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THE MARQUEST FUNDS

MARQUEST INCOME & GROWTH FUND

MARQUEST SMALL/MID CAP FUND

MARQUEST LARGE CAP FUND

MARQUEST RESOURCE FUND

MARQUEST FOCUS FUND

MARQUEST CREDIT FUND

(collectively the “Funds”)

CONFIDENTIAL OFFERING MEMORANDUM

April 30, 2012

Class A Units and Class F Units of each of the Funds (“Units”), are being offered pursuant to exemptions from the prospectus requirements of applicable securities legislation.

Units of the Fund may be redeemed monthly at their respective net asset value per Unit pursuant to procedures established from time to time by Marquest Asset Management Inc. (the “Manager”). In certain circumstances the redemption of Units may be suspended or the payment of redemption proceeds deferred (see “Redemption of Units”). The Units are also subject to resale restrictions under the Trust Agreement (as defined herein) and applicable securities legislation. There are certain additional risk factors associated with investing in Units. Investors should consult their own professional advisors to assess the income tax, legal and other aspects of the investment. Please see “Risk Factors” below.

The securities offered hereby are offered exclusively by the Funds by way of a private placement. No person is authorized to give away any information or to make any representation not contained in this Offering Memorandum and any information or representation, other than that contained in this Offering Memorandum, must not be relied upon. This Offering Memorandum is a confidential document furnished solely for the use of prospective purchasers who, by acceptance hereof, agree that they shall not transmit, reproduce or make available this document or any information contained in it.

Persons who receive this Offering Memorandum must inform themselves of, and observe, all applicable restrictions with respect to the acquisition or disposition of Units under applicable securities legislation. **Subscribers are urged to read the Funds’ Trust Agreement (available on request) for a full description of their rights. Subscribers are encouraged to consult with independent legal and tax advisers prior to signing a subscription agreement to purchase Units.**

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SUMMARY

Prospective investors are encouraged to consult their own professional advisors as to the tax and legal consequences of investing in the Funds. The following is a summary only and is qualified by the more detailed information contained in this Offering Memorandum.

The Funds: Each of the Marquest Income & Growth Fund, Marquest Small/Mid Cap Fund, Marquest Large Cap Fund, Marquest Resource Fund, Marquest Focus Fund, and Marquest Credit Fund (each a “Fund” and collectively the “Funds”) is an open ended unit trust established under the laws of the Province of Ontario by a trust agreement made between RBC Dexia Investor Services Trust (the “Trustee”) and the Manager dated as of October 1, 1997, as amended (the “Trust Agreement”). See “The Funds” and “Management of the Funds”.

Manager: Marquest Asset Management Inc.

Investment Objectives and Strategies: **Marquest Income & Growth Fund**

The investment objectives of the Marquest Income & Growth Fund are to provide long term capital appreciation and stable monthly cash distributions. The Fund will seek to achieve its objectives through investment in an actively-managed and broadly diversified portfolio of income generating securities. The portfolio may include dividend-paying equities, income trusts, preferred shares and corporate and government bonds and other income paying securities of primarily Canadian issuers. The Fund may employ various strategies to preserve capital during periods of market uncertainty, including holding significant cash positions.

Marquest Small/Mid Cap Fund

The investment objective of the Marquest Small Cap Growth Fund is to provide long term capital appreciation. The Fund will seek to achieve its objective through investment in a broadly diversified portfolio consisting primarily of securities of small and medium capitalization Canadian growth companies. The Fund will invest primarily in securities of public issuers but may hold up to 20% of its assets at any time in private companies. The Fund may employ various strategies to preserve capital during periods of market uncertainty, including holding significant cash positions.

Marquest Large Cap Fund

The investment objective of the Marquest Large Cap Fund is to provide long term capital appreciation. The Fund will seek to achieve its objective through investment in a broadly diversified portfolio consisting primarily of large capitalization Canadian and US/International companies. The Manager will concentrate on companies with reasonable valuations and strong growth prospects. The Fund may employ various strategies to preserve capital during periods of market uncertainty, including holding significant cash positions.

Marquest Resource Fund

The investment objective of the Marquest Resource Fund is to provide long term capital appreciation. The Fund will seek to achieve its objective through investment in a broadly diversified portfolio consisting primarily of small to mid-capitalization global resource companies. The portfolio will primarily include companies operating in the major resource industry groups including precious metals, base metals, rare earth metals, oil & gas, uranium and forestry products. The Fund may employ various strategies to preserve capital during periods of market uncertainty, including holding significant cash positions.

Marquest Focus Fund

The investment objective of the Marquest Focus Fund is to provide long term capital appreciation. The Fund will seek to achieve its objective through investment in a concentrated portfolio of primarily Canadian equities chosen from those industries which offer the best opportunity for superior returns at each stage of the market cycle. The Fund invests in companies with proven management ability, well-defined growth strategies and distinct competitive advantages and aims to exploit profit opportunities in various markets with lower correlation to traditional investments than the overall market without being constrained by managing to a benchmark index.

Marquest Credit Fund

The investment objective of the Marquest Credit Fund is to achieve consistent, superior, risk-adjusted returns with an emphasis on capital preservation and low correlation to traditional equity and fixed income asset classes. The Fund will seek to achieve its objective by investing in an actively-managed portfolio of fixed income and credit securities of North American issuers. The portfolio will consist primarily of senior secured debt instruments with collateral support, high yield bonds, corporate bonds and government securities. The portfolio will be broadly diversified by market sector, issuer type and security. The Manager will employ proprietary credit analysis and implement a number of investment techniques to take advantage of pricing inefficiencies and relative value opportunities. The non-Canadian Dollar exposure of the portfolio will be substantially hedged. The Fund will not employ leverage.

The Offering:

The offering consists of an unlimited number of Class A units and Class F units of each of the Funds (“Units”). Units are offered on the last business day of each month and on such other days as the Manager and Trustee may determine (each, a “Valuation Date”). Subscriptions must be received a minimum of 2 business days prior to a Valuation Date to be accepted as of such date. A business day is a day on which The Toronto Stock Exchange is open for business. If a subscription is accepted, the Units will be issued effective the business day following the relevant Valuation Date. See “Details of Offering”.

Each Unit represents a beneficial interest in a Fund. Each Fund is authorized to issue an unlimited number of Class A Units and Class F Units. Each Fund may issue fractional Units so that subscription funds may be fully invested. Each whole Unit has equal rights with respect to voting and, based on respective net asset values per Unit, the right to receive distributions, liquidation and other rights in respect of the Fund. See “The Funds” and “Trust Agreement – Units”.

Eligibility for Investment:

Each of the Funds is expected to be (or in the case of the Marquest Small/Mid Cap Fund, the Marquest Large Cap Fund and the Marquest Resource Fund is) a registered investment under the *Income Tax Act* (Canada) (the “Tax Act”). Accordingly, the Units of each of the Funds are, or are expected to be, qualified investments for registered retirement savings plans, registered retirement income funds, tax-free savings accounts, registered education savings plans, deferred profit sharing plans and registered disability savings plans. Each Fund intends to restrict its investments to qualified investments at any time when the Fund is not a mutual fund trust under the Tax Act in order to avoid the imposition of tax under Part X.2 of the Tax Act.

Subscription Price: Class A and Class F Units will be issued at a price equal to the net asset value per Class A or Class F Unit of a Fund (the “**Net Asset Value per Unit**”) as determined by the Custodian at the close of business on the applicable Valuation Date. See “Details of Offering” and “Computation of Net Asset Value”.

Offering Jurisdictions: All provinces of Canada (the “**Offering Jurisdictions**”).

Minimum Subscription: Units are being distributed only pursuant to available prospectus exemptions in the Offering Jurisdictions. For accredited investors, the minimum investment set by the Manager is currently **\$5,000** (subject to the Manager’s discretion to waive or increase this minimum amount at any time). Otherwise, for non-accredited investors, unless another exemption is available, the minimum investment is **\$150,000**, in accordance with National Instrument 45-106 – *Prospectus and Registration Exemptions* (although this exemption will not be made available to purchasers resident in Alberta). See “Details of Offering”.

Each additional investment must be in an amount that is not less than **\$1,000** (subject to the Manager’s discretion to waive or increase this minimum amount at any time).

Management Fees: Management Fees are payable to the Manager from Class A and Class F Units of the Marquest Income & Growth Fund at the rate of 1.75% and 1.0% per annum of the net asset value per Class A Unit and Class F Unit, respectively. Such fees shall be calculated and payable monthly on the last Valuation Date of each month.

Management Fees are payable to the Manager from Class A and Class F Units of the Marquest Small/Mid Cap Fund, Marquest Large Cap Fund, and the Marquest Resource Fund. at the rate of 2% and 1.0% per annum of the net asset value per Class A Unit and Class F Unit, respectively. Such fees shall be calculated and payable monthly on the last Valuation Date of each month.

Management Fees are payable to the Manager from Class A and Class F Units of the Marquest Credit Fund at the rate of 1.75% and 1.0% per annum of the net asset value per Class A Unit and Class F Unit, respectively.

No Management Fee is payable in respect of the Marquest Focus Fund.

Each Fund is required to pay applicable sales taxes on the Management Fees and Performance Fees that it pays to the Manager. See “Management of the Funds – The Manager”.

Performance Fees: Performance Fees are payable to the Manager from each of the Marquest Income & Growth Fund, Marquest Small/Mid Cap Fund, Marquest Large Cap Fund, Marquest Resource Fund and Marquest Focus Fund. Such fees shall be calculated and accrued by class of Unit on the last Valuation Date of each month and be paid on September 30th each year. In the case of Marquest Focus Fund, such fee shall be determined to be 20% of the increase in the Net Asset Value (including distributions to Unitholders) during the year to September 30th. In the case of Marquest Income & Growth Fund, Marquest Small/Mid Cap Fund, Marquest Large Cap Fund, and Marquest Resource Fund, such fees shall be determined to be 20% of the increase in Net Asset Value (including any distributions to Unitholders) during the year to September 30th in excess of 10%.

Expenses: Expenses relating to the organization and ongoing business of the Funds, as well as the costs of investment, are borne by the Fund, except to the extent that the Manager agrees to pay any such expenses from time to time. See "Fund Expenses".

Sales Commissions: A commission of up to 5% of the subscription for Units may be deducted from the purchase order and paid by the investor to a registered dealer. The remaining amount will be invested in Units of the relevant Fund. Sales commissions may be negotiated between the registered 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 at this time.

Servicing Fees: The Manager will pay servicing fees to registered dealers whose clients purchased Class A Units of the Funds and remain invested in the relevant Fund during the quarter. The Servicing Fee, expressed as an annual percentage of the net asset value for Units of each Fund is as follows:

Marquest Income & Growth Fund, Marquest Small/Mid Cap Fund, Marquest Large Cap Fund, Marquest Resource Fund, and Marquest Credit Fund	0.75%
Marquest Focus Fund	0%

In addition, registered dealers will receive up to 15% of any Performance Fee paid to the Manager attributable to the registered dealer's clients' investment in Class A Units of such Fund.

The Servicing Fees arising in respect of the Management Fees will be paid on a quarterly basis in arrears. The Servicing Fees arising in respect of the Performance Fee will be paid annually in arrears. Servicing Fees may be discontinued by the Manager at any time.

No Servicing Fees will be paid in respect of Class F Units of any Fund.

Redemptions: A Unitholder may redeem Units on any Valuation Date (each, a "Redemption Date") on not less than 10 days' notice (or such shorter period as the Manager may in its discretion permit). Redemptions are irrevocable except with the consent of the Manager (in its absolute discretion) or following a suspension as described below.

The redemption price of Units being redeemed will be an amount equal to the Net Asset Value per Unit of the Units being redeemed. The redemption price, less all applicable fees and deductions, will be paid within 7 business days of the relevant Redemption Date.

The redemption of Units of a Fund may be suspended or deferred in whole or in part at the sole discretion of the Manager (i) in situations where normal trading is suspended on any exchange on which the portfolio securities of the Fund are listed and traded which represent more than 50% by value or underlying market exposure of the total assets of the Fund without allowance for liabilities or (ii) for any period during which the Manager determines that conditions exist as a result of which disposal of the assets of the Fund is not reasonably practicable or it is not reasonably practicable to determine fairly the value of its assets.

The Manager will provide notice to a Unitholder requesting redemption of any redemption suspension or deferral, unless the suspension lasts for less than 48 hours. The Unitholder may withdraw the redemption request upon receipt of the notice.

Transfer or Resale of Units: Units may not be transferred except with the prior written consent of the Manager, which may be withheld in the Manager's sole and absolute discretion. The transfer or resale of Units (which does not include a redemption of Units) is also subject to restrictions under applicable securities legislation. It is anticipated that redemption of Units will be the only means of liquidating an investment in the Fund. See "Trust Agreement - Resale Restrictions".

Calculation of Net Asset Value of a Fund : The net asset value of a Fund (the "Net Asset Value of a Fund") will be calculated by the Custodian or such other person engaged by the Manager for such purpose, from time to time as the then fair market value of the assets of the Fund at the time of the calculation is made less the amount of its liabilities at that time. The Net Asset Value of the Fund will be computed in accordance with generally accepted accounting principles. The number of Units, the fair market value of the assets and the amount of liabilities of the Fund will be calculated as the Custodian in its sole discretion will determine from time to time, subject to certain valuation techniques set out in the Trust Agreement. See "Computation of Net Asset Value".

Distributions: Each Fund intends to distribute in December of each year sufficient net income and net realized capital gains, if any, so that the Fund will not be subject to tax under Part I of the Tax Act, other than alternative minimum tax. The Funds may make distributions out of net income, net realized capital gains and/or capital at other times during the year.

All distributions made by a Fund will be automatically reinvested in additional Units of the Fund on the distribution date at the Net Asset Value per Unit, unless a written request for payment of an amount in cash is received from a Unitholder at least 30 days prior to the distribution date.

Fiscal Year End: The fiscal year end for each of the Funds is September 30 in each year.

Term: The Funds do not have a fixed term. The Manager may, in its discretion, terminate a Fund by giving notice, fixing the date of termination not earlier than 60 days following the mailing or other delivery of notice, to the Trustee and the Unitholders of the Fund.

Financial Reporting: Audited financial statements for each Fund will be available to Unitholders within 90 days of each fiscal year end. Unaudited financial statements for each Fund will be available to Unitholders within 60 days of the end of the first six months in each fiscal year. On a quarterly basis, each Unitholder will be sent a statement of his or her account, detailing book and market value of holdings at the beginning and end of the quarter, and all account transactions during the quarter, including purchases, redemptions and reinvestments of distributions. Timing of availability may change based on regulatory requirements.

Tax Considerations: Investors are urged to consult with their tax advisers to determine the tax consequences of an investment in a Fund and the holding and disposition or redemption of Units.

Liability: The Trust Agreement provides that no holder of Units shall be subject to any liability to any person in connection with any contract or obligation of a Fund, the Manager or the Trustee, however there is a theoretical risk, which is considered by the Manager to be remote in the circumstances, that a holder of Units could be held personally liable (in the unlikely event that the Net Asset Value of the Fund declines below zero). See "Risk Factors".

Risk Factors:

Investors should consider a number of factors in assessing the risks associated with investing in Units including those generally associated with the investment techniques used by the Manager. See “Risk Factors”.

**Trustee and
Custodian:**

RBC Dexia Investor Services Trust.

SECTION 1 - THE MARQUEST FUNDS

Each of the Funds was established as an open-ended unit trust pursuant to the Trust Agreement (the “**Trust Agreement**”) made between Marquest Asset Management Inc. (the “**Manager**”) as manager and RBC Dexia Investor Services Trust (the “**Trustee**”) as trustee, as amended from time to time. The dates of the creation of each of the Funds are as follows:

Fund	Date of Establishment
Marquest Income & Growth Fund	January 2, 2009
Marquest Small/Mid Cap Fund	October 1, 1997
Marquest Large Cap Fund	March 10, 2002
Marquest Resource Fund	October 1, 2003
Marquest Focus Fund	October 29, 2010
Marquest Credit Fund	January 4, 2011

Each of the Funds are governed by the laws of the Province of Ontario. The registered office of the Funds is located at TD Canada Trust Tower, 161 Bay Street, Suite 4420, Toronto, Ontario M5J 2S1. A copy of the Trust Agreement is available for review during business hours at the office of the Manager.

Beneficial interests in each Fund are divided into units (“**Units**”). All of the Funds may issue Class A and Class F Units. Investors in a Fund will acquire Units, and fractions thereof (so that subscription proceeds are fully invested), and are referred to in this Offering Memorandum as “**Unitholders**”. Units are being offered at the net asset value per Class A or Class F Unit (the “**Net Asset Value per Unit**”). See “Trust Agreement - Units” and “Details of Offering” below.

The Funds, for the benefit of their Unitholders, will engage in making investments in accordance with investment objectives and restrictions of the Funds as determined by the Manager, all as disclosed in this Offering Memorandum. The financial instruments available for purchase and sale are not limited and shall be within the discretion of the Manager and any other adviser or sub-adviser who may be engaged from time to time by the Manager to invest the Funds’ assets. Some or all of the Funds’ assets may from time to time be invested in cash or other investments as the Manager may deem prudent in the circumstances. The business of a Fund shall include all things necessary or advisable to give effect to the Funds’ investment objectives.

SECTION 2 – INVESTMENT OBJECTIVES AND STRATEGIES

Marquest Income & Growth Fund

The investment objectives of the Marquest Income & Growth Fund are to provide long term capital appreciation and stable monthly cash distributions. The Fund will seek to achieve its objectives through investment in an actively-managed and broadly diversified portfolio of income generating securities. The portfolio may include dividend-paying equities, income trusts, preferred shares and corporate and government bonds and other income paying securities of primarily Canadian issuers. The Fund may employ various strategies to preserve capital during periods of market uncertainty, including holding significant cash positions.

Marquest Small/Mid Cap Fund

The investment objective of the Marquest Small/Mid Cap Fund is to provide long term capital appreciation. The Fund will seek to achieve its objective through investment in a broadly diversified portfolio consisting primarily of securities of small and medium capitalization Canadian growth companies. The Fund will invest primarily in securities of public issuers but may hold up to 20% of its assets at any time in private companies. The Fund may employ various strategies to preserve capital during periods of market uncertainty, including holding significant cash positions.

Marquest Large Cap Fund

The investment objective of the Marquest Large Cap Fund is to provide long term capital appreciation. The Fund will seek to achieve its objective through investment in a broadly diversified portfolio consisting primarily of large capitalization Canadian and US/International companies. The Manager will concentrate on companies with reasonable valuations and strong growth prospects. The Fund may employ various strategies to preserve capital during periods of market uncertainty, including holding significant cash positions.

Marquest Resource Fund

The investment objective of the Marquest Resource Fund is to provide long term capital appreciation. The Fund will seek to achieve its objective through investment in a broadly diversified portfolio consisting primarily of small to mid-capitalization global resource companies. The portfolio will primarily include companies operating in the major resource industry groups including precious metals, base metals, rare earth metals, oil & gas, uranium and forestry products. The Fund may employ various strategies to preserve capital during periods of market uncertainty, including holding significant cash positions.

Marquest Focus Fund

The investment objective of the Marquest Focus Fund is to provide long term capital appreciation. The Fund will seek to achieve its objective through investment in a concentrated portfolio of primarily Canadian equities chosen from those industries which offer the best opportunity for superior returns at each stage of the market cycle. The Fund invests in companies with proven management ability, well-defined growth strategies and distinct competitive advantages and aims to exploit profit opportunities in various markets with lower correlation to traditional investments than the overall market without being constrained by managing to a benchmark index.

Marquest Credit Fund

The investment objective of the Marquest Credit Fund is to achieve consistent, superior, risk-adjusted returns with an emphasis on capital preservation and low correlation to traditional equity and fixed income asset classes. The Fund will seek to achieve its objective by investing in an actively-managed portfolio of fixed income and credit securities of North American issuers. The portfolio will consist primarily of senior secured debt instruments with collateral support, high yield bonds, corporate bonds and government securities. The portfolio will be broadly diversified by market sector, issuer type and security. The Manager will employ proprietary credit analysis and implement a number of investment techniques to take advantage of pricing inefficiencies and relative value opportunities. The non-Canadian Dollar exposure of the portfolio will be substantially hedged. The Fund will not employ leverage.

SECTION 3 - MANAGEMENT OF THE FUNDS

3.1 The Manager

The Manager, Marquest Asset Management Inc., is a corporation incorporated under the federal laws of Canada on September 3, 1985. Its registered head office is located at TD Canada Trust Tower, 161 Bay Street, Suite 4420, Toronto, Ontario M5J 2S1.

Officers and Directors of the Manager

Name and Municipality	Residence	Office
Gerald L. Brockelsby	Oakville, Ontario	Chairman, Chief Compliance Officer, Chief Investment Officer and Director
Michael G. Butler	Mississauga, Ontario	Chief Executive Officer and Director
Andrew A. McKay	Toronto, Ontario	President, Chief Operating Officer and Director
Brett Northrup	Toronto, Ontario	Chief Financial Officer
Sean Rogister	Toronto, Ontario	Vice President
Alice Tsang	Toronto, Ontario	Vice President

The Manager is registered as an investment fund manager and exempt market dealer in Ontario and a portfolio manager in each the provinces of Ontario, Alberta, British Columbia, Quebec, Saskatchewan and New Brunswick.

Powers and Duties of the Manager

As Manager of the Funds, the Manager has been given the full authority and exclusive responsibility to direct the day-to-day undertaking, operations and affairs of the Funds, including management of the Funds' portfolio and distribution of the Units pursuant to the Trust Agreement and a Management Agreement dated April 30, 2012, as amended (the "**Management Agreement**"). The Manager is also the principal distributor of the Units. In its capacity as Manager of the Funds, the Manager will benefit from its activities as the distributor of the Units. The Manager may delegate certain of these duties from time to time.

The Manager is entitled to receive fees from the Funds for acting as Manager and will be entitled to reimbursement of all expenses of the Funds incurred by each of them. See "Fees" below. Furthermore, the Manager and any other person who has undertaken any action on behalf of a Fund will be indemnified and saved harmless by the Funds from and against any liability and all costs, charges and expenses sustained or incurred, including all legal fees, in respect of any action, suit or proceeding that is proposed or commenced against it for or in respect of anything done or permitted by it in respect of the execution of the duties of its office and all other costs, charges and expenses that it or he sustains or incurs in respect of the affairs of the Funds, provided that such company or persons shall not be indemnified by the Funds and its assets in respect of any liability, costs, charges or expenses that such company or persons sustain in or about any action, suit or other proceeding as a result of which they are adjudged to be in breach of any duty or responsibility imposed upon them under the Trust Agreement, unless in an action brought against such company or persons they have achieved complete or substantial success as a defendant.

The Manager has the right to resign as manager of a Fund by giving notice in writing to the Trustee and the Unitholders not less than 90 days prior to the date on which such resignation is to take effect. The Trustee shall give 90 days' written notice to the Manager to terminate the appointment of the Manager as the sole manager of the Funds in the event of the commission by the Manager of any material fraudulent act hereunder or any material deliberate misrepresentations hereunder or the persistent failure of the Manager to perform its duties and discharge its obligations hereunder or the continuing malfeasance or misfeasance of the Manager in the performance of its duties hereunder or should the Manager become insolvent.

In the event that the Trustee cannot or does not appoint a successor to the Manager or the Unitholders do not approve such appointment as described above, the Trust Agreement will be terminated upon the effective date of the resignation of the Manager and the property of the Fund will be distributed in accordance with the Trust Agreement.

The foregoing represents a summary of the terms of the Trust Agreement and Management Agreement. For complete understanding of the terms of such Agreements, investors or their advisers should consult the Agreements themselves.

Standard of Care of the Manager

The Manager must exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the Funds and in connection therewith must exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Manager has adopted policies and procedures to identify and avoid, or address and disclose, conflicts between its own interests and the interests of the Funds and/or the Unitholders, in accordance with applicable securities legislation, but will not be prohibited from, or be required to account to the Funds for, providing services to and receiving fees from any person or entity, including other pooled investment vehicles, similar to those services provided to the Funds.

The Manager has and will continue to develop policies that safeguard the interests of Unitholders and the Manager especially with respect to regulatory compliance, ethical practices, privacy, cash controls, trade monitoring, personnel and business continuity.

In exercising its powers and discharging its duties hereunder, the Manager may rely upon any statement, report or opinion prepared by or any advice received from auditors, solicitors, notaries or other professional advisers of the Manager and shall not be responsible or held liable for any loss or damage resulting from relying or acting thereon if the advice was within the area of professional competence of the person from whom it was received and the Manager acted reasonably in relying thereon and the professional adviser was aware that his advice would be relied on by the Manager in carrying out its duties on behalf of the Funds.

3.2 The Trustee

The Trustee, RBC Dexia Investor Services Trust, is a privately-owned Canadian federally chartered trust company. Its registered head office is located in Toronto and it is registered or otherwise qualified to carry on the business of a trust company in Canada.

The Manager has the full authority and responsibility to manage the business and affairs of the Funds pursuant to the Trust Agreement. The Trustee has also agreed to act as the custodian of the Funds.

The Trustee will be paid a fee by each Fund for acting as trustee and will be entitled to reimbursement of all expenses of the Funds incurred by it. Furthermore, the Trustee, its affiliates and agents and each of their respective directors, officers and employees will be indemnified and saved harmless by the applicable Fund from and against (i) all claims whatsoever, (including costs, judgments, charges and expenses including legal fees in connection therewith) brought, commenced or prosecuted against it for or in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to the execution of its duties as

Trustee, and (ii) all other costs, charges and expenses which it sustains or incurs in or about or in relation to the affairs of the Fund, except to the extent that any such claim, cost, charge or expense has been caused by a breach on the part of the Trustee, its affiliates or agents of the standard of care set out in the Trust Agreement or by the willful negligence, willful default or dishonesty on the part of any of them.

The Trustee has the right to resign as trustee of a Fund by giving notice in writing to the Manager not less than 90 days prior to the date on which such resignation is to take effect. Such resignation takes effect on the date specified in such notice, unless a successor trustee is appointed by the Manager prior to such date, in which case the resignation will take effect upon the appointment of the successor trustee. The Trustee can immediately resign by giving notice to the Manager if, in the Trustee's opinion, the Manager is in material default of its obligations under the Trust Agreement and the default continues for 90 days from the date the Manager received notice of the default from the Trustee. The Trustee may be removed by the Manager at any time by 90 days' prior notice to the Trustee, provided a successor trustee is appointed or the Fund is terminated in accordance with the Trust Agreement.

In the event that a vacancy shall occur in the office of trustee, a successor trustee must be appointed by the Manager to fill such vacancy. In the event that the Manager cannot or does not appoint a successor to the Trustee, the Trust Agreement will be terminated upon the effective date of the resignation or removal of the Trustee and the property of the Fund will be distributed in accordance with the Trust Agreement.

The foregoing represents a summary of the terms of the Management Agreement. For a complete understanding of the terms of the Management Agreement, investors or their advisors shall consult the Agreement itself.

Each Fund can issue an unlimited number of Class A Units and Class F Units, each Unit representing a beneficial interest in the Fund. Each Unit is without nominal or par value and will be issued as fully paid and non-assessable. There are no pre-emptive rights attaching to the Units. Each Unit represents an undivided interest in the assets referable to that Class of that Fund, but not of any other Fund. Units of the Funds are being offered at their net asset value ("**Net Asset Value**") per Class A or Class F Unit (the "**Unit Value**"). Fractional Units may be issued.

The Manager may from time to time subdivide or consolidate Units of a Fund.

SECTION 5 – FEES AND EXPENSES

5.1 Management Fees

Management Fees are payable to the Manager from Class A and Class F Units of the Marquest Income & Growth Fund at the rate of 1.75% and 1.0% per annum of the Net Asset Value per Class A Unit and Class F Unit, respectively. Such fees shall be calculated and payable monthly on the last Valuation Date of each month.

Management Fees are payable to the Manager from Class A and Class F Funds of the Marquest Small/Mid Cap Fund, Marquest Large Cap Fund, and the Marquest Resource Fund at the rate of 2% and 1.0% per annum of the Net Asset Value per Class A Unit and Class F Unit, respectively. Such fees shall be calculated and payable monthly on the last Valuation Date of each month.

Management Fees are payable to the Manager from Class A and Class F Units of the Marquest Credit Fund at the rate of 1.75% and 1.0% per annum of the Net Asset Value per Class A Unit and Class F Unit, respectively.

No Management Fee is payable in respect of the Marquest Focus Fund.

Each Fund is required to pay applicable sales taxes on the Management Fees and Performance Fees that it pays to the Manager. See “Management of the Funds – The Manager”.

5.2 Performance Fees

Performance Fees are payable to the Manager from each of the Marquest Income & Growth Fund, Marquest Small/Mid Cap Fund, Marquest Large Cap Fund, Marquest Resource Fund, and Marquest Focus Fund. Such fees shall be calculated and accrued on the last Valuation Date of each month and be paid on September 30th each year. In the case of Marquest Focus Fund, such fee shall be determined to be 20% of the increase in the Net Asset Value (including distributions to Unitholders) during the year to September 30th. In the case of Marquest Income & Growth Fund, Marquest Small/Mid Cap Fund, Marquest Large Cap Fund, and Marquest Resource Fund, such fees shall be determined to be 20% of the increase in Net Asset Value (including any distributions to Unitholders) during the year to September 30th in excess of 10%.

For the purpose of calculating the annual Performance Fees, to the extent that the return in any year does not exceed the benchmark, then the amount by which the return falls below the benchmark will be carried forward for a period of one year and deducted from the return. Accrued Performance Fees are payable upon termination of a Fund.

5.3 Fund Expenses

Each Fund is responsible for payment of its expenses, including all expenses relating to the operation of the Fund and the carrying on of the Fund's business, including but not limited to accounting, legal and audit fees and expenses; taxes, brokerage commissions and interest; operation and administrative costs and expenses (other than dealer compensation programs and any advertising, marketing, sponsorship and promotional costs and accounting expenses, which costs and expenses are the responsibility of the Manager); costs and expenses relating to the issue and redemption of Units; costs and expenses of financial and other reports; registry and transfer agency services; printing expenses and regulatory and other filing fees; all services required in connection with the provision of information to Unitholders; trustee and custodial fees and expenses; and costs and expenses relating to complying with all applicable laws.

SECTION 6 – DEALER COMPENSATION

At the discretion of the Manager, Units of the Funds may be distributed by qualified dealers who are registered in the Offering Jurisdictions. In the event of such distribution, registered dealers will be entitled to the compensation described below.

6.1 Sales Commissions

In the event of a registered dealer sale, a commission of up to 5% may be deducted from the purchase order and paid by the investor to the registered dealer. The remaining amount will be invested in the Fund. Sales commissions may be negotiated by the registered 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.

6.2 Servicing Fees

The Manager will pay servicing fees to registered dealers whose clients purchased Class A Units of the Funds and remain invested in the relevant Fund during the relevant quarter. The Servicing Fee, expressed as an annual percentage of the net asset value for Units of each Fund is as follows:

Marquest Income & Growth Fund, Marquest Small/Mid Cap Fund, Marquest Large Cap Fund, Marquest Resource Fund and, Marquest Credit Fund	0.75%
Marquest Focus Fund	0%

6.3 Performance – Based Servicing Fees

Registered dealers will receive up to 15% of any Performance Fee paid to the Manager attributable to the registered dealer's clients' investment in Class A Units of such Fund. The Servicing Fee arising in respect of the Management Fees will be paid on a quarterly basis in arrears. The Servicing Fee arising in respect of the Performance Fee will be paid annually in arrears. Servicing Fee may be discontinued by the Manager at any time.

The purpose of the Performance – Based Servicing Fee of the Funds is to ensure that the Manager, the registered dealer, its representatives and investors have a common interest in the relevant Fund's performance. The Manager at its discretion may calculate and pay Performance Fee Based Servicing Fees of a Fund on a more or less frequent basis, or may modify, discontinue or otherwise differentiate this fee among registered dealers at any time and from time to time.

No Servicing Fees will be paid in respect of Class F Units.

SECTION 7 – INVESTING UNITS OF THE FUND

7.1 Purchasing of Units

Subscriptions for Units may be placed by investors with the Manager or through registered dealers in an Offering Jurisdiction, as may be required or permitted by applicable securities laws. Prospective investors who wish to subscribe for Units must complete, execute and deliver the Subscription Agreement which accompanies this Offering Memorandum to the Manager or an agent and tender the purchase price in a manner acceptable to the Manager.

Purchases of Units can be made monthly as of the last business day of each month and on such other days as the Manager and Trustee may determine (each, a "**Valuation Date**"). A business day is a day on which the Toronto Stock Exchange is open for business. If a subscription is accepted, the Units will be deemed issued effective the business day following the relevant Valuation Date. Fractional Units may be issued so that subscription funds are fully invested.

The offering price of the Units will be an amount equal to the Net Asset Value per Class A or Class F Unit, determined as set out in "Determination of Net Asset Value", as of such date. In order to be accepted, a fully completed Subscription Agreement and subscription proceeds must be received by the Manager no later than 2 business days prior to such Valuation Date, failing which such subscription will not be accepted until the following Valuation Date. If a subscription is accepted, the Units will be issued effective the business day next following the relevant Valuation Date.

All subscriptions for Units are subject to acceptance or rejection by the Manager and the right is reserved to reject any subscription. All subscriptions for Units are to be forwarded by registered dealers, without charge, the same day that they are received, to the Manager on behalf of the Fund. The decision to accept or reject any subscription for Units will be made no later than 2 business days following receipt by the Manager of such subscription. In the

event that a subscription for Units is rejected, all money received with the subscription will be returned to the subscriber without interest or deduction.

7.2 Minimum Investment

The Manager has determined that the minimum investment is \$5,000 for persons who are resident in one of the Offering Jurisdictions and who meet the definition of “accredited investor”. This minimum may be increased at any time. A list of accredited investors is set out in the Subscription Agreement delivered with this Offering Memorandum, but generally includes individuals who have net financial assets of at least \$1,000,000, or personal income of at least \$200,000, or combined spousal income of at least \$300,000, in the previous two years with reasonable prospects of same in the current year.

Subscribers relying on the Minimum Amount Exemption (as herein defined) must make a minimum investment of \$150,000.

SECTION 8 – REDEMPTION OF UNITS

A Unitholder may redeem Units on any Valuation Date (each, a “**Redemption Date**”), on not less than 10 days’ written notice to the Manager (or such shorter period as the Manager may in its discretion permit), in such form as the Manager, from time to time, may prescribe or accept (a “**Redemption Notice**”). A Redemption Notice shall contain a clear request by the Unitholder that a specified number of Units be redeemed or stipulate the dollar amount which the Unitholder requires to be paid.

The redemption price of Units being redeemed will be an amount equal to the Net Asset Value per Unit of the Units being redeemed. The redemption price will be paid within 7 business days of the Redemption Date less all applicable fees and deductions.

The redemption of Units of a Fund may be suspended or deferred in whole or in part at the sole discretion of the Manager in situations where normal trading is suspended on any exchange on which the portfolio securities of the Fund are listed and traded which represent more than 50% by value or underlying market exposure of the total assets of the Fund without allowance for liabilities or for any period during which the Manager determines that conditions exist as a result of which disposal of the assets of the Fund is not reasonably practicable or it is not reasonably practicable to determine fairly the value of its assets.

The Manager will provide notice to a Unitholder requesting redemption of any redemption suspension or deferral, unless the suspension lasts for less than 48 hours. The Unitholder may withdraw the redemption request upon receipt of the notice.

If a redemption will result in the aggregate Net Asset Value or initial acquisition cost of the remaining Units of a Unitholder in a Fund being less than \$150,000, or such greater or lesser amount as, in the opinion of counsel to the Manager, will ensure compliance with applicable laws, all Units of the Unitholder will be redeemed.

SECTION 9 – RESALE RESTRICTIONS

Units may not be transferred except with the prior written consent of the Manager, which may be withheld in the Manager’s sole and absolute discretion. Any proposed transferee would be required to make representations and warranties to the applicable Fund in form and substance satisfactory to the Manager. The transfer or resale of Units (which does not include a redemption of Units) is also subject to restrictions under applicable securities legislation. It is not anticipated that a market will develop for the Units. Accordingly, redemption of the Units in

accordance with the provisions set out herein is likely to be the only means of liquidating an investment in the Funds.

SECTION 10 – DISTRIBUTIONS

Each Fund intends to distribute in December of each year sufficient net income and net realized capital gains, if any, so that the Fund will not be subject to tax under Part I of the Tax Act, other than alternative minimum tax. The Funds may make distributions out of net income, net realized capital gains and/or capital at other times during the year. All distributions made by a Fund will be automatically reinvested in additional Units of the same class of the Fund on the distribution date at the Net Asset Value per Class A or Class F Unit, unless a written request for payment of such amount in cash is received from a Unitholder at least 30 days prior to the distribution date.

SECTION 11 – DETAILS OF OFFERING

11.1 Eligible Investors

Units are being directly offered to investors resident in each of the Provinces of Canada (the “**Offering Jurisdictions**”) pursuant to certain exemptions from prospectus requirements contained in National Instrument 45-106 – *Prospectus and Registration Exemptions* (“**NI 45-106**”).

Any subscriber that is or becomes a “non-resident” or a “financial institution” within the meaning of the *Income Tax Act* (Canada) (the “**Tax Act**”) shall disclose such status to the applicable Fund at the time of subscription (or when such status changes) and the Fund may restrict the participation of any such investor or require the redemption of all or some of such investor’s Units.

11.2 Prospectus Exemptions

Units are being sold under available exemptions from the prospectus requirements under NI 45-106. Unless a subscriber can establish to the Manager’s satisfaction that another exemption is available, this will generally require that each investor is investing as principal (and not for or on behalf of any other persons) and is either an “accredited investor” or is investing a minimum amount of \$150,000 (the “**Minimum Amount Exemption**”). **This minimum amount is net of any front end commissions paid by an investor to his or her agent.** Investors, other than individuals, that are not accredited investors, or are accredited investors solely on the basis that they have net assets of at least \$5,000,000, must also represent to the Manager (and may be required to provide additional evidence at the request of the Manager to establish) that such investor was not formed solely in order to make private placement investments which may not have otherwise been available to any persons holding an interest in such investor. The so-called “Offering Memorandum Exemption” is not being relied on, nor is the Minimum Amount Exemption available to investors in Alberta, and as a result, investors do not have the benefit of certain additional protections that NI 45-106 gives to investors when an issuer relies on the Offering Memorandum Exemption.

Purchasers will be required to make certain representations in the Subscription Agreement and the Manager will rely on such representations to establish the availability of the exemptions from prospectus requirements described above. No subscription will be accepted unless the Manager is satisfied that the subscription is in compliance with applicable securities laws.

Unitholders who are accredited investors or who previously invested in and continue to hold Units having an acquisition cost or current net asset value equal to \$150,000 will be permitted to make subsequent “top up” investments in any amount. Unless a new Subscription Agreement is executed, each investor making a top-up

investment will be deemed to have repeated and confirmed to the Manager the covenants and representations contained in the Subscription Agreement delivered by the investor to the Manager at the time of the initial investment.

11.3 Know-Your-Client and Suitability of Investment

Whether the subscriber for Units is purchasing through their own registered dealer or directly from the Manager (in its capacity as an exempt market dealer), the registered dealer through whom the Units are purchased has an obligation under applicable securities laws to determine suitability of the investment for such purchaser, unless the purchaser is a “permitted client” and either waives such requirement or the registered dealer is otherwise exempt from such requirement. Subscribers purchasing directly from the Manager will be required to provide certain information in the Subscription Agreement (referred to as know-your-client information) on which the Manager will rely in determining such suitability.

11.4 Release of Confidential Information

Under applicable anti-money laundering rules, the Manager may voluntarily release confidential information about Unitholders and, if applicable, about the beneficial owners of corporate Unitholders, to regulatory or law enforcement authorities if they determine to do so in their discretion or are required by law.

11.5 Leverage Disclosure Statement (Using Borrowed Money to Purchase Units)

The use of leverage may not be suitable for all investors. Using borrowed money to finance the purchase of securities involves greater risk than using cash resources only. If an investor borrows money to purchase securities, the investor’s responsibility to repay the loan and pay interest as required by the terms of the loan remains the same even if the value of the securities purchased declines.

SECTION 12 - DETERMINATION OF NET ASSET VALUE

As at the close of business on each Valuation Date, the Manager shall determine the net asset value of a Fund (the “**Net Asset Value of a Fund**”). The Manager has engaged the Custodian to calculate Net Asset Value of the Fund in accordance with the provisions of the Trust Agreement and Custodian Agreement (as herein defined).

The Net Asset Value of a Fund as of any date will mean the then fair market value of the assets of the applicable Fund at the time of the calculation is made less the amount of its liabilities at that time. The Net Asset Value of a Fund will be computed in accordance with generally accepted accounting principles. The number of Units, the fair market value of assets and the amount of liabilities of the Funds will be calculated as the Custodian in its sole discretion will determine from time to time, subject to certain valuation principles. In determining the Funds’ liabilities, the Manager may estimate expenses of a regular or recurring nature in advance, and may accrue the same into one or more valuation periods, any such accrual to be binding and conclusive on all Unitholders, irrespective of whether such accrual subsequently proves to have been incorrect in amount (in which case any adjustments shall be made in the valuation period when such error is recognized).

The valuation policies, in general, are as set forth below.

- (a) the value of any cash on hand, on deposit or on call, prepaid expenses, cash dividends declared and interest accrued and not yet received, shall be deemed to be the face amount thereof, unless the Custodian determines that any such deposit or call loan is not worth the face amount thereof, in which event the value thereof shall be deemed to be such value as the Custodian determines, to be the reasonable value thereof;

- (b) securities listed on a recognized public securities exchange will be valued at their closing sale price on the Valuation Date or, if no closing sale price is reported on such date, the mean of the Valuation Date closing bid and ask prices;
- (c) unlisted securities will be valued at their closing sale price on the Valuation Date or, if no closing sale price is reported on such date, at the mean of the Valuation Date closing bid and ask prices or, if no Valuation Date bid and ask prices are reported, at the mean of the last reported closing bid and ask prices or its fair market value as determined by the Custodian;
- (d) the value of any bonds, debentures, and other debt obligations shall be valued by taking the average of the bid and ask prices at the Valuation Date. Short-term investments including notes and money market instruments shall be valued at cost plus accrued interest;
- (e) the value of any security, the resale of which is restricted or limited, shall be 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 class, 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) a long position in an option or a debt-like security shall be valued at the current market value of the position;
- (g) for options written:
 - (i) the premium received by a Fund for those options shall be reflected as a deferred credit that shall be valued at an amount equal to the current market value of the option that would have the effect of closing the position;
 - (ii) any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment;
 - (iii) the deferred credit shall be deducted in calculating the net asset value of a Fund; and
 - (iv) any securities that are the subject of a written option shall be valued at their current market value;
- (h) the value of a forward contract shall be the gain or loss on the contract that would be realized if, on the date that valuation was made, the position in the forward contract were to be closed out unless daily limits are in effect in which case fair market value shall be based on the current market value of the underlying interest;
- (i) the value of a standardized future shall be:
 - (i) if the futures exchange through which the standardized future was issued does not impose daily limits applicable to the standardized future, the gain or loss on the standardized future that would be realized if, on the date that valuation is made, the position in the standardized future were to be closed out; or
 - (ii) if the futures exchange through which the standardized future was issued imposes daily limits applicable to the standardized future, the current market value of the underlying interest of the

standardized future shall be used to determine a liquidation value for the purpose of calculating the gain or loss that would be realized if the position were to be closed out;

- (j) margin paid or deposited on a standardized futures or forward contracts:
 - (i) shall be reflected as an account receivable; and
 - (ii) if not in the form of money, shall be noted as held for margin;
- (k) the value of a swap shall be the mark-to-market value of the swap;
- (l) the value of any security or property to which, in the opinion of the Custodian, the above principles cannot be applied (whether because no price or yield equivalent quotations are available as above provided, or for any other reason) shall be the fair value thereof determined in such manner as the Custodian from time to time provides;
- (m) the securities and other assets for which market quotations are not readily available will be valued at their fair value, as determined by the Custodian;
- (n) the value of securities which are quoted in foreign currencies shall be translated to Canadian dollars by applying the rate of exchange obtained from the best available sources to the Custodian, including but not limited to, the Custodian or any of its affiliates;
- (o) each transaction of purchase or sale of portfolio securities effected by a Fund will be reflected in the computation of the Net Asset Value of a Fund not later than the first computation of such Net Asset Value made after the date on which such transaction becomes binding; and
- (p) other assets or liabilities of a Fund shall be valued in such manner as the Custodian considers proper.

The determination of Net Asset Value of a Fund in accordance with the terms hereof shall, absent error or bad faith, be binding on the Unitholders.

Net Asset Value calculated in this manner will be used for the purpose of calculating the Manager's (and other service providers') fees and will be published net of all paid and payable fees. Net Asset Value will be used to determine the subscription price and redemption value of Units.

The Net Asset Value per Class A Unit or Class F Unit on any Valuation Date shall be calculated by dividing the Net Asset Value attributable to the Class A or Class F Units on such Valuation Date by the total number of Units of such class outstanding. The Net Asset Value per Class A or Class F Unit will be calculated before giving effect to any issue or redemption of Units issued or retracted on that date.

SECTION 13 - CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary outlines certain income tax considerations under the Tax Act relevant to the Funds and to individuals (other than trusts) who, for the purposes of the Tax Act, are resident in Canada, hold their Units as capital property and deal with the Funds at arm's length. The tax consequences to a Unitholder of acquiring, owning and disposing of Units will depend on many factors including the manner and frequency in which Units are acquired and disposed of by the Unitholder. ***Unitholders are urged to consult their own tax advisors regarding the tax treatment to them of acquiring, holding and disposing of Units in their particular circumstances. This summary is general in nature, and is not intended to be tax advice to any particular Unitholder. This summary is not exhaustive of all possible income tax considerations.***

The Marquest Small/Mid Cap Fund, currently qualifies as a mutual fund trust under the Tax Act, but there is no assurance that it will continue to so qualify. Each of the Marquest Income & Growth Fund, the Marquest Large Cap Fund, the Marquest Resource Fund, the Marquest Focus Fund, and the Marquest Credit Fund qualifies as a unit trust under the Tax Act, but are not currently mutual fund trusts under the Tax Act.

13.1 Taxation of the Funds

Each Fund is subject to tax on its income, including net taxable capital gains, for each taxation year of the Fund less the portion thereof that is paid or payable to Unitholders in the year. It is the intention of each Fund to distribute to Unitholders sufficient net income and net realized capital gains, if any, so that the Fund will not be subject to tax under Part I of the Tax Act, other than alternative minimum tax. A Fund that is not a mutual fund trust under the Tax Act throughout a taxation year may be liable for alternative minimum tax, which could represent a significant expense to the Fund. A Fund that is not a mutual fund trust under the Tax Act throughout its taxation year is not entitled to the capital gains refunds under the Tax Act.

Each Fund is required to compute its net income and net realized capital gains in Canadian dollars for purposes of the Tax Act and may, as a consequence, realize a foreign exchange gain or loss by virtue of changes in the value of any foreign currencies acquired or disposed of by the Fund, relative to the Canadian dollar.

If at any time in a taxation year a Fund is not a mutual fund trust under the Tax Act and has a Unitholder who is a designated beneficiary, the Fund will be subject to a special tax under Part XII.2 of the Tax Act on its designated income. Designated beneficiaries generally include non-resident persons, certain trusts, certain tax exempt investors that acquire Units from a taxable investor rather than directly from a Fund, and certain partnerships. Designated income generally includes income from carrying on a business in Canada and from real properties in Canada, timber resource properties, Canadian resource properties, and taxable capital gains from dispositions of taxable Canadian property. In the event that a Fund is liable for tax under Part XII.2 of the Tax Act, the Fund may make designations which will generally result in Unitholders who are not designated beneficiaries receiving an appropriate refundable tax credit. The Manager expects that Part XII.2 tax liability, if any, will not be significant to the Funds.

Each of the Funds is expected to be (or in the case of the Marquest Small/Mid Cap Fund, the Marquest Large Cap Fund, the Marquest Resource Fund and the Marquest Credit Fund is) a “registered investment” under the Tax Act. As a registered investment, a Fund will be liable for tax under Part X.2 of the Tax Act on any non-qualified investments held by it at the end of a month when the Fund is not a mutual fund trust.

13.2 Taxation of Distributions from the Funds

Unitholders in each of the Funds will receive a statement for tax purposes by March 31 of each year identifying in Canadian dollars in respect of the preceding year the Unitholder’s share of a Fund’s income (including dividends from taxable Canadian corporations, capital gains, foreign source income, and other income) and the Unitholder’s share of foreign taxes paid. Income distributed to the Unitholder as set out in the statement must be included in the Unitholder’s income whether the income was automatically reinvested in additional Units or distributed in cash. To the extent that distributions by a Fund (other than proceeds of disposition) in any year exceed the net income and the net realized capital gains of that Fund for the year, such distributions will be a return of capital and will not be taxable, but will reduce the adjusted cost base of a Unitholder’s Units.

Unitholders who acquire Units of a Fund may be taxable on accrued but undistributed income, accrued but unrealized capital gains, and realized but undistributed capital gains that are in the Fund at the time the Units are acquired.

Each of the Funds intend to designate, to the extent permitted and in the manner required by the Tax Act, the portion of the net income distributed to Unitholders as may reasonably be considered to consist of taxable dividends received by that Fund on shares of taxable Canadian corporations. Any such designated amount will be deemed for tax purposes to be a taxable dividend on the shares received by Unitholders in the year and generally will be subject to the ordinary tax rules applicable to taxable dividends received from taxable Canadian corporations.

Generally, Unitholders of the Funds will be entitled to the benefit of a foreign tax credit referable to foreign source income of the Funds, if any, distributed to the Unitholders to the extent designated by the Funds. The taxable portion of net realized capital gains of a Fund distributed to Unitholders and designated by that Fund will be treated as taxable capital gains of the Unitholders. The Funds intend to make such designations in respect of foreign source income and taxable capital gains to the extent permitted, and in the manner required by the Tax Act.

13.3 Taxation of Capital Gains on Dispositions of Units

Upon the actual or deemed disposition of a Unit, including any redemption of a Unit of a Fund, a capital gain (or a capital loss) will be realized to the extent that the proceeds of disposition of the Units exceed (or are exceeded by) the aggregate of the adjusted cost base to the Unitholder of the Unit and any reasonable costs of disposition. The proportion of a capital gain to be included in a taxpayer's income is 50%.

The Tax Act provides for an alternative minimum tax on individuals, and certain trusts and estates. To compute income subject to the alternative minimum tax, various adjustments are made to the taxpayer's income including adjustments with respect to realized capital gains and taxable dividends received from taxable Canadian corporations. Accordingly, such income may affect the taxpayer's liability for alternative minimum tax.

SECTION 14 - ELIGIBILITY FOR INVESTMENT

Each of the Funds is expected to be (or in the case of the Marquest Small/Mid Cap Fund, the Marquest Large Cap Fund and the Marquest Resource Fund is) a registered investment under the Tax Act. Accordingly, the Units of each of the Funds are, or are expected to be, qualified investments for registered retirement savings plans, registered retirement income funds, tax free savings accounts, registered education savings plans, deferred profit sharing plans and registered disability savings plans.

SECTION 15—CERTAIN 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.

15.1 Risks Associated with an Investment in the Funds

Speculative Investment

On its own an investment in a Fund may be deemed speculative and 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 that Fund. Investors should review closely the investment objectives and investment strategies to be utilized by the applicable Fund as outlined herein

to familiarize themselves with the risks associated with an investment in that Fund. There is no assurance that a Fund will be able to achieve its investment objective.

General Investment Risk

The Net Asset Value of Units will vary directly with the market value and return of the investment portfolio of the applicable Fund. There can be no assurance that the Funds will not incur losses. There is no guarantee that any of the Funds will earn a return.

Fees and Expenses

A 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 Funds are not subject to the restrictions placed on public mutual funds to ensure diversification and liquidity of a Fund's portfolio.

Changes in Investment Strategy

The Manager may alter a Fund's investment objectives, strategies and restrictions without prior approval by Unitholders to adapt to changing circumstances.

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, Unitholders are not expected to be able to sell their Units other than by way of redemption on a Valuation Date. 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

Redemptions are permitted only on a Valuation Date. Redemption ability is a core feature of each Fund. However, it is important to recognize that if certain conditions occurred, redemptions may be suspended. Also, there may be a large degree of fluctuation in the Net Asset Value of the Funds between each calculation. As a result, an investor may experience a substantial fluctuation in Net asset Value of their Units by the time the investor is able to redeem their Units.

Large Redemptions

Substantial redemptions of Units of a Fund 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. These facts could adversely affect the Unit Value for purposes of the subject redemptions and for the ongoing purposes of the Funds.

Valuation of the Fund's Investments

While each 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 portfolio securities and other investments may involve uncertainties and judgmental determinations and, if such valuations should prove to be incorrect, the Net Asset Value of a Fund could be adversely affected. Independent pricing information may not at times be available regarding certain of the Funds' securities and other investments. Valuation determinations will be made in good faith in accordance with the Trust Agreement.

Although the Funds generally will invest in exchange-traded and liquid over-the-counter securities, a Fund may from time to time have some of its assets in investments which by their very nature may be extremely difficult to value accurately. To the extent that the value assigned by a Fund to any such investment differs from the actual value, the Net Asset Value per Unit may be understated or overstated, as the case may be. In light of the foregoing, there is a risk that a Unitholder who redeems all or part of his or her Units while such Fund holds such investments will be paid an amount less than such Unitholder would otherwise be paid if the actual value of such investments is higher than the value designated by the Fund. Similarly, there is a risk that such Unitholder might, in effect, be overpaid if the actual value of such investments is lower than the value designated by the Fund in respect of a redemption. In addition, there is risk that an investment in a Fund by a new investor (or an additional investment by an existing Unitholder) could dilute the value of such investments for the other Unitholder if the actual value of such investments is higher than the value designated by the Fund. Further, there is a risk that a new Unitholder (or an existing Unitholder that makes an additional investment) could pay more than it might otherwise if the actual value of such investments is lower than the value designated by the Fund. If there is an overpayment, the Unitholder is responsible to return the excess funds.

Unitholders not Entitled to Participate in Management

Unitholders are not entitled to participate in the management or control of the Funds or their operations. The success or failure of a Fund will ultimately depend on the investment of the assets of the Fund by the Manager, with which Unitholders will not have any direct dealings.

Reliance on Manager

Each Fund will be relying on the ability of the Manager to actively manage the Fund. Investors will be relying upon the business judgment, expertise and integrity of the Manager. There can be no assurance that satisfactory replacements for the Manager will be available, if the Manager ceases to act as such. Termination of the Manager will expose investors to the risks involved in whatever new investment management arrangements can be made.

Dependence of Manager on Key Personnel

The Manager will depend, to a great extent, on the services of a limited number of individuals in the administration of each Fund's activities. The loss of such individuals for any reason could impair the ability of the Manager to perform its management activities on behalf of the Fund and could have a material adverse impact on the Funds.

Tax Liability

A Fund is not required to pay distributions in cash. Unitholders are required to include all such distributions of income and capital gains in computing their income for tax purposes even though the distribution may not have been paid in cash to such Unitholders. Since Units may be acquired or redeemed on a monthly basis and distributions of income and capital gains of the Funds to Unitholders are anticipated only to be made on an annual basis, distributions to a particular Unitholder may not correspond to the economic gains and losses which such Unitholder may experience.

Potential Indemnification Obligations

Under certain circumstances, the Funds might be subject to significant indemnification obligations in favour of the Trustee, the Manager and other service providers. The Funds 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 each Fund has agreed to indemnify them. Any indemnification paid by a Fund would reduce the Net Asset Value of the Fund and, by extension, the value of the Units.

Liability of Unitholders

The Trust Agreement provides that no Unitholder shall be subject to any personal liability to any person in the capacity as a holder of Units and all persons shall look solely to a Fund's assets for satisfaction of claims of any nature arising out of or in connection the Fund. There is a risk, which is considered by the Manager to be remote in the circumstances, that a Unitholder could be held personally liable, notwithstanding the foregoing statement in the Trust Agreement, for obligations of a Fund to the extent that claims are not satisfied out of the assets of the Fund. It is intended that the operations of the Funds will be conducted in a manner that minimizes the risk. In the event that a Unitholder should be required to satisfy any obligation of a Fund, the Unitholder will be entitled to reimbursement from any available assets of the Fund.

Lack of Independent Experts Representing Unitholders

Each of the Funds and the Manager have consulted with a single legal counsel regarding the formation and terms of the Funds and the offering of Units. Unitholders have not, however, been independently represented. Therefore, to the extent that a 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 a Fund.

Related Parties

The Custodian of the Fund and the Trustee of the Fund are the same party. Accordingly, benefits of having these roles filled by arm's length parties will not be available.

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 Funds or the background of the Manager.

15.2 Risks Associated with the Fund's Underlying Investments

Investment and Trading Risks in General

All trades made by the Manager risk the loss of capital. The Manager may utilize trading techniques or instruments, which can, in certain circumstances, maximize the adverse impact to which a client's account may be subject. No guarantee or representation is made that a Fund's investment program will be successful, and investment results may vary substantially over time. Many unforeseeable events, including actions by various government agencies, and domestic and international economic and political developments may cause sharp market fluctuations which could adversely affect a Fund's portfolio and performance.

General Economic and Market Conditions

The success of a 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 securities prices and the liquidity of such Fund's investments. Unexpected volatility or illiquidity could impair a Fund's profitability or result in losses.

Fixed Income Securities

The Funds may invest in fixed income securities. The value of fixed income securities held by these Funds generally will vary inversely with changes in interest rates. Therefore the value of fixed income securities decreases when interest rates rise and increases when interest rates drop. In addition, the level of income received from these Funds will be affected by movements up or down in interest rates.

Structured Credit Instruments

The Marquest Credit Fund may invest a portion of its assets in structured credit instruments (including asset-backed securities, commercial and residential mortgage-backed securities, collateralized debt and loan obligations and other securities). The value of such securities may move inversely in value to credit risk premiums in underlying issuers or obligors. While the Fund may benefit from a senior position in the capital structure of such instruments, the potential exists for loss.

Small Capitalization Companies

The portion of any Fund's portfolio that is invested in securities of small capitalization companies may be subject to more frequent and/or sharper increases and decreases in market value. Such securities may not be as liquid as securities of large capitalization companies. The valuation of these securities is subject to a significant amount of subjectivity and discretion. There is no guarantee that fair value will be realized by a Fund on the sale of these securities.

Liquidity of Underlying Investments

Some of the securities in which a Fund intends to invest may be thinly traded. Other than as stated herein, there are no restrictions on the investment of a Fund's assets in illiquid securities. It is possible that a Fund may not be able to sell or repurchase significant portions of its positions without facing substantially adverse prices. If a Fund is required to transact in illiquid securities before its intended investment horizon, the performance of the Fund could suffer.

Availability of Investment Strategies

The identification and exploitation of the investment strategies pursued by the Funds involves a high degree of uncertainty. No assurance can be given that the Manager will be able to locate suitable investment opportunities in which to deploy all of the Funds' capital.

Portfolio Turnover

The Funds have not placed any limits on the rate of portfolio turnover and portfolio securities may be sold without regard to the time they have been held when, in the opinion of the Manager, investment considerations warrant such action. A high rate of portfolio turnover involves correspondingly greater expenses than a lower rate.

Highly Volatile Markets

The prices of financial instruments in which a Fund's assets may be invested can be highly volatile and may be influenced by, among other things, specific corporate developments, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. A Fund also is subject to the risk of the failure of any of the exchanges on which the Fund's positions trade or of their clearinghouses.

Speculative Purchases of Securities

A Fund may make speculative purchases of securities that the Manager believes to be undervalued or that may be the subject of acquisition attempts, exchange offers, cash tender offers or corporate reorganizations. There can be no assurances that securities which the Manager believes to be undervalued are in fact undervalued, or that undervalued securities will increase in value. Further, in such cases, a substantial period of time may elapse between a Fund's purchase of the securities and the acquisition attempt or reorganization. During this period, a portion of the Fund's funds would be committed to the securities purchased and the Fund may finance such purchase with borrowed funds on which it would have to pay interest.

General Derivatives Risk

A Fund's use of derivatives involves risks different from and possibly greater than, the risks associated with investing directly in securities and other traditional investments. Derivatives are subject to a number of risks, such as liquidity risk, interest rate risk, market risk, credit risk, leveraging risk, counterparty risk and management risk. They also involve the risk of mispricing or improper valuation and the risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index. When a Fund invests in a derivative instrument, it could lose more than the initial amount invested.

Futures

Because low margin deposits are normally required in futures trading in particular, a Fund's futures trading may be highly leveraged, and accordingly, a relatively small price movement in a futures contract may result in an immediate and substantial loss to the Fund. Futures trading also involves the additional risk of potential clearing house and clearing broker default.

Currency and Exchange Rate Risks

A Fund's cash assets may be held in currencies other than the Canadian dollar, and gains and losses in securities transactions may be in currencies other than the Canadian dollar. Accordingly, a portion of the income received by a Fund will be denominated in non-Canadian currencies. The Funds nevertheless will compute and distribute its income in Canadian dollars. Thus changes in currency exchange rates may affect the value of the Funds' portfolio and the unrealized appreciation or depreciation of investments. Further, the Funds may incur costs in connection with conversions between various currencies.

Foreign Issuers

Some of the assets of a Fund may be invested in securities of foreign issuers. The risk of loss on foreign investments may be greater than risks associated with Canadian or United States investments, as there may be less available information about foreign companies due to the fact that many companies are not subject to the uniform and extensive accounting, auditing and financial reporting standards and practices, government supervision and regulation and other disclosure requirements that apply to companies in Canada or the United States. Additionally, foreign investments made by a Fund may be subject to political risks, risks associated with changes in foreign exchange rates and foreign exchange control risks.

Assets on Deposits

To the extent that assets of the Funds are placed on deposit with a financial institution, the Funds are exposed to a risk that the financial institution may be unable to meet its obligations to the Funds. To reduce this risk, the Funds generally only place cash on deposit with the Funds' Custodian or sub-custodians or with major financial institutions.

ETF Investments

Some of the Funds may invest in ETFs, securities of which are purchased and sold on a securities exchange. An ETF holds a portfolio of securities designed to track a particular market segment or index. The value of the ETF will fluctuate as the value of the particular market segment or index it tracks fluctuates. An ETF may fail to accurately track the market segment or index. ETFs in which a Fund may invest are not “actively” managed. Therefore, such an ETF would not necessarily sell a security because the security’s issuer was in financial trouble, unless the security is removed from the market segment or index being tracked. As a result, the performance of an ETF may be lower than the performance of an actively managed fund. The price of an ETF can fluctuate and a Fund could lose money investing in an ETF. An investment in an ETF generally presents the same primary risks as an investment in a conventional mutual fund (i.e., one that is not exchange-traded) that has the same investment objectives, strategies and policies. In addition, as with conventional mutual funds, ETFs charge asset-based fees. Moreover, ETFs are subject to the following risks that do not apply to conventional funds: (i) the market price of the ETF’s securities trade at a premium or a discount to their net asset value; (ii) an active trading market for an ETF’s securities may not develop or be maintained; and (iii) there is no assurance that the requirements of the exchange necessary to maintain the listing of an ETF will continue to be met or remain unchanged.

Commodities

If a Fund has direct exposure to commodities or to a company whose business is dependent on commodities such as precious metals, base metals, oil, gas and forest products, the value of the Fund’s portfolio may be affected by movements in the price of commodities. If commodities prices decline, a negative impact can be expected on the earnings of companies whose businesses are dependent on commodities and the performance of funds that invest in such companies.

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

SECTION 16 - CONFLICTS OF INTEREST

The Manager may face certain conflicts of interest in relation to the Funds, including, without limitation, involvement with other entities utilizing investment strategies similar to those of a Fund and other accounts managed by the Manager. The Manager and its affiliates may from time to time conduct business with the affiliated funds or other accounts, may deal with a Fund, may have dealings with others doing business with a Fund or be engaged in competitive activities and may earn fees from or receive or provide other consideration from or to any of the foregoing. In particular, the Manager may provide services similar to those provided to the Funds with respect to affiliated funds or other accounts investing directly or indirectly in the Funds.

The Manager may act as portfolio manager or manager for other accounts other than those described herein that utilize investment strategies similar to those of the Funds. There is no limit on the number of other accounts that may be managed or advised by the Manager. Certain investment opportunities may have capacity constraints. As a result, a Fund’s allocation of such investment opportunities may be limited by those capacity constraints. In such case, participation in such opportunities will be allocated on a fair and equitable basis, taking into account such factors as the relative amounts of capital available for new investments, relative exposure to short-term market trends and the respective investment programs and portfolio positions of the Funds, the affiliated funds and the other accounts for which participation is appropriate. Such considerations may result in allocations of certain investments among the Funds, the affiliated funds and the other accounts on other than a *pari passu* basis.

The Manager receives fees from the Funds. As a result, the Funds are connected issuers of the Manager. In executing its duties on behalf of the Funds, the Manager will do so in good faith and with a view to the best interests of the Funds and its Unitholders.

SECTION 17 – REPORTING TO UNITHOLDERS AND MEETINGS OF UNITHOLDERS

17.1 Reporting to Unitholders

RBC Dexia Investor Services Trust, as record keeper, will provide a trade confirmation for each purchase or redemption of Units and for each reinvestment of distributions in additional Units of a Fund.

On a quarterly basis, each Unitholder will be sent a statement of his or her account, detailing book and market value of holdings at the beginning and end of the quarter, and all account transactions during the quarter, including purchases, redemptions and reinvestments of distributions.

The fiscal year end of each of the Funds is September 30. The annual financial statements of the Funds will be audited by an independent public accounting firm. The financial statements of the Funds, together with the report of the auditor, will be mailed, upon request each year, to Unitholders and the Trustee within 90 days of September 30. Upon request each year, Unitholders will also be sent unaudited semi-annual financial statements of the Funds within 60 days of March 31.

On or before March 31 of each year, Unitholders will also be sent all information required to report their income under tax legislation of any province of Canada with respect to the immediately preceding year.

17.2 Meetings of Unitholders

Meetings of the Unitholders may be held by the Manager at such time and on such day as the Manager may from time to time determine, for the purpose of considering the matters required or desired to be placed before such meetings, and for the transaction of such other matters as the Manager determines. Unitholders holding not less than 50% of the votes attaching to all outstanding Units may requisition a meeting of Unitholders, provided that in the event of a request to call a meeting of Unitholders made by such Unitholders the Trustee shall not be obliged to call any such meeting until it has been satisfactorily indemnified by such Unitholders against all costs of calling and holding such meeting.

Notice of the time and place of each meeting of Unitholders shall be sent by registered mail not less than twenty-one days before the day on which the meeting is to be held to each Unitholder of record at the close of business on the day on which the notice is given. Notice of a meeting of Unitholders shall state the general nature of the matters to be considered by the meeting.

At any meeting of Unitholders, every person shall be entitled to vote who, as at the end of the business day immediately preceding the date of the meeting, is entered in the register of Unitholders, unless in the notice of meeting and accompanying materials sent to Unitholders in respect of the meeting, a record date is established for persons entitled to vote thereat.

At any meeting of Unitholders every question shall, unless otherwise required by the Trust Agreement or applicable law, be determined by the majority of the votes duly cast on the question. A Unitholder is entitled to attend any meeting of Unitholders whether in person or by a proxy.

SECTION 18 - CUSTODIAN

The Manager has the authority to appoint one or more custodians. Any such custodian may register the assets of the Funds in its own name or in the name or names of nominees, including The Canadian Depository for Securities Limited, The Depository Trust Company or in bearer form. Any such custodian may appoint sub-custodians (who may be affiliated with or otherwise related to the custodian). RBC Dexia Investor Services Trust (the “**Custodian**”), located in Toronto, Ontario, is the custodian and record keeper of the Funds pursuant to an agreement dated

October 1, 1997, as amended (the “**Custodian Agreement**”). Pursuant to the Custodian Agreement, the Custodian also performs certain valuation and administration services for the Funds, including the calculation of the Net Asset Value of the Funds, the maintenance of accounting and financial records, the provision of bookkeeping and other accounting services for the Funds, and the preparation and filing of tax returns required to be made or filed with any governmental authority.

The Custodian will receive fees from each Fund in accordance with the Custodian Agreement.

The Custodian has agreed to exercise the same degree of care which it gives to its own property of a similar kind under its own custody. The Custodian is not liable for any act or omission in the course of, or connected to, rendering its services, for any loss or diminution in the value of the Fund’s assets, except only that it shall be subject to liability for its own (and its directors', officers', employees' or agents') negligence, wilful misconduct or lack of good faith.

Each Fund has agreed to indemnify and save harmless the Custodian, its directors, officers, employees and agents from and against all taxes, duties, charges, costs, expenses, damages, claims, actions, demands and liabilities to which they may become subject for or in respect to anything done or omitted in connection with the Custodian Agreement, except to the extent the Custodian fails to comply with its standard of care or from the negligence, wilful misconduct or lack of good faith of the Custodian, its directors, officers, employees and agents.

The Custodian may terminate its relationship with a Fund, and a Fund may terminate its relationship with the Custodian, upon at least 30 days’ prior written notice to the other party.

SECTION 19 - AUDITORS

The auditors of the Funds are Meyers Norris Penny LLP, Chartered Accountants and shall continue in office until they have resigned or have been terminated by the Manager. The Manager shall appoint any successor auditors. The Manager shall forthwith give written notice to the Trustee and the Unitholders of any change of auditors, including the reasons for such resignation or termination.

SECTION 20 - STATEMENT OF POLICIES

20.1 Policy Concerning Conflicts of Interest with Related and Connected Issuers

The Manager may engage in activities as a portfolio manager and as an exempt market dealer in respect of securities of related or connected issuers but will do so only in compliance with applicable securities laws.

Securities laws require securities dealers and advisers, when they trade in or advise with respect to their own securities or securities of certain other issuers to which they, or certain other parties related to them, are related or connected, to do so only in accordance with particular disclosure and other rules. These rules require dealers and advisers, prior to trading with or advising their customers or clients, to inform them of the relevant relationships and connections with the issuer of the securities. Clients and customers should refer to the applicable provisions of these securities laws for the particulars of these rules and their rights or consult with a legal adviser.

The Manager is registered as an investment fund manager and exempt market dealer in Ontario and a portfolio manager in each of Ontario, Alberta, British Columbia, Quebec, Saskatchewan and New Brunswick. As a result, potential conflicts of interest could arise in connection with the Manager acting in all of these capacities. As an exempt market dealer, the Manager intends only to sell interests in related investment funds organized by the

Manager and will not be remunerated by the related fund for acting in that capacity. Accordingly, there is no opportunity for a potential conflict to arise as there would be if, for example, the Manager also sold or sought investors for, securities of unrelated issuers. The Manager's relationship with such funds will be fully disclosed to all potential investors.

The definitions of the terms "related issuer" and "connected issuer" can be found in National Instrument 33-105 - *Underwriting Conflicts* of the Canadian Securities Administrators. Currently, the only connected or related issuers of the Manager are the Funds.

20.2 Fairness Policy

As an adviser in the category of portfolio manager, the Manager and its employees shall conduct themselves with integrity and honesty and act in an ethical manner in all of their dealings with the Manager's clients.

The Manager shall not knowingly participate or assist in the violation of any statute or regulation governing securities and investment matters.

The responsible persons shall exercise reasonable supervision over subordinate employees subject to their control to prevent any violation by such persons of applicable statutes or regulations.

The Manager shall exercise diligence and thoroughness on taking an investment action on behalf of the Funds as it does with all of its clients and the Manager shall have a reasonable and adequate basis for such actions, supported by appropriate research and investigations.

Before initiating an investment transaction for the Funds, the Manager will consider its appropriateness and suitability. The Manager will manage the Funds' account within the guidelines set out herein.

The Manager shall ensure that each client account is supervised separately and distinctly from our other clients' accounts. The Manager owes a duty to each client and, therefore, the Manager has an obligation to treat each client fairly.

It may be determined, however, that the purchase or sale of a particular security is appropriate for more than one client account, i.e. that particular client orders should be aggregated or "bunched", such that in placing orders for the purchase or sale of securities, the Manager may pool a Fund's order with that of another client or clients. Simultaneously placing a number of separate, competing orders may adversely affect the price of a security. Therefore, where appropriate, when bunching orders, and allocating block purchases and block sales, it is the Manager's policy to treat all clients fairly and to achieve an equitable distribution of bunched orders. All new issues of securities and block trades of securities will be purchased for, or allocated amongst, all applicable accounts of our clients in a manner the Manager considers to be fair and equitable.

In the course of managing a number of discretionary accounts, there may arise occasions when the quantity of a security available at the same price is insufficient to satisfy the requirements of every client, or the quantity of a security to be sold is too large to be completed at the same price. Similarly, new issues of a security may be insufficient to satisfy the total requirements of all clients. Under such conditions, as a general policy, and to the extent that no client will receive preferential treatment, the Manager will ensure:

- (i) where orders are entered simultaneously for execution at the same price, or where a block trade is entered and partially filled, fills are allocated proportionately and equally on the amount of equity of each client's account;
- (ii) where a block trade is filled at varying prices for a group of clients, fills are allocated on an average price basis;

- (iii) in the case of hot issues and IPOs, participation is split equally between clients based proportionately on the equity in each account;
- (iv) in the case of a new securities issue, where the allotment received is insufficient to meet the full requirements of all accounts on whose behalf orders have been placed, allocation is made on a pro rata basis. However, if such prorating should result in an inappropriately small position for a client, the allotment would be reallocated to another account. Depending on the number of new issues, over a period of time, every effort will be made to ensure that these prorating and reallocation policies result in fair and equal treatment of all clients; and
- (v) trading commissions for block trades are allocated on a pro rata basis, in accordance with the foregoing trade allocation policies.

Whichever method is chosen, it must be followed in the future where similar conditions exist. Where it is impossible to achieve uniform treatment, every effort shall be made by the Manager and its employees to compensate at the next opportunity in order that every client, large or small, over time, receives equitable treatment in the filling of orders.

In allocating bunched orders, the Manager uses several criteria to determine the order in which participating client accounts will receive an allocation thereof. Criteria for allocating bunched orders include the current concentration of holdings of the industry in question in the account, and, with respect to fixed income accounts, the mix of corporate and/or government securities in an account and the duration of such securities.

The Manager may purchase or sell securities from or to other managed accounts provided that the transaction is effected through an independent broker at the current market price of the security or at the mid-point of the current market bid/ask price, unless a deviation is permitted in writing by the Chief Investment Officer, or equivalent.

Transactions for clients shall have priority over personal transactions so that the Manager's and its employees' personal transactions do not act adversely to the Funds' interest.

The Manager will at all times preserve confidentiality of information communicated by a client concerning matters within the scope of a confidential relationship.

The above sets out in general terms the standards of fairness that the Manager and its employees will exercise in its dealings with the Funds and all of its clients.

20.3 Personal Trading

The Manager has adopted a policy intended to restrict and monitor all personal trading by the employees of the Manager in order to ensure that there is no conflict between such personal trading and the interests of the investment funds managed by the Manager and the Manager's other clients.

20.4 Referral Arrangements

The Manager may enter into referral arrangements whereby it pays a fee for the referral of a client to the Manager or to a Fund. No such payments will be made unless the referred investors are advised of the arrangement and all applicable securities laws are complied with.

20.5 Soft Dollar Arrangements

Soft dollar arrangements occur when brokers have agreed to provide other services (relating to research and trade execution) at no cost to the Manager in exchange for brokerage business from the Manager's managed accounts

and investment funds. Although the brokers involved in soft dollar arrangements do not necessarily charge the lowest brokerage commissions, the Manager will nonetheless enter into such arrangements when it is of the view that such brokers provide best execution and/or the value of the research and other services exceeds any incremental commission costs.

The Manager intends to enter into soft dollar arrangements in accordance with industry standards when it is of the view that such arrangements are for the benefit of its clients, however not all soft dollar arrangements will benefit all clients at all times.

In selecting brokers or dealers to execute transactions and negotiating their commission rates, a Fund is expected to consider one or more of such factors as price, execution capabilities, reputation, reliability, financial resources, the quality of research products and services and the value and expected contribution of such services to the performance of the Fund. It is not possible to place a dollar value on information and services received from brokers and dealers, as they only supplement the research efforts of the Funds. If a Fund determines in good faith that the amount of the commissions charged by a broker or dealer is reasonable in relation to the value of the research products or services provided by such broker or dealer, the Fund may pay commissions to such broker or dealer in an amount greater than the amount another broker or dealer might charge.

20.6 Statement of Related Registrants

Applicable securities legislation also requires securities dealers and advisers to inform their clients if the registered dealer or adviser has a principal shareholder, director or officer that is a principal shareholder, director or officer of another dealer or adviser and of the policies and procedures adopted by the registered dealer or adviser to minimize the potential for conflicts of interest that may result from this relationship.

At this time, the Manager has no related registrants.

SECTION 21 - ANTI-TERRORISM AND ANTI-MONEY LAUNDERING LEGISLATION

Each Fund is required to comply with all applicable laws, regulations and administrative pronouncements concerning money laundering and other criminal activities ("**Anti-Money Laundering Laws**"). In furtherance of those efforts, upon its subscription for Units, a potential Unitholder must represent, warrant and agree that, to the best of its knowledge and based upon appropriate diligence and investigation:

- (i) none of the monies that the Unitholder will contribute to the Funds will be derived from, or related to, directly or indirectly, any activity that is deemed criminal under applicable law, or derived from or related to, directly or indirectly, any individual or organization identified as a terrorist or a terrorist organization by the United Nations or the federal government of Canada or the U.S.; and
- (ii) no contribution or payment by the Unitholder to the Funds, to the extent that such contribution or payment is within the Unitholder's control, shall cause the Funds, the Trustee or the Manager to be in violation of any Anti-Money Laundering Laws.

A Unitholder will be required to promptly notify the applicable Fund if, to the knowledge of the Unitholder, any of its representations with respect to Anti-Money Laundering Laws cease to be true and accurate. A Unitholder must agree to provide to the Manager, promptly upon receipt of the Manager's written request therefor, any additional information regarding the Unitholder or their beneficial owner(s) that the Manager deems necessary or advisable to ensure compliance with all Anti-Money Laundering Laws. If at any time it is discovered that a Unitholder's representations with respect to Anti-Money Laundering Laws are incorrect, or if otherwise required by Anti-Money

Laundrying Laws, the Manager may undertake appropriate actions to ensure that the Fund or the Manager are in compliance with all such Anti-Money Laundrying Laws.

In order to comply with Canadian legislation aimed at the prevention of money laundrying, the Manager may require additional information concerning investors.

If, as a result of any information or other matter which comes to the attention of the Manager, any director, officer or employee of the Manager, or its professional advisors, knows or suspects that an investor is engaged in money laundrying, such person is required to report such information or other matter to the Financial Transactions and Reports Analysis Centre of Canada and such report shall not be treated as a breach of any restriction upon the disclosure of information imposed by law or otherwise.

SECTION 22- AMENDMENTS TO THE TRUST AGREEMENT

The Manager may, without the approval of, or any notice to, the Unitholders, amend the Trust Agreement to ensure continuing compliance with applicable laws in effect from time to time, to provide additional protection for Unitholders, to deal with minor or clerical matters or correcting typographical mistakes, ambiguities or omissions or errors or, to amend the Trust Agreement if the Manager is of the opinion that the amendment is not prejudicial to Unitholders and is necessary or desirable.

Also, the Manager in its discretion may amend the any provision of the Trust Agreement after giving the Unitholders at least 21 days' prior notice of the proposed amendments.

All persons remaining or becoming Unitholders after the effective date of such change shall be bound by such change. No amendment to the Trust Agreement may be made without the consent of the Manager and Trustee.

SECTION 23 - TERMINATION OF THE FUNDS

The Manager may at any time terminate and dissolve a Fund by giving to each affected Unitholder 60 days' written notice thereof. The Fund will be terminated and dissolved in the event that the Trustee resigns or is terminated by the Manager and no successor trustee is appointed, if the Manager resigns and no successor is appointed, or if the Manager has been declared bankrupt or becomes insolvent.

On the effective date of termination of the applicable Fund, the Manager shall make appropriate arrangements for converting the investments of such Fund into cash. After payment of the liabilities of such Fund, each Unitholder registered as such at the close of business on the date fixed as the date of termination of the Fund will be entitled to receive from the Trustee his proportionate share of the value of such Fund in accordance with the number of Units which the Unitholder holds.

SECTION 24 - STATUTORY CAUTION

The disclosure in this Offering Memorandum, or in materials deemed to be incorporated into this Offering Memorandum, regarding the investment strategies and intentions of the Funds may constitute "forward-looking information" for the purpose of applicable securities legislation, as it may contain statements of the Manager's intended course of conduct and future operations of the Funds. These statements are based on assumptions made by the Manager of the success of its investment strategies in certain market conditions, relying on the experience of the Manager's officers and employees and their knowledge of historical economic and market

trends. Investors are cautioned that the assumptions made by the Manager and the success of its investment strategies are subject to a number of mitigating factors. Economic and market conditions may change, which may materially impact the success of the Manager's intended strategies as well as its actual course of conduct. Investors are urged to read "Risk Factors" for a discussion of other factors that will impact the operations and success of the Funds.

SECTION 25 – MATERIAL CONTRACTS

The only material contracts of the Funds are the Trust Agreement and the Management Agreement. Copies of the contracts will be made available to Unitholders upon request and may be inspected at the principal office or the Funds during normal business hours.

SECTION 26 – TRUST ACCOUNTING AND RECORD KEEPING

Trust accounting and record keeping will be the responsibility of the Manager, who may engage third party service providers in this regard. The fees of such service provided will be paid by the Funds.

SECTION 27 – PRIVACY POLICY

In connection with the offering and sale of Units, personal information (such as address, telephone number, social insurance number, birth date, assets and/or income information, employment history and credit history, if applicable) about Unitholders is collected and maintained. Such personal information is collected to enable the Manager and its service providers to provide Unitholders with services in connection with their investment in the Funds, to meet legal and regulatory requirements and for any other purpose to which Unitholders may consent in the future. Investors are encouraged to review the privacy policy of the Manager at the principal office of the Manager during normal business hours.

SECTION 28 – INVESTORS' RIGHTS OF ACTION

Rescission of Purchase

Securities legislation in certain of the Canadian provinces provides purchasers of securities pursuant to an Offering Memorandum (such as this Offering Memorandum) with a remedy for damages or rescission, or both, in addition to any other rights they may have at law, where the Offering Memorandum and any amendment to it contains a "misrepresentation". These remedies, or notice with respect to these remedies, must be exercised or delivered, as the case may be, by the purchaser within the time limits prescribed by applicable securities legislation.

Ontario

Section 130.1 of the *Securities Act* (Ontario) (the "**Ontario Act**") provides that every purchaser of securities pursuant to an Offering Memorandum (such as this Offering Memorandum) shall have a statutory right of action for damages or rescission against the issuer and any selling security holder in the event that the Offering Memorandum contains a misrepresentation (as such term is defined in the Ontario Act). A purchaser who purchases securities offered by the Offering Memorandum during the period of distribution has, without regard to

whether the purchaser relied upon the misrepresentation, a right of action for damages or, alternatively, while still the owner of the securities, for rescission against the issuer and any selling security holder provided that:

- (a) if the purchaser exercises its right of rescission, it shall cease to have a right of action for damages as against the issuer and the selling security holders, if any;
- (b) the issuer and the selling security holders, if any, will not be liable if they prove that the purchaser purchased the securities with knowledge of the misrepresentation;
- (c) the issuer and the selling security holders, if any, will not be liable for all or any portion of damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon; and
- (d) in no case shall the amount recoverable exceed the price at which the securities were offered.

Section 138 of the Ontario Act provides that 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 an action for damages, the earlier of:
 - (i) 180 days after the date that the purchaser 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.

This Offering Memorandum is being delivered in reliance on the exemption from the prospectus requirements contained under section 2.3 of NI 45-106 (the “**accredited investor exemption**”). The rights referred to in section 130.1 of the Ontario Act do not apply in respect of an Offering Memorandum (such as this Offering Memorandum) delivered to a prospective purchaser in connection with a distribution made in reliance on the accredited investor exemption if the prospective purchaser is:

- (a) a Canadian financial institution or a Schedule III bank (each as defined in NI 45-106);
- (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or
- (c) a subsidiary of any person referred to in paragraphs (a) and (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.

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 to it is sent or delivered to a purchaser and it contains a misrepresentation (as defined in the Saskatchewan Act), a purchaser who purchases a security covered by the Offering Memorandum or any amendment to it 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 issuer or a selling security holder on whose behalf the distribution is made or has a right of action for damages against:

- (a) the issuer or a selling security holder on whose behalf the distribution is made;

- (b) every promoter and director of the issuer or the selling security holder, as the case may be, at the time the Offering Memorandum or any amendment to it 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 the Offering Memorandum or the amendment to the Offering Memorandum; and
- (e) every person who or company that sells securities on behalf of the issuer or selling security holder under the Offering Memorandum or amendment to the Offering Memorandum.

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 issuer or selling security holder, it shall have no right of action for damages against that party;
- (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 securities resulting from the misrepresentation relied on;
- (c) no person or company, other than the issuer or a selling security holder, will be liable for any part of the Offering Memorandum or any amendment to it 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 securities 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 issuer or selling security holder, will be liable if the person or company proves that:

- (a) the Offering Memorandum or any amendment to it 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 the Offering Memorandum or any amendment to it 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 the Offering Memorandum or any amendment to it 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.

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.

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 has a right to withdraw from the agreement to purchase the 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.

New Brunswick

Section 150 of the *Securities Act* (New Brunswick) (the "**New Brunswick Act**") provides that where an Offering Memorandum (such as this Offering Memorandum) contains a misrepresentation (as such term is defined in the New Brunswick Act), a purchaser who purchases securities shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and:

- (a) the purchaser has a right of action for damages against the issuer and any selling security holder(s) on whose behalf the distribution is made; or

- (b) where the purchaser purchased the securities from a person referred to in paragraph (a), the purchaser may elect to exercise a right of rescission against the person, in which case the purchaser shall have no right of action for damages against the person.

This statutory right of action is available to New Brunswick purchasers whether or not such purchaser relied on the misrepresentation. However, there are various defences available to the issuer and the selling security holder(s). In particular, no person will be liable for a misrepresentation if such person proves that the purchaser purchased the securities with knowledge of the misrepresentation when the purchaser purchased the securities. Moreover, in an action for damages, the amount recoverable will not exceed the price at which the securities were offered under the Offering Memorandum and any defendant will not be liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation.

If the purchaser intends to rely on the rights described in (a) or (b) above, such purchaser must do so within strict time limitations. The purchaser must commence an action to cancel the agreement within 180 days after the date of the transaction that gave rise to the cause of action. The purchaser must commence its action for damages within the earlier of:

- (a) one year after the purchaser first had knowledge of the facts giving rise to the cause of action; or
- (b) six years after the date of the transaction that gave rise to the cause of action.

Nova Scotia

The right of action for damages or rescission described herein is conferred by section 138 of the *Securities Act* (Nova Scotia) (the “**Nova Scotia Act**”). Section 138 of the Nova Scotia Act provides, in relevant parts, that in the event that an Offering Memorandum (such as this Offering Memorandum), together with any amendment thereto, or any advertising or sales literature (as defined in the Nova Scotia Act) contains a misrepresentation (as defined in the Nova Scotia Act), the purchaser will be deemed to have relied upon such misrepresentation if it was a misrepresentation at the time of purchase and has, subject to certain limitations and defences, a statutory right of action for damages against the issuer and, subject to certain additional defences, every director of the issuer at the date of the Offering Memorandum and every person who signed the Offering Memorandum or, alternatively, while still the owner of the securities purchased by the purchaser, may elect instead to exercise a statutory right of rescission against the issuer, in which case the purchaser shall have no right of action for damages against the issuer, directors of the issuer or persons who have signed the Offering Memorandum, provided that, among other limitations:

- (a) no action shall be commenced to enforce the right of action for rescission or damages by a purchaser resident in Nova Scotia later than 120 days after the date on which the initial payment was made for the securities;
- (b) no person will be liable if it proves that the purchaser purchased the securities 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 securities 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 securities were offered to the purchaser.

In addition, a person or company, other than the issuer, will not be liable if that person or company proves that:

- (a) the Offering Memorandum or amendment to the Offering Memorandum 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 the Offering Memorandum or amendment to the Offering Memorandum and before the purchase of the securities by the purchaser, on becoming aware of any misrepresentation in the Offering Memorandum or amendment to the Offering Memorandum the person or company withdrew the person's or company's consent to the Offering Memorandum or amendment to the Offering Memorandum, and gave reasonable general notice of the withdrawal and the reason for it; or
- (c) with respect to any part of the Offering Memorandum or amendment to the Offering Memorandum purporting (i) to be made on the authority of an expert, or (ii) 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 (A) there had been a misrepresentation, or (B) the relevant part of the Offering Memorandum or amendment to the Offering Memorandum 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 issuer, will be liable with respect to any part of the Offering Memorandum or amendment to the Offering Memorandum not purporting (a) to be made on the authority of an expert; or (b) 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 into, or deemed incorporated by reference into, the Offering Memorandum or amendment to the Offering Memorandum, the misrepresentation is deemed to be contained in the Offering Memorandum or an amendment to the Offering Memorandum.

Rights for Purchasers in British Columbia, Alberta, Québec, Manitoba, Newfoundland and Labrador and Prince Edward Island

Notwithstanding that the *Securities Act* (British Columbia), the *Securities Act* (Alberta) and the *Securities Act* (Québec) do not provide, or require the Funds to provide, to purchasers resident in these jurisdictions any rights of action in circumstances where this Offering Memorandum or an amendment hereto contains a misrepresentation, the Funds hereby grants to such purchasers contractual rights of action that are equivalent to the statutory rights of action set forth above with respect to purchasers resident in Ontario.

In Manitoba, the *Securities Act* (Manitoba), in Newfoundland and Labrador, the *Securities Act* (Newfoundland and Labrador), and in Prince Edward Island, the *Securities Act* (Prince Edward Island), provides a statutory right of action for damages or rescission to purchasers resident in Manitoba, Newfoundland, Labrador and Prince Edward Island respectively, in circumstances where this Offering Memorandum or an amendment hereto contains a misrepresentation, which rights are similar, but not identical, to the rights available to Ontario purchasers.

General

The foregoing summary is subject to the express provisions of the applicable securities laws and the regulations, rules and policy statements thereunder and reference is made thereto for the complete text of such provisions. Such provisions may contain limitations and statutory defences on which the Funds may rely. The rights of action

for damages or rescission described herein are in addition to and without derogation from any other right or remedy that the purchaser may have at law.

A PERSON CONSIDERING AN INVESTMENT IN THE FUNDS SHOULD CONSULT ITS OWN ADVISORS IN ORDER TO FULLY UNDERSTAND THE CONSEQUENCES OF AN INVESTMENT IN THE FUNDS WITH RESPECT TO SUCH PERSON'S PARTICULAR SITUATION.

SECTION 29 – LANGUAGE OF DOCUMENTS

(Québec Only)

By accepting this Offering Memorandum, the investor acknowledges that it is its express wish that all documents evidencing or relating in any way to the sale of Units be drawn up in the English language only. *Par son acceptation de ce document, l'acheteur reconnaît par les présentes qu'il est de sa volonté expresse que tous les documents faisant foi ou se rapportant de quelque manière à la vente des parts soient rédigés en anglais seulement.*

FURTHER INFORMATION

Investors requiring further information or an opportunity to review the material contracts of the Funds are invited to contact the Manager at (416) 777-7350 or toll-free at 1-877-777-1541 or by email at funds@marquest.ca. Additional information is also available at www.marquest.ca.



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