warranty, express or implied, to the purchasers or owners of the Indexes or any member of the public regarding the advisability of investing in securities generally or in the Indexes particularly or the ability of the Indexes to track general market performance. VettaFi’s only relationship to the Indexes is the licensing of the service marks and the Indexes, which is determined, composed and calculated by VettaFi without regard to CI Global Asset Management or the Indexes. VettaFi is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of the Indexes issued by CI Global Asset Management. VettaFi has no obligation or liability in connection with the issuance, administration, marketing or trading of the Indexes.*

VETTAFI DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE INDEXES OR ANY DATA INCLUDED THEREIN AND VETTAFI SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. VETTAFI MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, OWNERS OF THE INDEXES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEXES OR ANY DATA INCLUDED THEREIN. VETTAFI MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEXES OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL VETTAFI HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

#### **PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION**

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase ETF securities within 48 hours after the receipt of a confirmation of a purchase of such securities. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the 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 should consult with a legal advisor.

#### **DOCUMENTS INCORPORATED BY REFERENCE**

Additional information about each of the CI ETFs is, or will be, available in the following documents:

- (a) the most recently filed comparative annual financial statements of the CI ETFs, together with the accompanying reports of the auditor;
- (b) any interim financial statements of the CI ETFs filed after those annual financial statements;
- (c) the most recently filed annual management reports of fund performance of the CI ETFs;
- (d) any interim management reports of fund performance of the CI ETFs filed after that most recently filed annual management reports of fund performance of the CI ETFs; and
- (e) the most recently filed ETF Facts of the CI ETFs.

These documents are or will be incorporated by reference into this prospectus, which means that they legally form part of this document just as if they were printed as part of this document. You can obtain a copy of these documents, at your request, and at no cost, by calling 1-800-792-9355 (toll free) or by contacting your dealer. These documents are available at no cost on the CI ETF's website at [www.ci.com](http://www.ci.com). These documents and other information about the CI ETFs will also be available on the internet at [www.sedarplus.ca](http://www.sedarplus.ca).

In addition to the documents listed above, any documents of the type described above that are filed on behalf of the CI ETFs after the date of this prospectus and before the termination of the distribution of the CI ETFs are deemed to be incorporated by reference into this prospectus.

























