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

Part B: Fund Specific Information

Simplified Prospectus dated March 20, 2025

Alternative Mutual Funds

CI Alternative Credit Opportunities Fund (Series I units)

CI Alternative Equity Premium Yield Fund (Series I units)

TABLE OF CONTENTS

Introduction to Part B of the Simplified Prospectus

Part B of the simplified prospectus provides specific information about each fund as set out on the cover page and should be read in conjunction with the rest of the simplified prospectus of these funds dated March 20, 2025. The first section of Part B of the simplified prospectus provides information that is applicable or shared amongst the funds, including an overview of a mutual fund, the types of risks investors should be aware of when investing in a fund, investment strategies and restrictions, material attributes and characteristics of the fund securities offered, history of the funds and the funds' investment risk classification methodology.

What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?

Building an investment portfolio is one of the most important financial decisions you can make. Choosing the right investments can help you achieve your financial goals, such as preparing for retirement or saving for a child's education.

However, investing successfully can be difficult to do on your own. You need accurate and timely information along with the right experience to build and maintain a portfolio of individual investments.

Mutual funds can make it easier.

A mutual fund brings together many different investors with similar goals. Each investor puts money into the mutual fund. A professional portfolio adviser uses that cash to buy a variety of investments for the mutual fund, depending on the mutual fund's objectives.

When the investments make money, everyone who invests in the mutual fund benefits. If the value of the investments falls, everyone shares in the loss. The size of your share depends on how much you invested. The more you put in, the more securities of the mutual fund you own and the greater your portion of the gains or losses. Mutual fund investors also share the mutual fund's expenses.

Most mutual funds invest in securities like stocks, bonds and money market instruments. The funds may also invest in other funds called "*underlying funds*", which may be managed by the Manager or its affiliate.

Mutual funds generally own different types of investments, depending upon the mutual fund's investment objectives. The value of these investments will change from day to day, reflecting changes in interest rates, economic conditions and market and company news. As a result, the value of a mutual fund's securities may go up and down, and the value of your investment in a mutual fund may be more or less when you redeem it than when you purchased it.

Advantages of Mutual Funds

Investing in a mutual fund has several advantages over investing in individual stocks, bonds and money market instruments on your own:

- **Professional money management**. Professional portfolio advisers have the skills and the time to do research and make decisions about which investments to buy, hold or sell.
- **Diversification.** Investment values are always changing. Owning several investments can improve long-term results because the ones that increase in value can compensate for those that do not. Mutual funds typically hold 30 or more different investments.
- **Accessibility**. You can sell your investment back to the mutual fund at any time. This is called a "*redemption*", and in some cases may result in a redemption fee or a short-term trading fee. With many other investments, your money is locked in or you have to find a specific buyer before you can sell.
- **Record keeping and reporting**. Mutual fund companies use sophisticated record keeping systems and send you regular financial statements, tax slips and reports.

Mutual Funds are Not Guaranteed

While mutual funds have many advantages, it is important to remember that an investment in a mutual fund is not guaranteed. Unlike bank accounts or guaranteed investment certificates, mutual fund investments are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

Risk and Potential Return

As with most other investments, mutual funds come with a certain amount of risk. Mutual funds own different types of investments, depending on their investment objectives. The value of the investments in a mutual fund changes from day to day because of changes in interest rates, economic conditions and market or company news. As a result, the value of mutual fund securities will vary. When you sell your units of a fund, you could get less money than you put in.

The amount of risk depends on the kind of fund you buy. Money market funds generally have low risk. They hold relatively safe short-term investments such as government treasury bills and other high-quality money market instruments. Income funds, which typically invest in bonds, have a higher amount of risk because their prices can change when interest rates change. Equity funds generally have the highest risk because they invest mostly in stocks whose prices can rise and fall daily.

Each fund is considered an "*alternative mutual fund*", meaning it is permitted to invest in asset classes and employ strategies generally prohibited for conventional mutual funds, such as the ability to invest more than 10% of its net asset value ("*NAV*") in securities of a single issuer, the ability to borrow cash, to short sell beyond the limits prescribed for conventional mutual funds and to generally employ leverage. While these strategies will be used in accordance with the fund's investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

Before you invest in a mutual fund, you need to decide what level of risk you are comfortable with. The answer depends in part on the kind of returns you expect. Generally, higher risk investments have a higher potential for gains and losses, while lower risk investments have a lower potential for gains and losses.

Another important factor is time. Think about how soon you will need the money. If you are saving to buy a house in the near future, you will probably want a lower risk investment to reduce the chance of the fund value dropping just when you need the cash. If you are investing for retirement in 20 years, your investment horizon is much longer. You may be able to afford to put more emphasis on equity funds because there is more time for equity funds to recover if prices should fall.

But potential return and your time horizon are not the only yardsticks for successful investing. Your choice of mutual fund also depends on how you feel about risk. An investor who checks fund prices every week and worries when investments temporarily lose value has low risk tolerance. If that describes you, you might be more comfortable with money market funds, bond funds, balanced funds and perhaps very conservative equity funds. An investor who is willing to take on more risk might prefer a higher proportion of equity funds or more aggressive mutual funds that specialize in one industry or country.

Below are some of the most common risks that affect value. To find out which of these specific risks apply to a fund you are considering, see the individual fund descriptions in this Part B of the simplified prospectus.

Types of Risk

Each fund is subject to "*borrowing risk*", "*capital depletion risk*", "*changes in legislation risk*", "*collateral risk*", "*concentration risk", "counterparty and deposit risk*", "*currency risk*", "*currency hedging risk*", "*cyber security risk*", "*derivatives risk*", "*emerging market risk*", "*exchange-traded fund (ETF) risk*", "*foreign investment risk*", "*futures strategy risk*", "*global economic conditions and market risk*", "*large transaction risk", "leverage risk*", "*liquidity risk*", "*no assurances on achieving investment objectives risk*", "*operational risk*", "*reliance on historical data risk*", "*restrictions on trading due to status risk*", "*sector risk*", "*securities lending risk", "short selling risk*", "*tariff risk*", "*tax risk*", "*underlying fund risk*" and "*withholding tax risk*".

The second section of Part B of the simplified prospectus, which sets out the profile of each fund, indicates which of the other investment risks listed below apply to each particular fund.

Borrowing risk

Borrowing of cash or securities within a fund could magnify the impact of any movements in the prices of the underlying investments of the fund and therefore the value of your investment. Consequently, these investments may produce more volatile gains or losses compared to investing in the same investments without making use of borrowings.

Capital depletion risk

Some funds and/or some series of a mutual fund may make distributions comprised in whole or in part, of return of capital. A return of capital distribution (being a distribution in excess of the fund's income generated) is a return of a portion of an investor's original investment and may, over time, result in the return of the entire amount of the original investment to the investor. This distribution should not be confused with yield or income generated by a fund. Return of capital distributions that are not reinvested will reduce the NAV of the fund, which could reduce the fund's ability to generate future income. For more information on the tax implications of return of capital distributions, please refer to the section entitled *"Description of Securities Offered by the Mutual Funds – Distributions"*.

Changes in legislation risk

There can be no assurance that tax, securities and other laws or the interpretation and application of such laws by courts or government authorities will not be changed in a manner that will adversely affects a fund's unitholders.

Collateral risk

Some funds enter into derivatives arrangements that require them to deliver collateral to the derivative counterparty or clearing corporation. As such, these funds may be exposed to certain risks in respect of that collateral including, these funds:

- will be required to post initial margin/collateral to the derivative counterparty or clearing corporation in the form of cash. Each fund will be required to have sufficient liquid assets to satisfy this obligation;
- may from time to time, if the value of the derivative arrangements moves against them, be required to post variation margin/collateral with the derivatives counterparty or clearing corporation on an ongoing basis. Each fund will be required to have sufficient liquid assets to satisfy such calls, and, in the event they fail to do so, the counterparty may have a right to terminate such derivatives arrangements; and
- may be subject to the credit risk of the derivatives counterparty. In the event the counterparty becomes insolvent at a time it holds margin/collateral posted with it by a fund, that fund will be an unsecured creditor and will rank behind preferred creditors.

Concentration risk

A fund may hold significant investments in a few issuers, rather than investing the fund's assets across a large number of issuers. In some cases, more than 10% of the net assets of the fund may be invested in securities of a single issuer due to appreciation in value of such investment and/or the liquidation or decline in value of other investments. The investment portfolio of such fund is less diversified. As a result, the fund may be more susceptible to any single economic, political or regulatory occurrence than a diversified fund investing in a broader range of issuers. Further, a decline in the market value of one of the fund's investments may affect the fund's value more than if the fund was a diversified fund.

Counterparty and deposit risk

Due to the nature of some of the derivatives that the fund intends to use, the fund may rely on the ability of the counterparty to the transaction to perform its obligations. In the event that a counterparty fails to complete its obligations, the fund will bear the risk of loss of the amount expected to be received under the derivatives in the event of the default or bankruptcy of a counterparty. This risk also applies in respect of cash deposited with the counterparty as security for the derivatives, which may expose the fund to a risk of loss of a significant portion of the fund's aggregate NAV.

The fund may pledge cash up to the value of the amount payable by the fund under a derivative as security in order to secure its obligations under the derivative.

Should the credit rating of a counterparty fall below the designated rating set out in NI 81-102, the fund may elect to terminate the derivative early.

The possibility exists that a counterparty will default on its obligations under a derivative, in which case the fund might not receive payments or deliveries owing by the counterparty and/or the return of cash deposits and other collateral pledged as security.

Units of the fund do not represent an interest in, or an obligation of, any counterparty and you will not have any recourse against any counterparty in respect of amounts payable by the fund to you, or by the counterparty to the fund. A counterparty can be expected to exercise its rights from time to time in its own interests with respect to any derivatives between the fund and such counterparty. The legitimate exercise of these rights may be contrary to the interests of the fund and you.

Currency risk

When a fund or its underlying fund buys an investment priced in a currency other than the fund's base currency ("*foreign currency*") and the exchange rate between the base currency of the fund and the foreign currency changes unfavourably, it could reduce the value of the mutual fund's investment. Of course, changes in the exchange rate can also increase the value of an investment. For example, if the U.S. dollar falls in value relative to the Canadian dollar, a U.S. dollar-denominated investment will be worth less for a fund based in Canadian dollars. On the other hand, if the U.S. dollar rises in value relative to the Canadian dollar, a U.S. dollar-denominated investment will be worth more for a fund based in Canadian dollars.

As a portion of a fund's or underlying fund's portfolio may be invested in securities traded in currencies other than the base currency of the fund, the NAV of the fund when measured in the fund's base currency, will, to the extent this has not been hedged against, be affected by changes in the value of the foreign currencies relative to the base currency. This risk also applies to derivatives where the underlying interest is denominated in a foreign currency.

Currency hedging risk

The use of currency hedges by a fund involves special risks, including the possible default by the other party to the transaction, illiquidity and, to the extent the Manager's assessment of certain market movements is incorrect, the risk that the use of hedges could result in losses greater than if the hedging had not been used. Hedging arrangements may have the effect of limiting or reducing the total returns to the fund or a series of the fund, if the Manager's expectations concerning future events or market conditions prove to be incorrect. In addition, the costs associated with a hedging program may outweigh the benefits of the arrangements in such circumstances.

Cyber security risk

With the increased use of technologies, such as the Internet, to conduct business, the funds are susceptible to operational, information security, and related risks through breaches in cyber security. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "*hacking*" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e. efforts to make network services unavailable to intended users). Cyber incidents affecting the funds, the Manager or the funds' service providers (including, but not limited to, the funds' applicable custodian) have the ability to cause disruptions and impact each of their respective business operations, potentially resulting in financial losses, interference with the calculation of the NAV of the funds or a series of a fund, impediments to trading the portfolio securities of the fund, the inability to process transactions in units of the funds, including purchases and redemptions of units of the funds, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs associated with the implementation of any corrective measures. Similar adverse consequences could result from cyber incidents affecting the issuers of securities in which the funds invest and counterparties with which the funds and underlying funds engage in transactions.

The Manager has established risk management systems designed to reduce the risks to the funds associated with cyber security. However, there is no guarantee that such efforts will succeed. Furthermore, the Manager and the funds cannot control the cyber security plans and systems of the funds' service providers, the issuers of securities in which the funds invest, the counterparties with which the funds engage in transactions, or any other third parties whose operations may affect the funds or their unitholders.

Debt securities risk

The following risks are associated with investments in debt securities:

- ***Credit risk***

  When a company, government or other entity issues a fixed income security, it promises to pay interest and repay a specified amount on the maturity date. Credit risk is the risk that the company, entity or government will not live up to that promise. Credit risk is lowest among issuers that have good credit ratings from recognized credit rating agencies. The riskiest fixed income securities are those with a low credit rating or no credit rating at all. These securities usually offer higher interest rates to compensate for the increased risk. However, they have the potential for substantial loss as well as gain, as will the mutual funds that buy them. High yielding, higher risk income securities in which the fund may invest are subject to greater risk of loss of principal and income than higher rated fixed income securities, and are considered to be less certain with respect to the issuer's capacity to pay interest and repay principal. A specialized credit rating agency, such as Standard & Poor's or DBRS, may reduce the credit rating of an issuer's debt securities. Unexpected downgrades in credit rating typically decrease the value of such securities.

- ***Interest rate risk***

  If the fund invests in fixed income securities such as bonds and money market instruments, it is sensitive to changes in interest rates. In general, when interest rates are rising, the value of these investments tends to fall. When rates are falling, fixed income securities tend to increase in value. Fixed income securities with longer terms to maturity are usually more sensitive to changes in interest rates.

- ***Extension risk***

  If interest rates rise, repayments of principal on certain debt securities, including, but not limited to, floating rate loans and mortgage-related securities, may occur at a slower rate than expected and the expected maturity of those securities could lengthen as a result. Securities that are subject to extension risk generally have a greater potential for loss when prevailing interest rates rise, which could cause their values to fall sharply.

- ***Prepayment risk***

  If the fund invests in debt securities such as floating rate loans and mortgage-related securities, there is a risk that the issuer of a debt security may repay all or a portion of the principal prior to the security's maturity. In times of declining interest rates, there is a greater likelihood that the fund's higher yielding securities will be pre-paid with the fund being unable to reinvest the proceeds in an investment with as great a yield. Prepayments can therefore result in lower yields to unitholders of the fund.

Defaulted securities risk

There is uncertainty in the repayment of defaulted securities (e.g. a security on which a principal or interest payment is not made when due) and obligations of distressed issuers. Such investments entail high risk and have speculative characteristics.

Derivatives risk

The funds may use derivatives to protect against losses from changes in stock prices, exchange rates or market indexes. This is called "*hedging*". The funds may also use derivatives to make indirect investments or to generate income. Some examples of derivatives are options, futures, swaps and forward contracts. For more information about how the funds use derivatives, see "*What Does the Fund Invest in? – Investment strategies – How the funds use derivatives*".

The use of derivatives comes with a number of risks, including, but not limited to:

- hedging with derivatives may not always work and it could restrict the fund's ability to increase in value, and hedging may also be costly or difficult to implement;
- there is no guarantee that the fund will be able to obtain a derivative contract when it needs to, and this could prevent the fund from making a profit or limiting a loss;
- there is no guarantee the hedging or investment strategy will be effective or achieve the intended effect and may result in the fund suffering significant losses;
- the other party in the derivative contract might not be able to honour the terms of the contract;
- using derivatives for investment purposes does not protect a mutual fund from a decline in the value of the underlying security, currency or market for which the derivative is a substitute;
- many derivatives, particularly those that are privately negotiated, are complex and often valued subjectively. Improper valuations can result in increased cash payment requirements to counterparties or a loss of value to a mutual fund as the price of a derivative might not reflect the true value of the underlying security or index;
- the price of a derivative may change more than the price of the underlying security or asset, and the price of a derivative can be affected by factors other than the price of the underlying security or asset;
- longer term derivative contracts that effectively tie up the fund's assets may be subject to significant changes in value in a short period of time and may limit the ability of the fund to obtain new investment exposures based on current market prices;
- there is no guarantee that a mutual fund can close out a derivative contract when it wants to at a price that corresponds to the price the derivative contract has been valued at for NAV purposes, which may result in the mutual fund experiencing losses. For example,
    - a counterparty may not be willing, when requested by a fund, to agree to an early close out of a derivative contract at a price which reflects the current market value of the derivative contract;
    - stock exchanges may set daily trading limits on exchange traded derivatives, which could prevent a mutual fund from trading or closing out its position in such derivatives; and
    - the price of stock index options may be distorted if trading in some or all of the stocks that make up the index is interrupted, and a mutual fund may not be able to close out its position in these options if exchange trading is interrupted or trading restrictions are imposed;
- gains or losses from derivatives contracts may result in fluctuations in a mutual fund's taxable income. As a result, if a mutual fund uses derivatives in a given taxation year, it may have larger or smaller distributions in that taxation year, an inability to make a regular distribution, and/or distributions which include a return of capital;
- the Income Tax Act, or its interpretation, may change in respect of the income tax treatment of derivatives;
- when entering into a derivative contract, a mutual fund may be required to provide margin or collateral to the counterparty, which exposes the fund to the credit risk of the counterparty. If the counterparty becomes insolvent, the fund could lose its margin or collateral or incur expenses to recover the margin or collateral;
- amounts paid by a mutual fund as premiums and cash or other assets held in margin accounts are not otherwise available to the mutual fund for investment purposes and the mutual fund will incur trading costs, including trading commissions and option premiums in connection with transactions in derivatives;
- in the case of over-the-counter options and forward contracts, there is no guarantee that a market will exist for these investments when a mutual fund wants to close out its position; in the case of exchange-traded

options and futures contracts, there may be a risk of a lack of liquidity when the mutual fund wants to close out its options; and
- derivatives (other than exchange-traded derivatives) are entered into at prices and on terms that are negotiated on a bilateral basis between the counterparty and the fund, and accordingly the negotiated pricing levels do not benefit from exchange-based pricing (which generally provides active price competition and liquidity), and moreover the pricing of bilaterally negotiated derivatives available to the fund may become less attractive over time if counterparties consider that the fund is price insensitive or has limited alternatives.

In addition, futures markets are highly volatile and are influenced by numerous factors, such as changing supply and demand relationships, governmental programs and policies, national and international political and economic events, and changes in rates and prices. In addition, because of the low margin deposits required in futures trading, a high degree of leverage is typical of a futures trading account. As a result, a relatively small price movement in a futures contract may result in substantial losses to the trader. Futures trading may also be illiquid. Certain futures exchanges do not permit trading in particular contracts at prices that represent a fluctuation in price during a single day's trading beyond certain specified limits. If prices fluctuate during a single day's trading beyond those limits (which conditions in the past sometimes lasted for several days in certain contracts), the trader could be prevented from promptly liquidating unfavourable positions and thus be subject to substantial losses.

Furthermore, the fund may use derivatives to implement 'covered call option writing' or 'put option writing' strategies, which entail additional risks:

- in a 'covered call option writing' strategy, a fund sells a call option whose underlying interest is contained within the fund's portfolio, which limits the return that the fund may earn on that investment; and
- in a 'put option writing' strategy, a fund sells a put option whose underlying interest is not contained within the fund's portfolio, which exposes the fund to the risk of loss should the value of that underlying interest decrease.

Emerging market risk

In emerging market countries, securities markets may be smaller than in more developed countries, making it more difficult to sell securities in order to take profits or avoid losses. The value of mutual funds that buy these investments may rise and fall substantially and fluctuate greatly from time to time.

Equity risk

Equities such as common shares give you part ownership in a company. The value of an equity security changes with the fortunes of the company that issued it. General market conditions and the health of the economy as a whole can also affect equity prices. The price of equity securities of certain companies or companies within a particular industry may fluctuate differently than the value of the overall stock market because of changes in the outlook for those individual companies or the particular industry. Equity-related securities, which give you indirect exposure to the equities of a company, can also be affected by equity risk. Examples of equity-related securities are warrants and convertible securities.

Exchange-traded fund (ETF) risk

A fund may invest in an underlying fund whose securities are listed for trading on an exchange (an "*exchange-traded fund*" or "*ETF*"). The investments of ETFs may include stocks, bonds, gold, silver, digital assets and other financial instruments. Some ETFs, known as index participation units ("*IPUs*"), have a passive investment strategy and attempt to replicate the performance of a widely-quoted market index. Not all ETFs are IPUs. While an investment in an ETF generally presents similar risks as an investment in an open-ended, actively-managed mutual fund that has the same investment objectives and strategies, it also carries the following additional risks, which do not apply to an investment in an open-ended, actively-managed mutual fund:

- The performance of an ETF may be different from the performance of the index, commodity or financial measure that the ETF is seeking to track. There are several reasons that this might occur, including: transaction costs and other expenses borne by the ETF; the ETF's securities may trade at a premium or discount to their NAV; or the ETFs may employ complex strategies, such as leverage, making tracking with accuracy difficult.

- The ability of a fund to realize the full value of its investment in an underlying ETF will depend on the fund's ability to sell the ETF's securities on a securities market, and the fund may receive less than 100% of the ETF's then NAV per security upon redemption. There can be no assurance that an ETF's securities will trade at prices that reflect their NAV.
- There is no guarantee that any particular ETF will be available or will continue to be available at any time. An ETF may be newly-created or organized, with limited or no previous operating history, and an active trading market for an ETF's securities may fail to develop or fail to be maintained. In addition, there is no assurance that an ETF will continue to meet the listing requirements of the exchange on which its securities are listed for trading.
- Commissions may apply to the purchase or sale of an ETF's securities by a fund. Therefore, investments in an ETF's securities may produce a return that is different than the change in the NAV of such securities.
- The fund or an underlying fund may, in basing its investment decisions on an index, have more of its assets invested in one or more issuers than is usually permitted for mutual funds, in these circumstances, the fund or underlying fund may tend to be more volatile and less liquid than more diversified mutual funds as it is affected more by the performance of individual issuers.
- Further, concentrating its investments in the securities of a particular index allows the fund or an underlying fund to focus on that index's potential, but it also means that the fund or underlying fund may tend to be more volatile than a mutual fund or underlying mutual fund that invests in the securities of a variety of indexes because prices of securities on the same index tend to move up and down together. If required by its investment objectives, the fund or underlying fund must continue to invest in the securities of the index, even if the index is performing poorly. That means the fund or underlying fund will not be able to reduce risk by diversifying its investments into securities listed on other indexes.

Fixed income risk

Generally, fixed income securities, including bonds and certain preferred shares, will decrease in value when interest rates rise and increase in value when interest rates decline. The NAV of a fund holding such securities will fluctuate with interest rate changes and the corresponding changes in the value of the securities in the portfolio of the fund. The value of fixed income securities is also affected by the risk of default in the payment of interest and principal and price changes due to such factors as general economic conditions and the issuer's creditworthiness. Corporate bonds may not pay interest or their issuers may default on their obligations to pay interest and/or principal amounts. Certain of the bonds that may be included in the portfolio from time to time may be unsecured, which will increase the risk of loss in case of default or insolvency of the issuer. See "*Types of Risk – Debt securities risk*" for additional risks related to investing in fixed income securities.

Foreign investment risk

Investments in foreign companies are influenced by economic and market conditions in the countries where the companies operate. Equities and fixed income securities issued by foreign companies and governments are often considered riskier than Canadian and U.S. investments. One reason for this is that many countries have lower standards for accounting, auditing and reporting. Some countries are less politically stable than Canada and the U.S. and there is often less available information about individual investments. Volume and liquidity in some foreign stock and bond markets are less than in Canadian and the U.S. stock and bond markets and, at times, price volatility can be greater than in the Canadian and U.S. markets. Generally, investments in foreign markets are subject to certain risks and the fund may be adversely affected by, among other things, political upheaval, financial troubles, natural disasters, wars, occupations, economic sanctions, reduced government oversight as compared to Canada, difficulty in enforcing contractual obligations, currency volatility and government intervention in markets. It can be difficult to trade investments on foreign markets and the laws of some countries do not fully protect investor rights. These risks and others can contribute to larger and more frequent price changes among foreign investments. U.S. investments are not considered to have foreign investment risk. In general, securities issued in more developed markets have lower foreign investment risk. Securities issued in emerging or developing markets have higher foreign investment risk.

Funds that concentrate their investments in a single country or region of the world tend to be riskier than funds with greater geographic diversification because prices of securities in the same markets tend to move up and down together.

When investing in foreign markets, the fund’s participation may involve the execution and clearing of trades on or subject to the rules of a foreign market. None of the Canadian securities regulatory authorities or Canadian exchanges regulates activities of any foreign markets, including the execution, delivery and clearing of transactions, or has the power to compel enforcement of any rule of a foreign market or any applicable foreign law. Generally, any foreign transaction will be governed by applicable foreign laws. This is true even if the foreign market is formally linked to a Canadian market so that a position taken on a market may be liquidated by a transaction on another market. Moreover, such laws or regulations will vary depending on the foreign country in which the transaction occurs. For these reasons, entities such as the fund may not be afforded certain of the protective measures provided by Canadian legislation or Canadian exchanges. In particular, funds received from investors for transactions by the fund on foreign exchanges may not be provided the same protection as funds received in respect of transactions by the fund on Canadian exchanges.

Futures strategy risk

The use of futures contracts is subject to special risk considerations. The primary risks associated with the use of futures contracts are (a) the imperfect correlation between the change in market value of the instruments held by a fund and the price of the futures contract; (b) possible lack of a liquid secondary market for a futures contract and the resulting inability to close a futures contract when desired; (c) losses caused by unanticipated market movements, which are potentially unlimited; (d) the possibility that the counterparty will default in the performance of its obligations; and (e) if a fund has insufficient cash, it may have to sell securities or financial instruments from its portfolio to meet daily variation margin requirements, which may lead to the fund selling securities or financial instruments at a time when it may be disadvantageous to do so.

A fund may not intend to hold futures contracts through their expiration dates; therefore, as a futures contract approaches its settlement date, the fund may sell futures contracts and replace the position with a similar contract with a more distant settlement date. This process is referred to as “*rolling*” a futures contract. Although the fund will attempt to roll from an expiring futures contract to another contract that the Manager believes will generate the greatest yield for the fund, the fund nevertheless may endure a cost to “*roll*” the contracts. In the event of a commodity futures market where near month contracts set to expire trade at a higher price than the next expiring month contract, a situation referred to as “*backwardation*,” then absent the impact of the overall movement in commodity prices, the fund may benefit because it would be selling more expensive contracts and buying less expensive contracts when it “*rolls*” the futures contracts. Conversely, in the event of a commodity futures market where near month contracts trade at a lower price than the next expiring month contracts, a situation referred to as “*contango*,” then absent the impact of the overall movement in commodity prices, the fund may experience an adverse impact because it would be selling less expensive contracts and buying more expensive contracts.

The impact of backwardation and contango may cause the total return of the fund to vary significantly from the total return of other price references. In the event of a prolonged period of contango, and absent the impact of rising or falling commodity prices, there could be a significant negative impact on the fund when it “*rolls*” its futures contract positions.

Global economic conditions and market risk

Market risk is the risk that a fund’s investments (whether they are equity or debt securities) will go down in value, including the possibility that such investments will go down sharply or unpredictably. Such decline may be based on company-specific developments, industry-specific developments and/or market trends. Several factors can influence market trends, such as general economic conditions, regulatory changes, changes in interest rates and currency exchange rates, geopolitical changes, global pandemics or health crises, wars and occupations, terrorism and catastrophic events. These events could also have an acute effect on individual issuers or related groups of issuers, including as a result of a disruption to business operations due to quarantined employees, customers and suppliers in affected areas and due to closure of offices, manufacturing facilities, warehouses and logistics supply chain.

The securities markets have in recent years been characterized by significant volatility and unpredictability due to similar events described above. Continued instability in the markets may increase the risks inherent in portfolio investments made by a fund and a substantial drop in the markets in which a fund invests could be expected to have a negative effect on the fund.

High yield risk

A fund may make investments in high yield bonds that are not investment grade. High yield corporate debt securities involve greater risks than investment grade debt securities, including greater risks of default in the payment of interest and principal, lower recovery rates on a security that is in default and greater price changes due to such factors as general economic conditions and the issuer's creditworthiness. High yield debt securities may also be less liquid than investment grade debt securities. During periods of thin trading, the spreads between bid and ask prices are likely to increase significantly and the fund may have difficulty selling such securities in the market at a perceived fair value or at all. Issuers of high yield bonds are more vulnerable to real or perceived economic changes, political changes or adverse industry developments. In addition, high yield bonds are frequently subordinated to the prior payment of senior indebtedness. If an issuer fails to pay principal or interest, the fund may experience a decrease in income and a decline in the market value of its investments. The fund may also incur additional expenses in seeking recovery from the issuer.

There are no formal exchanges on which such high yield corporate debt securities trade. Accordingly, there may be limited liquidity for holders of such debt securities. The investments of the fund's portfolio in bonds and debentures expose the fund's portfolio and the fund to the credit risk of the underlying issuers including risk of default on interest and principal and the risk that the credit ratings of such issuers may be downgraded in certain circumstances. In addition, real or anticipated changes in the credit ratings on bonds and debentures held in the fund's portfolio may affect the market value of such bonds and debentures.

High yield corporate debt securities can also be regarded as a predominantly speculative investment with respect to the issuer's continuing ability to meet principal and interest payments, involve certain greater risk exposure during adverse market conditions and may be subject to substantially greater price volatility, especially during times of adverse economic change. Global financial markets have experienced a significant volatility that has contributed to a reduction in liquidity and the availability of credit enhancing the likelihood of default by some issuers due to diminishing profitability or an inability to refinance existing debt.

High-yield securities that are rated BB or lower by S&P or Ba or lower by Moody's are often referred to in the financial press as "*junk bonds*" and may include securities of issuers in default. "*Junk bonds*" are considered by the ratings agencies to be predominantly speculative and may involve major risk exposures such as: (i) vulnerability to economic downturns and changes in interest rates; (ii) sensitivity to adverse economic changes and corporate developments; (iii) redemption or call provisions which may be exercised at inopportune times; and (iv) difficulty in accurately valuing or disposing of such securities.

It is often more difficult to value lower rated securities than higher rated securities. If an issuer's financial condition deteriorates, accurate financial and business information may be limited or unavailable. The lower rated investments may be thinly traded and there may be no established secondary market. Because of the lack of market pricing and current information for investments in lower rated securities, valuation of such investments is much more dependent on the judgment of the Manager than is the case with higher rated securities. In addition, relatively few institutional purchasers may hold a major portion of an issue of lower-rated securities at times. As a result, the fund may be required to sell high yield bond investments at substantial losses or retain them indefinitely even where an issuer's financial condition is deteriorating. Credit quality of non-investment grade securities can change suddenly and unexpectedly, and even recently issued credit ratings may not fully reflect the actual risks posed by a particular high-yield security.

Inflation-indexed bond risk

Inflation-indexed bond risk is the risk that such bonds will change in value in respect to actual or anticipated changes in inflation rates in a manner unanticipated by the fund's portfolio management team or investors generally.

Large transaction risk

The fund may have particular investors who own a large proportion of the NAV of the fund. For example, other institutions such as banks and insurance companies or other mutual fund companies may purchase units of the fund in connection with their investment offerings, or investors may purchase units of the fund through their participation in an asset allocation program or model portfolio program. Other retail investors may also have significant holdings of units of the fund.

Large redemptions by one of these large investors may result in (a) large sales of portfolio securities, impacting market value; (b) increased transaction costs (e.g. commission); (c) capital gains being realized, which may increase taxable distributions to investors; and/or (d) the termination of the fund. If this should occur, the returns of investors (including other funds that invest in such underlying fund) may also be adversely affected. The fund may agree with the large investor to allow for in-kind redemptions, by transferring portfolio assets of an equal value to the large redeeming investor, if assets of the fund cannot be sold at advantageous prices without a significant impact to the fund.

Conversely, if one or more of these investors decides to increase its investment in the fund, the fund may have to hold a relatively large position in cash for a period of time while the portfolio manager attempts to find suitable investments. This could negatively impact the fund's return.

Leverage risk

When a fund makes investments in derivatives, borrows cash for investment purposes, or uses physical short sales on equities or other portfolio assets, leverage may be introduced into the fund. Leverage occurs when the fund's notional exposure to underlying assets is greater than the amount invested. It is an investment technique that can magnify gains and losses. Consequently, any adverse change in the value or level of the underlying asset, rate or index may amplify losses compared to those that would have been incurred if the underlying asset had been directly held by the fund and may result in losses greater than the amount invested in the derivative itself. Using leverage involves special risks and should be considered to be speculative. Leverage may increase volatility, may impair the fund's liquidity and may cause the fund to liquidate positions at unfavourable times. In accordance with applicable securities legislation, as an alternative mutual fund, each fund is subject to a gross aggregate exposure limit of 300% of its NAV, which is calculated by adding together the market value of its short positions, the value of any outstanding cash borrowing and the aggregate notional value of its specified derivatives positions that are not entered into for hedging purposes.

Liquidity risk

Liquidity is a measure of how easy it is to convert an investment into cash at a price which reflects the market price at which the investment would typically be valued. An investment may be less liquid if it is not widely traded or if there are restrictions on the exchange where the trading takes place. Some securities may be difficult to buy or sell because they are not well known or because political or economic events significantly affect them. These include investments in specific sectors, especially commodity sectors, and investments in developing or smaller markets. In addition, smaller companies may be hard to value because they are developing new products or services for which there is not yet a developed market or revenue stream. They may only have a small number of shares in the market, which may make it difficult for a fund to buy or sell shares when it wants to. Investments with low liquidity can have dramatic changes in value. For example, the funds may invest up to 10% of its assets in privately offered collective investment schemes with non-traditional investment strategies; such collective investment schemes are illiquid investments.

Loan risk

Loan risk may arise in any of the following situations:

- if the fund holds a loan through another financial intermediary, or relies on a financial intermediary to administer the loan, its receipt of principal and interest on the loan may be subject to the credit risk of that financial intermediary;
- any collateral securing a loan may be insufficient or unavailable to the fund, because, for example, the value of the collateral securing a loan can decline, be insufficient to meet the obligations of the borrower, or be difficult to liquidate, and the fund's rights to collateral may be limited by bankruptcy or insolvency laws;
- investments in highly leveraged loans or loans of stressed, distressed, or defaulted issuers may be subject to significant credit and liquidity risk;
- a bankruptcy or other court proceeding could delay or limit the ability of the fund to collect the principal and interest payments on that borrower's loans or adversely affect the fund's rights in collateral relating to a loan;
- there may be limited public information available regarding the loan and the relevant borrower(s);
- the use of a particular interest rate benchmark may limit the fund's ability to achieve a net return to unitholders that consistently approximates the average published prime rates of U.S. or Canadian banks;
- the prices of certain floating rate loans that include a feature that prevents their interest rates from adjusting if market interest rates are below a specified minimum level may appreciate less than other instruments in response to changes in interest rates should interest rates rise but remain below the applicable minimum level;
- if a borrower fails to comply with various restrictive covenants that may be found in loan agreements, the borrower may default in payment of the loan;
- if the fund invests in loans that contain fewer or less restrictive constraints on the borrower than certain other types of loans ("*covenant-lite*" loans), it may have fewer rights against the borrowers of such loans, including fewer protections against the possibility of default and fewer remedies in the event of default;
- transactions in loans may settle on a delayed basis, and the fund may not receive the proceeds from the sale of a loan for a substantial period of time after the sale, which may result in sale proceeds related to the sale of loans not being available to make additional investments or to meet the fund's redemption obligations until potentially a substantial period after the sale of the loans; and
- loans may be difficult to value and may be illiquid, which may adversely affect an investment in the fund.

No assurances on achieving investment objectives risk

There is no assurance that a fund will achieve its investment objectives. There is no assurance that a fund will be able to pay regular cash distributions on the units. The funds available for distributions to unitholders will vary according to, among other things, the interest, dividends and other distributions paid on the portfolio securities of a fund, the level of option premiums received (if applicable) and the value of the securities comprising the portfolio of a fund. As the interest, dividends and other distributions received by a fund may not be sufficient to meet its objectives in respect of the payment of distributions, the fund may depend on the realization of capital gains, and/or the receipt of option premiums (if applicable) to meet those objectives. Although many investors and financial market professionals price options based on the Black-Scholes Model, in practice actual option premiums are determined in the marketplace and there is no assurance that the premiums predicted by such a pricing model can be attained.

Operational risk

A fund's day to day operations may be adversely affected by circumstances beyond the reasonable control of the Manager, such as failure of technology or infrastructure, natural disasters or global pandemics that affect the productivity of the Manager's or its service providers' workforce.

Reliance on historical data risk

Past trends may not be repeated in the future. The accuracy of the historical data used by the Manager and those individuals who are principally responsible for providing administration and portfolio management services to a fund for research and development, which is often provided by third parties, cannot be guaranteed by the Manager. The Manager only seeks to obtain such data from companies that it believes to be highly reliable and of high reputation.

Real estate investments risk

The value of investments in real estate-related securities, or derivative securities based on returns generated by such securities, will be affected by changes in the value of the underlying real estate held by issuers of such securities. Such changes will be influenced by many factors, including declines in the value of real estate in general, overbuilding, increases to property taxes and operating costs, fluctuations in rental income and changes in applicable zoning laws.

Restrictions on trading due to status risk

The Manager seeks to avoid the risks associated with creating information barriers that would allow it to simultaneously have public and private information about a single issuer. If the Manager or any of its personnel were to receive material non-public information about a particular obligor or asset, or have an interest in causing a fund to transact a particular asset, the Manager may be prevented from causing the fund to transact such asset due to internal restrictions imposed on the Manager. Notwithstanding the maintenance of certain internal controls relating to the management of material non-public information, it is possible that such controls could fail and result in the Manager, or one of its investment professionals, buying or selling an asset while, at least constructively, in possession of material non-public information. Inadvertent trading on material non-public information could have adverse effects on the Manager’s reputation, result in the imposition of regulatory or financial sanctions, and as a consequence, negatively impact the Manager’s ability to perform its investment management services to a fund.

Risks associated with investing in floating rate instruments

A floating rate instrument is one whose terms provide for the adjustment of its interest rate whenever a specified benchmark changes. Floating rate instruments are frequently not rated by credit rating agencies. There may be no active secondary market with respect to a particular floating rate instrument purchased by a fund. The absence of such an active secondary market could make it difficult for a fund to dispose of the floating rate instrument involved in the event the issuer of the instrument defaulted on its payment obligations, and the fund could, for this or other reasons, suffer a loss in the event of a default by the issuer. Floating rate instruments may be secured by assets of the issuer, bank letters of credit or other assets. To the extent that a fund holds floating rate instruments, the fund’s yield may decline, and it may forego the opportunity for capital appreciation during periods when interest rates decline; however, during periods when interest rates increase, a fund’s yield may increase, and the fund may have reduced risk of capital depreciation. Please see “*Types of Risk – Debt securities risk*” for additional risks related to investing in floating rate instruments.

Sector risk

Because the constituent securities of certain funds are heavily concentrated in one or more specific sectors or industries of the economy, the trading price of these fund is expected to be more volatile than that of a fund with a more broadly diversified portfolio.

Securities lending risk

A fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions in order to earn additional income. There are risks associated with securities lending transactions, as well as repurchase and reverse repurchase transactions. Over time, the value of the securities loaned under a securities lending transaction or sold under a repurchase transaction might exceed the value of the cash or collateral held by the fund. If the third party defaults on its obligation to repay or resell the securities to the fund, the cash or collateral may be insufficient to enable the fund to purchase replacement securities and the fund may suffer a loss for the difference. Likewise, over time, the value of the securities purchased by a fund under a reverse repurchase transaction may decline below the amount of cash paid by the fund to the third party. If the third party defaults on its obligation to repurchase the securities from the fund, the fund may need to sell the securities for a lower price and suffer a loss for the difference. For more information about how the funds engage in these transactions, see “*Specific Information About Each of the Mutual Funds Described in this Document – What Does the Fund Invest in? – How the funds engage in securities lending transactions”.*

Short selling risk

Certain funds may engage in a disciplined amount of short selling. A "*short sale*" is where a fund borrows securities from a lender and then sells the borrowed securities (or "*sells short*" the securities) in the open market. At a later date, the same number of securities are repurchased by the fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the fund pays compensation to the lender. If the value of the securities declines between the time that the fund borrows the securities and the time it repurchases and returns the securities, the fund makes a profit for the difference (less any compensation the mutual fund pays to the lender). Short selling involves certain risks. There is no assurance that securities will decline in value during the period of the short sale sufficient to offset the compensation paid by the fund and make a profit for the fund, and securities sold short may instead increase in value. The fund may also experience difficulties repurchasing and returning the borrowed securities if a liquid market for the securities does not exist. The lender from whom the fund has borrowed securities may go bankrupt and the fund may lose the collateral it has deposited with the lender. The lender may decide to recall the borrowed securities which would force the fund to return the borrowed securities early. If the fund is unable to borrow the securities from another lender to return to the original lender, the fund may have to repurchase the securities at a higher price than what it might otherwise pay.

Each fund that engages in short selling will adhere to controls and limits that are intended to offset these risks by selling short only securities of larger issuers for which a liquid market is expected to be maintained and by limiting the amount of exposure for short sales. The funds will also deposit collateral only with lenders that meet certain criteria for creditworthiness and only up to certain limits. Although some funds may not themselves engage in short selling, they may be exposed to short selling risk because the underlying funds in which they invest may be engaged in short selling.

Sovereign debt risk

A fund may invest in sovereign debt securities which are issued or guaranteed by foreign government entities. Investments in sovereign debt are subject to the risk that a government entity may delay or refuse to pay interest or repay principal on its sovereign debt. Some of the reasons for this may include cash flow problems, insufficient foreign currency reserves, political considerations, the size of its debt position relative to its economy or failure to put in place economic reforms required by the International Monetary Fund or other agencies. If a government entity defaults, it may ask the lender for more time to pay, a reduction in the interest rate or for further loans. There is no legal process for collecting sovereign debts that a government does not pay or bankruptcy proceeding by which all or part of sovereign debt that a government entity has not repaid may be collected.

Small capitalization risk

Capitalization is a measure of the value of a company. It is the current price of a company's stock, multiplied by the number of shares issued by the company. Companies with small capitalization may not have a well-developed market for their securities, may be newer and may not have a track record or extensive financial resources. As a result, these securities may be difficult to trade, making their prices and liquidity more volatile than those of large companies.

Style risk

Certain mutual funds are managed in accordance with a particular investment style. Focusing primarily on one particular investment style (e.g., value or growth) to the exclusion of others may create risk in certain circumstances. For example, if a particular focus is placed on growth investing at a time when this investment style is out of favour in the marketplace, increased volatility and lower short-term returns may result.

Tariff risk

Beginning in January 2025, the U.S. announced certain tariffs on imports from countries including Canada. In response, the Canadian government announced retaliatory tariffs on certain imports from the U.S. and the Ontario government announced a levy on electricity sold into the U.S.

There is uncertainty as to whether additional tariffs or retaliatory tariffs will be implemented, which countries will be subject to tariffs, the quantum of such tariffs, the goods on which they may be applied and the ultimate impact on supply chains and business costs. Such uncertainty may also adversely impact the performance of the global economy and individual companies, even if such companies are not directly impacted by tariffs. Changes in U.S. trade policies, levies imposed by Canadian governments, the enforcement of new and existing trade laws, and the responses of other countries could, in certain circumstances, impose significant burdens on international trade, the broader financial system and the economy. Increased global trade restrictions may also result in inflation. Further, the potential introduction of protectionist or retaliatory international trade tariffs, domestic "*buy local*" policies, sanctions or other barriers to international commerce may impact the global economy and stability of global financial markets which could consequently have a material adverse impact on the markets and securities in which the fund may invest.

Tax risk

Each fund will be established in 2025 and is expected to qualify as a "*mutual fund trust*" for purposes of the Income Tax Act by the time it files its first tax return in which it will make an election to be deemed to be a "*mutual fund trust*", effective from the date of its creation. It is the Manager's intention that the conditions prescribed in the Income Tax Act for qualification as "*mutual fund trust*" once met will be satisfied on a continuing basis. If a fund ceases to qualify as a mutual fund trust under the *Income Tax Act*, the income tax considerations described under the heading "*Income Tax Considerations*" in Part A of the simplified prospectus could be materially and adversely different in some respects. For example, if a fund ceases to qualify as a "*mutual fund trust*", units of the fund will no longer be "*qualified investments*" for registered plans unless the fund is also a "*registered investment*". The Income Tax Act imposes penalties on the annuitant, holder or subscriber of a registered plan, as the case may be, for the acquisition and holding of non-qualified investments.

In addition, if a fund is not a "*mutual fund trust*" under the Income Tax Act throughout a taxation year, the fund (i) will not be eligible for the capital gains refund; (ii) may be subject to Part XII.2 tax under the Income Tax Act; and (iii) may be subject to the mark-to-market rules applicable to financial institutions under the Income Tax Act. In addition, in any year throughout which the fund does not qualify as a "*mutual fund trust*", the fund could be subject to alternative minimum tax ("*AMT*") which is computed by reference to an adjusted taxable income amount. Recent amendments to the Income Tax Act broaden the base of the AMT. The amendments, *inter alia*, (i) increase the AMT rate from 15% to 20.5%; (ii) increase the AMT capital gains inclusion rate from 80% to 100%; (iii) disallow 50% of a number of deductions, including interest on funds borrowed to earn income from property and non-capital loss carry-forwards; and (iv) disallow 50% of most non-refundable tax credits. The Income Tax Act has also been amended to introduce new exclusions from the AMT regime, including an exception for a trust that meets the definition of an "*investment fund*" for purposes of the "*loss restriction event*" rules in the Income Tax Act (as described in further detail below). No assurances can be given that the fund will meet or will continue to meet the "*investment fund*" definition.

There can be no assurance that tax laws applicable to the funds, including the treatment of certain gains and losses as capital gains and losses, will not be changed in a manner which could adversely affect the funds or the unitholders of the funds. Furthermore, there can be no assurance that the Canada Revenue Agency (the "*CRA*") will agree with our characterization of the gains and losses of the fund as capital gains and losses or ordinary income and losses in specific circumstances. The CRA's practice is not to grant advance income tax ruling on the characterization of items as capital or income and no advance income tax ruling has been applied for or received from the CRA. If any transactions of the fund are reported on capital account but are subsequently determined by the CRA to be on income account, the net income of the fund for tax purposes and the taxable component of distributions to unitholders could increase. Any such redetermination by CRA may result in the fund being liable for additional taxes. Such potential liability may reduce NAV per series or NAV per unit, as applicable. Any such re-determination by the CRA may result in the fund being liable for unremitted withholding taxes on prior distributions made to unitholders who were not resident in Canada for the purposes of the Income Tax Act at the time of the distributions. As the fund may not be able to recover such withholding taxes from the non-resident unitholders whose units are redeemed, payment of any such amounts by the fund would reduce the NAV of the fund.

The use of derivative strategies may also have a tax impact on the funds. In general, gains and losses realized by a fund from derivative transactions will be on income account, except where such derivatives are used to hedge portfolio securities held on capital account and provided there is sufficient linkage. A fund will generally recognize gains or losses under a derivative contract when it is realized by a fund upon partial settlement or upon maturity. This may result in significant gains being realized by a fund at such times and such gains may be taxed as ordinary income. To the extent such income is not offset by any available deductions, it would be distributed to applicable unitholders in the taxation year in which it is realized and included in such unitholder's income for the year.

In respect of a fund, if the fund experiences a "*loss restriction event*", the fund will: (i) be deemed to have a year-end for tax purposes (which would result in an allocation of the fund's taxable income at such time to unitholders so that the fund is not liable for income tax on such amounts), and (ii) become subject to the loss restriction rules generally applicable to corporations that experience an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on their ability to carry forward losses. Generally, a fund will be subject to a loss restriction event when a person becomes a "*majority-interest beneficiary*" of the fund, or a group of persons becomes a "*majority-interest group of beneficiaries*" of the fund, as those terms are defined in the affiliated persons rules contained in the *Income Tax Act*, with appropriate modifications. Generally, a majority-interest beneficiary of a fund will be a beneficiary who, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, has a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, respectively, in the fund. A person is generally deemed not to become a "*majority-interest beneficiary*", and a group of persons is generally deemed not to become a "*majority-interest group of beneficiaries*", of a fund, if the fund qualifies as an "*investment fund*" for purposes of the loss restriction event rules. A fund will be considered an "*investment fund*" for this purpose if it meets certain conditions, including satisfying certain of the conditions necessary to qualify as a "*mutual fund trust*" for purposes of the *Income Tax Act*, not using any property in the course of carrying on a business and complying with certain asset diversification requirements. There can be no assurance that a fund has qualified or will continue to qualify as an "*investment fund*" for these purposes. There can be no assurance that a fund will not become subject to the loss restriction rules and there can be no assurance when distributions resulting from a loss restriction event will be made.

The Income Tax Act contains rules concerning the taxation of publicly traded Canadian trusts and partnerships that own certain types of property defined as "*non-portfolio property*", or hold derivative instruments in their portfolios or any other property in the course of carrying on a business in Canada (the "*SIFT Rules*"). If the SIFT Rules apply to a trust, including a fund, the trust will be taxed on certain income and gains on a basis similar to that which applies to a corporation with the result that certain tax efficiencies may cease to be available. A trust that is subject to these rules is subject to trust level taxation, at rates comparable to those that apply to corporations, on the trust's income earned from "*non-portfolio property*", net taxable capital gains from the disposition of "*non-portfolio property*", or income from a business, to the extent that such income is distributed to its unitholders. The funds will not be subject to tax under the SIFT Rules as long as the funds comply with their investment restrictions in this regard. If a fund is subject to tax under these rules, the after-tax return to its unitholders could be reduced, particularly in the case of a unitholder who is exempt from tax under the Income Tax Act or is a non-resident of Canada.

If a fund realizes capital gains as a result of the transfer or disposition of its property undertaken to permit a redemption of units by a unitholder, allocation of fund-level capital gains may be permitted pursuant to the declaration of trust (the "*Declaration of Trust*"). Recent amendments to the Income Tax Act will restrict the ability of a mutual fund trust to allocate and designate capital gains as part of the redemption price of units in the case of Series I units to an amount not exceeding the unitholder's accrued gain on the units redeemed, where the unitholder's proceeds of disposition are reduced by the designation. As a result of CRA administrative positions, similar restrictions are also imposed on redemptions of units of a unit trust for purposes of the Income Tax Act. In addition to the limits imposed above, the amount of a fund's deduction with respect to capital gains designations made in respect of its Series I units is generally further limited to the portion of the fund's net taxable capital gain attributed to the Series I units. Collectively, these restrictions are referred to as the "*ATR Rule*".

Recent amendments to the Income Tax Act known as the "*Excessive Interest and Financing Expenses Limitation Rules*" or the "*EIFEL Rules*", in general terms, are intended, where applicable, to limit the deductibility of interest and financing expenses of a Canadian resident corporation or trust to a fixed ratio of tax EBITDA (as calculated in accordance with the EIFEL Rules). If the EIFEL Rules apply to the funds, the amount of any interest and other financing expenses otherwise deductible by a fund in computing its taxable income may be reduced and the taxable component of distributions made by a fund to its unitholders may be increased accordingly. The Manager is reviewing the impact, if any, of the EIFEL Rules on the funds.

Underlying fund risk

As permitted by securities legislation or an exemption therefrom, the fund may pursue its investment objectives indirectly by investing in securities of other funds, including ETFs, mutual funds, closed-end funds or public investment funds in order to gain access to the strategies pursued by those underlying funds. If the fund invests in underlying funds, its investment performance may largely depend on the investment performance of the underlying funds in which it invests. In doing so, the risks associated with investing in that fund include the risks associated with the securities in which the underlying fund invests, along with the other risks of the underlying fund. There can be no assurance that any use of such multi-layered fund-of-fund structures will result in any gains for the fund. If an underlying fund that is not traded on an exchange suspends redemptions, the fund will be unable to value part of its portfolio and may be unable to redeem securities. In addition, the portfolio adviser could allocate an underlying fund's assets in a manner that results in that fund underperforming its peers.

If the fund invests in an investment fund that seeks to provide returns similar to the performance of a particular market index or industry sector index, there is a risk that such investment fund may not achieve the same return as its benchmark market or industry sector index due to differences in the actual weightings of securities held in the fund versus the weightings in the relevant index and due to the operating and administrative expenses of the fund. In addition, the fund may not attempt to take defensive positions in declining markets. Accordingly, the adverse financial condition of an issuer represented in the portfolio of the fund will not necessarily result in the fund ceasing to hold the issuer's securities, unless such securities are removed from the portfolio through the application of the fund's investment methodology.

Additionally, if an underlying fund suspends redemptions, the fund may be unable to accurately value part of its investment portfolio and may be unable to redeem its securities. Underlying funds in which the fund may invest can be expected to incur fees and expenses for operations, such as investment advisory and redemption fees, which would be in addition to those incurred by the fund.

U.S. government securities risk

Debt securities issued or guaranteed by certain U.S. government agencies, instrumentalities, and sponsored enterprises, such as the Federal National Mortgage Association ("*Fannie Mae*") or the Federal Home Loan Mortgage Corporation ("*Freddie Mac*"), are not supported by the full faith and credit of the U.S. government, and so investments in securities or obligations issued by them involve credit risk greater than investments in other types of U.S. government securities.

Withholding tax risk

A fund or underlying fund may invest in global debt or equity securities. While a fund or underlying fund intends to make investments in such a manner as to minimize the amount of foreign taxes incurred under foreign tax laws and subject to any applicable tax conventions with respect to taxes on income and on capital, investments in global debt or equity securities may subject a fund or underlying fund to foreign taxes on interest or dividends paid or credited to it or any gains realized on the disposition of such securities. The return on a fund or underlying fund's portfolio will be net of such foreign withholding tax, unless the terms of the securities in such portfolio require the issuers of such securities to "*gross-up*" payments so that a holder of such securities receives the amount that it would have received in the absence of such withholding tax. There can be no assurances that (i) interest, dividends and gains on securities held in a fund or underlying fund's portfolio will not be subject to foreign withholding tax, or (ii) the terms of securities held in a fund or underlying fund's portfolio will provide for the gross-up referred to above.

Canada has entered into tax treaties with certain foreign countries which may entitle a fund or underlying fund to a reduced rate of tax on such income. Some countries require the filing of a tax reclaim or other forms to receive the benefit of the reduced tax rate. Whether or when a fund or underlying fund will receive the tax reclaim is within the control of the particular foreign country. Information required on these forms may not be available (such as unitholder information); therefore, a fund or underlying fund may not receive the reduced treaty rates or potential reclaims. Certain countries have conflicting and changing instructions and restrictive timing requirements which may cause a fund or underlying fund not to receive the reduced treaty rates or potential reclaims. Certain countries may subject capital gains realized by a fund on sale or disposition of certain securities to taxation in that country. If a fund or underlying fund obtains a refund of foreign taxes, the NAV of the fund or underlying fund will not be restated, and the amount will remain in the fund or underlying fund to the benefit of the then-existing unitholders.

Specific Information About Each of the Mutual Funds Described in this Document

Some Terms Used in This Simplified Prospectus

The Manager has written this document in plain language, but this simplified prospectus includes financial terms that may be new to you. This section explains a number of these terms.

Bonds - fixed income securities issued by governments and corporations to finance their operations or pay for major projects. When you buy a bond, you are in effect lending money to the issuer. In return you receive interest payments and the face amount of the bond on a future date called the maturity date.

Commercial paper - short-term fixed income securities that generally mature in less than one year. They are generally issued by banks, corporations and other borrowers and are usually not backed by any assets.

Common share - an equity security representing part ownership in a company. Common shares usually come with rights such as the right to vote at shareholder meetings.

Convertible securities - bonds, debentures or preferred shares that the owner may exchange for shares of the company.

Debentures - fixed income securities issued by a government or corporation usually backed only by the general credit of the issuer.

Debt securities - debt instrument, such as a government bond, corporate bond, municipal bond or preferred share, that can be bought or sold between two parties and has basic terms defined, such as notional amount, interest rate, and maturity and renewal date. It also includes collateralized securities, such as collateralized debt obligations, collateralized mortgage obligations, mortgage-related securities and zero-coupon securities.

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

Exchange-traded funds (ETFs) - exchange-traded funds or ETFs are investment funds whose securities are listed for trading on an exchange.

Equity securities - securities representing part ownership of a company. A typical example is common shares.

Equity-related securities - securities that behave like equity securities. They include warrants and convertible securities.

Fixed income securities - securities that generate interest or dividend income, such as bonds, debentures, commercial paper, treasury bills and other money market instruments and preferred shares.

Forward contract - an agreement for the future delivery or sale of a foreign currency, commodity or other asset, with the price set at the time the agreement is made.

Maturity - the date on which a fixed income security repays the face amount of the investment. Also known as the date the security comes due.

Money market instruments - short-term fixed income securities that mature in less than a year. They include government treasury bills, commercial paper and bankers' acceptances.

Options - the right, but not the obligation, to buy or sell specific securities or properties at a specified price within a specified time.

Preferred share - a security that usually entitles the owner to a fixed dividend ahead of a company's common shares and to a maximum stated dollar value per share if the company is dissolved.

The following is a guide on the various sections under each fund's profile starting on page 25, which also sets out information that is applicable or shared amongst the funds.

Fund Details

This section gives you a snapshot of the fund with information such as the type of fund, the fund's creation date, the series of units it offers and whether its units are qualified investments for registered plans.

What Does the Fund Invest in?

This section includes the fund's fundamental investment objective and the strategies it uses in trying to achieve its objective. Any change to the fundamental investment objective must be approved by a majority of votes cast at a meeting of unitholders held for that reason. The Manager may change a fund's investment strategies at its discretion without notice or approval.

Investing in underlying funds

All of the funds may invest in underlying funds as permitted by securities regulations, including exchange-traded funds. In selecting underlying funds, the Manager assess a variety of criteria, including:

- management style
- investment performance and consistency
- risk tolerance levels
- caliber of reporting procedures
- quality of the manager and/or portfolio adviser.

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

How the funds use derivatives

A derivative is an investment that derives its value from another investment called the underlying investment. This could be a stock, bond, currency or market index. Derivatives usually take the form of a contract with another party to buy or sell an asset at a later time. Some examples of derivatives are options, swaps, forwards and futures. An option gives its holder the right, but not the obligation, to buy or sell the underlying interest at a specified price within a specified period of time (a call option gives its holder the right to buy; a put option gives its holder the right to sell). A swap is a commitment to exchange one set of payments for another set of payments. A forward is a commitment to buy or sell the underlying interest at a specified price on a specified future date. A future is similar to a forward, except that futures are traded on exchanges.

Some derivatives are settled by one party delivering the underlying interest to the other party, who pays the specified price in full. Other derivatives are settled by a single cash payment representing the final net value of the contract.

Certain funds may use derivatives as permitted by securities regulations. They may use them to:

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

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

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

How the funds engage in securities lending transactions

Certain funds may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions.

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

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

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

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

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

How the funds engage in short selling

Certain funds may short sell as permitted by securities regulations. A short sale by a fund involves borrowing securities from a lender and selling those securities in the open market (or selling short the securities). At a later date, the same number of securities are repurchased by that fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the fund pays compensation to the lender on the borrowed securities. If the value of the securities declines between the time that the fund borrows the securities and the time it repurchases and returns the securities to the lender, the fund will make a profit for the difference (less any compensation the fund is required to pay to the lender). Selling short provides the funds with more opportunities for profits when markets are generally volatile or declining.

The funds will engage in short selling only within certain controls and limitations. Securities will be sold short only for cash and the fund will receive the cash proceeds within normal trading settlement periods for the market in which the short sale is made. All short sales will be effected only through market facilities through which those securities normally are bought and sold. At the time securities of a particular issuer are sold short by a fund, the aggregate market value of all securities of that issuer sold short will not exceed 10% of the NAV of the fund and the aggregate market value of all securities sold short by the fund will not exceed 50% of its NAV. The fund may deposit assets with lenders in accordance with industry practice in relation to its obligations arising under short sale transactions.

The funds have received exemptive relief to increase the short selling limit permitted for alternative mutual funds. Please see "*Exemptions and Approvals*" and "*What Does the Fund Invest in? – Investment strategies*" for each fund for more details.

Investment Restrictions

Except as described below, each of the funds is subject to and follows the investment restrictions and requirements outlined in securities legislation, including NI 81-102 of the Canadian securities administrators. This helps to ensure that each fund's investments are diversified and relatively easy to trade. They also ensure proper administration of the funds.

Tax Related Investment Restrictions

A fund will not make an investment or conduct any activity that would result in the fund (i) failing to qualify as a "*unit trust*" or "*mutual fund trust*" within the meaning of the Income Tax Act, (ii) being subject to the tax for "*SIFT trusts*" for purposes of the Income Tax Act, or (iii) if it is or becomes a "*registered investment*" for purposes of the Income Tax Act, acquiring an investment which is not a "*qualified investment*" under the Income Tax Act if, as a result thereof, the fund would become subject to a material amount of tax under Part X.2 of the Income Tax Act. In addition, a fund will not make or hold any investment in property that would be "*taxable Canadian property*" (if the definition of such term in the Income Tax Act were read without reference to paragraph (b) thereof) if more than 10% of the fund's property consisted of such property.

In addition, none of the funds will (i) invest in or hold (a) securities of or an interest in any non-resident entity, an interest in or a right or option to acquire such property, or an interest in a partnership which holds any such property if the fund (or the partnership) would be required to include significant amounts in income pursuant to section 94.1 of the Income Tax Act, (b) an interest in a trust (or a partnership which holds such an interest) which would require the fund (or the partnership) to report significant amounts of income in connection with such interest pursuant to the rules in section 94.2 of the Income Tax Act, or (c) any interest in a non-resident trust other than an "*exempt foreign trust*" for the purposes of section 94 of the Income Tax Act (or a partnership which holds such an interest); (ii) invest in any security that would be a "*tax shelter investment*" within the meaning of section 143.2 of the Income Tax Act; or (iii) invest in any security of an issuer that would be a "*foreign affiliate*" of the fund for purposes of the Income Tax Act.

In addition, a fund may not enter into any arrangement (including the acquisition of securities for its portfolio) where the result is a "*dividend rental arrangement*" for the purposes of the Income Tax Act, and a fund may not engage in securities lending that does not constitute a "*securities lending arrangement*" for purposes of the Income Tax Act.

Additional investment restrictions specific to a particular fund are described in its fund profile.

IRC Approved Transactions

Each fund has received permission from its independent review committee to (and may from time to time):

- invest in equity and debt securities ("*related party investments*") of CI Financial Corp. ("*related party*"), and
- trade in portfolio securities with other mutual funds managed by the Manager or any of its affiliates ("*inter-fund transfers*").

Related party investments must comply with the rules relating thereto contained in NI 81-107 of the Canadian securities administrators. Additionally, among other matters, the Manager must certify that the related party investment (i) represented the business judgment of the Manager uninfluenced by considerations other than the best interests of the funds and was, in fact, in the best interests of the funds, (ii) was made free from any influence by the related party or any affiliate or associate thereof (other than the Manager) and without taking into account any consideration relevant to the related party or any associate or affiliate thereof, and (iii) was not part of a series of transactions aiming to support or otherwise influence the price of the securities of the related party or related to another form of misconduct.

Inter-fund transfers are subject to the rules relating thereto contained in NI 81-107. Additionally, among other matters, an inter-fund transfer cannot be intended to (i) smooth out or influence performance results, (ii) realize capital gains or losses, (iii) avoid taxable or distributable income or dividends, or (iv) artificially maintain or otherwise manipulate market prices of the portfolio security.

Description of Securities Offered by the Mutual Funds

You will find a description of the features of Series I units under "*Purchases, Switches and Redemptions*" in Part A of the simplified prospectus.

As an investor, you have the right to share in any distributions (other than management fee distributions and distributions paid in respect of a different series of units that are intended to constitute a return of capital) that the funds make. You can sell your units and transfer from one fund to other mutual funds managed by the Manager at any time. If a fund stops operating, you have the right to share in the fund's net assets after it has paid any outstanding debts. You can pledge your units as security, but you may not transfer or assign them to another party. Pledging units held in a registered plan may result in adverse tax consequences. The rights of unitholders may be modified by amending the Declaration of Trust.

You are entitled to receive notice of unitholder meetings, where you will have one vote for each whole unit you own. You have the right to vote on the following matters:

- a change in the method of calculating, or the introduction of, a fee or expense charged to the fund if the change could increase the charges to the fund or its unitholders;
- appointment of a new manager, unless the new manager is an affiliate of the current manager;
- a change in the fund's fundamental investment objective;
- any decrease in the frequency of calculating the NAV per unit of the fund;
- in certain circumstances, a merger with, or transfer of assets to, another issuer if:
  - the fund will be discontinued, and
  - investors in the discontinued fund will become investors in the other issuer;
- a merger with, or acquisition of assets from, another issuer if:
  - the fund will continue;
  - investors in the other issuer will become investors in the fund, and
  - the transaction would be a significant change to the fund; and
- a restructuring of the fund into a non-redeemable investment fund or into an issuer that is not an investment fund.

A change to the fundamental investment objective of the fund would require a majority of votes cast at a meeting of unitholders.

If the fund invests in an underlying fund managed by the Manager or its affiliate, the fund will not vote any of the securities it holds of the underlying funds. However, the Manager may arrange for you to vote your share of those securities.

Distributions

If a fund pays a distribution, it will be paid in the same currency in which you hold your units. Generally, in respect of Series I units, distributions are automatically reinvested, without charges, in additional units of the same fund. You can also ask in writing to have them invested in another mutual fund managed by the Manager or to receive your distributions in cash for funds you hold in non-registered accounts. Cash distributions are not subject to redemption fees. The Manager may change the distribution policy at its discretion.

Year-End Distributions for All Units

If, in any taxation year, after the ordinary distributions, there would remain in a fund additional net income or net realized capital gains, the fund will be required to pay or make payable such net income and net realized capital gains as one or more special year-end distributions in such year to unitholders as is necessary to ensure that the fund will not be liable for non-refundable income tax on such amounts under Part I of the Income Tax Act (after taking into account all available deductions, credits and refunds). Such special distributions may be paid in the form of units and/or cash. Any special distributions payable in units of a fund will increase the aggregate adjusted cost base of a unitholder's units.

For more information about distributions, see "*Income Tax Considerations*" in Part A of the simplified prospectus.

Several Disclosure

Since many attributes of the funds and their respective securities are identical and because there is a common manager, a single simplified prospectus is being used to offer the securities. However, each fund is only responsible for the disclosure herein relating to it and assumes no responsibility or liability for any misrepresentation relating to any of the other funds.

Name, Formation and History of the Funds

The address of the funds is the same as that of CI GAM, which is:

15 York Street
Second Floor, Toronto Ontario
M5J 0A3

Each of the funds will be established as a trust under the laws of Ontario pursuant to the Declaration of Trust. Each fund offers "*units*". Each fund shall have one class of units, within which there shall be one or more series of units issuable. The year-end of the funds for financial reporting purposes is December 31. The Declaration of Trust may be amended from time to time to add a new mutual fund or a new series of units.

Fund name	Date started	Name changes in past 10 years	Mergers with other funds in past 10 years	Amendments made to constating documents in past 10 years
CI Alternative Credit Opportunities Fund	March 25, 2025			
CI Alternative Equity Premium Yield Fund	March 25, 2025			

What are the Risks of Investing in the Fund?

This section shows the specific risks associated with an investment in the fund, which are in addition to those risks affecting all of the funds and/or specific series of the funds. These risks are described in the section "*What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund? – Types of Risk*".

Risk Classification Methodology

The Manager determines the risk level for each fund in accordance with a standardized risk classification methodology in NI 81-102 that is based on the mutual fund's historical volatility as measured by the 10-year standard deviation of the returns of the mutual fund. Standard deviation is a common statistic used to measure the volatility and risk of an investment. Mutual funds with higher standard deviations are generally classified as being more risky. Just as historical performance may not be indicative of future returns, the fund's historical volatility may not be indicative of its future volatility. You should be aware that other types of risk, both measurable and non-measurable, also exist.

Where a fund has offered units to the public for less than 10 years, the standardized methodology requires that the standard deviation of a reference mutual fund or index that reasonably approximates or, for a newly established fund, is reasonably expected to approximate, the standard deviation of the fund be used to determine the risk rating of the fund. As the funds are new, the applicable reference fund or index used to determine the risk ratings for each such fund is displayed in the table at the end of this section.

Each fund is assigned an investment risk rating in one of the following categories:

- **Low** – this level of risk is typically associated with investments in money market funds and Canadian fixed income funds;
- **Low to Medium** – this level of risk is typically associated with investments in balanced funds and global and/or corporate fixed income funds;
- **Medium** – this level of risk is typically associated with investments in equity portfolios that are diversified among a number of large-capitalization Canadian and/or international equity securities;
- **Medium to High** – this level of risk is typically associated with investments in equity funds that may concentrate their investments in specific regions or in specific sectors of the economy; and
- **High** – this level of risk is typically associated with investment in equity portfolios that may concentrate their investments in specific regions or in specific sectors of the economy where there is a substantial risk of loss (e.g., emerging markets, precious metals).

Name of Fund	Reference Index
CI Alternative Credit Opportunities Fund	A blend of 40% ICE BofA Canada Corporate Index, 30% ICE BofA US Corporate Index (CAD-Hedged) and 30% ICE BofA U.S. High Yield Index (CAD-Hedged)
CI Alternative Equity Premium Yield Fund	A blend of 50% CBOE S&P 500 BuyWrite Index (C$) and 50% CBOE S&P 500 PutWrite Index (C$)

Reference Index Descriptions

The **ICE BofA Canada Corporate Index** tracks the performance of CAD denominated investment grade corporate, securitized, and collateralized debt publicly issued in the Canadian domestic market.

The **ICE BofA US Corporate Index** tracks the performance of US dollar denominated investment grade corporate debt publicly issued and settled in the US domestic market.

The **ICE BofA U.S. High Yield Index** is an unmanaged index that tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market.

The **CBOE S&P 500 BuyWrite Index** is a benchmark index designed to track the performance of a hypothetical buy-write strategy on the S&P 500 Index.

The **CBOE S&P 500 PutWrite Index** measures the performance of a hypothetical portfolio that sells S&P 500 Index put options against collateralized cash reserves held in a money market account.

There may be times when the Manager believes the standardized methodology produces a result that does not reflect the fund's risk based on other qualitative factors. As a result, the Manager may place the fund in a higher risk rating category, as appropriate. The Manager reviews the risk rating for the fund on an annual basis or if there has been a material change to the fund's investment objectives or investment strategies. As part of the Manager's annual review, the Manager also reviews its investment risk classification methodology and ensures that the reference indexes used for its calculations are appropriate.

The manner in which the Manager identifies risks is available on request, at no cost, by calling 1-800-792-9355 or by emailing service@ci.com.

CI Alternative Credit Opportunities Fund

Fund Details

Fund type	Alternative strategies
Date started **Series I**	March 25, 2025
Type of securities	Units of a mutual fund
Registered plan eligibility	Expected to be eligible
Portfolio Adviser	CI Global Asset Management

What Does the Fund Invest in?

Investment objective

The fund's investment objective is to generate consistent positive total returns with an emphasis on capital preservation and capital appreciation. The fund will be primarily invested in investment and non-investment grade fixed income instruments in the developed world.

The fund will use leverage. The leverage will be created through the use of cash borrowings, short sales and derivative contracts. The fund's leverage must not exceed three times the fund's net asset value. The leverage will be calculated in accordance with the methodology prescribed by securities laws, or any exemptions therefrom.

Any change to the fundamental investment objective must be approved by a majority of votes cast at a meeting of unitholders held for that reason.

Investment strategies

The fund will be primarily invested in investment and non-investment grade fixed income instruments in the developed world. The portfolio adviser will purchase and manage a core portfolio primarily in investment grade and non-investment grade debt, the selection of which will be based on rigorous fundamental research and technical market conditions. The portfolio adviser believes that the inherent complexity and inefficiency of global corporate bond markets allows for consistent opportunities to execute on its investment strategy. The investment will be allocated across multiple issuers, industry sectors and geographical locations, in all parts of the capital structure and maturity profile.

The portfolio adviser will utilize leverage prudently to increase the expected yield of the portfolio while limiting expected volatility to be consistent with unlevered fixed income products.

The fund may also invest in other fixed income securities including government bonds, preferred shares, floating rate debt instruments, asset-backed securities, and exchange-traded funds. The fund will invest primarily in debt securities denominated in Canadian dollars, U.S. dollars and Euros. The fund may also invest in derivative contracts, which may include interest rate and currency swaps, total return swaps, futures, forwards, options, credit default swaps and other credit related derivative products. The fund's portfolio will be well diversified across issuer, sector and markets and will maintain a high degree of liquidity by investing primarily in securities which are widely traded by multiple dealers.

In order to reduce portfolio volatility, the portfolio adviser will engage in the short-selling of corporate debt, credit ETFs and the application of credit derivatives as an overlay to the portfolio. When taking a "*short*" position, the portfolio adviser may sell an instrument that the fund does not own and would then borrow to meet its settlement obligations. The portfolio adviser may also take "*short*" positions in futures, forwards, swaps, bonds, loans, equities, and preferred shares. A "*short*" position will benefit from a decrease in price of the underlying instrument and will lose value if the price of the underlying instrument increases. A "*long*" position will benefit from an increase in price of the security and will lose value if the price of the security decreases.

Interest rate sensitivity will generally be maintained lower than the fund's reference index, except in circumstances where the portfolio adviser feels it is prudent to extend rate sensitivity. Rate sensitivity will be reduced primarily by short-selling government bonds, or utilizing short positions in bond futures, to offset long positions in corporate bonds. Other techniques may be used to reduce rate sensitivity, including bond options, interest rate swaps and/or other securities which demonstrate negative interest rate correlation to corporate bonds.

The portfolio adviser may execute currency hedges on foreign securities positions in order to minimize portfolio sensitivity to currency fluctuations. The portfolio adviser typically intends to significantly hedge the non-Canadian currency exposure attributable to the portfolio to the Canadian dollar. However, the portfolio adviser may choose not to hedge any individual currency exposure to the extent that the portfolio adviser, in its sole discretion, deems it impractical or deems such exposure appropriate.

It is expected that returns will be generated through a combination of interest income, trading gains and capital gains.

The portfolio adviser may also choose to

- use warrants and derivatives such as options, futures, forward contracts and swaps to:
    - hedge against losses from changes in interest rates, credit quality and the prices of the fund's investments and from exposure to foreign currencies; and/or
    - gain exposure to individual securities and financial markets instead of buying the securities directly;
- enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, to the extent permitted by securities regulations, to earn additional income for the fund (see "*Specific Information About Each of the Mutual Funds Described in this Document – What Does the Fund Invest in? – How the funds engage in securities lending transactions*"); and
- hold cash, cash equivalent securities or fixed-income securities for strategic reasons or in the event of adverse market, economic and/or political conditions.

The fund will employ a flexible approach to its use of derivative instruments and has the ability to opportunistically use options, swaps, futures and forward contracts for hedging and non-hedging purposes under different market conditions.

Pursuant to exemptive relief from the Canadian securities authorities, the fund may

- borrow cash up to a maximum of 100% of its NAV;
- sell securities short up to a maximum of 100% of its NAV (other than "*government securities*" as defined in NI 81-102); and
- engage in the short selling of "*government securities*" (as such term is defined in NI 81-102) in an amount up to 300% of the NAV of the fund;

provided that

- the fund's aggregate exposure to short selling, cash borrowing and specified derivatives transactions will not exceed 300% of the fund's NAV;
- immediately after entering into a cash borrowing or short selling transaction, the aggregate value of cash borrowed combined with the aggregate market value of the securities sold short does not exceed 100% of its NAV (other than "*government securities*" as defined in NI 81-102);
- the aggregate market value of all securities of any particular issuer sold short by the fund will not exceed 10% of the total NAV of the fund;
- the fund will not deposit collateral with a dealer in Canada unless the dealer is registered in a jurisdiction of Canada and is a member of the Canadian Investment Regulatory Organization ("*CIRO*"); and

- the fund will not deposit collateral with a dealer outside Canada unless that dealer (a) is a member of a stock exchange that requires the dealer to be subjected to a regulatory audit; and (b) has a net worth in excess of $50 million.

The fund may invest up to 20% of its NAV in securities of a single issuer including exposure to that single issuer through specified derivative transactions or index participation units.

Pursuant to exemptive relief from the Canadian securities authorities, the fund may also invest up to:

- 20% of its net assets, taken at market value at the time of purchase in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by supranational agencies or governments other than the government of Canada, the government of a jurisdiction in Canada, or the government of the U.S. and are rated "*AA*" by S&P Global Ratings Canada ("*S&P*") or its "*DRO affiliate*" (as defined in NI 81-102), or have an equivalent rating by one or more other "*designated rating organizations*" (as defined in NI 81-102) or their DRO affiliates; and
- 35% of its net assets, taken at market value at the time of purchase, in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by supranational agencies or governments other than the government of Canada, the government of a jurisdiction in Canada, or the government of the U.S. and are rated "*AAA*" by S&P or its DRO affiliate, or have an equivalent rating by one or more other designated rating organizations or their DRO affiliates

  (such evidences of indebtedness, collectively, "*Foreign Government Securities*"),

provided that certain conditions are met, including (i) the fund has investment objective and strategies that permit it to invest a majority of its net assets in fixed income securities, including Foreign Government Securities; (ii) a) and b) are not combined for any one issuer; (iii) any security purchased pursuant to this relief is traded on a mature and liquid market; and (iv) the acquisition of Foreign Government Securities is consistent with the fundamental investment objective of the fund.

Pursuant to exemptive relief from the Canadian securities authorities, the fund may, subject to certain conditions, invest more than 20% of its net assets in debt obligations issued or guaranteed by either Fannie Mae or Freddie Mac. For more details, please refer to "*Exemptions and Approvals – Investments in Debt Obligations Issued or Guaranteed by the Federal National Mortgage Association ("Fannie Mae") or the Federal Home Loan Mortgage Corporation ("Freddie Mac")"* in Part A of the simplified prospectus.

As permitted by applicable securities regulations and exemptive relief, the fund may obtain exposure, on some or all of its assets, to securities of other mutual funds, including domestic and foreign ETFs. The fund may also invest up to 10% of its assets in privately offered collective investment schemes with non-traditional investment strategies (see "*Specific Information About Each of the Mutual Funds Described in this Document – What Does the Fund Invest in?*" and "*Exemptions and Approvals*" in Part A of the simplified prospectus). To the extent that the fund invests directly or indirectly in such collective investment schemes, the Manager or its affiliates may have the potential to share in carried interest revenues earned by the manager of the underlying investment.

Pursuant to exemptive relief from the Canadian securities authorities, the fund may, subject to certain restrictions, purchase securities of ETFs that seek to:

- provide daily results that replicate the daily performance of a specified widely-quoted market index on a leveraged basis (a multiple of 200% or an inverse multiple of 100% or 200%); and/or
- seek to replicate the performance of gold, or the value of a specified derivative the underlying interest of which is gold, on a leveraged (a multiple of 200%) basis.

For a more detailed description of the limits within which the fund may engage in such investments, please refer to "*Exemptions and Approvals – Investment in Leveraged Exchange-Traded Funds*" in Part A of the simplified prospectus.

What are the Risks of Investing in the Fund?

An investment in the fund may be subject to the following risks:

- debt securities risk
- defaulted securities risk
- fixed income risk
- high yield risk
- inflation-indexed bond risk
- loan risk
- risks associated with investing in floating rate instruments
- sovereign debt risk
- U.S. government securities risk.

You will find an explanation of each risk as well as an explanation of other general risks that apply to the fund under "*What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund? – Types of Risk*".

Distributions

The fund expects to make a distribution each month. If the fund earns more net income or net capital gains than the distribution, it will distribute the excess each December. If the fund earns less than the amount distributed, the difference is a return of capital. For more information, see "*Specific Information About Each of the Mutual Funds Described in this Document – Distributions*".

Generally, distributions are automatically reinvested, without charges, in additional units of the fund unless you ask in writing to have them invested in another mutual fund managed by CI GAM. You can ask to receive your distributions in cash for the fund if you hold it in non-registered accounts. Cash distributions are not subject to redemption fees. We may change the distribution policy at our discretion. For more information, see "*Specific Information About Each of the Mutual Funds Described in this Document – Distributions*".

CI Alternative Equity Premium Yield Fund

Fund Details

Fund type	Alternative strategies
Date started **Series I**	March 25, 2025
Type of securities	Units of a mutual fund
Registered plan eligibility	Expected to be eligible
Portfolio Adviser	CI Global Asset Management

What Does the Fund Invest in?

Investment objective

The fund's investment objective is to provide investors with regular distributions and long-term capital appreciation through an active strategy of investing primarily in North American equity securities, and option writing on equity securities. The fund will also consider buying put options, short sales or other derivative instruments to hedge market exposure when appropriate.

The fund will use leverage to generate additional yield for investors. The leverage will be created through the use of cash borrowings, short sales and derivative contracts. The fund's leverage must not exceed three times the fund's net asset value. The leverage will be calculated in accordance with the methodology prescribed by securities laws, or any exemptions therefrom.

Any change to the investment objective must be approved by a majority of votes cast at a meeting of unitholders held for that reason.

Investment strategies

The fund invests primarily in equity and equity-related securities, including by entering into option strategies on such securities, as permitted by Canadian securities regulations.

The investment process is primarily based on fundamental analysis and is further enhanced by proprietary quantitative analysis.

In selecting investments for the fund, the portfolio adviser uses a combination of top-down macro analysis and fundamental analysis for bottom-up security selections. When deciding whether to buy or sell an investment, the portfolio adviser also considers whether the investment is a good value relative to its current price.

Once a security has been identified as an attractive investment, the fund may purchase the security or, if the portfolio would like to own the security at a lower price, the portfolio adviser may consider the writing of put options at such lower price if the puts are attractively priced. The portfolio adviser appraises that attractiveness of the puts using proprietary quantitative and fundamental analysis. The process includes determining if the implied volatility priced into the puts by the market is rich relative to the portfolio adviser's expectations. As part of this strategy, the fund may acquire equity securities directly as a result of such securities being exercised by holders of puts written by the fund.

The fund may also engage in the writing of covered call options. The portfolio adviser may consider the writing of covered call options on an equity security owned by the fund if the calls are attractively priced. The portfolio adviser appraises the attractiveness of the calls using proprietary quantitative and fundamental analysis.

The fund may buy put options on indexes or stocks as a hedging/risk management mechanism for the portfolio. Furthermore, the fund may buy call options to limit downside exposure for unique opportunities where research indicates upside is substantial but tangible risks remain.

The fund may use leverage in order to engage in overwriting of put and call options in order to generate additional yield, or to generate additional returns for the fund.

The allocations between direct investment in equity securities and various option strategies will depend on economic and market conditions. A combination of macro, fundamental and quantitative analysis provides the framework for these strategies.

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

The fund may hold more cash when warranted, such as when no suitable investments can be found, or short-term market risks are high, and dynamically manage its market exposures with the aim of protecting capital and to enhance the potential for long-term absolute returns.

The fund may seek to manage its currency exposure through a combination of cash, foreign currency over-the-counter ("*OTC*") derivatives, foreign currency forwards, futures and swaps.

The portfolio adviser may also choose to:

- use warrants and derivatives such as options, futures, forward contracts and swaps to:
    - hedge against losses from changes in interest rates, credit quality and the prices of the fund's investments and from exposure to foreign currencies; and/or
    - gain exposure to individual securities and financial markets instead of buying the securities directly;
- enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, to the extent permitted by securities regulations, to earn additional income for the fund (see "*Specific Information About Each of the Mutual Funds Described in this Document – What Does the Fund invest in? – How the funds engage in securities lending transactions*"); and
- hold cash, cash equivalent securities or fixed-income securities for strategic reasons or in the event of adverse market, economic and/or political conditions.

The fund will employ a flexible approach to its use of derivative instruments within aggregate gross exposure limit of 150%. The fund has the ability to opportunistically use options, swaps, futures and forward contracts for hedging and non-hedging purposes under different market conditions. The fund may use derivative instruments where the underlying interest of the derivative is an exchange traded fund.

Short selling is undertaken as part of the investment strategy to benefit from falling securities prices and is not used as a portfolio hedging tool. Short positions are subject to a more prudent risk taking approach with smaller position sizing and more frequent profit taking. The fund engages in short selling by borrowing securities from a prime broker and providing collateral to the prime broker. The portfolio adviser may also take "*short*" positions in futures, forwards and swaps. A "*short*" position will benefit from a decrease in price of the underlying instrument and will lose value if the price of the underlying instrument increases. A "*long*" position will benefit from an increase in price of the security and will lose value if the price of the security decreases (see "*Specific Information About Each of the Mutual Funds Described in this Document – What Does the Fund Invest in? – How the funds engage in short selling"*).

The fund may be leveraged through the use of cash borrowings, derivatives and short selling. The portfolio adviser does not use leverage to increase the net invested position of the fund greater than the aggregate gross exposure limit of 150% of the NAV of the fund.

Pursuant to exemptive relief from the Canadian securities authorities, the fund may

- borrow cash up to a maximum of 100% of its NAV;
- sell securities short up to a maximum of 100% of its NAV (other than "*government securities*" as defined in NI 81-102); and
- engage in the short selling of "*government securities*" (as such term is defined in NI 81-102) in an amount up to 300% of the NAV of the fund;

provided that

- the fund's aggregate exposure to short selling, cash borrowing and specified derivatives transactions will not exceed 300% of the fund's NAV;
- immediately after entering into a cash borrowing or short selling transaction, the aggregate value of cash borrowed combined with the aggregate market value of the securities sold short does not exceed 100% of its NAV (other than "*government securities*" as defined in NI 81-102);
- the aggregate market value of all securities of any particular issuer sold short by the fund will not exceed 10% of the total NAV of the fund;
- the fund will not deposit collateral with a dealer in Canada unless the dealer is registered in a jurisdiction of Canada and is a member of the Canadian Investment Regulatory Organization ("*CIRO*"); and
- the fund will not deposit collateral with a dealer outside Canada unless that dealer (a) is a member of a stock exchange that requires the dealer to be subjected to a regulatory audit; and (b) has a net worth in excess of $50 million.

The fund may invest up to 20% of its NAV in securities of a single issuer including exposure to that single issuer through specified derivative transactions or index participation units.

Pursuant to exemptive relief from the Canadian securities authorities, the fund may, subject to certain conditions, invest more than 20% of its net assets in debt obligations issued or guaranteed by either Fannie Mae or Freddie Mac. For more details, please refer to "*Exemptions and Approvals – Investments in Debt Obligations Issued or Guaranteed by the Federal National Mortgage Association ("Fannie Mae") or the Federal Home Loan Mortgage Corporation ("Freddie Mac")"* in Part A of the simplified prospectus.

As permitted by applicable securities regulations and exemptive relief, the fund may obtain exposure, on some or all of its assets, to securities of other mutual funds, including domestic and foreign ETFs. The fund may also invest up to 10% of its assets in privately offered collective investment schemes with non-traditional investment strategies (see "*Specific Information About Each of the Mutual Funds Described in this Document – What Does the Fund Invest in?*" and "*Exemptions and Approvals*" in Part A of the simplified prospectus). To the extent that the fund invests directly or indirectly in such collective investment schemes, the Manager or its affiliates may have the potential to share in carried interest revenues earned by the manager of the underlying investment.

Pursuant to exemptive relief from the Canadian securities authorities, the fund may, subject to certain restrictions, purchase securities of ETFs that seek to:

- provide daily results that replicate the daily performance of a specified widely-quoted market index on a leveraged basis (a multiple of 200% or an inverse multiple of 100% or 200%); and/or
- seek to replicate the performance of gold, or the value of a specified derivative the underlying interest of which is gold, on a leveraged (a multiple of 200%) basis.

For a more detailed description of the limits within which the fund may engage in such investments, please refer to "*Exemptions and Approvals – Investment in Leveraged Exchange-Traded Funds*" in Part A of the simplified prospectus.

What are the Risks of Investing in the Fund?

An investment in the fund may be subject to the following risks:

- equity risk
- real estate investments risk
- small capitalization risk
- style risk
- use of covered call options risk.

You will find an explanation of each risk as well as an explanation of other general risks that apply to the fund under "*What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund? – Types of Risk*".

Distributions

The fund expects to make a distribution each month. If the fund earns more net income or net capital gains than the distribution, it will distribute the excess each December. If the fund earns less than the amount distributed, the difference is a return of capital. For more information, see "*Specific Information About Each of the Mutual Funds Described in this Document – Distributions*".

Generally, distributions are automatically reinvested, without charges, in additional units of the fund unless you ask in writing to have them invested in another mutual fund managed by CI GAM. You can ask to receive your distributions in cash for the fund if you hold it in non-registered accounts. Cash distributions are not subject to redemption fees. We may change the distribution policy at our discretion. For more information, see "*Specific Information About Each of the Mutual Funds Described in this Document – Distributions*".

CI Global Asset Management
15 York Street
Second Floor
Toronto, Ontario
M5J 0A3

You can find additional information about each fund in its fund facts document, management reports of fund performance and financial statements. These documents are incorporated by reference into this simplified prospectus. That means they legally form part of this document just as if they were printed in it.

You can get a copy of these documents at your request and at no cost by calling 1-800-792-9355, by emailing service@ci.com, or by asking your representative.

These documents and other information about the funds, including information circulars and material contracts, are also available on the funds' designated website at www.ci.com or at www.sedarplus.ca.

CI Global Asset Management is a registered business name of CI Investments Inc.

To request an alternative format of this document, please contact the Manager through its website at www.ci.com or by calling 1-800-792-9355.

CI ALTERNATIVE CREDIT OPPORTUNITIES FUND
CI ALTERNATIVE EQUITY PREMIUM YIELD FUND