

## FUND FACTS

Veritas Absolute Return Fund – Series F Units  
July 30, 2021



VERITAS  
ASSET  
MANAGEMENT

This document contains key information you should know about Series F Units of the Veritas Absolute Return Fund (the “Fund”). You can find more detailed information in the Fund’s simplified prospectus. Ask your representative for a copy, contact Veritas Asset Management Inc. (“Veritas”) at 1-866-640-8783 or by email at [info@veritasfunds.com](mailto:info@veritasfunds.com), or visit [www.veritasfunds.com](http://www.veritasfunds.com).

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

**This Fund is an alternative mutual fund. It invests in asset classes and/or uses investment strategies that are not permitted for conventional mutual funds. The specific strategies that differentiate this Fund from conventional mutual funds include increased use of derivatives for hedging and non-hedging purposes; increased ability to sell securities short; and the ability to borrow cash to use for investment purposes. While these strategies will be used in accordance with the Fund’s investment objective and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.**

### Quick Facts

|   |                 |                            |   |
|---|-----------------|----------------------------|---|
| <b>Fund code:</b>                               | VAM 301         | <b>Fund Manager:</b>       | Veritas Asset Management Inc.   |
| <b>Date series started:<sup>1</sup></b>         | October 1, 2019 | <b>Portfolio Manager:</b>  | Veritas Asset Management Inc.   |
| <b>Total value of the Fund on June 1, 2021:</b> | \$26,368,654.89 | <b>Distributions:</b>      | Annually by December 31. All distributions paid will be automatically reinvested in additional Units. |
| <b>Management expense ratio (MER):</b>          | 2.95%           | <b>Minimum investment:</b> | \$5,000 initial<br>\$500 additional   |

<sup>1</sup> The Fund was originally established as a non-public mutual fund under the name “Veritas Long Short Fund” pursuant to a master declaration of trust dated June 8, 2017.

### What does the fund invest in?

The investment objective of the Fund is to achieve attractive risk adjusted rates of return that deliver long-term capital appreciation to Unitholders.

The Fund will invest primarily in the securities of publicly traded Canadian companies that the Portfolio Manager identifies as mispriced. Long and short positions will be determined primarily based (in part) on recommendations provided by Veritas Investment Research Corporation (an affiliate of the Portfolio Manager). The Portfolio Manager may also invest in securities that are not formally covered by Veritas Investment Research Corporation. The Fund will manage its long and short positions to reduce the impact of market volatility on the Fund’s investment portfolio.

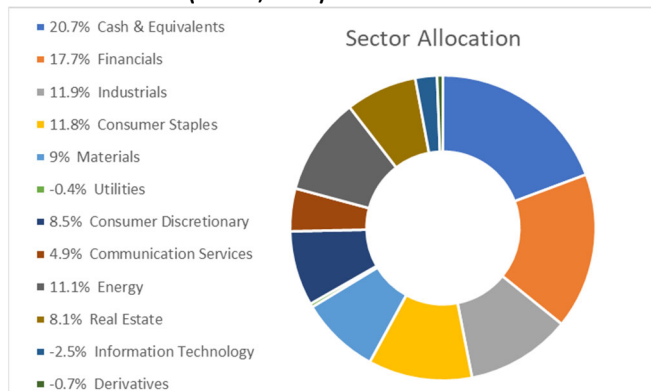
The Fund’s aggregate gross exposure must not exceed three times its net asset value, calculated on a daily basis. During normal market conditions, the Fund’s expected range of aggregate gross exposure is 1.5 times its net asset value.

The charts below give a snapshot of the Fund’s investments on June 1, 2021. The Fund’s investments will change.

#### Top 10 Investments (June 1, 2021)

|  |       |
|--|-------|
| Cash & Equivalents                     | 20.7% |
| Bank of Montreal                       | 3.5%  |
| Air Canada                             | 3.2%  |
| Canadian Imperial Bank of Commerce     | 3.1%  |
| George Weston Ltd                      | 3.1%  |
| Empire Co., Ltd                        | 3.0%  |
| West Fraser Timber Co., Ltd            | 3.0%  |
| Capital Power Corp.                    | 3.0%  |
| Magna International Inc.               | 3.0%  |
| Bombardier Inc.                        | 3.0%  |
| Total percentage of top 10 investments | 48.6% |
| Total number of investments            | 84    |

#### Investment Mix (June 1, 2021)



## How risky is it?

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

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

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

### Risk Rating

**Veritas has rated the volatility of this Fund as medium.**

Because this is a new fund, the risk rating is only an estimate by Veritas. Generally, the rating is based on how much the Fund's returns have changed from year to year. It doesn't tell you how volatile the Fund will be in the future. The rating can change over time. A fund with a low risk rating can still lose money.



For more information about the risk rating and specific risks that can affect the Fund's returns, see *What are the Risks of Investing in the Fund* section of the Fund's simplified prospectus.

### No guarantees

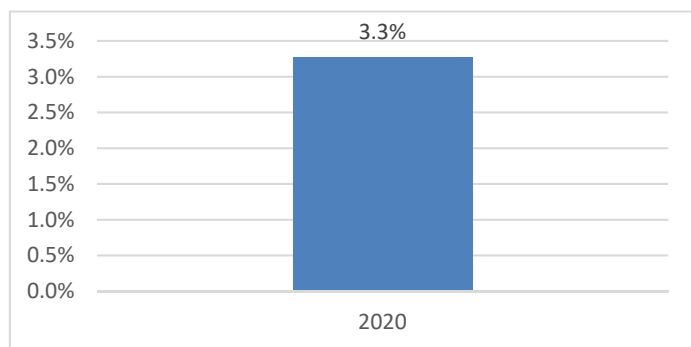
Like most mutual funds, this Fund doesn't have any guarantees. You may not get back the money you invest.

## How has the Fund performed?

This section tells you how Series F Units of the Fund have performed since its inception. Returns are after expenses have been deducted. These expenses reduce the Fund's returns.

### Year-by-year returns

This chart shows how the Series F Units of the Fund performed over its first full calendar year of existence. The range of returns and change from year to year can help you assess how risky the Fund has been in the past. It does not tell you how the Fund will perform in the future.



### Best and worst 3-month returns

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

|              | Return | 3 months ending   | If you invested \$1,000 at the beginning of the period |
|--------------|--------|-------------------|--|
| Best Return  | 5.4%   | November 30, 2020 | Your investment would rise to \$1,054.                 |
| Worst Return | -7.4%  | June 30, 2020     | Your investment would decrease to \$926.               |

### Average return

The annual compounded rate of return of Series F units of the Fund was 11.7% since inception as of May 31, 2021. If you had invested \$1,000 in this series of units at inception, your investment would now be worth \$1,203.

## Who is this Fund for?

Investors who:

- Plan to invest for the medium term or longer
- Want access to research-driven investing
- Want to gain exposure to an actively managed portfolio of Canadian equities,
- Seek capital protection in volatile markets; and
- Are comfortable with a medium risk level.

## A word about tax

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

Keep in mind that if you hold your fund outside a registered plan, fund distributions are included in your income for tax purposes, whether you get them in cash or have them reinvested. If you hold your fund inside a registered plan, you will include fund distributions and other amounts you withdraw from your registered plan in your income for tax purposes. Different rules apply for Tax-Free Savings Accounts.

## How much does this cost?

The following table shows the fees and expenses you could pay to buy, own and sell Series F Units of the Fund.

The fees and expenses – including any commissions – can vary among series of a fund and among funds. Higher commissions can influence representatives to recommend one investment over another. Ask about other funds and investments that may be suitable for you at a lower cost.

### Sales charges

No sales charges apply when you purchase Series F Units of the Fund.

### Fund expenses

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

The Fund's expenses are made up of the management fee, operating expenses and trading costs. The Fund's Series F annual management fee is 1.50% of the Fund's Series F value.

As of December 31, 2020, the Fund's expenses were 3.02% of its value. This equals \$30.20 for every \$1,000 invested.

### ANNUAL RATE (AS A % OF THE FUND'S VALUE)

#### Management expense ratio (MER)

This is the total of the Series F Units' share of the management fee and operating expenses of the Fund.

2.95%

#### Trading expense ratio (TER)

These are the Fund's trading costs.

0.07%

#### Fund expenses

3.02%

### More about the trailing commission

There is no trailing commission payable by Veritas in respect of Series F Units of the Fund.

### Other fees

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

| Fee                     | What you pay  |
|-------------------------|---|
| Investment advisory fee | Series F Units of the Fund are only available to investors who have a fee-based account with their representative's firm and whose representative's firm has signed an agreement with Veritas. You pay a fee to your representative's firm for investment advice and other services |
| Short-term trading fee  | 5% of the value of Units you sell within 120 days of buying them. This fee goes to the Fund.  |
| Redesignation Fee       | Up to 2% of the value of the Units you redesignate. This fee goes to your representative.   |

## What if I change my mind?

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

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

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

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

## For more information

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

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