

The units described in this Offering Memorandum (the “Offering Memorandum”) are being offered on a private placement basis in reliance on exemptions from the requirement to prepare and file a prospectus with securities regulatory authorities. This Offering Memorandum constitutes an offering of the units described herein only in those jurisdictions and to those persons where and to whom they may lawfully be offered for sale. This Offering Memorandum is not, and under no circumstances is to be construed as, a prospectus or an advertisement for a public offering of such units. No securities regulatory authority in Canada has in any way passed upon the merits of the units offered in this Offering Memorandum nor has it reviewed this Offering Memorandum and any representation to the contrary is an offence.

MAJESTIC ASSET MANAGEMENT

RIVEMONT CRYPTO FUND

Series A, B, F and I Units

OFFERING MEMORANDUM

Dated as of

October 1, 2017

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SUMMARY OF THE OFFERING

The following is a summary of the terms and conditions of an investment in the Fund (as defined below). This summary is qualified in its entirety by the more detailed information contained in this Offering Memorandum and the information contained in the Fund's Trust Agreement (as defined below). Prospective investors are encouraged to consult their own professional advisors as to the tax and legal consequences of investing in the Fund. Unless otherwise indicated, all amounts are expressed in Canadian dollars.

The Fund

The investment fund offered herein is the RIVEMONT CRYPTO FUND (the “**Fund**”).

The Fund is an open-ended trust established on October 1, 2017 under the laws of the Province of Québec by an amended and restated trust agreement dated May 1, 2014, as amended, restated or supplemented from time to time (the “**Trust Agreement**”). TSX Trust Company (the “**Trustee**”) acts as the trustee of the Fund and Majestic Asset Management LLC (“**Majestic**” or the “**Manager**”) acts as the investment fund manager of the Fund pursuant to the Trust Agreement. Majestic also acts as derivatives portfolio manager of the Fund. Rivemont Investments Inc. (“**Rivemont**” or the “**Investment Advisor**”) acts as the investment advisor of the Fund. SGGG Fund Services Inc. (the “**Administrator**”) acts as the administrator of the Fund and registrar (the “**Registrar**”) of the Fund. Interactive Brokers Canada Inc., Scotiabank Inc. and certain reputable cryptocurrency exchanges, brokers or custodians act as custodian of the Fund (the “**Custodians**”) See “Custodians”. Scotiabank Inc. or Interactive Brokers Canada Inc. also acts as the broker of the Fund (the “**Broker**”). See “*RIVEMONT CRYPTO FUND*”.

Series and Units

Investments in the Fund are represented by trust units of the Fund (the “**Units**”). The Fund is permitted to have an unlimited number of Series of Units (each a “**Series**”), having such terms and conditions as the Manager may determine. The number of Units of each Series is unlimited.

The Fund currently has the following four Series of Units:

- (i) **Series A Units**: this Series of Units is offered to accredited investors under the terms of this Offering Memorandum who are not eligible to purchase Series B Units, Series F Units or Series I Units;
- (ii) **Series B Units**: this Series of Units is offered to accredited investors under the terms of this Offering Memorandum who have invested more than \$1,000,000 (or such other amount determined by the Manager from time to time) in the Fund;
- (iii) **Series F Units**: this Series of Units is offered to accredited investors under the terms of this Offering Memorandum who purchase such units through a dealer sponsored fee-for-service or wrap program and who pay an asset-based fee to their dealer; and
- (v) **Series I Units**: this Series of Units is offered to institutional investors at the discretion of the Manager. The Manager will negotiate the terms of purchase of the Series I Units with each investor, including the management fee and the performance fee that will be paid by the Fund in respect of such investor's Series I Units. No sales commission is payable when an investor buys or redeems Series I Units. An investor buying Series I Units must enter into a Series I Unit agreement with the Manager before the investor can buy Series I Units.

Holders of Units of the Fund will be hereinafter referred to as “**Unitholders**”.

If the creation of additional Series of Units of the Fund would adversely affect the pecuniary value of the interest of Unitholders of another Series of the Fund, the Manager will notify the Unitholders of the affected Series and provide them with sufficient time to redeem their Units in the Fund. See “*Units of the Fund*”.

Certain expenses, including management fees, and liabilities of the Fund, as set out in this Offering Memorandum or as determined by the Trustee or the Manager, in their sole discretion, are to be attributed exclusively to a particular Series of Units of the Fund (“**Series Expenses**”).

The Offering

Under the terms of this Offering Memorandum, Units are offered on a continuous basis to “accredited investors” resident in any province of Canada (the “**Canadian Jurisdictions**”) pursuant to applicable exemptions from the prospectus requirements contained in the securities legislation in the Canadian Jurisdiction. Units may also be offered to residents of foreign jurisdictions (the “**Foreign Investors**”) subject to any sales restrictions in such foreign jurisdictions (the “**Foreign Jurisdictions**”, together with the Canadian Jurisdictions, the “**Offering Jurisdictions**”). Under no circumstances will the Manager accept a subscription for Units, whether initial or subsequent, if its distribution cannot be made in reliance on any such exemptions. Furthermore, the Manager will ensure that Foreign Investors never hold more than 50% of the Units of the Fund at any time.

An investor is required to notify the Manager if its qualification under an exemption from the prospectus requirement contained in the securities legislation in the applicable Canadian Jurisdiction changes or if such investor no longer satisfies the residence requirements to invest in the Fund.

Any monies received with a rejected order will be promptly refunded to the investor without any interest. See “*Investing in Units of the Fund*”.

Price

Units are offered at the Series Net Asset Value per Unit (as defined below) calculated as of the applicable Valuation Date (as defined below). Fractional Units will be issued up to four decimal points.

Investment Objective and Strategy

Investment Objective

The Fund seeks to generate profits by making investments, directly or indirectly, in established cryptocurrencies as well as by identifying emerging opportunities in cryptocurrencies. The Fund may also invest in other types of securities/assets related to cryptocurrencies and blockchain technology and other related products that demonstrate strong fundamental qualities.

Investment Strategy

The Fund uses an approach that combines both technical and fundamental analysis. The objective is to concentrate the portfolio in cryptocurrencies that offer solutions to various industry problems.

The portfolio could be composed of both established and emerging cryptocurrencies that meet different industry needs and which may result from the emergence of new blockchain technologies. The Fund initially intends to solely invest indirectly in cryptocurrencies through the use of derivatives until such time as a suitable custodian is appointed to hold Bitcoin and Ethereum directly for the Fund. Once a suitable custodian is

approved by the Autorité des Marchés Financiers and is appointed, the Fund will invest directly in Bitcoin and Ethereum. Direct investments in additional cryptocurrencies will require the written approval of the Autorité des Marchés Financiers pursuant to conditions imposed by the Autorité des Marchés Financiers and the Ontario Securities Commission.

Through the analysis of white papers published by the cryptocurrency developers, the Investment Advisor will focus on cryptocurrencies, developed by reputable teams, that demonstrate clear practical applications and have a well-established development schedule. The Investment Advisor will also analyze technical trends seeking to invest in cryptocurrencies having an upward trend. Following this approach helps to limit the risk of downward or uncertain trends, while maximizing profitability during clear and extended upward trends. The Investment Advisor may take advantage of downside trends by taking a short position in one or more cryptocurrencies to generate positive returns in a down-trending market.

The Investment Advisor may also invest in securities other than cryptocurrencies that are related to cryptocurrencies and blockchain technology. For example, this type of investments could be a cryptocurrency-mining firm or an Exchange Traded Fund (“ETF”) that mimics the price movement of a cryptocurrency.

See “*Investment Objective and Strategy – Investment Strategy*”.

Authorized Investments

The Fund may only invest in specified securities. See “*Investment Objective and Strategy – Authorized Investments*”.

Investment Restrictions

The investment restrictions that the Investment Advisor must follow in investing the assets and property of the Fund, and other conditions that the Fund must meet, are as follows:

- (i) The Fund will not make or retain an investment in another partnership if any interest in that partnership is a “tax shelter investment” for purposes of the *Income Tax Act* (Canada) (the “**Tax Act**”);
- (ii) The Fund will not undertake any investment that would cause it to lose its status as a “mutual fund trust” for the purposes of the Tax Act;
- (iii) The Fund will ensure that Foreign Investors never hold more than 50% of the Units of the Fund at any time;
- (iv) The Fund’s gross leverage will remain between 100% and -50%. Gross leverage is defined as the addition of long positions and short positions;
- (v) The Fund’s net leverage will remain between 100% and -50%. Net leverage is defined as the sum of long positions reduced by the sum of short positions.

The Trustee

TSX Trust Company is the Trustee of the Fund. See “*Management of the Fund – The Trustee*”.

The Manager

Majestic is the investment fund manager of the Fund and may also act as derivatives portfolio manager of the Fund. It is responsible for the day-to-day business of the Fund. The Manager is registered with the Autorité des marchés financiers (“AMF”) as an

exempt market dealer, investment fund manager, portfolio manager and derivatives portfolio manager. The Manager is also registered as a commodity trading manager, exempt market dealer, investment fund manager and portfolio manager with the Ontario Securities Commission. Majestic carries out its activities from Montréal, Québec. The Manager is a Delaware Limited Liability Company and is registered under the *Commodity Exchange Act* (U.S.) as a Commodity Trading Advisor (“CTA”) since October 26, 2006. Majestic is a member of the National Futures Association, the industry-wide, self-regulatory organization of the United States futures industry. See “*Management of the Fund - The Manager*”.

The Investment Advisor

Rivemont has been appointed by Majestic as the investment advisor of the Fund and is responsible for the management of the Fund’s investment portfolio. The Investment Advisor is a corporation established under the laws of Canada and is registered with the AMF as a portfolio manager. Rivemont is a Montreal and Gatineau based asset manager specialized in traditional and alternative investments, specifically absolute return strategies. See “*Management of the Fund – The Investment Advisor*”.

Valuation

The Fund’s net asset value (the “**Net Asset Value**”) is calculated as the value of the Fund’s assets, less its liabilities, computed on a particular date in accordance with the Fund’s Trust Agreement. The Administrator will calculate the Net Asset Value of the Fund as of every Thursday of each week (or, if Thursday is not a Business Day, the next Business Day), the last Business Day of every month, December 31 of each year, and such other Business Day(s) as the Manager may determine (each, a “**Valuation Date**”), at 6:00 pm. (Eastern time) (the “**Valuation Time**”). In addition, for the purpose of calculating the Performance Fees (as defined below), the Administrator will calculate the Net Asset Value of the Fund as of the last Business Day of every calendar quarter (the “**Performance Fee Date**”). For the purpose of this Offering Memorandum, a “**Business Day**” is a day on which the main branch of the Royal Bank of Canada in Toronto, Ontario is open for business.

Purchase of Units

Investors may be admitted to the Fund and purchase Series A Units, Series B Units, Series F Units and Series I Units or may acquire additional Units on a weekly basis on each Valuation Date. The Units are being offered using the mutual fund order entry system FundSERV.

Funds in respect of any subscription will be payable by investors at the time of the subscription. Investors who wish to make an initial subscription for Units of the Fund may do so by delivering a subscription application (in such form as the Manager may approve from time to time) to the Manager, through Dealers (as defined below) or other persons permitted by applicable securities laws to sell Units, accompanied by wire transferred funds in an amount equal to the purchase price through the FundSERV network. Additional subscriptions for Units of the Fund must be made by delivering a request to that effect through the FundSERV network.

Units will be offered at the Series Net Asset Value per Unit calculated as of the applicable Valuation Date. Subscription applications must be received at least one (1) Business Day prior to the Valuation Date and accepted by the Manager by 3:00 pm on the Business Day preceding that Valuation Date. Subscriptions that are received or accepted by the Manager after such day will be made as of the following Valuation Date. All subscriptions for Units are to be forwarded by Dealers, without charge, to the Manager or delivered through the FundSERV network, as applicable, the same day that they are received. See “*Investing in Units of the Fund - Purchase of Units*”.

Minimum Investment

The minimum initial investment in the Fund is \$500 for Series A Units and Series F Units,

and \$1,000,000 for Series B Units and Series I Units for an investor who is an “accredited investor” as described in applicable securities legislation. Subsequent investments are subject to an additional minimum investment of \$500, subject to applicable securities legislation. These minimum amounts may be waived by the Manager, in its sole discretion. See “*Investing in Units of the Fund - Minimum Initial and Subsequent Investments*”.

Redemptions

Series A, B, F and I Units may be surrendered to the Manager for redemption by entering a request for redemption on the FundSERV network at least thirty (30) Days prior to the Valuation Date on which Units are to be redeemed (the “**Redemption Date**”). Although purchases will be allowed on every Valuation Day, redemptions will be processed in the order in which they are received on the last Valuation Date of each month. Under certain circumstances, the Manager is entitled to suspend or restrict rights of redemption. The Manager may, in its sole discretion, limit redemptions to 25% of the Net Asset Value of the Fund per calendar year. See “*Redemption of Units*”. The Manager may cause the Fund to redeem, without notice, Units owned by a non-resident of Canada, if the continued ownership of such non-resident could cause the Fund to be unable to obtain or to lose its status as a mutual fund trust for the purposes of the Tax Act

Short-Term Trading Deduction

In order to protect the interest of the majority of Unitholders in the Fund and to discourage short-term trading in the Fund, Unitholders may be subject to a short-term trading deduction. If a Unitholder redeems Units of the Fund within 90 days of purchasing such Units, the Fund may deduct and retain, for the benefit of the remaining Unitholders in the Fund, five percent (5%) of the Series Net Asset Value of the Units being redeemed.

Transfer of Units

No transfers of Units of the Fund may be made other than by operation of law or with the consent of the Manager. Units will also be subject to certain resale restrictions under applicable securities laws. See “*Transfer of Units*”.

Expenses

The Fund will pay for all routine and customary expenses relating to the Fund’s operation, including administrative fees, registrar and transfer agency fees and expenses, trustee fees (if any), custodian fees, auditing, legal and accounting fees, communication expenses, printing and mailing expenses, all costs and expenses associated with the sale or redemption of Units, including securities filing fees (if any) and dealer servicing costs (other than dealer servicing commissions referred to below, which are at the expense of the Manager), expenses relating to providing financial and other reports to Unitholders and convening and conducting meetings of Unitholders, all taxes, assessments or other governmental charges levied against the Fund, interest expenses and all investment expenses relating to the investments made on behalf of the Fund and all expenses incurred by the various service providers of the Fund when such expenses relate to the affairs of the Fund. In addition, the Fund will pay for expenses associated with ongoing investor relations and education relating to the Fund. Expenses in connection with the initial organization of the Fund and the initial offering of Units are expected to be amortized over a period of five years. See “*Fees and Expenses - Expenses*”.

Management Fees

For providing services to the Fund, the Manager receives management fees (the “**Management Fees**”) from the Fund. The Management Fees are, for each Series, Series Expenses attributable to that Series. In the case of Series I Units, the Management Fees are negotiated with each investor and are calculated at the Unit level.

Units of the Series, other than Series I Units, are charged annual Management Fees equal to the following percentages of the Series Net Asset Value of the said Series of the Fund,

calculated and accrued on each Valuation Date and payable monthly:

<u>Series A</u>	<u>Series B</u>	<u>Series F</u>
2.00%	1.50%	1.00%

Management Fees are subject to applicable taxes, including QST and GST or HST.

Pursuant to the investment advisory agreement between the Manager and the Investment Advisor (the “**Advisory Agreement**”), the Investment Advisor receives an advisory fee directly from the Manager. As such, the Investment Advisor does not receive any fees directly from Fund.

Performance Fees

The Manager also receives performance fees (the “**Performance Fees**”) from the Fund attributable to Series A Units, Series B Units, and Series F Units. In the case of Series I Units, Performance Fees, if any, are negotiated with each investor.

The Performance Fees are calculated and accrued on a monthly basis and are paid on a quarterly basis (eg. on each of 31 March, 30 June, 30 September and 31 December) on the performance fee dates or on redemption of units. Performance Fees are calculated at the Unit level and in respect of Series A Units, Series B Units and Series F Units, will equal the aggregate of 20% of the positive amount obtained, if any, when the High Water Mark (as defined below) of each Unit is subtracted from the Series Net Asset Value per Unit of the Unit on the date of payment (if such difference in respect of a Unit is negative then the Performance Fee payable in respect of such Unit for the applicable Performance Fee Date shall be zero – the Performance Fee payable in respect of a Unit shall not be affected in any way by the performance of any other Unit).

The “**High Water Mark**” for a Unit means, initially, its subscription price and thereafter will be adjusted from time to time to equal its Series Net Asset Value per Unit immediately following the payment of a Performance Fee to the Manager in respect of such Unit. The High Water Mark does not reset. This ensures that any decline in the Series Net Asset Value per Unit has to be recouped before Performance Fees will be charged in respect of such Unit in any subsequent period.

Performance Fees are subject to applicable taxes, including QST and GST or HST. See “*Fees and Expenses - Performance Fees*”.

Pursuant to the Advisory Agreement the Manager may pay all or a portion of the Performance Fees to the Investment Advisor. The Investment Advisor does not directly receive a Performance Fee from the Fund.

Dealer Compensation

Registered dealers (“**Dealers**”) who distribute Units may be paid a sales commission and servicing fees. See “*Dealer Compensation*”.

Distributions

In general, the net income of the Fund is calculated and distributed on a yearly basis to all Unitholders on a prorated basis, net of fees. Distributions may also occur on such other date as may be determined from time to time by the Manager.

The Fund intends to distribute sufficient net income (including net realized capital gains, if any) to Unitholders in each calendar year to ensure that the Fund is not liable for income tax under Part I of the *Income Tax Act* (Canada) (the “**Tax Act**”) after taking into account any loss carry forwards. All distributions (other than Special Distributions described in “*Fees and Expenses*”) will be made on a pro rata basis within each Series to each registered Unitholder determined as of the Valuation Time (prior to any subscriptions or redemptions) on the applicable Valuation Date. The Trustee will distribute net income and net realized capital gains of the Fund, if any, on an annual basis, on the last Valuation Date in each taxation year, and on such other dates as deemed appropriate by the Administrator.

Unless a distribution in cash is requested by a Unitholder and such cash distribution is agreed to by the Manager, distributions will be reinvested in Units of the Fund. See “*Distributions*”.

Tax Consequences

A prospective Unitholder should consider carefully all of the potential tax consequences of an investment in the Units and should consult with their tax advisor before subscribing for Units. For a discussion of certain income tax consequences of this investment, see “*Canadian Federal Income Tax Considerations*”.

Eligibility for Investment

Provided the Fund is a mutual fund trust under the Tax Act, Units of the Fund will be qualified investments under the Tax Act and the regulations thereunder for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans or tax-free savings accounts. Holders of tax-free savings accounts and registered disability savings plans, annuitants under registered retirement savings plans or registered retirement income funds and subscribers of a registered education savings plans should consult with their own tax advisors as to whether Units would be a prohibited investment under the Tax Act in their particular circumstances.

Risk Factors

The Fund is subject to various risk factors. See “*Risk Factors*”.

Fiscal Year

The Fund’s fiscal year will end on December 31 of each year.

Reports

Unitholders will be sent audited annual financial statements within 90 days of year end and unaudited semi-annual financial statements within 60 days of June 30, or as otherwise required by law. Additional interim reporting to Unitholders will be at the discretion of the Manager. The Fund may enter into other agreements with certain Unitholders, which may entitle such Unitholders to receive additional reporting. Unitholders will receive the applicable required tax form(s) within the time required by applicable law to assist Unitholders in making the necessary tax filings.

RIVEMONT CRYPTO FUND

The investment fund offered herein is the RIVEMONT CRYPTO FUND (the “**Fund**”).

The Fund is an open-ended trust established on October 1, 2017 under the laws of the Province of Québec by an amended and restated trust agreement dated May 1, 2014, as amended, restated or supplemented from time to time (the “**Trust Agreement**”). TSX Trust Company (the “**Trustee**”) acts as the trustee of the Fund and Majestic Asset Management LLC (“**Majestic**” or the “**Manager**”) acts as the investment fund manager of the Fund pursuant to the Trust Agreement. Majestic also acts as derivatives portfolio manager of the Fund. Rivemont Investments Inc. (“**Rivemont**” or the “**Investment Advisor**”) acts as the investment advisor of the Fund. The other service providers to the Fund include SGGG Fund Services Inc., who acts as the administrator (the “**Administrator**”) and registrar (the “**Registrar**”) of the Fund. Interactive Brokers Canada Inc., Scotiabank Inc. and certain reputable cryptocurrency exchanges, brokers or custodians act as custodian of the Fund (the “**Custodians**”) See “Custodians”. Scotiabank Inc. or Interactive Brokers Canada Inc. also acts as the broker of the Fund (the “**Broker**”).

The office of the Fund is located at the office of the Manager, being 300 St-Sacrement Street, Suite 320, Montréal, Québec, H2Y 1X4.

The description of provisions of the Trust Agreement contained herein is subject to and qualified in its entirety by the Trust Agreement.

Investments in the Fund are represented by trust units of a series of the Fund (the “**Units**”). The Fund is permitted to have an unlimited number of series of Units (each, a “**Series**”), having such terms and conditions as the Manager may determine. Each Unit of a Series represents an undivided interest in the net assets of the Fund attributable to that Series of Units. The number of Units of each series is unlimited.

Four Series of Units of the Fund are offered under this Offering Memorandum:

- (i) **Series A Units:** this Series of Units is offered to accredited investors under the terms of this Offering Memorandum who are not eligible to purchase Series B Units, Series F Units or Series I Units;
- (ii) **Series B Units:** this Series of Units is offered to accredited investors under the terms of this Offering Memorandum who have invested more than \$1,000,000 (or such other amount determined by the Manager from time to time) in the Fund;
- (iii) **Series F Units:** this Series of Units is offered to accredited investors under the terms of this Offering Memorandum who purchase such units through a dealer sponsored fee-for-service or wrap program and who pay an asset-based fee to their dealer; and
- (v) **Series I Units:** this Series of Units is offered to institutional investors at the discretion of the Manager. The Manager will negotiate the terms of purchase of the Series I Units with each investor, including the management fee and the performance fee that will be paid by the Fund in respect of such investor’s Series I Units. No sales commission is payable when an investor buys or redeems Series I Units. An investor buying Series I Units must enter into a Series I Unit agreement with the Manager before the investor can buy Series I Units.

Additional Series of Units may be offered in the future without notice to, approval of existing holders of Units of the Fund (“**Unitholders**”).

INVESTMENT OBJECTIVE AND STRATEGY

Investment Objective

The Fund seeks to generate profits by making investments, directly or indirectly, in established cryptocurrencies as well as by identifying emerging opportunities in cryptocurrencies. The Fund may also invest in other types of securities/assets

related to cryptocurrencies and blockchain technology and other related products that demonstrate strong fundamental qualities.

The Fund seeks to take advantage of the rapid emergence of blockchain technologies to deliver a return that is completely independent of other more traditional types of investments. The Fund makes it possible to invest in the development of this complex industry because the investment advisor has the technical knowledge required to invest in cryptocurrencies, and is able to understand and manage the security risks involved, which is key for investing in this entirely electronic space. The portfolio is both composed of established cryptocurrencies with high yield potential, as well as emerging cryptocurrencies with strong fundamental characteristics allowing for high and rapid growth.

Investment Strategy

The Fund uses an approach that combines both technical and fundamental analysis. The objective is to concentrate the portfolio in cryptocurrencies that offer solutions to various industry problems.

The portfolio may be composed of both established and emerging cryptocurrencies that meet different industry needs and which may result from the emergence of new blockchain technologies. The Fund initially intends to solely invest indirectly in cryptocurrencies through the use of derivatives until such time as a suitable custodian is appointed to hold Bitcoin and Ethereum directly for the Fund. Once a suitable custodian is approved by the Autorité des Marchés Financiers and is appointed, the Fund will invest directly in Bitcoin and Ethereum. Direct investments in additional cryptocurrencies will require the written approval of the Autorité des Marchés Financiers pursuant to conditions imposed by the Autorité des Marchés Financiers and the Ontario Securities Commission.

Through the analysis of white papers published by the cryptocurrency developers, the Investment Advisor will focus on cryptocurrencies, developed by reputable teams, that demonstrate clear practical applications and have a well-established development schedule. The Investment Advisor will also analyze technical trends seeking to invest in cryptocurrencies having an upward trend. Following this approach helps to limit the risk of downward or uncertain trends, while maximizing profitability during clear and extended upward trends. The Investment Advisor may take advantage of downside trends by taking a short position in one or more cryptocurrencies to generate positive returns in a down-trending market.

The Investment Advisor may also invest in securities other than cryptocurrencies that are related to cryptocurrencies and blockchain technology. For example, this type of investments could be a cryptocurrency-mining firm or an Exchange Traded Fund (“ETF”) that mimics the price movement of a cryptocurrency.

Authorized Investments

Only the investments stipulated below are permitted for the Fund:

Cryptocurrencies

If you reduce the definition of “cryptocurrencies” to its simplest form, they are basically entries in a database that no one can change without fulfilling specific conditions. In other words, the technology supporting cryptocurrencies is a decentralized network of peers keeping a consensus about accounts and balances. Essentially, a cryptocurrency is a digital asset designed to work as a medium of exchange using cryptography to secure the transactions and to control the creation of additional units of the currency. Cryptocurrencies are entries about tokens (coins) in decentralized consensus-databases. They are called cryptocurrencies because the consensus-keeping process is secured by strong cryptography.

Cryptocurrencies are classified as a subset of cryptocurrencies and are also classified as a subset of alternative currencies and virtual currencies. While Bitcoin became the first decentralized cryptocurrency in 2009, numerous cryptocurrencies have been created since. These are frequently called altcoins, as a blend of bitcoin alternative. The three main issues cryptocurrencies solve are:

1. National currency creation is based on debt creation. Most cryptocurrencies are rather created through value creation.

2. Banks are the creators of national currency supplies. Cryptocurrencies are owned and controlled by the communities that use them.
3. Most banks invest their liquidities based on no other value other than profit maximization. Cryptocurrencies are created to support specific projects.

Permitted investments in this category consist of all cryptocurrencies, including Bitcoin, all “Altcoins”, ICOs (Initial Coin Offerings - similar to initial public offerings (IPOs) in the stock market.), tokens (a type of cryptocurrency not aimed at the financial market), Tether (a cryptocurrency whose value is based on fiat currency, useful for facilitating exchanges among brokers) and all projects related to blockchain technologies. The Fund may take both long and short positions.

Stocks, Exchange Traded Funds (“ETFs”), Money Market Instruments and Cash

Permitted investments in this category consist of any of the following that relate to cryptocurrencies and blockchain technology and other related products: equities (common stocks, ADRs and ETFs) listed on recognized North American stock exchanges, cash (in any currency), demand deposits, treasury bills, short-term notes, bonds, banker’s acceptances, government paper, term deposits, guaranteed investment certificates or other financial instruments issued by chartered banks, and commercial paper.

Derivative Products

Permitted investments in this category consist of options listed on recognized North American stock exchanges, forwards, swaps and currencies (forwards and swaps could be used for currency hedging) related to cryptocurrencies and blockchain technology and other related products.

Mutual Funds and Pooled Funds

The Fund may invest in securities of pooled investment vehicles, that relate to cryptocurrencies and blockchain technology and other related products, such as, but not limited to, mutual funds, pooled funds (open-end or closed-end), special purpose vehicles, limited partnerships or investment trusts, whether or not they are managed or advised by the Manager or the Investment Advisor, that invest in any of the above investments, real estate, private debt, private equity, infrastructure, real assets or that apply market neutral and absolute return strategies.

When the Fund invests in securities of another investment fund, there are fees and expenses payable by the other investment fund in addition to the fees and expenses payable by the Fund. Where the Fund invests in securities of another investment fund, the Fund does not pay management fees or incentive fees that, to a reasonable person, would duplicate a fee payable by the other investment fund for the same service. Similarly, the Fund does not pay sales or redemption fees in relation to the other investment fund that, to a reasonable person, would duplicate a fee payable by an investor in the Fund. Where the other investment fund is also managed by the Manager, the Fund will not pay any sales fees or redemption fees with respect to its purchase or redemption of securities of the other investment fund.

Investment Restrictions

The investment restrictions that the Investment Advisor must follow in investing the assets and property of the Fund, and other conditions that the Fund must meet, are as follows:

- (i) The Fund will not make or retain an investment in another partnership if any interest in that partnership is a “tax shelter investment” for purposes of the *Income Tax Act* (Canada) (the “**Tax Act**”);
- (ii) The Fund will not undertake any investment that would cause it to lose its status as a “mutual fund trust” for the purposes of the Tax Act;
- (iii) The Fund will ensure that Foreign Investors never hold more than 50% of the Units of the Fund at any time;
- (iv) The Fund’s gross leverage will remain between 100% and -50%. Gross leverage is defined as the addition of long positions and short positions;

- (v) The Fund's net leverage will remain between 100% and -50%. Net leverage is defined as the sum of long positions reduced by the sum of short positions.

MANAGEMENT OF THE FUND

The Trustee

TSX Trust Company acts as the trustee of the Fund pursuant to the Trust Agreement. The Trustee has those powers and responsibilities in respect of the Fund as described in the Trust Agreement. The Trustee is required to exercise its powers and discharge the duties of its office honestly and in good faith and in connection therewith to exercise the degree of care, diligence and skill that a reasonably prudent Canadian trust company would exercise in comparable circumstances.

The Manager may remove the Trustee and appoint a successor trustee from time to time on 60 days' written notice to the Trustee and the Unitholders. The Trustee may resign upon 90 days' written notice to the Manager and the Unitholders. If no successor Trustee is appointed, the Fund will be terminated.

Under the terms of the Trust Agreement, the Trustee benefits from a general disclaimer of liability and has a right of indemnification from the Fund for any claims or liabilities arising out of the execution of its duties as trustee, except in cases of gross negligence, misfeasance or wilful misconduct on the part of the Trustee or breach of its standard of care. Pursuant to the Trust Agreement, the Trustee has delegated certain powers and duties to other parties, including the Manager, such duties including but not limited to those specified in this Offering Memorandum. The Trust Agreement deems all such delegation to be in fulfillment of the Trustee's standard of care.

The Manager

The Manager is responsible for the day-to-day business of the Fund.

Majestic is a Montréal-based quantitative alternative asset manager that specializes in managing institutional and individual assets. Majestic is a Limited Liability Company formed under Delaware law and has been registered under the *Commodity Exchange Act* (US) as a Commodity Trading Advisor (CTA) since October 26, 2006. The Manager is a member of the National Futures Association, the industry-wide, self-regulatory organization for the United States futures industry. The Manager is registered with the AMF as an exempt market dealer, investment fund manager, portfolio manager and derivatives portfolio manager. Majestic is also registered as a commodity trading manager, exempt market dealer, investment fund manager and portfolio manager with the Ontario Securities Commission (the "OSC").

Pursuant to the Trust Agreement, the Manager has authority to manage the business and affairs of the Fund and has authority to bind the Fund. The Manager has the power to appoint one or more investment advisors to manage the Fund's property and assets. Among its other powers, the Manager may establish the Fund's operating expense budgets and authorize the payment of operating expenses. The Manager may delegate any of its powers to third parties where, in the discretion of the Manager, it would be in the best interests of the Fund to do so.

The Manager is required to exercise its powers and discharge the duties of its office honestly, in good faith, and in the best interests of the Fund and in connection therewith must exercise the degree of care, diligence and skill that a reasonable prudent person would exercise in comparable circumstances.

The Manager may resign upon 90 days' written notice to the Trustee and the Unitholders of the Fund, or such other notice period of not less than 30 days that may be agreed upon between the Manager and the Trustee. The Manager may appoint a successor manager. If no successor manager is appointed, the Fund will be terminated. The Fund may also be terminated following (i) a material default by the Manager of its obligations under the Trust Agreement which is not cured in due course; (ii) the Manager having been declared bankrupt or insolvent or having entered into liquidation or winding-up; or (iii) the assets of the Manager having become subject to seizure or confiscation by any public or governmental authority.

Under the terms of the Trust Agreement, the Manager benefits from a general disclaimer of liability and has a right of indemnification from the Fund for any claims or liabilities arising out of the execution of its duties under the Trust

Agreement, except in cases of negligence, misfeasance or wilful misconduct on the part of the Manager or breach of its standard of care.

The services of the Manager under the Trust Agreement are not exclusive to the Fund, and nothing in the Trust Agreement will prevent the Manager, or any affiliate thereof, from providing similar services to other investment funds and other clients (irrespective of whether their investment objectives and policies are similar to those of the Fund) or from engaging in other activities.

The Manager has the exclusive power to manage and direct the investment of the Fund Property and is solely responsible for the day to day business of the Fund including the selection and oversight of all third-party service providers, including the Investment Advisor and the Custodians.

Majestic also acts as derivatives portfolio manager of the Fund.

Senior Officers of the Manager

The following individuals are the senior officers of the Manager:

David Bilodeau, DMS, CIM, FCSI
Co-Chief Executive Officer & Chief Investment Officer

David Bilodeau is Co-Founder, Co-Chief Executive Officer and Chief Investment Officer of Majestic Asset Management. He oversees all portfolio management and trading at Majestic and leads the firm's business development. Mr. Bilodeau earned a Bachelor's degree in Business Administration from HEC University and began his career working at Refco Canada Inc. and Man Financial Canada Co. He subsequently became a Fellow of the Canadian Securities Institute (CSI), which earned him the FCSI designation. Furthermore, he holds the Chartered Investment Manager (CIM) and the Derivatives Market Specialist (DMS) designations. Mr. Bilodeau has over 22 years of trading experience on stocks, options and futures contracts.

Denis Paquette, FRM, CAIA, DMS
Co-Chief Executive Officer, Chief Operating Officer and Chief Compliance Officer

Denis Paquette is Co-Founder, Co-Chief Executive Officer, Chief Operating Officer and Chief Compliance Officer of Majestic Asset Management. He is responsible for the research and development of trading strategies as well as risk management. Mr. Paquette has significant experience in the derivatives markets with over 17 years of futures trading experience. Over the years trading derivatives, he has become significantly involved in the development and implementation of quantitative trading strategies. Mr. Paquette is a Certified Financial Risk Manager (FRM), and a member of the Global Association of Risk Professionals (GARP). He also holds the professional designation of Chartered Alternative Investment Analyst (CAIA) and is a member of the CAIA association. In addition, he is a Derivatives Market Specialist (DMS), a designation earned from the Canadian Securities Institute.

The Investment Advisor

The Manager has retained Rivemont pursuant to the terms of an investment advisory agreement (the "**Advisory Agreement**") to provide portfolio management services in respect of the Fund's investment portfolio.

The Investment Advisor is a corporation established pursuant to the laws of Canada and is registered with the AMF and the OSC as a portfolio manager. The Investment Advisor is a Montréal and Gatineau based asset manager specialized in traditional and alternative investments, or more specifically, absolute return strategies.

The Investment Advisor is required, pursuant to the Advisory Agreement, to exercise its powers and discharge the duties of its office honestly, in good faith, and in the best interests of the Fund and in connection therewith must exercise the degree of care, diligence and skill that a reasonable prudent person would exercise in comparable circumstances.

The Advisory Agreement is subject to termination by the Investment Advisor upon 60 days' prior notice. The Advisory Agreement is subject to immediate termination by the Manager in the event that the Investment Advisor ceases to be authorized to provide portfolio management services or in the event of any fraud or material wrongdoing by the Investment Advisor in the conduct of its business. The Advisory Agreement is also subject to immediate termination in the event of the bankruptcy or insolvency of either party.

Senior Officer and Portfolio Manager of the Investment Advisor

The following individuals are the Senior Officers of the Investment Advisor:

Martin Lalonde, MBA, CFA
President, Senior Portfolio Manager and Chief Compliance Officer

Martin Lalonde is the president and founder of Rivemont Investments Inc. He is responsible for all investment decisions made in respect of Rivemont's investment strategies. He has more than 14 years of experience in financial markets and holds a Master's Degree in Business Administration (MBA) from the University of Ottawa with a specialization in international trade from the École supérieure de commerce de Reims, in France. He also holds the title of CFA (Chartered Financial Analyst) and is an active member of the Ottawa CFA Society.

Philippe Jetté
Senior Analyst, Cryptocurrencies

Philippe Jetté joined the Rivemont team at the launch of the Rivemont Crypto Fund. Passionate about emerging technologies, Mr. Jetté has closely followed the development of blockchain technologies and has an in-depth understanding of its many advantages, both as a currency and on the various industries that can be reinvented thanks to this revolution.

Conflicts of Interest

The services of the Manager, the Investment Advisor and their respective officers, directors and affiliates are not exclusive to the Fund. The Manager, the Investment Advisor and any of their respective affiliates and associates may, at any time, engage in the promotion, management or investment management of any other fund or trust and provide similar services to other investment funds and other clients and engage in other activities. Investment decisions for the Fund will be made independently of those made for other clients and independently of investments of the Manager or the Investment Advisor. On occasion, however, the Manager and/or the Investment Advisor may make the same investment for the Fund and for one or more of their other clients. If the Fund and one or more of the other clients of the Manager or the Investment Advisor are engaged in the purchase or sale of the same security, the transactions will be effected on an equitable basis. Each of the Manager and the Investment Advisor has adopted a conflict of interest policy to address and minimize potential conflicts of interest. In each case, the policy states that the Manager and the Investment Advisor, as the case may be, will deal fairly, honestly and in good faith with all clients and not advantage one client over another.

Future investment activities of the Manager, the Investment Advisor, their respective affiliates and their principals, partners, directors, officers and employees, may give rise to additional conflicts of interest.

Custodians

Assets of the Fund, including subscription proceeds before being used to purchase cryptocurrencies, will be held in a broker account in the name of the Fund at Interactive Brokers Canada Inc. ("**Interactive Brokers**"). Interactive Brokers will notably serve as foreign exchange broker to convert currencies before sending currencies to cryptocurrency exchanges. Interactive Brokers may also hold cryptocurrency related securities and serve as broker for other for hedging purposes.

Assets of the Fund may also be held or transit through bank accounts, denominated in different currencies, in the name of the Fund at Scotiabank Inc. Such bank accounts will either serve as flow-through accounts to facilitate the wire of currencies to cryptocurrency exchanges or will be used to hold assets which may notably be used to pay for expenses of the Fund.

In addition, reputable cryptocurrency exchanges, brokers or custodians will be used to hold or trade the cryptocurrencies of the Fund. When cryptocurrencies are expected to be held for an extended period of time, they may be transferred to digital wallets in the name of the Fund held at custody firms for safekeeping.

The Manager has identified the following custody firms that may be used to act as exchanges, brokers or custodians for the cryptocurrencies of the Fund.

- Gemini Trust Company, LLC (“**Gemini**”) is a trust company regulated by the New York State Department of Financial Services (NYDFS), which will offer both exchange and custodial services for the Fund. Gemini’s clients include financial institutions, which have higher requirements with regard to compliance, financial reserves, liquidity, anti-money laundering, consumer protection, cybersecurity and regulatory oversight. Gemini’s customer’s funds are pooled with each other, and the vast majority of these cryptocurrencies are kept in Cold Storage. The Fund may also retain other trusted parties for exchange and custodial services.
- Xapo Inc. (“**Xapo**”) is a Hong Kong based company known for its extensive emphasis on Bitcoin safekeeping. The firm’s security system is built using three layers; cryptographic, physical and jurisdictional, which have the intended purpose to counter well-funded ill-intentioned groups and hackers. Xapo is also one of the few cryptocurrency custodians to offer institutional services such as customizable user permissions and segregated wallets.

Condition Related to Investment Funds Investing in Cryptocurrencies

The CSA have advised Majestic and Rivemont that, because the Fund will be carrying out a new type of business in Canada, namely activities relating to investments funds investing in cryptocurrencies, additional obligations are imposed in order for the regulators to adequately monitor developments in this new area.

Conditions relating to Majestic

The AMF granted Majestic the authorization to establish and act as the investment fund manager and derivatives portfolio manager of the Fund, subject to certain conditions. The conditions include notably the obligation for Majestic to obtain the AMF's prior approval to (i) establish or act as manager of an investment fund that invests in cryptocurrencies, (ii) amend the investment objective of the Fund, (iii) change the entity that maintains custody of the cryptocurrencies held by Fund, (iv) change the entity mainly responsible for the execution of trades in the cryptocurrencies for the Fund; and (v) make a material change in Majestic's valuation policies and procedures applicable to cryptocurrencies.

In addition, Majestic is responsible for the oversight of the functions performed by each cryptocurrency custodian and each cryptocurrency broker and, is required to enter into with each of these parties a written agreement providing, among other things that the cryptocurrency custodian or the cryptocurrency broker is registered and/or licensed as needed to maintain custody of the cryptocurrencies or to execute trades in the cryptocurrencies, as applicable; and that the obligations and duties of the cryptocurrency custodian or the cryptocurrency broker, which obligations and duties shall include the establishment and maintenance of compliance systems that are sufficient to provide reasonable assurance that applicable regulatory requirements are complied with, and to manage the risks associated with its business, including those associated with cryptocurrencies, in accordance with prudent business practices. Majestic must also take commercially reasonable measures to make sure that each cryptocurrency custodian provides Majestic, within thirty days following the calendar year end, with a copy of the most recent report from an independent auditor reviewing the sufficiency of each cryptocurrency custodian's practices regarding custody of the cryptocurrencies for which it acts as custodian. Majestic must take commercially reasonable measures to make sure it will promptly be notified by each cryptocurrency custodian and cryptocurrency broker, so that it can in turn promptly notify its principal regulator, in the event of a material change to the operations or regulatory status of the cryptocurrency custodian or the cryptocurrency broker or of a material change to the insurance policies, contingency reserves or other similar arrangements held or maintained by the cryptocurrency custodian or the cryptocurrency broker to compensate or mitigate losses suffered by such entity's customers or users in connection with such entity's operations.

Prior to making a trade in a cryptocurrency, Majestic shall, where it acts as portfolio manager with respect to the Fund, make its own determination of the current and reasonable fair price of the relevant cryptocurrency.

Moreover, the conditions also include certain additional reporting obligations.

Conditions relating to Rivemont

The AMF granted Rivemont the authorization to act as manager of the investment portfolio of the Fund, subject to certain conditions including notably the obligation for Rivemont to obtain the AMF's prior approval to (i) manage the investment portfolio of an investment fund that invests in cryptocurrencies, (ii) amend the investments of the Fund to include a cryptocurrency not previously held by that investment fund and (iii) make a material change in Rivemont's valuation policies and procedures applicable to the cryptocurrencies. In addition, Rivemont is required to make its own determination of the current and reasonable fair price of the relevant cryptocurrency prior to making a trade in a cryptocurrency and to provide the AMF with details of all instances where a trade was made on a cryptocurrency despite the fact that the trading price determined by Rivemont for that cryptocurrency materially differed from the current price of the relevant cryptocurrency.

UNITS OF THE FUND

Investments in the Fund are represented by Units. The Fund is permitted to have an unlimited number of series of Units (each, a "Series"), having such terms and conditions as the Manager may determine. Each Unit of a Series represents an undivided beneficial interest in the net assets of the Fund attributable to that Series of Units. The Manager, in its discretion,

determines the number of Series of Units and establishes the attributes of each Series, including investor eligibility, the designation and currency of each Series, the initial closing date for the first issuance of Units of the Series, any minimum initial or subsequent investment thresholds, any minimum redemption amounts or minimum account balances, valuation frequency, fees and expenses of the Series, sales or redemption charges payable in respect of the Series, redemption rights, convertibility among Series and any additional Series specific attributes. If the creation of additional Series of Units of the Fund would adversely affect the pecuniary value of the interest of Unitholders of another Series of the Fund, the Manager will notify the Unitholders of the affected Series and provide them with sufficient time to redeem their Units in the Fund.

The Fund currently has the following four Series of Units:

(i) **Series A Units:** this Series of Units is offered to accredited investors under the terms of this Offering Memorandum who are not eligible to purchase Series B Units, Series F Units, or Series I Units;

(ii) **Series B Units:** this Series of Units is offered to accredited investors under the terms of this Offering Memorandum who have invested more than \$1,000,000 (or such other amount determined by the Manager from time to time) in the Fund;

(iii) **Series F Units:** this Series of Units is offered to accredited investors under the terms of this Offering Memorandum who purchase such units through a dealer sponsored fee-for-service or wrap program and who pay an asset-based fee to their dealer; and

(v) **Series I Units:** this Series of Units is offered to institutional investors at the discretion of the Manager. The Manager will negotiate the terms of purchase of the Series I Units with each investor, including the management fee and the performance fee that will be paid by the Fund in respect of such investor's Series I Units. No sales commission is payable when an investor buys or redeems Series I Units. An investor buying Series I Units must enter into a Series I Unit agreement with the Manager before the investor can buy Series I Units.

Certain expenses, including management fees, and liabilities of the Fund, as set out in this Offering Memorandum or as determined by the Trustee or the Manager, in their sole discretion, are to be attributed exclusively to a particular Series of Units of the Fund ("**Series Expenses**").

Although the money invested by investors to purchase Units of any Series of the Fund is tracked on a Series by Series basis in the Fund's administration records, the assets of all Series of the Fund will be combined into a single pool to create one portfolio for investment purposes.

The Trust Agreement provides Unitholders with the right to vote in limited circumstances. Where the general nature of the business to be transacted at a Unitholder meeting concerns an issue relevant to all Unitholders of the Fund, Units of all Series of the Fund will be voted together. Where an issue may affect the Unitholders of a particular Series in a manner that is materially different from another Series, only Unitholders of those Series to which such business is relevant will be entitled to vote and such Units will be voted separately as a Series.

All Units of the same Series are entitled to participate pro rata: (i) in any payments or distributions (other than Special Distributions described in "*Fees and Expenses*") made by the Fund to the Unitholders of the same Series; and (ii) upon liquidation of the Fund, in any distributions to Unitholders of the same Series of the Series Net Asset Value of the Fund attributable to the Series remaining after satisfaction of outstanding liabilities of such Series.

Units are not transferable, except by operation of law (for example, a death or bankruptcy of a Unitholder) or with the consent of the Manager. To dispose of Units, a Unitholder must have them redeemed.

Fractional Units carry the same rights and are subject to the same conditions as whole Units (other than with respect to voting rights) in the proportion that they bear to a whole Unit. Outstanding Units of any Series may be subdivided or consolidated in the Manager's discretion on 21 days' prior written notice, provided however that no subdivision or consolidation may be made to Units of a Series unless an identical subdivision or consolidation is made to Units of all other Series of the Fund. The Manager may redesignate units of a Series as Units of any other Series based on the applicable Series Net Asset Value (as defined under "*Determination of Net Asset Value*").

DETERMINATION OF NET ASSET VALUE

The Fund's net asset value (the "**Net Asset Value**") is calculated as the value of the Fund's assets, less its liabilities, computed on a particular date in accordance with the Fund's Trust Agreement. The Administrator will calculate the Net Asset Value of the Fund as of every Thursday of each week (or, if Thursday is not a Business Day, the next Business Day), the last Business Day of every month, December 31 of each year, and such other Business Day(s) as the Manager may determine (each, a "**Valuation Date**"), at 6:00 pm. (Eastern time) (the "**Valuation Time**"). In addition, for the purpose of calculating the Performance Fees (as defined below), the Administrator will calculate the Net Asset Value of the Fund as of the last Business Day of every calendar quarter (the "**Performance Fee Date**"). For the purpose of this Offering Memorandum, a "**Business Day**" is a day on which the main branch of the Royal Bank of Canada in Toronto, Ontario is open for business. The Administrator will also calculate on each Valuation Date and Performance Fee Date (if applicable), the Net Asset Value of the Fund attributable to each Series of Units of the Fund (the "**Series Net Asset Value**") and the Net Asset Value per Unit for each applicable Series of Units of the Fund (the "**Series Net Asset Value per Unit**"). The Series Net Asset Value will be, for each Series of the Fund, the proportionate share of the Net Asset Value of the Fund attributable to that Series, less the Series Expenses of that Series. The Series Net Asset Value per Unit for the Units of each Series of the Fund will be the quotient obtained by dividing the amount equal to the Series Net Asset Value by the total number of outstanding Units of that Series, including fractions of Units of that Series and adjusting the result to a maximum of **four** decimal places.

The number of Units, the fair market value of the assets and the amount of the liabilities of the Fund is calculated in such manner as the Administrator in its sole discretion determines from time to time, subject to the following:

- a) the value of any cash on hand, on deposit or on call, prepaid expenses and interest accrued and not yet received, is deemed to be the face amount thereof, unless the Administrator determines that any such deposit or call loan is not worth the face amount thereof, in which event the value thereof is deemed to be such value as the Administrator determines to be the reasonable value thereof;
- b) the value of any bonds, debentures, and other debt obligations are valued by taking the average of the bid and ask prices on a Valuation Date at such times as the Administrator, in its discretion, deems appropriate. Short-term investments including notes and money market instruments are valued at cost plus accrued interest;
- c) the value of any securities, stock options or index options thereon which is listed on any recognized exchange is determined by the closing sale price at the Valuation Time or, if there is no sale price, the average between the closing bid and the closing asked price on the day on which the Net Asset Value of the Fund is being determined, all as reported by any report in common use or authorized as official by a recognized stock exchange; provided that if such stock exchange is not open for trading on that date, then on the last previous date on which such stock exchange was open for trading;
- d) the value of any security or other asset for which a market quotation is not readily available is its fair market value as determined by the Administrator;
- e) the value of any security, the resale of which is restricted or limited, is the lesser of the value thereof based on reported quotations in common use and that percentage of the market value of securities of the same series, the trading of which is not restricted or limited by reason of any representation, undertaking or agreement or by law, equal to the percentage that the Fund's acquisition cost was of the market value of such securities at the time of acquisition; provided that a gradual taking into account of the actual value of the securities may be made where the date on which the restriction will be lifted is known;
- f) purchased or written options on stock or index, and debt like securities are valued at the current market value thereof;
- g) where a covered option on option is written, the premium received by the Fund will be reflected as a deferred credit which will be valued at an amount equal to the current market value of the option, that would have the effect of closing the position. Any difference resulting from revaluation of such options will be treated as an unrealized gain or loss on investment. The deferred credit will be deducted in arriving at the Net Asset Value of the Fund.

- h) the value of a forward contract, is the gain or loss with respect thereto that would be realized if, on the Valuation Date, the position in the futures contract, or the forward contract, as the case may be, were to be closed out unless daily limits are in effect in which case fair value will be based on the current market value of the underlying interest;
- i) margin paid or deposited in respect of forward contracts is reflected as an account receivable and margin consisting of assets other than cash is noted as held as margin;
- j) all securities, property and assets of the Fund valued in a foreign currency and all liabilities and obligations of the Fund payable by the Fund in foreign currency are converted into Canadian funds by applying the rate of exchange obtained from the best available sources to the Administrator, including, but not limited to, the Administrator or any of its affiliates;
- k) all expenses or liabilities (including fees payable to the Manager) of the Fund are calculated on an accrual basis; and
- l) the value of any security or property to which, in the opinion of the Administrator, the above valuation principles cannot be applied (whether because no price or yield equivalent quotations are available as above provided, or for any other reason) is the fair value thereof determined in such manner as the Administrator from time to time provides.

The Administrator has taken the view that, for the purposes of the determination of the Net Asset Value of the Fund, cryptocurrencies will be calculated in the manner presented in paragraph l) above.

The Administrator is entitled to rely on any values or quotations supplied to it by a third party, including the Manager, and is not required to make any investigation or inquiry as to the accuracy, completeness or validity of such values or quotations. Provided the Administrator acts in accordance with its standard of care, it will be held harmless by the Fund and will not be responsible for any losses or damages resulting from relying on such information.

There are a number of sources that can be used to determine the market price of cryptocurrencies. Although the Administrator generally relies on the Custodians for purposes of valuing the cryptocurrencies held by the Trust, it can also reference other widely used sources in order to confirm that the price quoted by the Custodians is in line with the market price. Currently, the Administrator references cryptocurrency prices from the Bloomberg Terminal.

INVESTING IN UNITS OF THE FUND

Purchase of Units

Investors may be admitted to the Fund and purchase Series A Units, Series B Units, Series F Units and Series I Units or may acquire additional Units on a weekly basis on each Valuation Date. The Units are being offered using the mutual fund order entry system FundSERV. Subscriptions for Units must be made from a distributor on the FundSERV network under the Manufacturer Code to Majestic Asset Management LLC “MAJ” and the following order codes:

Series A Units	“MAJ710”
Series B Units	“MAJ714”
Series F Units	“MAJ711”
Series I Units	“MAJ712”

Funds in respect of any subscription will be payable by investors at the time of the subscription. Investors who wish to make an initial subscription for Units of the Fund may do so by delivering a subscription application (in such form as the Manager may approve from time to time) to the Manager, through Dealers (as defined below) or other persons permitted by applicable securities laws to sell Units, accompanied by wire transferred funds in an amount equal to the purchase price through the FundSERV network. Additional subscriptions for Units of the Fund must be made by delivering a request to that effect through the FundSERV network.

Units will be offered at the Series Net Asset Value per Unit calculated as of the applicable Valuation Date. Subscription applications must be received at least one (1) Business Day prior to the Valuation Date and accepted by the Manager by

3:00 pm on the Business Day preceding that Valuation Date. Subscriptions that are received or accepted by the Manager after such days will be made as of the following Valuation Date. All subscriptions for Units are to be forwarded by Dealers, without charge, to the Manager or delivered through the FundSERV network, as applicable, the same day that they are received.

The Manager reserves the right to accept or reject orders, and any monies received with a rejected order will be refunded forthwith, without interest, other compensation or deduction after the Manager has made such determination. The Manager will not accept subscriptions from and will not direct the issuance or transfer of Units to: (a) any non-resident of Canada if, as a consequence thereof, a Fund could be unable to obtain or could lose its status as a mutual fund trust for the purposes of the Tax Act; or (b) any person which would cause a Fund to contravene the laws of any jurisdiction or to become subject to the laws of a foreign jurisdiction. All subscriptions will be irrevocable. Fractional Units will be issued up to four decimal points.

A book-based system of registration is maintained for the Fund. Unit certificates will not be issued. The register for the Units is kept at the office of the Registrar.

Units of each Series can only be purchased in Canadian dollars.

Distribution of Units

Under the terms of this Offering Memorandum, Units are offered on a continuous basis to “accredited investors” resident in any province of Canada (the “**Canadian Jurisdictions**”) pursuant to applicable exemptions from the prospectus requirements contained in the securities legislation in the Canadian Jurisdiction. Units may also be offered to residents of foreign jurisdictions (the “**Foreign Investors**”) subject to any sales restrictions in such foreign jurisdictions (the “**Foreign Jurisdictions**”), together with the Canadian Jurisdictions, the “**Offering Jurisdictions**”). Under no circumstances will the Manager accept a subscription for Units, whether initial or subsequent, if its distribution cannot be made in reliance on any such exemptions. Furthermore, the Manager will ensure that Foreign Investors never hold more than 50% of the Units of the Fund at any time.

An investor is required to notify the Manager if its qualification under an exemption from the prospectus requirement contained in the securities legislation in the applicable Canadian Jurisdiction changes or if such investor no longer satisfies the residence requirements to invest in the Fund.

Minimum Initial and Subsequent Investments

The minimum initial investment in the Fund is \$500 for Series A Units and Series F Units and \$1,000,000 for Series B Units and Series I Units for an investor who is an “accredited investor” as described in applicable securities legislation. Subsequent investments are subject to an additional minimum investment of \$500, subject to applicable securities legislation. These minimum amounts may be waived by the Manager, in its sole discretion.

REDEMPTION OF UNITS

How to Redeem Units

Series A, B, F and I Units may be surrendered to the Manager for redemption by entering a request for redemption on the FundSERV network at least thirty (30) Days prior to the Valuation Date on which Units are to be redeemed (the “**Redemption Date**”). Although purchases will be allowed on every Valuation Day, redemptions will be processed on the last Valuation Date of each month. Any request for redemption entered after such time will be processed on the next Valuation Date. Requests for redemption will be accepted in the order in which they are received. The Manager shall within ten Business Days following the determination of the Series Net Asset Value per Unit for the applicable Redemption Date, distribute an amount equal to the Series Net Asset Value per Unit determined as of the relevant Redemption Date. Payment of the redemption proceeds will be made using the FundSERV network. Any payment referred to above, unless such payment is not honored, will discharge the Fund, the Trustee, the Manager and their agents from all liability to the redeeming Unitholder in respect of the payment and the Units redeemed and the Unitholder will cease to have any further rights with respect to such Units as of the Redemption Date.

Suspension and Limits of Redemptions

The Manager may, under certain circumstances, suspend the right of Unitholders to require the Fund to redeem Units and the concurrent payment for Units of the Fund tendered for redemption and will so immediately advise the Trustee. The Manager may, in its sole discretion, limit redemptions to 25% of the Net Asset Value of the Fund per calendar year.

In the event of such a suspension or when the 25% limit is or will be exceeded as a result of a redemption request, a Unitholder who has delivered a redemption request for which the redemption price has not yet been calculated may either withdraw such Unitholder's redemption request within three Business Days of receiving notice of the suspension or receive payment based on the Series Net Asset Value per Unit of the applicable series of Units next calculated after the termination of the suspension.

Short-Term Trading Deduction

In order to protect the interest of the majority of Unitholders in the Fund and to discourage short-term trading in the Fund, Unitholders may be subject to a short-term trading deduction. If a Unitholder redeems Units within 90 days of purchasing such Units, the Fund may deduct and retain, for the benefit of the remaining Unitholders in the Fund, five percent (5%) of the Series Net Asset Value of the Units being redeemed.

Redemption at the Demand of the Manager

The Manager may in its discretion, cause the Fund to redeem all or a portion of a Unitholder's Units by giving 30 days' prior written notice to the Unitholder, specifying the number or value of Units to be redeemed. For example, the Manager may cause the Units of any Unitholder to be redeemed if at any time as a result of redemptions the value of the Unitholder's investment in the Fund is less than the minimum initial subscription amount, unless the Unitholder increase the aggregate value of its investment to and amount which is not less than the minimum initial subscription amount. If at any time the Unitholder is in breach of the representations, warranties and covenants made in the subscription application, the Manager may cause the Fund to redeem the Units owned by such Unitholder immediately and without notice. In addition, the Manager may cause the Fund to redeem, without notice, Units owned by (i) a non-resident of Canada, if the continued ownership of such non-resident could cause the Fund to be unable to obtain or to lose its status as a mutual fund trust for the purposes of the Tax Act; or (ii) a person which would cause the Fund to contravene the laws of any jurisdiction or to become subject to the laws of a foreign jurisdiction.

TRANSFER OF UNITS

Units are not transferable except by operation of law or with the consent of the Manager. There is no formal market for the Units and none is expected to develop. Furthermore, this offering of Units is not qualified by way of prospectus and consequently, the resale of Units will be subject to restrictions under applicable securities legislation. Unitholders may not be able to resell Units and may only be able to redeem them. Redemptions of Units may be subject to the limitations described under "*Redemption of Units*" and "*Purchase of Units*". Investors are advised to seek legal advice prior to any resale of the Units.

FEES AND EXPENSES

Expenses

The Fund will pay for all routine and customary expenses relating to the Fund's operation, including administrative fees, registrar and transfer agency fees, trustee fees (if any), custodian fees, auditing, legal and accounting fees, communication expenses, printing and mailing expenses, all costs and expenses associated with the sale or redemption of Units, including securities filing fees (if any) and dealer servicing costs (other than dealer servicing commissions referred to under "*Dealer Compensation*" which are at the expense of the Manager), expenses relating to providing financial and other reports to Unitholders and convening and conducting meetings of Unitholders, all taxes, assessments or other governmental charges levied against the Fund, interest expenses, all investment expenses relating to the investments made on behalf of the Fund and all expenses incurred by the various service providers of the Fund when such expenses relate to the affairs of the Fund.

In addition, the Fund will pay for expenses associated with ongoing investor relations and education relating to the Fund. Expenses in connection with the initial organization of the Fund and the initial offering of Units are expected to be amortized over a period of five years.

Each Series of Units is responsible for the Series Expenses specifically related to that Series and a proportionate share of expenses that are common to all Series of Units. The Manager will allocate expenses to each Series of Units in its sole discretion, as it deems fair and reasonable in the circumstances.

The Manager may, from time to time, waive any portion of the fees and reimbursement of expenses otherwise payable to it, but no such waiver affects their right to receive fees and reimbursement of expenses subsequently accruing to it.

Management Fees

For providing services to the Fund, the Manager receives management fees (the “**Management Fees**”) from the Fund. Management Fees are, for each Series, Series Expenses attributable to that Series. In the case of Series I Units, the Management Fees are negotiated with each investor and are calculated at the Unit level.

Units of the Series, other than Series I Units, are charged annual Management Fees equal to the following percentages of the Series Net Asset Value of the said Series of the Fund, calculated and accrued on each Valuation Date and payable monthly:

<u>Series A</u>	<u>Series B</u>	<u>Series F</u>
2.00%	1.50%	1.00%

Management Fees are subject to applicable taxes, including QST, GST or HST.

Pursuant to the Advisory Agreement, the Investment Advisor receives an advisory fee directly from the Manager. As such, the Investment Advisor does not receive any fees directly from Fund.

Performance Fees

The Manager also receives performance fees (the “**Performance Fees**”) from the Fund attributable to Series A Units, Series B Units and Series F Units. In the case of Series I Units, Performance Fees, if any, are negotiated with each investor.

The Performance Fees are calculated and accrued on a monthly basis and are paid on a quarterly basis (eg. on each of 31 March, 30 June, 30 September and 31 December) on the Performance Fee dates or on redemption of units. Performance Fees are calculated at the Unit level and in respect of Series A Units, Series B Units and Series F Units, will equal the aggregate of 20% of the positive amount obtained, if any, when the High Water Mark (as defined below) of each Unit is subtracted from the Series Net Asset Value per Unit of the Unit on the date of payment (if such difference in respect of a Unit is negative then the Performance Fee payable in respect of such Unit for the applicable Performance Fee Date shall be zero – the Performance Fee payable in respect of a Unit shall not be affected in any way by the performance of any other Unit).

The “**High Water Mark**” for a Unit means, initially, its subscription price and thereafter will be adjusted from time to time to equal its Series Net Asset Value per Unit immediately following the payment of a Performance Fee to the Manager in respect of such Unit. The High Water Mark does not reset. This ensures that any decline in the Series Net Asset Value per Unit has to be recouped before Performance Fees will be charged in respect of such Unit in any subsequent period.

Although Performance Fees are calculated at the Unit level, the aggregate of these Performance Fees, for Series A Units, Series B Units and Series F Units, are a Series Expense attributable to that Series and borne indirectly by all Unitholders of that Series as such Performance Fees impact the Series Net Asset Value. Performance Fees are calculated at each Valuation Date and carried as a liability of the Fund until paid to the Manager, as the case may be, on each Performance Fee Date or on redemption of Units in respect of which such Performance Fees are payable.

The Manager may make such adjustments to the Series Net Asset Value per Unit and/or the applicable High Water Mark as are determined by the Manager to be necessary to account for any Unit subdivisions or consolidations or any other event or matter that would, in the opinion of the Manager, impact upon the computation of Performance Fees. Any such determination of the Manager will, absent manifest error, be binding on all Unitholders.

Performance Fees are subject to applicable taxes, including QST, GST or HST.

Pursuant to the Advisory Agreement, the Manager may pay all or a portion of the Performance Fees to the Investment Advisor. The Investment Advisor does not directly receive a Performance Fee from the Fund.

Fee Rebates

To encourage large investments in the Fund and to be able to offer fees which are competitive for investments of that size, and in certain other circumstances, the Manager may, from time to time, reduce the Management Fees and/or the Performance Fees that the Manager otherwise would be entitled to receive with respect to such an investor's investment in the Fund, provided that the amount of the fee reduction is distributed (a "**Special Distribution**") to such Unitholder. Special Distributions of the Fund, where applicable, will be computed on each Valuation Date and will be payable quarterly, or at such other times as the Manager may determine, first out of net income and the net capital gains of the Fund and thereafter out of capital. Any such reduction in Management Fees and/or Performance Fees in respect of a large investment in the Fund will be negotiated by the Investment Manager and the investor or the investor's Dealer and will be based primarily on the size of the investor's investment in the Fund and the total amount of services provided to the investor with respect to his investment in the Fund. The Manager may also initially reduce its fees to encourage seed investments in the Fund. A qualified investor can choose to receive the Special Distribution in cash or in additional Units of the Fund. The amount of any Special Distribution is taxable to the Unitholder receiving it, to the extent it is paid out of net income or net taxable capital gains of the Fund. See "*Canadian Federal Income Tax Considerations*" and "*Distributions*".

DEALER COMPENSATION

Units will be distributed in the Offering Jurisdictions through registered dealers ("**Dealers**"), including the Manager, and such other persons as may be permitted by applicable law. In the event of such distribution, Dealers (other than the Manager) will be entitled to the compensation described below.

Sales Commissions

Sales commissions may be negotiated between the Dealer and the investor. Units issued on a reinvestment of distributions as described under "*Distributions*" will not be subject to a sales commission.

No deferred sales charge option is available.

Servicing Fees

The Manager will pay servicing commissions to Dealers whose clients have purchased Series A Units or Series B Units of the Fund and remain invested in the Fund during the relevant quarter. The servicing commission, expressed as an annual percentage of the Series Net Asset Value per Unit, is 1.00% for Series A Units and 0.75% for Series B Units. The servicing commissions will be paid on a quarterly basis in arrears. The Manager does not pay servicing commissions in respect of Series F Units and Series I Units. Servicing commissions may be modified or discontinued by the Manager at any time.

Performance-Based Servicing Fees

The Manager may share its Performance Fees with Dealers having client assets invested in Series A Units, Series B Units or Series F Units and remain invested in the Fund during the relevant quarter. Dealers may be paid up to 20% of the Performance Fees attributable to their clients' investment in Units of the Series.

The purpose of the performance-based servicing fee of the Fund is to ensure that the Manager, the Dealer, its representatives and investors all have a common interest in the Fund performing well. The Manager at its discretion may

calculate and pay performance-based servicing fees of the Fund on a more or less frequent basis, or may modify, discontinue, or otherwise differentiate this fee among Dealers at any time and from time to time.

DISTRIBUTIONS

In general, the net income of the Fund is calculated and distributed on a yearly basis to all Unitholders on a prorated basis, net of fees. Distributions may also occur on such other date as may be determined from time to time by the Manager.

The Fund intends to distribute sufficient net income (including net realized capital gains, if any) to Unitholders in each calendar year to ensure that the Fund is not liable for income tax under Part I of the Tax Act, after taking into account any loss carry forwards. All distributions (other than Special Distributions) will be made on a pro rata basis within each Series to each registered Unitholder determined as of the Valuation Time (prior to any subscriptions or redemptions) on the applicable Valuation Date. The Trustee will distribute net income and net realized capital gains of the Fund, if any, on an annual basis, on the last Valuation Date in each taxation year. Distributions of net income or net realized capital gains may also be made on such other dates that the Administrator deems appropriate.

Subject to applicable securities legislation, unless a distribution in cash is requested in writing by a Unitholder and such cash distribution is agreed to by the Manager, all distributions made by the Fund (net of any deductions or withholdings required by law) will be automatically reinvested in additional Units of the Fund or fractions of Units of the Fund at the Series Net Asset Value per Unit. Potential investors should keep this policy in mind when determining whether or not an investment in the Fund is suitable for their particular circumstances. Units acquired on a reinvestment of distributions are not subject to any sales charges.

The Manager, in consultation with the Administrator, may make such designations, determinations and allocations for tax purposes of amounts or portions of amounts which the Fund has received, paid, declared payable or allocated to Unitholder as distributions or redemption proceeds.

The costs of distributions, if any, will be paid by the Fund.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable to the Fund and to the acquisition, holding and disposition of Units by a Unitholder who acquires Units pursuant to this Offering Memorandum. This summary is applicable to a Unitholder who is an individual (other than a trust) and who, for the purposes of the Tax Act, is resident in Canada, deals at arm's length and is not affiliated with the Fund, and holds Units as capital property. This summary does not apply to a Unitholder who has entered or will enter into a "derivatives forward agreement" or a "synthetic disposition arrangement" as these terms are defined in the Tax Act with respect to the Units. Prospective non-resident purchasers of Units should consult their own tax advisors to determine the tax treatment of investing in Units.

This summary is based on the assumption that (i) the Fund qualifies or will be deemed to qualify as a "mutual fund trust" as defined in the Tax Act and that it will continuously qualify as a mutual fund trust at all relevant times and (ii) the Fund will not be a SIFT Trust for the purposes of the Tax Act. If the Fund were not to qualify as a mutual fund trust under the Tax Act the income tax considerations as described below and under "*Eligibility for Investment*" would, in some respects, be materially different. If the Fund were not to qualify as a mutual fund trust at all times, certain of the income tax considerations described below would, in some respects, be materially different.

To qualify as a mutual fund trust, (i) the Fund must be a Canadian resident "unit trust" for purposes of the Tax Act, (ii) the only undertaking of the Fund must be the investing of its funds in property (other than real property or interests in real property or a real right in an immovable), (iii) either the Fund must comply with certain investment conditions or its units must be redeemable on demand, and (iv) the Fund must comply with certain minimum requirements respecting the ownership and dispersal of Units. An additional condition to qualify as a mutual fund trust for the purposes of the Tax Act is that the Fund may not be established or maintained primarily for the benefit of non-resident persons unless substantially all of its property consists of property other than "taxable Canadian property" within the meaning of the Tax Act.

This summary is also based on the assumption that the Fund will at no time be a “SIFT trust” as defined in the rules in the Tax Act relating to SIFT trusts and SIFT partnerships. This, in turn, is based on the assumption that the Units will at no time be listed or traded on a stock exchange or other public market. For the purpose of such rules, the redemption mechanism does not result in the Units being considered to be traded on a public market.

This summary is also based on the assumptions that none of the securities in the portfolio will be foreign affiliates of the Fund or of any Unitholder and, that none of the securities will be a “tax shelter investment” within the meaning of section 143.2 of the Tax Act. Further, this summary assumes that none of the securities in the portfolio will be “offshore investment fund property” that would require the Fund to include amounts in the Fund’s income pursuant to section 94.1 of the Tax Act, or an interest in a trust which would require the Fund to report income in connection with such interest pursuant to the rules in section 94.2 of the Tax Act, or an interest in a non-resident trust other than an exempt foreign trust as defined in section 94 of the Tax Act.

Generally, Units of the Fund will be considered to be capital property to a Unitholder provided that the Unitholder does not hold such Units in the course of carrying on a business of buying and selling securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Unitholders may be entitled to make an irrevocable election to treat Units (and all other “Canadian securities” owned or subsequently acquired by them) as capital property pursuant to subsection 39(4) of the Tax Act.

This summary is also based on the current provisions of the Tax Act and the regulations thereunder, the current published administrative policies and assessing practices of the Canada Revenue Agency (the “CRA”), and all specific proposals to amend the Tax Act and regulations thereunder publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Proposed Amendments**”). This summary does not otherwise take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations.

This summary is not exhaustive of all possible Canadian federal tax considerations applicable to an investment in Units. Moreover, the income and other tax consequences of acquiring, holding or disposing of Units will vary depending on the investor’s particular circumstances, including the province or territory in which the investor resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be legal or tax advice to any investor. Investors should consult their own tax advisors for advice with respect to the income tax consequences of an investment in Units, based on their own particular circumstances.

Taxation of the Fund

The Fund will generally be subject to tax in each year under Part I of the Tax Act on the amount of its income for tax purposes for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of the amount paid or payable to Unitholders in the year. The Fund intends to deduct in each year, in computing its income, the full amount available for deduction in each year and, therefore, provided the Fund makes distributions in each year of its net income and net realized capital gains, it will generally not be liable in such year for any tax on its net income or profit under Part I of the Tax Act.

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

All of the Fund’s deductible expenses for the purposes of the Tax Act, including expenses common to all Series of the Fund, all management and performance fees and other Series Expenses, will be taken into account in determining the income or loss of the Fund as a whole. Net income (or losses) including capital gains (or capital losses) realized by the Fund in a year in respect of a particular Series of Units must be netted against losses (or gains) or capital losses (or gains) realized by the Fund in that year in respect of all other Series of Units, in accordance with the rules provided in the Tax Act, to determine the net income and net capital gains of the Fund as a whole for that year. This netting may result in income and/or capital gains allocations to a particular Series of Units that differ from those that would result if such Units had been issued by a separate trust having only one series of units.

The Manager and the Advisor have advised counsel that the Fund will generally treat gains (or losses) as a result of any disposition of bitcoin as capital gains (or capital losses). The CRA has taken the administrative position that bitcoins are treated as a commodity for income tax purposes. The CRA has not taken, to counsel's knowledge, any administrative position with respect to other cryptocurrencies. The CRA has also expressed the opinion that gains (or losses) of mutual fund trusts resulting from transactions in commodities should generally be treated for income tax purposes as ordinary income rather than as capital gains, although the treatment in each particular case remains a question of facts to be determined having regard to all the circumstances. If any of the transactions of the Fund are reported by it on capital account but are subsequently determined by the CRA to be on income account, there may be an increase in the net income of the Fund which is automatically distributed to Unitholders at the Fund's taxation year end and/or the taxable component of the redemption proceeds received by a redeeming Unitholder during the year.

The Fund's portfolio may include securities that are not denominated in Canadian dollars. The cost and proceeds of disposition of these securities and all other amounts will be converted to an amount expressed in Canadian currency using the noon rate quoted by the Bank of Canada for the day on which a particular amount arose for the purposes of the Tax Act. Accordingly, the Fund may realize gains or losses by virtue of the fluctuation in the value of foreign currencies relative to Canadian dollars.

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

The Tax Act contains rules concerning the taxation of certain trusts, the units of which are listed or traded on a stock exchange or other public market, that own certain types of property defined as "non-portfolio property". A trust that is subject to these rules is subject to trust level taxation at rates comparable to those that apply to corporations or the trust's income earned from "non-portfolio property". These rules should not impose any tax on the Fund to the extent that the Units of the Fund (as well as any other securities that the Fund may issue) are not listed or traded on a stock exchange, trading system or other organized facility.

The Tax Act also includes certain rules (the "loss restriction event" rules or "LRE") that could potentially apply to certain trusts including the Fund. In general, a LRE occurs to the Fund if a person (or group of persons) acquires more than 50% of the units of the Fund. If a LRE occurs (i) the Fund will be deemed to have a year-end for tax purposes, (ii) any net income and net realized capital gains of the Fund at such year-end will be distributed to the extent possible to Unitholders of the Fund, and (iii) the Fund will be restricted in its ability to use tax losses that exist at the time of the LRE (including any unrealized capital losses) on going forward basis. The LRE rules will not apply to the Fund if the Fund meets certain investment diversification requirements and qualifies as an "investment fund" under the LRE rules.

Taxation of Unitholders

A Unitholder will generally be required to include in computing income for a year the amount of the Fund's taxable income for the year, including net realized taxable capital gains and Special Distributions paid or payable to the Unitholder (whether in cash or in Units) in the year. The non-taxable portion of the Fund's net realized capital gains paid or payable to a Unitholder in a year will not be included in the Unitholder's income for the year. Any other amount in excess of the Fund's taxable income for a year paid or payable to the Unitholder in the year will not generally be included in the Unitholder's income. Such amount, however, will generally reduce the adjusted cost base of the Unitholder's Units. To the extent that the adjusted cost base of a Unit would be less than zero, the negative amount will be deemed to be a capital gain realized by the Unitholder from the disposition of the Unit and the Unitholder's adjusted cost base of Units will be increased by the amount of such deemed capital gain. Any loss of the Fund for purposes of the Tax Act cannot be treated as a loss of a Unitholder.

Provided that appropriate designations are made by the Fund, such portion of: (i) the net realized taxable capital gains of the Fund; (ii) the foreign source income of the Fund and foreign taxes eligible for the foreign tax credit; and (iii) taxable

dividends received by the Fund on shares of taxable Canadian corporations, as is paid or payable to a Unitholder will effectively retain its character and be treated as such in the hands of the Unitholder for purposes of the Tax Act. A Unitholder may be entitled to claim a foreign tax credit in respect of foreign taxes designated to such Holder in accordance with the detailed rules in the Tax Act. To the extent that amounts are designated as taxable dividends from taxable Canadian corporations, the gross up and dividend tax credit rules will apply.

The Series Net Asset Value per Unit will reflect any income and capital gains of the Fund that have accrued, or had been realized but not made payable, at the time Units are acquired. Accordingly, a Unitholder who acquires Units may become taxable on the Unitholder's share of income and capital gains of the Fund that accrued, or had been realized but not made payable, before the Units were acquired.

On the disposition or deemed disposition, including the redemption, of a Unit, the Unitholder will realize a capital gain (or capital loss) to the extent that the Unitholder's proceeds of disposition (other than any amount payable by the Fund which represents an amount that is otherwise required to be included in the Unitholder's income as described above) exceed (or are exceeded by) the aggregate of the adjusted cost base of the Unit and any reasonable costs of disposition. For the purpose of determining the adjusted cost base of Units of a particular Series, the cost of the newly acquired Units will be averaged with the adjusted cost base of all Units of the Series owned by the Unitholder as capital property before the acquisition. The cost of Units on a reinvestment of distributions from the Fund will be equal to the amount of the distribution.

Pursuant to the Trust Agreement, the Fund may allocate and designate any income or capital gains realized by the Fund as a result of any disposition of property of the Fund undertaken to permit or facilitate the redemption of Units to a Unitholder whose Units are being redeemed. In addition, the Fund has the authority to distribute, allocate and designate any income or capital gains of the Fund to a Unitholder who has redeemed Units of the Fund during a year in an amount equal to the Unitholder's share, at the time of redemption, of the Fund's income and capital gains for the year or such other amount that is determined by the Fund to be reasonable. Any such allocations will reduce the redeeming Unitholder's proceeds of disposition.

One-half of any capital gain ("**taxable capital gain**") realized on the disposition of Units will generally be included in the Unitholder's income and one-half of any capital loss realized may be deducted from taxable capital gains in accordance with the provisions of the Tax Act.

In general terms, income of the Fund paid or payable to a Unitholder that is designated as net realized taxable capital gains, and taxable capital gains realized on the disposition of Units, may increase the Unitholder's liability for alternative minimum tax.

ELIGIBILITY FOR INVESTMENT

Provided the Fund is a mutual fund trust under the Tax Act, Units of the Fund will be qualified investments under the Tax Act and the regulations thereunder for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans or tax-free savings accounts. Notwithstanding the foregoing, if Units are a "prohibited investment" for a registered retirement savings plan ("**RRSP**"), a registered retirement income fund ("**RRIF**"), a tax-free savings account ("**TFSA**"), a registered education savings plan ("**RESP**") and a registered disability savings plan ("**RDSP**") that acquires Units, the annuitant, holder or subscriber thereof will be subject to a penalty tax as set out in the Tax Act. The Units will generally be a "prohibited investment" for these purposes if the holder of the TFSA or RDSP, the annuitant under the RRSP or RRIF and the subscriber of the RESP, as applicable, (i) does not deal at arm's length with the Fund for purposes of the Tax Act, or (ii) has a "significant interest" as defined in the Tax Act in the Fund. In addition, the Units will generally not be a "prohibited investment" if the Units are "excluded property" as defined in the Tax Act.

RISK FACTORS

The following risk factors do not purport to be a complete explanation of all risks involved in purchasing Units. Potential investors should read this entire Offering Memorandum and consult with their legal and other professional advisors before determining to invest in Units.

Alternative Investment

An investment in the Fund is not intended as a complete investment program. A subscription for Units should be considered only by persons financially able to maintain their investment and who can bear the risk of loss associated with an investment in the Fund. Investors should review closely the investment objectives and investment strategies to be utilized by the Fund as outlined herein to familiarize themselves with the risks associated with an investment in the Fund. There is no assurance that the Fund will be able to achieve its investment objective.

General Investment Risk

The Series Net Asset Value per Unit will vary directly with the market value and return of the investment portfolio of the Fund. There can be no assurance that the Fund will not incur losses. There is no guarantee that the Fund will earn a return. Investment in the Fund carries a high degree of risk which may result in investors losing all of their invested capital. In addition, past performance does not guarantee future results.

Limited History for the Fund

Although persons involved in the management of the Fund and the service providers to the Fund have had long experience in their respective fields of specialization, the Fund has a limited operating or performing history upon which prospective investors can evaluate the Fund's likely performance. Investors should be aware that the past performance by those involved in the investment management of the Fund should not be considered as an indication of future results.

Fees and Expenses

The Fund is obligated to pay fees, brokerage commissions and legal, accounting, filing and other expenses regardless of whether it realizes profits.

Not a Public Mutual Fund

The Fund is not subject to the restrictions or to the continuous disclosure obligations placed on mutual funds offered to the public to ensure diversification and liquidity of the Fund's portfolio.

Changes in the Investment Objectives and Strategies

The Investment Advisor may alter the Fund's investment objectives, strategies and restrictions without prior approval by Unitholders.

Limited Ability to Liquidate Investment

There is no formal market for Units and one is not expected to develop. This offering of Units is not qualified by way of prospectus, and consequently the resale of Units is subject to restrictions under applicable securities legislation. In addition, Units may not be assigned, encumbered, pledged, hypothecated or otherwise transferred except with the prior written consent of the Manager, which may be withheld in the Manager's sole and absolute discretion. Accordingly, it is possible that Unitholders may not be able to resell their Units other than by way of redemption of their Units on a Valuation Date. These redemptions will be subject to the limitations described under "*Redemption of Units*". Unitholders may not be able to liquidate their investments in a timely manner. As a result, an investment in the Units is suitable only for sophisticated investors who do not require liquidity for their investment and are able to bear the financial risk of the investment for an extended period of time.

Redemptions

There are circumstances in which the Fund may suspend or limit redemptions. See "*Redemption of Units*". Accordingly, Units may not be an appropriate investment for investors seeking liquidity. Substantial redemptions of Units could require the Fund to liquidate positions more rapidly than otherwise desirable to raise the necessary cash to fund redemptions and achieve a market position appropriately reflecting a smaller asset base. Such factors could adversely affect the value of the Units redeemed and of the Units remaining outstanding.

Valuation of the Fund's Investments

While the Fund will be independently audited by the auditors on an annual basis in order to ensure as fair and accurate a pricing as possible, valuation of the Fund's investments may involve uncertainties and judgmental determinations and, if such valuations should prove to be incorrect, the Net Asset Value of the Fund and the Series Net Asset Value per Unit could be adversely affected. Independent pricing information may not at times be available regarding certain of the Fund's investments. Valuation determinations will be made in good faith in accordance with the Trust Agreement.

There is risk that an investment in the Fund by a new investor (or an additional investment by an existing Unitholder) could dilute the value of investments for the other Unitholders if the actual value of such investments is higher than the value designated by the Fund. The Manager does not intend to adjust the Net Asset Value of the Fund retroactively. The valuation of assets of the Fund for the purpose of determining subscription and redemption prices of Units and the calculation of applicable fees, may not be in accordance with IFRS but will generally be in accordance with industry practice.

Unitholders not Entitled to Participate in Management

Unitholders are not entitled to participate in the management or control of the Fund or its operations. Unitholders do not have any input into the Fund's trading. The success or failure of the Fund will ultimately depend on the indirect investment of the assets of the Fund by the Investment Advisor, with which Unitholders will not have any direct dealings.

Reliance on the Manager and on the Investment Advisor

The Fund will be relying on the ability of the Manager to actively manage the Fund and on the Investment Advisor to actively manage the Fund's investments. There can be no assurance that satisfactory replacements for the Manager will be available, if either ceases to act as such. Termination of the Manager will terminate the Fund if no successor is appointed. Termination of the Investment Advisor will expose investors to the risks involved in whatever new investment management arrangements can be made.

Dependence of Manager and Investment Advisor on Key Personnel

Each of the Investment Advisor and the Manager depends, to a great extent, on the services of a limited number of individuals in the administration of the Fund's activities. The loss of such individuals for any reason could impair the ability of the Manager or the Investment Advisor (as the case may be) to perform its activities on behalf of the Fund.

Tax Liability

Subject to applicable securities legislation, all distributions made by the Fund (net of any deductions or withholdings required by law) will be automatically reinvested in additional Units of the Fund or fractions of Units of the Fund at the Series Net Asset Value per Unit. Unitholders, therefore, will be required to include all such distributions in computing their income for tax purposes, irrespective of the fact that cash may not have been distributed to such Unitholders.

Tax Information Reporting

Pursuant to the Intergovernmental Agreement for the Enhanced Exchange of Tax Information under the Canada-U.S. Tax Convention entered into between Canada and the U.S. on February 5, 2014 (the "IGA"), and related Canadian legislation, the Fund and/or the Manager are required to report certain information with respect to unitholders who are U.S. residents and U.S. citizens (including U.S. citizens who are residents or citizens of Canada), and certain other "U.S. Persons" as defined under the IGA (excluding registered plans such as RRSPs), to the CRA. It is expected that the CRA will then exchange the information with the U.S. Internal Revenue Service. The Fund intends to comply with these due diligence and reporting obligations so as to ensure that the Fund will not be subject to the offences and punishment provision of the Tax Act.

In addition, to meet the objectives of the Organization for Economic Co-operation and Development Common Reporting Standard (the "CRS"), the Fund and/or the Manager are required, starting July 1st, 2017, under Canadian legislation to identify and report to the CRA details and certain financial information relating to unitholders in the Fund (excluding

registered plans such as RRSPs) who are residents in a country outside of Canada and the U.S. which has adopted the CRS. The CRA is expected to provide that information to the tax authorities of the relevant jurisdiction that has adopted the CRS.

Series Risk

Since the Fund may have multiple Series of Units, each Series will be charged, as a separate Series, any Series Expenses such as management fees that are specifically attributable to that Series. However, the Investment Advisor generally will allocate all other expenses of the Fund among the Series of Units in a fair and equitable manner and the creditor of the Fund may seek to satisfy its claims from the assets of the Fund as a whole, even though its claims relate only to a particular Series of Units.

Performance Fees

The Manager may receive Performance Fees in respect of each Series A Units, Series B Units, Series F Units and Series I Units based upon appreciation, if any, in the Series Net Asset Value per Unit of such Units which may be remitted by the Manager to the Investment Advisor. The Performance Fees theoretically may create an incentive for the Investment Advisor to make investments that are riskier or more speculative than would be the case if such fees did not exist. In addition, because the Performance Fees are calculated on a basis that includes unrealized appreciation of the Fund's assets, it may be greater than if such compensation were based solely on realized gains.

Potential Indemnification Obligations

Under certain circumstances, the Fund might be subject to significant indemnification obligations in favour of the Trustee, the Manager, the Investment Advisor and other service providers to the Fund or certain parties related to them. The Fund will not carry any insurance to cover such potential obligations and, to the Manager's knowledge, none of the foregoing parties will be insured for losses for which the Fund has agreed to indemnify them. Any indemnification paid by the Fund would reduce the Net Asset Value of such Fund and, by extension, the Series Net Asset Value per Unit.

Lack of Independent Experts Representing Unitholders

The Fund, the Manager and the Investment Advisor have consulted with a single legal counsel regarding the formation and terms of the Fund and the offering of Units. Unitholders have not, however, been independently represented. Therefore, to the extent that the Fund, Unitholders or this offering could benefit by further independent review, such benefit will not be available. Each prospective investor should consult his or her own legal, tax and financial advisors regarding the desirability of purchasing Units and the suitability of investing in the Fund.

No Involvement of Unaffiliated Selling Agent

No outside selling agent unaffiliated with the Manager has made any review or investigation of the terms of this offering, the structure of the Fund or the background of the Manager.

Trading Errors

In the course of carrying out trading and investing responsibilities on behalf of the Fund, the Investment Advisor's personnel may make "trading errors", i.e., errors in executing specific trading instructions. Examples of trading errors include: (i) buying or selling an investment asset at a price or quantity that is inconsistent with the specific trading instructions generated by a particular strategy; or (ii) buying rather than selling a particular investment asset (and vice versa). Trading errors are an intrinsic factor in any complex investment process, and may occur notwithstanding the exercise of due care and special procedures designed to prevent trading errors. Trading errors are, therefore, distinguishable from errors in judgment, due diligence or other factors leading to a specific trading instruction being generated, as well as from unauthorized trading or other improper conduct by the Investment Advisor's personnel. Consequently, the Manager will (unless the Manager otherwise determines) treat all trading errors (including those which result in losses and those which result in gains) as for the account of the Fund, unless they are the result of conduct by the Manager which is inconsistent with the Manager's standard of care.

Possible Negative Impact of Regulation of Alternative Funds

The regulatory environment for alternative funds is evolving and changes to it may adversely affect the Fund. To the extent that regulators adopt practices of regulatory oversight in the area of alternative funds that create additional compliance, transaction, disclosure or other costs for alternative funds, returns of the Fund may be negatively affected. In addition, the regulatory or tax environment for derivative and related instruments is evolving and may be subject to modification by government or judicial action that may adversely affect the value of the investments held by the Fund. The effect of any future regulatory or tax change on the portfolio of the Fund is impossible to predict.

Early Termination

In the event of the early termination of the Fund, the Fund would distribute to the Unitholders *pro rata* their interest in the assets of the Fund available for such distribution, subject to the rights of the Manager to retain monies for costs and expenses. In addition, the assets held by the Fund would have to be sold by the Fund or distributed in kind of the Unitholders. It is possible that at the time of such sale or distribution certain securities held by the Fund would be worth less than the initial cost of such assets, resulting in a loss to the Unitholders.

General Economic and Market Conditions

The success of the Fund's activities may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances. These factors may affect the level and volatility of prices and the liquidity of the Fund's investments. Unexpected volatility or illiquidity could impair the Fund's profitability or result in losses.

Fund of Funds Risk

The Fund may invest directly in, or obtain exposure to, special purpose vehicles or other investment funds as part of its investment strategy. Consequently, the Fund is also subject to the risks of these underlying funds.

Fixed Income Securities

The Fund may invest in money market instruments and in fixed income securities of U.S. and Canadian issuers. Fixed income securities pay fixed, variable or floating rates of interest. The value of fixed income securities in which the Fund invest will change in response to fluctuations in interest rates. Fixed income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk). If fixed income investments are not held to maturity, the Fund may suffer a loss at the time of sale of such securities.

Portfolio Turnover

The operation of the Fund may result in a high annual portfolio turnover rate. There has been no limit placed on the rate of portfolio turnover in the Fund and portfolio assets may be sold without regard to the time they have been held when, in the opinion of the Fund's Investment Advisor, investment considerations warrant such action. A high rate of portfolio turnover involves correspondingly greater expenses than a lower rate (for example, greater transaction costs such as brokerage fees).

Equity Securities

The investment of the Fund in equity securities will be influenced by stock market conditions in those jurisdictions where the securities held by the Fund are listed for trading and by changes in the circumstances of the issuers whose securities are held by the Fund. Additionally, to the extent that the Fund holds any foreign investments, they will be influenced by world political and economic factors and by the value of the Canadian dollar as measured against foreign currencies which will be used in valuing the foreign investment positions held by the Fund.

Small to Medium Capitalization Companies

The Fund may invest a portion of its assets in the stocks of companies with small to medium sized market capitalization. While the Manager believes these investments often provide significant potential for appreciation, those stocks, particularly smaller-capitalization stocks, involve higher risks in some respects than do investment in stocks of larger companies. For example, prices of such stocks are often more volatile than price of large-capitalization stocks. In addition, due to thin trading in such stocks, an investment in these stocks may be more illiquid than of larger capitalization stocks.

Foreign Investment Risk

The Fund may acquire foreign securities. Investing in foreign securities involves considerations and possible risks not typically involved in investing in Canadian securities, including instability of some foreign governments, the possibility of expropriation, limitations on the use or removal of funds or other assets, change in governmental administration or economic or monetary policy (in or outside of Canada) or changed circumstances in dealings between nations. The application of foreign tax laws (e.g., the imposition of withholding taxes on dividend or interest payments) or confiscatory taxation may also affect investment in foreign securities. Higher expenses may result from investment in such foreign securities and the Canadian dollar because non-Canadian brokerage commissions may be higher than commissions in Canada. Securities markets outside of Canada also may be less liquid, more volatile and less subject to governmental supervision than those in Canada. The Fund might have greater difficulty taking appropriate legal action in courts outside of Canada. Investment in foreign securities could be affected by other factors not present in Canada, including lack of uniform accounting, auditing and financial reported standards and potential difficulties in enforcing contractual obligations. As a result, the Fund's value may fluctuate to a greater degree by investing in foreign securities than if the Fund limited its investments to Canadian securities.

Differences between Quoted and Actionable Market Prices

Many funds calculate their net asset values on the basis of marks received from dealers. However, it is not unusual especially in the case of certain less conventional instrument for the prices quoted by dealers for informational purposes to materially exceed the prices at which the same dealers are willing actually to enter into transactions. This discrepancy can cause material disruptions and unexpected net asset value declines when a fund is required to sell a position which it had been valuing based on dealers' markets.

ETF Risk

The Fund may invest in securities of ETFs. These ETFs seek to provide returns similar to the performance of a particular market index or industry sector index. ETFs may not achieve the same return as their benchmark or industry sector indices due to, among other things, differences in the actual weights of securities held in the ETF versus the weights in the relevant index and due to the operating and management expenses of the ETFs. An ETF may, for a variety of reasons, also fail to accurately track the market segment or index that underlies its investment objective. The price of an ETF can also fluctuate adversely affecting the performance of the Fund.

Liquidity Risk

Certain investments and types of investments are subject to restrictions on resale, may trade in the over-the-counter market or in limited volume, or may not have an active trading market. Illiquid securities may trade at a discount from comparable, more liquid investments and may be subject to wide fluctuations in market value. It may be difficult for the administrator of the Fund to value illiquid securities accurately. Also, the Investment Advisor of the Fund may not be able to dispose of illiquid securities or execute or close out a derivatives transaction readily at a favorable time or price or at prices approximating those at which the portfolio of the Fund currently values them. Illiquid securities also may entail registration expenses and other transaction costs that are higher than those for liquid securities. In instances where the liquidity of the Fund's portfolio securities is restricted or compromised, the Manager has the ability and may deem it necessary to place restrictions upon or otherwise limit client redemptions from the Fund's portfolio or alternatively to process client redemptions in-kind or partially in-kind or to delay or postpone payment of redemptions.

Short Sales

The Fund may invest in may sell securities short. Selling securities short (“**Shorting**”) involves borrowing a security from an existing holder and selling security in the market with promise to return it at a later date. Should the security increase in value during the short period, losses will incur to the Fund. There is in theory no upper limit to how high the price in a security may go. Another risk involved in shorting is the loss of a borrower, a situation where the lender of the security requests a return. In case like this, the Fund must either find securities to replace those borrowed or step into the market and repurchase the securities. Depending on the liquidity of the security shorted, if there are insufficient securities available at current market prices, the Fund may have to bid up the price of the security in order to cover the short, resulting in losses to the Fund which may also result in losses to the Fund.

Long Positions

The success of the long positions established for the Fund by the Investment Advisor will depend in large part on the Investment Advisor’s ability to accurately assess the intrinsic value of those positions. An accurate assessment of value depends on a complex analysis of a number of financial and legal factors. No assurance can be given that the Investment Advisor will be in a position to assess the nature and magnitude of all material factors having a bearing on the value of the Fund’s long positions, or that the Investment Advisor will accurately assess the impact of all factors of which it is aware.

Concentration

The Manager may take concentrated positions of certain cryptocurrencies involving greater risk and volatility than other investments since the performance of one particular cryptocurrency could significantly and adversely affect the overall performance of the Fund.

Hedging

Although a hedge is intended to reduce risk, it does not eliminate risk entirely. A hedging strategy may not be effective. A hedge can result in a loss in the case of an extraordinary event. There are several such possible cases including, but not limited to: (i) lack of liquidity during market panics, (ii) imperfect correlation between the underlying asset of the derivative and the asset being hedged, (iii) default of counterparties. To protect the Fund’s capital against the occurrence of such events, the Manager will attempt to maintain a diversified portfolio.

Derivatives Trading

The Fund intends to trade in derivative financial instruments, including, without limitation, options, currency swaps, and forward contracts, and may use derivative techniques for hedging and for other trading purposes, including for the purpose of obtaining the economic benefit of an investment in an entity without making a direct investment. The risks posed by such instruments and techniques, which can be extremely complex and may involve leveraging of the Fund’s assets, include: (i) credit risks (the exposure to the possibility of loss resulting from a counterparty’s failure to meet its financial obligations); (ii) market risk (adverse movements in the price of a financial asset or commodity); (iii) legal risks (the characterization of a transaction or a party’s legal capacity to enter into it could render the financial contract unenforceable, and the insolvency or bankruptcy of a counterparty could pre-empt otherwise enforceable contract rights); (iv) operations risk (inadequate controls, deficient procedures, human error, system failure or fraud); (v) documentation risk (exposure to losses resulting from inadequate documentation); (vi) liquidity risk (exposure to losses created by inability to prematurely terminate the derivative); (vii) system risk (the risk that financial difficulties in one institution or a major market disruption will cause uncontrollable financial harm to the financial system); (viii) concentration risk (exposure to losses from the concentration of closely related risks such as exposure to a particular industry or exposure linked to a particular entity); and (ix) settlement risk (the risk faced when one party to a transaction has performed its obligations under a contract but has not yet received value from its counterparty). In addition, governments from time to time intervene, directly and by regulation, in certain markets. Such intervention is often intended to influence prices directly which may negatively affect the Fund’s performance. The Fund is also indirectly subject to the risk of failure of any of the exchanges on which such contracts trade or of the exchange’s clearinghouses, if any.

Options

Selling call and put options is a highly specialized activity and entails greater than ordinary investment risk. The risk of loss when purchasing an option is limited to the amount of the purchase price of the option; however investment in an option may be subject to greater fluctuation than an investment in the underlying asset or derivative. In the case of the sale of an uncovered option there can be potential for an unlimited loss. To some extent this risk may be hedged by the purchase or sale of the underlying asset or derivative.

Trading on Foreign Exchanges

The Fund may trade in futures, forward and option contracts on exchanges located outside Canada and outside the United States where the Commodity Futures Trading Commission regulations do not apply. Some foreign exchanges, in contrast to U.S. and Canadian exchanges, are “principals’ markets” in which performance with respect to a contract is the responsibility only of the individual member with whom the trader has entered into a contract and not of the exchange or clearinghouse, if any. In the case of trading on such foreign exchanges, the Fund will be subject to the risk of the inability of, or refusal by, the counterparty, to perform with respect to such contracts. The Fund also may not have the same access to certain trades as do various other participants in foreign markets. Due to the absence of a clearinghouse system on certain foreign markets, such markets are significantly more susceptible to disruptions than Canadian or United States exchanges. Trading on foreign exchanges may involve certain risks which may not be applicable to trading on Canadian or United States exchanges, such as the risks of exchange controls, expropriation, burdensome or confiscatory taxation, moratoriums, or political or diplomatic events. In addition, certain of these foreign markets are newly formed and may lack personnel experienced in floor trading as well as in monitoring floor traders for compliance with exchange rules. Also, trading on foreign exchanges will be subject to the risk of currency fluctuations which may adversely affect the Fund’s unrealized gains or losses. Furthermore, with respect to trading on foreign markets the Fund will be subject to the risk of fluctuation in the exchange rate between the local currency and dollars and to the possibility of exchange controls.

Cybersecurity Risks

Cybersecurity incidents and cyber-attacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future. The Manager will seek to prevent and mitigate any such incidents but there is no guarantee that it will be successful in such efforts. A cybersecurity incident could have numerous material adverse effects on the Fund. Such incidents could impair the operations, liquidity and financial condition of the Fund, amongst other potential threats and risks. Cyber threats and/or incidents could cause financial costs from the theft of Fund assets (including proprietary information and intellectual property) as well as numerous unforeseen costs including, but not limited to: litigation costs, preventative and protective costs, remediation costs and costs associated with reputational damage.

Cryptocurrencies

Cryptocurrency exchanges have in the past been closed due to fraud, failure or security breaches. In many of these instances, the customers of such cryptocurrency exchanges were not compensated or made whole for the partial or complete losses of their account balances. Any of the Fund’s assets that reside on a cryptocurrency exchange that shuts down may be lost. The methodologies for determining a cryptocurrency’s market price are new and untested. Such methodologies may now or in the future contain inherent flaws that may adversely affect the ability to determine a cryptocurrency’s market price. Cryptocurrencies are created, issued, transmitted and stored according to protocols run by computers in a cryptocurrency network. It is possible these protocols have hidden flaws that could result in the loss of some or all assets held by the Fund. There may also be network scale attacks against these protocols or server hosts that result in the loss of some or all of assets held by the Fund. Some assets held by the Fund may be created, issued or transmitted using experimental cryptography which could have underlying flaws. Advancements in quantum computing could break the cryptographic rules of protocols that support the assets held by the Fund. The Fund makes no guarantees about the reliability of the cryptography used to create, issue or transmit assets held by the Fund. The impact of geopolitical events on the supply and demand for cryptocurrencies is uncertain. The further development and acceptance of the cryptographic, algorithmic, and other applicable protocols governing the issuance of and transactions in cryptocurrencies, which represents a new and rapidly changing industry, is subject to a variety of factors that are difficult to evaluate. The slowing or stopping of the development or acceptance of these protocols may adversely affect any investment in a cryptocurrency. Currently, there is relatively small use of cryptocurrencies in the retail and commercial marketplace in comparison to relatively large

use by speculators (including, but not limited to, high frequency traders using automated trading systems seeking to take advantage of arbitrage opportunities in cryptocurrencies and the various cryptocurrency exchanges), thus contributing to price volatility.

Fluctuations in the Market Price of Cryptocurrencies

The value of the Units relates directly to the value of the cryptocurrencies held directly or indirectly by the Fund, and fluctuations in the price of cryptocurrencies could materially and adversely affect an investment in the Units. Several factors may affect the price of cryptocurrencies, including: the total number of cryptocurrencies in existence; global demand; global supply; investors' expectations with respect to the rate of inflation of fiat currencies; investors' expectations with respect to the rate of deflation of cryptocurrencies; interest rates; currency exchange rates, including the rates at which cryptocurrencies may be exchanged for fiat currencies; fiat currency withdrawal and deposit policies of cryptocurrency exchanges and liquidity of such cryptocurrency exchanges; interruptions in service from or failures of major cryptocurrency exchanges; cyber theft of cryptocurrencies from online digital wallet providers, or news of such theft from such providers or from individuals' digital wallets; investment and trading activities of large investors; monetary policies of governments, trade restrictions, currency devaluations and revaluations; regulatory measures, if any, that restrict the use of cryptocurrencies as form of payment or the purchase of cryptocurrencies on the market; the availability and popularity of business that provide cryptocurrency-related services; the maintenance and development of the open-source software protocol of the cryptocurrency network; increased competition from other forms of cryptocurrency or payments services; global or regional political, economic or financial events and situations; expectations among cryptocurrency economy participants that the value of cryptocurrencies will soon change; and fees associated with processing a cryptocurrency transaction.

In addition, investors should be aware that there is no assurance that cryptocurrencies will maintain their long-term value in terms of future purchasing power or that the acceptance of cryptocurrency payments by mainstream retail merchants and commercial businesses will continue to grow. In the event that the price of cryptocurrencies declines, the Manager expects the value of an investment in the Units to decline proportionately.

Cryptocurrencies represent a speculative investment and involve a high degree of risk. As relatively new products and technologies, cryptocurrencies have not been widely adopted as a means of payment for goods and services by major retail and commercial outlets. Conversely, a significant portion of the demand for cryptocurrencies is generated by speculators and investors seeking to profit from the short or long-term holding of cryptocurrencies. The relative lack of acceptance of cryptocurrencies in the retail and commercial marketplace limits the ability of end-users to pay for goods and services with cryptocurrencies. A lack of expansion by cryptocurrencies into retail and commercial markets, or a contraction of such use, may result in increased volatility.

Momentum Pricing

Momentum pricing typically is associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for anticipated future appreciation in value. The Manager believes that momentum pricing of cryptocurrencies has resulted, and may continue to result, in speculation regarding future appreciation in the value of cryptocurrencies, inflating and making the market price of cryptocurrencies more volatile. As a result, cryptocurrencies may be more likely to fluctuate in value due to changing investor confidence in future appreciation or depreciation in the market price of cryptocurrencies.

Market Adoption

Currently, there is relatively small use of cryptocurrencies in the retail and commercial marketplace in comparison to relatively large use by speculators, thus contributing to price volatility that could adversely affect an investment in the Units.

Cryptocurrencies and the cryptocurrency network have only recently become accepted as a means of payment for goods and services by certain major retail and commercial outlets, and use of cryptocurrencies by consumers to pay such retail and commercial outlets remains limited. Conversely, a significant portion of cryptocurrency demand is generated by speculators and investors seeking to profit from the short or long-term holding of cryptocurrencies. A lack of expansion by

cryptocurrencies into the retail and commercial markets, or a contraction of such use, may result in increased volatility or a reduction in the market price of cryptocurrencies.

Further, if fees increase for recording transactions in the blockchain, demand for cryptocurrencies may be reduced and prevent the expansion of the cryptocurrency network to retail merchants and commercial businesses, resulting in a reduction in the price of cryptocurrencies.

Changes to Prominence of Cryptocurrencies and other Digital Assets

Demand for cryptocurrencies is driven by its status as the most prominent and secure digital asset. It is possible that a digital asset other than a cryptocurrency could have features that make it more desirable to a material portion of the digital asset user base, resulting in a reduction in demand for cryptocurrencies, which could have a negative impact on the price of cryptocurrencies.

The cryptocurrency network and cryptocurrencies, as an asset, hold a “first-to-market” advantage over other digital assets. This first-to-market advantage is driven in large part by having the largest user base and, more importantly, the largest combined mining power in use to secure the blockchain and transaction verification system. Having a large mining network results in greater user confidence regarding the security and long-term stability of a digital asset’s network and its blockchain; as a result, the advantage of more users and miners makes a digital asset more secure, which makes it more attractive to new users and miners, resulting in a network effect that strengthens the first-to-market advantage.

Despite the market first-mover advantage of the cryptocurrency network over other digital assets, it is possible that an altcoin could become materially popular due to either a perceived or exposed shortcoming of the cryptocurrency network protocol that is not immediately addressed by the core developers or a perceived advantage of an altcoin that includes features not incorporated into cryptocurrencies. If an altcoin obtains significant market share (either in market capitalization, mining power or use as a payment technology), this could reduce a cryptocurrency’s market share and have a negative impact on the demand for, and price of, cryptocurrencies.

Regulatory Framework relating to Cryptocurrencies

It may be illegal, now or in the future, to own, hold, sell or use cryptocurrencies in one or more countries, including the United States and Canada. Although currently cryptocurrencies are generally either not regulated or lightly regulated in most countries, including Canada, one or more countries may take regulatory actions in the future that severely restricts the right to acquire, own, hold, sell or use cryptocurrencies or to exchange cryptocurrencies for fiat currency. Such an action may restrict the Fund’s ability to hold or trade cryptocurrencies, and could result in termination and liquidation of the Fund at a time that is disadvantageous to unitholders, or may adversely affect an investment in the Fund. The Canadian Securities Administrators (the “CSA”) have already imposed certain conditions on investment fund managers and on portfolio managers that carry out business related to investment funds investing in cryptocurrencies. Additional conditions may be imposed on investment fund managers, portfolio managers or on any other person that may adversely affect the Fund.

The tax rules applicable to an investment in cryptocurrency may be uncertain and the tax consequences to the Fund of an investment in a cryptocurrency could differ from the Fund’s expectations (if any).

Risk of Loss of Private Key

Cryptocurrencies are controllable only by the possessor of unique private keys relating to the addresses in which the cryptocurrencies are held. The theft, loss or destructions of a private key required to access a cryptocurrency is irreversible, and such private keys would not be capable of being restored by the Fund. Any loss of private keys relating to digital wallets used to store the Fund’s cryptocurrencies could result in the loss of the cryptocurrencies controlled by such private key.

Risk of Loss, Theft or Destruction of the Fund’s Cryptocurrencies

There is a risk that some or all of the Fund’s cryptocurrencies could be lost, stolen or destroyed. If the Fund’s cryptocurrencies are lost, stolen or destroyed under circumstances rendering a party liable to the Fund, the responsible party may not have the financial resources sufficient to satisfy the Fund’s claim. Also, although the cryptocurrency Custodians uses security procedures with various elements, such as redundancy, segregation and cold storage, to minimize the risk of

loss, damage and theft, neither the cryptocurrency Custodians nor the Manager can guarantee the prevention of such loss, damage or theft, whether caused intentionally, accidentally or by an act of God. Access to the Fund's cryptocurrencies could also be restricted by natural events (such as an earthquake or flood) or human actions (such as a terrorist attack).

Trading on Cryptocurrency Networks

The Fund will convert cash contributions made by Members to various cryptocurrencies through exchanges and/or over the relevant network specific to a particular cryptocurrency. These cryptocurrency transactions will generally occur on online, end-user-to-end-user networks that host public transaction ledgers, known as the blockchain, and the source code that comprises the basis for the cryptographic and algorithmic protocols governing the relevant cryptocurrency. For an online cryptocurrency transaction, the purchaser must generally provide its public key, which serves as an address for the digital transaction, to the party initiating the transfer (the seller). Then the participants in the transaction must "sign" the transaction with a data code derived from entering the private key, which signature serves as validation that the transaction has been authorized by the participants. Although to date, the cryptography used to secure these digital transactions has been resistant to unauthorized interference, this process is theoretically vulnerable to hacking and malware, and could lead to theft of the Fund's digital assets and the loss of the Fund's cryptocurrencies.

Response to Changing Security Needs

As technological change occurs, the security threats to the Fund's cryptocurrencies will likely adapt and previously unknown threats may emerge. The Fund's and the cryptocurrency Custodians' ability to adopt technology in response to changing security needs or trends may pose a challenge to the safekeeping of the Fund's cryptocurrencies. To the extent that the Fund or the cryptocurrency Custodians are unable to identify and mitigate or stop new security threats, the Fund's cryptocurrencies may be subject to theft, loss, destruction or other attack.

Irrevocability of Cryptocurrency Transaction

Cryptocurrency transactions are irrevocable and stolen or incorrectly transferred cryptocurrencies may be irretrievable. Cryptocurrency transactions are not reversible without the consent and active participation of the recipient of the transaction. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer of cryptocurrencies or a theft of cryptocurrencies generally will not be reversible and the Fund may not be capable of seeking compensation for any such transfer or theft. To the extent that the Fund is unable to seek a corrective transaction with the third party or is incapable of identifying the third party that has received the Fund's cryptocurrencies through error or theft, the Fund will be unable to revert or otherwise recover incorrectly transferred cryptocurrencies. The Fund will also be unable to convert or recover cryptocurrencies transferred to uncontrolled accounts.

Potential Failure to Maintain the Cryptocurrency Network

The cryptocurrency network operates based on an open-source protocol maintained by the core developers of the cryptocurrency network and other contributors dedicated to cryptocurrency development. As the cryptocurrency network protocol is not sold and its use does not generate revenues for its development team, the core developers are generally not compensated for maintaining and updating the cryptocurrency network protocol. Consequently, there is a lack of financial incentive for developers to maintain or develop the cryptocurrency network and the core developers may lack the resources to adequately address emerging issues with the cryptocurrency network protocol. Although the cryptocurrency network is currently supported by the core developers, there can be no guarantee that such support will continue or be sufficient in the future. To the extent that material issues arise with the cryptocurrency network protocol and the core developers and open-source contributors are unable to address the issues adequately or in a timely manner, the cryptocurrency network and an investment in the Units may be adversely affected.

Internet Disruptions

A disruption of the internet may affect cryptocurrency operations, which may adversely affect the cryptocurrency industry and an investment in the Fund. Cryptocurrency networks' functionality relies on the internet. A significant disruption of internet connectivity (i.e., affecting large numbers of users or geographic regions) could prevent cryptocurrency networks' functionality and operations until the internet disruption is resolved. An internet disruption could adversely affect an investment in the Fund or the ability of the Fund to operate.

Coercion or Takeover of Mining Process

Entities engaged in the mining process could be coerced into acting in a manner detrimental to a cryptocurrency's network. If a nation state or other large and well-capitalized entity wanted to damage a cryptocurrency network, an attack could be attempted on that cryptocurrency's miners. The attacking entity could attempt to coerce, by legal or illegal means, cryptocurrency miners who, in the aggregate, control more than 50 percent of a cryptocurrency's mining capacity into manipulating the blockchain in a manner detrimental to that cryptocurrency's network. Such an attack could adversely affect an investment in the Fund or the ability of the Fund or a particular cryptocurrency's exchanges to operate.

Additionally, a well-capitalized entity could create large amounts of mining processing power as a means of acting in a manner detrimental to a cryptocurrency's network. If a nation state or other large and well-capitalized entity wanted to damage a cryptocurrency's network, the entity could attempt to create, either from scratch or via large-scale purchases, a massive amount of mining processing power. If the entity were to create an amount of mining processing power in excess of 50 percent of the aggregate mining processing power, the entity could attempt to manipulate the blockchain in a manner detrimental to a cryptocurrency's network. Such an attack could adversely affect an investment in the Fund or the ability of the Fund or a particular cryptocurrency's exchanges to operate.

Collusion among Miners

A cryptocurrency's miners could act in collusion to raise transaction fees, which may adversely affect the usage of a particular cryptocurrency network. Cryptocurrency miners, functioning in their transaction confirmation capacity, collect fees for each transaction they confirm. Miners validate unconfirmed transactions by adding the previously unconfirmed transactions to new blocks in the blockchain. Miners are not forced to confirm any specific transaction, but they are economically incentivized to confirm valid transactions as a means of collecting fees. Miners have historically accepted relatively low transaction confirmation fees, because miners have a very low marginal cost of validating unconfirmed transactions. If miners collude in an anticompetitive manner to reject low transaction fees, then cryptocurrency users could be forced to pay higher fees, thus reducing the attractiveness of a particular cryptocurrency's network. Cryptocurrency mining occurs globally and it may be difficult for authorities to apply antitrust regulations across multiple jurisdictions. Any collusion among miners may adversely impact the attractiveness of a cryptocurrency network and may adversely impact an investment in the Fund or the ability of the Fund to operate.

Early Adopter Selloff

It is possible that a small group of a particular cryptocurrency's adopters control large amounts of an existing cryptocurrency. To the extent these individuals sell their stakes in a cryptocurrency, the price of that cryptocurrency may decline. It is possible that a small group of early cryptocurrency adopters hold a significant proportion of any particular cryptocurrency that has thus far been created. There are no regulations in place that would prevent a large holder of a particular cryptocurrency from selling their holdings. Such large sales may adversely affect the price of a cryptocurrency and an investment in the Fund.

Manipulation

Foreign jurisdictions may seek to manipulate currency prices. Any such manipulation are difficult to predict and may have a material adverse effect on the Fund.

IP Rights Claims May Adversely Affect the Operation of Cryptocurrency Network

Third parties may assert intellectual property claims relating to the operation of cryptocurrencies and their source code relating to the holding and transfer of such assets. Regardless of the merit of any intellectual property or other legal action, any threatened action that reduces confidence in a cryptocurrency network's long-term viability or the ability of end-users to hold and transfer the relevant cryptocurrency may adversely affect the Fund. Additionally, a successful intellectual property claim could prevent the Fund from accessing the cryptocurrency network or holding or transferring their cryptocurrency, which could force the Fund to terminate and liquidate the Fund's cryptocurrencies (if such liquidation is possible).

Legal Risk

Legal, tax and regulatory changes to laws or administrative practice could adversely affect the Fund. For example, it may be illegal, now or in the future, to own, hold, sell or use cryptocurrencies in one or more countries, including the United States and Canada. Although currently cryptocurrencies are generally either not regulated or lightly regulated in most countries, including Canada, one or more countries may take regulatory actions in the future that severely restricts the right to acquire, own, hold, sell or use cryptocurrencies or to exchange cryptocurrencies for fiat currency. Such an action may restrict the Fund's ability to hold or trade cryptocurrencies, and could result in termination and liquidation of the Fund at a time that is disadvantageous to unitholders, or may adversely affect an investment in the Fund.

Tax Risk

“Mutual Fund Trust” Status

In order to qualify as a mutual fund trust under the Tax Act, the Trust must comply with various requirements contained in the Tax Act, including to restrict its undertaking to the investment of its funds in property and to not be established or maintained primarily for the benefit of non-resident persons unless substantially all of its property consists of property other than “taxable Canadian property” within the meaning of the Tax Act . If the Trust were to cease to qualify as a mutual fund trust (whether as a result of a change in law or administrative practice, or due to its failure to comply with the current Canadian requirements for qualification as a mutual fund trust), it may experience various potential adverse consequences, including: becoming subject to a requirement to withhold tax on distributions made to non-resident Unitholders of any capital gains; Units not qualifying for investment by registered plans; and Units ceasing to qualify as “Canadian securities” for the purposes of the election provided in subsection 39(4) of the Tax Act.

Treatment of Gains and Losses on Dispositions of Cryptocurrency

The tax rules applicable to an investment in cryptocurrency may be uncertain and the tax consequences to the Fund of an investment in a cryptocurrency could differ from the Fund's expectations (if any). Interpretation of law or administrative practice may affect the characterization of the Fund's earnings as capital gains or income, which may increase the level of tax borne by the investor as a result of increased taxable distributions from the Fund.

The Manager and the Advisor have advised counsel that the Fund will generally treat gains (or losses) as a result of any disposition of bitcoin as capital gains (or capital losses). The CRA has taken the administrative position that bitcoins are treated as a commodity for income tax purposes. The CRA has not taken, to counsel's knowledge, any administrative position with respect to other cryptocurrencies. The CRA has also expressed the opinion that gains (or losses) of mutual fund trusts resulting from transactions in commodities should generally be treated for income tax purposes as ordinary income rather than as capital gains, although the treatment in each particular case remains a question of fact to be determined having regard to all the circumstances. If any transactions of the Fund are reported by it on capital account but are subsequently determined by the CRA to be on income account, there may be an increase in the net income of the Fund which is automatically distributed by the Fund to its Unitholders at the Fund's taxation year end and/or the taxable component of the redemption proceeds received by a redeeming Unitholder during the year; with the result that Canadian resident Unitholders could be reassessed by the CRA to increase their taxable income by the amount of such increase, and non-resident Unitholders potentially could be assessed directly by the CRA for Canadian withholding tax on the amount of net gains on such transactions that were treated by the CRA as having been distributed to them. In addition, the CRA could assess the Trust for a failure of the Trust to withhold tax on distributions made by it to non-resident Unitholders that are

subject to withholding tax, and typically would do so rather than assessing the non-resident Unitholders directly. Accordingly, any such redetermination by the CRA may result in the Trust being liable for unremitted withholding taxes on prior distributions made to Unitholders who were not resident in Canada for the purposes of the Tax Act at the time of the distribution. As the Trust 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 Trust would reduce the net asset value of the units.

In light of the foregoing there can be no assurance that the Fund's investment objectives will be achieved or that the Series Net Asset Value per Unit at redemption will be equal to or more than a purchaser's original cost.

REPORTING TO UNITHOLDERS AND MEETINGS OF UNITHOLDERS

Reporting to Unitholders

The fiscal year end of the Fund is December 31. Unitholders will be sent audited annual financial statements within 90 days of year end and unaudited semi-annual financial statements within 60 days of June 30, or as otherwise required by law. Additional interim reporting to Unitholders will be at the discretion of the Manager. The Fund may enter into other agreements with certain Unitholders that may entitle such Unitholders to receive additional reporting. Unitholders will receive the applicable required tax form(s) within the time required by applicable law to assist Unitholders in making the necessary tax filings.

Meetings of Unitholders

Pursuant to the terms of the Trust Agreement applicable to the Fund, Unitholder approval is only required if the nature of an amendment to the Trust Agreement is a matter for which applicable laws provide that such approval is required or if the amendment would adversely affect the pecuniary value of the interest of any Unitholder of the Fund (or of the Series). The Manager is not aware of any requirement under applicable law which currently requires Unitholder approval for any amendment to the Trust Agreement or other change to the Fund. The Manager may convene a meeting of Unitholders, or of a Series of Unitholders, as it considers appropriate or advisable from time to time. Unitholders holding not less than 50% of the votes attaching to all outstanding Units may requisition a meeting of Unitholders by giving a written notice to the Manager and the Trustee setting out in detail the reason(s) for calling and holding such a meeting. Units of a Series will vote separately as a Series if the notice calling the meeting so provides. Not less than 21 days' notice will be given of any meeting of Unitholders. The quorum at any meeting is two Unitholders of the Fund, or of the Series, as the case may be, represented in person or by proxy, representing not less than 5% of the votes attaching to all the Units entitled to vote at such meeting. If no quorum is present at such meeting when called, the meeting will be adjourned by the Manager to a date and time determined by the Manager, and at the adjourned meeting the Unitholders then present in person or represented by proxy will form the necessary quorum, if notice of the adjourned meeting is given. Unless otherwise provided in the Trust Agreement or by applicable securities laws, every question submitted to a meeting of Unitholders shall be decided by a majority of the votes cast.

AMENDMENT OF THE TRUST AGREEMENT

Any provision of the Trust Agreement may be amended by the Manager, upon notice to Unitholders if the amendment does not constitute an amendment for which the Trust Agreement or applicable laws provide that the approval of Unitholders is required. If an amendment does require Unitholder approval, a meeting of Unitholders will be called by the Manager as described above. Notice of any amendment which does not require Unitholder approval will be given in writing to Unitholders of the Fund and not take effect until at least 60 days after the notice is given. However, the Manager may determine that any amendment will become effective at an earlier time if that seems desirable and the amendment is not detrimental to the interest of any Unitholder of the Fund.

The Fund may be terminated on the occurrence of certain events stipulated in the Trust Agreement. The Manager may resign as manager of the Fund, and if no successor is appointed, the Fund will be terminated. On termination of the Fund, the Trustee will distribute the assets of the Fund in cash or in kind in accordance with the Trust Agreement.

AUDITORS

The auditors of the Fund are KPMG s.r.l./S.E.N.C.R.L. or such other party as the Manager may retain.

TRUSTEE

TSX Trust Company, or such other party as the Manager may retain, acts as the trustee of the Fund. The Manager may only remove the trustee upon 60 days prior written notice to the trustee and the Unitholders.

CUSTODIANS

Interactive Brokers Canada Inc., Société Générale Capital Canada Inc., R.J. O'Brien & Associates Canada Inc., Scotiabank Inc., certain reputable cryptocurrency exchanges, brokers or custodians, such as Gemini Trust Company, LLC, Xapo Inc., or such other party as the Manager may retain, act as custodian of the Fund.

BROKERS

Interactive Brokers Canada Inc., Société Générale Capital Canada Inc., R.J. O'Brien & Associates Canada Inc., or such other party as the Manager may retain, acts as the broker of the Fund.

ADMINISTRATOR AND REGISTRAR

SGGG Fund Services Inc., or such other party as the Manager may retain, acts as the administrator of the Fund.

LEGAL COUNSEL

Fasken Martineau Dumoulin LLP, or such other party as the Manager may retain, acts as the legal counsel of the Manager and the Fund.

MATERIAL AGREEMENTS

The only material agreements of the Fund are the Trust Agreement and the Advisory Agreement. Copies of these agreements will be made available to Unitholders upon request and may be inspected at the principal office of the Fund during normal business hours.

STATUTORY AND CONTRACTUAL RIGHTS OF ACTION

The following statutory or contractual rights of action for damages or rescission will apply to a purchase of Units. The applicable securities legislation in certain Offering Jurisdictions provides purchasers, or requires purchasers be provided, with remedies for rescission or damages, or both, if this Offering Memorandum or any amendment to it contains a misrepresentation. However, these remedies must be exercised within the time limits prescribed. Purchasers should refer to the applicable legislative provisions for the complete text of these rights and/or consult with a legal advisor.

Rights for Purchasers in Alberta

Securities legislation in Alberta provides that every purchaser of Units pursuant to this Offering Memorandum or any amendment thereto shall have, in addition to any other rights they may have at law, a right of action for damages or rescission, against the Fund and certain other persons if this Offering Memorandum or any amendment thereto contains a "misrepresentation" (as defined in the *Securities Act* (Alberta) (the "**Alberta Act**")). However, such rights must be exercised within prescribed time limits. Purchasers should refer to the applicable provisions of the Alberta securities legislation for particulars of those rights or consult with a lawyer. In particular, Section 204 of the Alberta Act provides that if this Offering Memorandum or any amendment thereto contains a misrepresentation, a purchaser who purchases Units offered under this Offering Memorandum or any amendment will be deemed to have relied upon the misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for damages against the Fund and every person or

company who signed this Offering Memorandum or, alternatively, for rescission against the Fund, provided that if the purchaser exercises its right of rescission against the Fund, the purchaser will not have a right of action for damages against the Fund or against any aforementioned person or company.

No action can be commenced to enforce the rights of action described above more than:

- (a) in the case of an action for rescission, 180 days from the date of the transaction that gave rise to the cause of action, or
- (b) in the case of any action, other than an action for rescission, the earlier of:
 - (i) 180 days from the date that the purchaser first had knowledge of the facts giving rise to the cause of action, or
 - (ii) three years from the date of the transaction that gave rise to the cause of action.

No person or company referred to above is liable if the person or company proves that the purchaser had knowledge of the misrepresentation. In addition, no person or company will be liable in an action pursuant to section 204 of the Alberta Act if the person or company proves that:

- (a) this Offering Memorandum or any amendment thereto was sent to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of it being sent, the person or company promptly gave reasonable notice to the Fund that it was sent without the knowledge and consent of the person or company;
- (b) on becoming aware of the misrepresentation in this Offering Memorandum, the person or company withdrew its consent to this Offering Memorandum and gave reasonable notice to the Fund of the withdrawal and the reason for it; or
- (c) if, with respect to any part of this Offering Memorandum or any amendment thereto purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company proves had no reasonable grounds to believe and did not believe that there had been a misrepresentation, the relevant part of this Offering Memorandum or any amendment thereto did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

In addition, no person or company is liable with respect to any part of this Offering Memorandum or any amendment thereto not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company: (i) failed to conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation; or (ii) believed that there had been a misrepresentation.

In an action for damages, the defendant will not be liable for all or any part of the damages that it proves do not represent the depreciation in value of the Units as a result of the misrepresentation relied upon. The amount recoverable under this right of action will not exceed the price at which the Units were offered under this Offering Memorandum or any amendment thereto. The rights of action for rescission or damages are in addition to and without derogation from any other right the purchaser may have at law.

This summary is subject to the express provisions of the Alberta Act and the regulations and rules made under it, and prospective investors should refer to the complete text of those provisions.

Rights for Purchasers in Saskatchewan

Section 138 of *The Securities Act, 1988* (Saskatchewan), as amended (the "**Saskatchewan Act**") provides that where an offering memorandum (such as this Offering Memorandum) or any amendment thereto is sent or delivered to a purchaser

and it contains a misrepresentation (as defined in the Saskatchewan Act), a purchaser who purchases a Unit covered by this Offering Memorandum or any amendment thereto is deemed to have relied upon that misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for rescission against the Fund or has a right of action for damages against:

- (a) the Fund;
- (b) every promoter and director of the Fund at the time this Offering Memorandum or any amendment thereto was sent or delivered;
- (c) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them;
- (d) every person who or company that, in addition to the persons or companies mentioned in (a) to (c) above, signed this Offering Memorandum or any amendment thereto; and
- (e) every person who or company that sells Units of the Fund on behalf of the Fund under this Offering Memorandum or amendment thereto.

Such rights of rescission and damages are subject to certain limitations including the following:

- (a) if the purchaser elects to exercise its right of rescission against the Fund, it shall have no right of action for damages against it;
- (b) in an action for damages, a defendant will not be liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the Units resulting from the misrepresentation relied on;
- (c) no person or company, other than the Fund, will be liable for any part of this Offering Memorandum or any amendment thereto not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation or believed that there had been a misrepresentation;
- (d) in no case shall the amount recoverable exceed the price at which the Units were offered; and
- (e) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation.

In addition, no person or company, other than the Fund, will be liable in an action pursuant to section 138 of the Saskatchewan Act if the person or company proves that:

- (a) this Offering Memorandum or any amendment thereto was sent or delivered without the person's or company's knowledge or consent and that, on becoming aware of it being sent or delivered, that person or company gave reasonable general notice that it was so sent or delivered; or
- (b) with respect to any part of this Offering Memorandum or any amendment thereto purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, the part of this Offering Memorandum or any amendment thereto did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

In addition, no person or company will be liable in an action pursuant to section 138 of the Saskatchewan Act if that person or company proves that in respect of a misrepresentation in forward looking information (as defined in the Saskatchewan

Act), such person or company proves that with respect to the document containing the forward looking information, approximate to that information, there is contained reasonable cautionary language identifying the forward looking information as such and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward looking information; and a statement of material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward looking information; and, the person or company had a reasonable basis for drawing the conclusions or making the forecast and projections set out in the forward looking information.

Not all defences upon which we or others may rely are described herein. Please refer to the full text of the Saskatchewan Act for a complete listing.

Similar rights of action for damages and rescission are provided in section 138.1 of the Saskatchewan Act in respect of a misrepresentation in advertising and sales literature disseminated in connection with an offering of securities.

Section 138.2 of the Saskatchewan Act also provides that where an individual makes a verbal statement to a prospective purchaser that contains a misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the purchaser is deemed to have relied on the misrepresentation, if it was a misrepresentation at the time of purchase, and has a right of action for damages against the individual who made the verbal statement.

Section 141(1) of the Saskatchewan Act provides a purchaser with the right to void the purchase agreement and to recover all money and other consideration paid by the purchaser for the securities if the securities are sold in contravention of the Saskatchewan Act, the regulations to the Saskatchewan Act or a decision of the Saskatchewan Financial Services Commission.

Section 141(2) of the Saskatchewan Act also provides a right of action for rescission or damages to a purchaser of securities to whom an offering memorandum or any amendment to it was not sent or delivered prior to or at the same time as the purchaser enters into an agreement to purchase the securities, as required by Section 80.1 of the Saskatchewan Act.

The rights of action for damages or rescission under the Saskatchewan Act are in addition to and do not derogate from any other right which a purchaser may have at law.

Section 147 of the Saskatchewan Act provides that no action shall be commenced to enforce any of the foregoing rights more than:

- (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of any other action, other than an action for rescission, the earlier of:
 - (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action; or
 - (ii) six years after the date of the transaction that gave rise to the cause of action.

Section 80.1 of the Saskatchewan Act also provides a purchaser who has received an amended offering memorandum delivered in accordance with subsection 80.1(3) of the Saskatchewan Act, a right to withdraw from the agreement to purchase securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two Business Days of receiving the amended offering memorandum.

Rights for Purchasers in Manitoba

If the purchaser is resident in Manitoba and if this Offering Memorandum, together with any amendment thereto, contains a misrepresentation, each purchaser in Manitoba to whom the Offering Memorandum has been sent or delivered and who purchases Units, will be deemed to have relied upon such misrepresentation if it was a misrepresentation at the time of

purchase, and the purchaser has a right of action for damages against the Fund, and, subject to certain additional defenses, against every director of the Fund acting on behalf of the Fund at the date of the Offering Memorandum and any person or company who signed the Offering Memorandum and any amendment thereto, but may elect instead to exercise a right of rescission against the Fund, in which case the purchaser will have no right of action for damages against the Fund or any other person or company who signed this Offering Memorandum, provided that, among other limitations:

- (a) in an action for rescission or damages, no person or company will be liable if it proves that the purchaser purchased the Units with knowledge of the misrepresentation;
- (b) in an action for damages, the Fund will not be held liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Units as a result of the misrepresentation relied upon; and
- (c) in no case will the amount recoverable under the right of action described above exceed the price at which the Units were offered.

In addition, no person or company other than the Fund is liable if the person or company proves that:

- (a) this Offering Memorandum or any amendment thereto was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent;
- (b) after delivery of this Offering Memorandum or any amendment thereto and before the purchase of the Units by the purchaser, on becoming aware of any misrepresentation in this Offering Memorandum, the person or company withdrew the person's or company's consent to the Offering Memorandum, or any amendment thereto, and gave reasonable general notice of the withdrawal and the reason for it; or
- (c) with respect to any part of this Offering Memorandum or any amendment thereto purporting to be made on the authority of an expert, or to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that: (i) there had been a misrepresentation, or (ii) the relevant part of this Offering Memorandum or any amendment thereto (A) did not fairly represent the report, opinion or statement of the expert, or (B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

In addition, no person or company other than the Fund is liable with respect to any part of this Offering Memorandum or any amendment thereto not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company: (i) failed to conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation; or (ii) believed that there had been a misrepresentation.

All or any one or more of the persons or companies that are found to be liable or accept liability in an action for damages are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all circumstances of the case, the court is satisfied that it would not be just and equitable.

In addition, no action shall be commenced to enforce these rights more than:

- (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of any action, other than an action for rescission, the earlier of: (i) 180 days after the date on which the purchaser first had knowledge of the facts giving rise to the cause of action or (ii) two years after the date of the transaction that gave rise to the cause of action.

The rights discussed above are in addition to and without derogation from any other right or remedy which purchasers may have at law and are intended to correspond to the provisions of the relevant securities legislation and are subject to the defenses contained therein.

Rights for Purchasers in Ontario

In accordance with Section 130.1 of the *Securities Act* (Ontario) (the “**Ontario Act**”) in the event that this Offering Memorandum or any amendment thereto contains a misrepresentation (as defined in the Ontario Act), the purchaser who purchases Units offered by this Offering Memorandum during the period of distribution has, without regard to whether the purchaser relied upon the misrepresentation, a right of action against the Fund for damages, or, while still the owner of the Units purchased by that purchaser, a right of rescission, except as provided below. If the purchaser exercises the right of rescission, the purchaser ceases to have a right of action for damages against the Fund.

The foregoing rights are subject to the following limitations:

- (a) the Fund will not be liable if it proves that the purchaser purchased the Units with knowledge of the misrepresentation;
- (b) in the case of an action for damages, the Fund will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Units as a result of the misrepresentation relied upon; and
- (c) in no case will the amount recoverable in any action exceed the price at which Units were sold to the purchaser.

No action shall be commenced to enforce these statutory rights more than:

- (a) in an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in an action for damages, the earlier of:
 - (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action; or
 - (ii) three years after the date of the transaction that gave rise to the cause of action.

The rights discussed above are in addition to and without derogation from any other rights or remedies available at law to the purchaser.

Rights for Purchasers in New Brunswick

The *Securities Act* (New Brunswick) (the “**New Brunswick Act**”) provides that, subject to certain limitations, where this Offering Memorandum or any amendment thereto, which is provided to a purchaser of the Units contains an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made (a “**misrepresentation**”), a purchaser who purchases the Units shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and the purchaser has, subject to certain defenses, a right of action for damages against the Fund or, while still the owner of the Units, may elect to exercise a right of rescission against the seller, in which case he shall have no right of action for damages, provided that:

- (a) in an action for rescission or damages, the defendant will not be liable if it proves that the purchaser purchased the security with knowledge of the misrepresentation;
- (b) in an action for damages, the defendant is not liable for all or any portion of the damages that it proves do not represent the depreciation in value of the security as a result of the misrepresentation relied upon; and

- (c) in no case shall the amount recoverable under the right of action described herein exceed the price at which the security was offered.

The right of action for rescission or damages described herein is conferred by section 150 of the New Brunswick Act and is in addition to and without derogation from any right the purchaser may have at law.

Pursuant to section 161 of the New Brunswick Act, no action shall be commenced to enforce a right of rescission unless such action is commenced not later than 180 days after the date of the transaction that gave rise to the cause of action and in the case of any action, other than an action for rescission, such action shall be commenced before the earlier of: (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action, and (ii) six years after the date of the transaction that gave rise to the cause of action.

Rights for Purchasers in Nova Scotia

The *Securities Act* (Nova Scotia) provides that, subject to certain limitations, where this Offering Memorandum, together with any amendment thereto, or any advertising or sales literature (as such terms are defined in the *Securities Act* (Nova Scotia)) disseminated in connection with the offering, contains an untrue statement of material fact or omits to state a material fact that is necessary to prevent a statement in this Offering Memorandum, any amendment thereto or advertising or sales literature from being misleading in light of the circumstances in which the statement was made (each, a “**Misrepresentation**”), that was a Misrepresentation at the time of purchase, a purchaser who purchases Units has a right of action for damages against the Fund, subject to certain additional defenses, every seller (other than the Fund) of Units, any director of the Fund acting on behalf of the Fund and persons who have signed this Offering Memorandum.

Alternatively, where the purchaser purchased Units from the Fund, the purchaser may elect to exercise a right of rescission against the Fund in which case the purchaser shall have no right of action for damages against the seller or persons who have signed the Offering Memorandum.

The foregoing rights are subject to, among other limitations, the following:

- (a) no action shall be commenced to enforce any of the foregoing rights more than 120 days after the date on which the initial payment was made for the Units;
- (b) no person will be liable if it proves that the purchaser purchased the Units with knowledge of the Misrepresentation;
- (c) in the case of an action for damages, no person will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Units as a result of the Misrepresentation relied upon; and
- (d) in no case will the amount recoverable in any action exceed the price at which the Units were offered under this Offering Memorandum or amendment thereto.

In addition, no person or company other than the Fund is liable if the person or company proves that:

- (a) this Offering Memorandum or any amendment thereto was sent or delivered to the purchaser without the person’s or company’s knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person’s or company’s knowledge or consent;
- (b) after delivery of this Offering Memorandum or any amendment thereto and before the purchase of the Units by the purchaser, on becoming aware of any Misrepresentation in this Offering Memorandum, or amendment thereto, the person or company withdrew the person’s or company’s consent to this Offering Memorandum, or amendment thereto, and gave reasonable general notice of the withdrawal and the reason for it; or

- (c) with respect to any part this Offering Memorandum or any amendment thereto purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that there had been a Misrepresentation, the part of this Offering Memorandum or any amendment thereto did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Furthermore, no person or company other than the Fund is liable with respect to any part of this Offering Memorandum or any amendment thereto not purporting to be made on the authority of an expert; and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company (i) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no Misrepresentation; or (ii) believed that there had been a Misrepresentation.

If a Misrepresentation is contained in a record incorporated by reference in, or deemed incorporated into, this Offering Memorandum or amendment thereto, the Misrepresentation is deemed to be contained in this Offering Memorandum or in any amendment thereto.

The rights of action for rescission or damages are in addition to and without derogation from any other right the purchaser may have at law.

Rights for Purchasers in Québec

Legislation has been adopted in Québec, but is not yet in force, that will provide the purchasers of Units with a statutory right to sue (if proclaimed in force). Until such time as this legislation is in force, in addition to any other right or remedy available to the purchasers of Units under ordinary civil liability rules, purchasers are granted the same rights of action for damages or rescission as purchasers in Ontario. If and when this legislation is in force, then purchasers of Units residing in the Province of Québec will no longer have the rights granted to purchasers in Ontario and the following will apply, in addition to any other right or remedy available to purchasers of Units residing in the Province of Québec under ordinary civil liability rules:

If there is a misrepresentation in this Offering Memorandum, purchasers will have a statutory right to sue:

- (a) to cancel subscription agreement to buy the Units or to revise the price at which the Units were sold to the purchaser; and
- (b) for damages against the Fund, the Fund's directors and officers, the dealer(s) under contract to the Fund in connection with the sale of these Units and any expert whose opinion appears in this Offering Memorandum if such opinion contains a misrepresentation.

This statutory right to sue will be available to purchasers whether or not purchasers have relied on the Offering Memorandum. Purchasers will be able to elect to cancel their agreement to buy these Units or to bring an action to revise the price without prejudice to their claim for damages.

However, there will be various defences available to the persons that purchasers will have a right to sue. For example, they will have a defence if purchasers knew of the misrepresentation when they purchased the Units. In an action for damages, a person listed above, other than the Fund or the persons in charge of the Fund's patrimony, will not be liable if that person acted with prudence and diligence.

In addition, the defendant will not be liable for a misrepresentation in forward-looking information if the defendant proves that:

- (a) this Offering Memorandum contains, proximate to the forward-looking information, reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the

forward-looking information, and a statement of material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection; and

- (b) there was a reasonable basis for drawing the conclusion or making the forecasts and projections set out in the forward-looking information.

If purchasers of Units intend to rely on the rights described in (a) or (b) above, they will have to do so within strict time limitations. Purchasers will have to commence an action to cancel the agreement or revise the price within three years after the date of the purchase. Purchasers will have to commence an action for damages within the earlier of (i) three years after they first had knowledge of the facts giving rise to the cause of action (except on proof of tardy knowledge imputable to purchasers negligence) or (ii) five years after the filing of this Offering Memorandum with the AMF.

Rights for Purchasers in Prince Edward Island

For purchasers of Units resident in Prince Edward Island, if there is a misrepresentation in respect of the Fund in the Offering Memorandum or in any amendment hereto, the purchaser will have a right of action for damages against the Fund acting on behalf of the applicable Fund, every director of the Fund acting on behalf of the Fund at the date of the Offering Memorandum, and every person who signed the Offering Memorandum, but may elect to exercise a right of rescission against the Fund in respect of a Fund, in which case the purchaser shall have no right of action for damages against the Fund acting on behalf of the Fund, any such director of the Fund acting on behalf of the Fund or any such other person, provided that, among other limitations:

No action may be commenced to enforce a right of action more than:

- (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of any action other than an action for rescission,
 - (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or
 - (ii) three years after the date of the transaction giving rise to the cause of action, whichever period expires first.

In an action for rescission or damages, the defendant will not be liable if it proves that the purchaser purchased the Units with knowledge of the misrepresentation.

In an action for damages, the defendant is not liable for any damages that it proves do not represent the depreciation in value of the Units resulting from the misrepresentation.

The amount recoverable under the right of action described herein must not exceed the price at which the Units purchased by the purchaser were offered.

No person other than the Fund acting on behalf of the Fund will be liable if the person proves that: (i) the Offering Memorandum was sent to the purchaser without the person's knowledge or consent and that, on becoming aware of its being sent, the person promptly gave reasonable notice to the Fund acting on behalf of the Fund that it had been sent without the person's knowledge and consent; (ii) the person, on becoming aware of the misrepresentation, had withdrawn the person's consent to the Offering Memorandum and had given reasonable notice to the Fund acting on behalf of the Fund of the withdrawal and the reason for it; or (iii) with respect to any part of the Offering Memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, statement or opinion of an expert, the person had no reasonable grounds to believe and did not believe that there had been a misrepresentation, or that the relevant part of the Offering Memorandum did not fairly represent the report, statement or opinion of the expert, or was not a fair copy of, or an extract from, the report, statement or opinion of the expert.

No person other than the Fund acting on behalf of the Fund will be liable with respect to any part of the Offering Memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, statement or opinion of an expert, unless the person failed to conduct a reasonable investigation to provide

reasonable grounds for a belief that there had been no misrepresentation, or believed that there had been a misrepresentation;

A person will not be liable for a misrepresentation in forward-looking information if:

- (a) the Offering Memorandum contains, proximate to the forward looking information, reasonable cautionary language identifying the forward looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward looking information, and a statement of material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward looking information; and
- (b) the person or company had a reasonable basis for drawing the conclusions or making the forecasts or projections set out in the forward-looking information; and

If a misrepresentation is contained in a record incorporated by reference in, or deemed to be incorporated into, the Offering Memorandum, the misrepresentation is deemed to be contained in the Offering Memorandum.

Rights for Purchasers in Newfoundland and Labrador

The Securities Act (Newfoundland and Labrador) provides a contractual right of action against an issuer for rescission or damages to every purchaser of securities to whom an offering memorandum (such as this Offering Memorandum) has been delivered by or on behalf of the seller of securities referred to in the offering memorandum if the offering memorandum contains a misrepresentation. This contractual right of action is exercisable on notice given to the issuer not later than 90 days after the date on which payment was made for the securities or after the initial payment, where payments after the initial payment are made under a contractual commitment assumed before, or concurrently with, the initial payment. A person or company is not liable for misrepresentation where he or she proves that the purchaser purchased the securities with knowledge of the misrepresentation.

Rights for Purchasers in British Columbia

Investors in British Columbia are granted the same rights of action for damages or rescission as residents of Ontario who purchase Units.

The rights summarized above are in addition to and without derogation from any other rights or remedy which investors may have at law.

DIRECTORY

Additional information as to the Fund and its advisors and agents:

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