



VERITAS  
ASSET  
MANAGEMENT

**SIMPLIFIED PROSPECTUS**

**Offering Class A, Class F and Class I Units**

**VERITAS CANADIAN EQUITY FUND**

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

The Fund and the Units of the Fund offered under this Simplified Prospectus are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance on exemptions from registrations.

April 29, 2021

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## INTRODUCTION

In this document, “we”, “us” or “our” refers to Veritas Asset Management Inc., the manager (“**Manager**”), portfolio advisor (“**Portfolio Advisor**”), trustee (“**Trustee**”) and promoter of the Veritas Canadian Equity Fund (the “**Fund**”). References to “**you**” mean the reader as a potential or actual investor in the Fund.

This document contains selected important information to help you make an informed investment decision and to help you understand your rights as an investor. This document is divided into two parts. The first part, from pages 2 through 19, contains general information applicable to mutual funds (including the Fund). The second part, from pages 20 through 25, contains specific information about the Fund described in this document.

Additional information about the Fund is available in the following documents:

- the Annual Information Form;
- the most recently filed Fund Facts;
- the most recently filed annual financial statements;
- the most recently filed annual management report of fund performance;
- any interim financial statements filed after those annual financial statements; and
- any interim management report of fund performance filed after those annual management reports of fund performance.

These documents are incorporated by reference into this Simplified Prospectus, which means that they legally form part of this document just as if they were printed as a part of this document. You can get a copy of these documents, at your request, and at no cost, by calling toll-free at 1-866-640-8783, or from your dealer.

These documents are available on our website at [www.veritasfunds.com](http://www.veritasfunds.com), or by contacting us at [info@veritasfunds.com](mailto:info@veritasfunds.com).

These documents and other information about the Fund are also available at [www.sedar.com](http://www.sedar.com).

## **WHAT IS A MUTUAL FUND AND WHAT ARE THE RISKS OF INVESTING IN A MUTUAL FUND?**

### **What is a mutual fund?**

A mutual fund is an investment vehicle that pools money contributed by people with similar investment objectives and invests in a portfolio of securities to be managed by a professional investment manager. Investing in a mutual fund allows investors to hold a larger variety of securities than most investors could hold individually. By investing in a mutual fund, investors often increase their ability to diversify their investment portfolios. The value of an investment in a mutual fund is primarily realized through distributions paid by the mutual fund to its investors and through redeeming securities of the mutual fund.

The Fund is organized as a trust established under a declaration of trust dated April 23, 2018 (the “**Declaration of Trust**”). In this document we refer to the securities issued by the Fund as “Units”.

### **What are the risks of investing in a mutual fund generally?**

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

The full amount of your investment in the Fund is not guaranteed. Unlike bank accounts or guaranteed income certificates (“**GICs**”), mutual fund units are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

Under exceptional circumstances, a mutual fund may suspend redemptions. For more information, please refer to the section entitled “*Purchases, Redesignations and Redemptions*”.

### **Specific Investment Risks**

Mutual funds are subject to a variety of risk factors depending on their investment objectives. Set out below are some of the possible risks of investing in a mutual fund such as the Fund. To find out which of these risks apply to an investment in the Fund, please refer to “*What are the risks of investing in the Fund?*”.

#### *Concentration Risk*

If the Fund holds significant investments in a few companies, changes in the value of the securities of those companies may increase the volatility of the net asset value of the Fund. Generally, mutual funds are not permitted to invest more than 10% of their net assets in any one issuer. This restriction does not apply to investments in debt securities issued or guaranteed by the Canadian or U.S. government, securities issued by a clearing corporation, securities issued by mutual funds that are subject to the requirements of National Instrument 81-102 *Investment Funds* (“**NI 81-102**”) and National Instrument 81-101 *Mutual Fund Prospectus Disclosure*, or index participation units issued by a mutual fund.

#### *Coronavirus Outbreak Risks*

A novel coronavirus was detected in late 2019 in Wuhan City, Hubei Province, China and has resulted in an outbreak of respiratory disease in countries around the world. On February 11, 2020, the World Health

Organization (the “WHO”) named the disease “COVID-19” and on March 11, 2020, the WHO declared a global pandemic. The continued or prolonged spread of COVID-19 or variants of COVID-19 may have an adverse impact on the Fund. A further escalation of the COVID-19 outbreak could see a significant decline in global economic growth (worst case predictions estimate that global economic growth could be cut in half and, according to the Organization for Economic Cooperation and Development, plunge several countries into recession). Businesses in major financial centers around the world have curtailed their travel and meeting plans. This is likely to continue to slow consumer demand and both domestic and international business activity. The banking industry and, in particular, financial markets may be significantly adversely affected by credit losses resulting from financial difficulties of borrowers impacted by COVID-19. COVID-19 requires certain employees of the Manager and certain key service providers to the Fund to work remotely for prolonged periods of time. The ability of the employees of the Manager and/or other service providers to the Fund to work effectively on a remote basis may adversely impact the day-to-day operations of the Fund. Any similar future outbreaks or pandemics could have similar potential adverse effects on the global economy and the Fund.

#### *Currency Risk*

The net asset value and unit price of the Fund’s Units is calculated in Canadian dollars. Most foreign investments are purchased in currencies other than the Canadian dollar. As a result, the value of foreign investments will be affected by the value of the Canadian dollar relative to the value of the foreign currency. If the Canadian dollar rises in value relative to the other currency but the value of the investment otherwise remains constant, the value of the investment in Canadian dollars will have fallen. Similarly, if the value of the Canadian dollar has fallen relative to the foreign currency, the value of the Fund’s investment will have increased.

#### *Cyber Security Risk*

As the use of technology has become more prevalent in the course of business, the Fund has become potentially more susceptible to operational risks through breaches of cyber security. A breach of cyber security refers to both intentional and unintentional events that may cause the Fund to lose proprietary information, suffer data corruption or lose operational capacity. This in turn could cause the Fund to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures, and/or financial loss. Cyber security breaches may involve unauthorized access to the Fund’s digital information systems (e.g. through “hacking” or malicious software coding) but may also result from outside attacks, such as denial of service attacks (i.e. efforts to make network services unavailable to intended users). In addition, cyber security breaches of the Fund’s third party service providers (e.g. administrators and custodians) or issuers that the Fund invests in can also subject the Fund to many of the same risks associated with direct cyber security breaches.

#### *Derivatives Risk*

The Fund may use derivative instruments to help it achieve its investment objectives. These investments usually take the form of a contract between two parties where the value of the payments required under the contract is derived from an agreed source, such as the market price (or value) of an asset (which could be, for example, currency or stocks) or from an economic indicator (such as a stock market index or a specified interest rate). The Fund generally uses four types of derivatives: options, forwards, futures and swaps. The use of derivatives carries several risks:

- There is no guarantee that a market will exist for some derivatives, which could prevent the Fund from selling or exiting the derivatives at the appropriate time. Therefore, the Fund may be unable to

realize its profits or limit its losses.

- It is possible that the other party to the derivative contract will not meet its obligations under the contract. To minimize this risk, the Manager monitors the Fund's derivative transactions regularly to ensure that the credit rating of the contract counterparty or its guarantor will generally be at least as high as the minimum approved credit rating required under NI 81-102.
- When entering into a derivative contract, the Fund may be required to deposit funds with the contract counterparty. If the counterparty goes bankrupt, or if the counterparty is unable or unwilling to perform its obligations in respect of the Fund, the Fund could lose these deposits.

Securities and commodities exchanges could set daily trading limits on options and futures. This could prevent the Fund or the counterparty from carrying out its obligations under a derivative contract.

### *Equity Investment Risk*

Equity investments, such as stocks, carry several risks. A number of factors may cause the price of a stock to fall. These include specific developments relating to the company, stock market conditions where the company's securities trade and general economic, financial and political conditions in the countries where the company operates. Since the Fund's unit price is based on the value of its investments, an overall decline in the value of the stocks it holds will reduce the value of the Fund and, therefore, the value of your investment. However, if the price of the stocks in the portfolio increases, your investment will be worth more. Equity funds generally tend to be more volatile than fixed income funds, and the value of their Units can vary widely.

### *Foreign Investment Risk*

The value of an investment in a foreign company may depend on general global economic factors or specific economic and political factors relating to the country or countries in which the foreign issuer operates. The regulatory environment in some foreign countries may be less stringent than in Canada, including legal and financial reporting requirements. In other words, depending on the country in which a foreign investment is made, there may be more or less information available with respect to foreign companies. Some foreign stock markets may also have lower trading volumes and have sharper price corrections than in other countries. Some or all of these factors could make a foreign investment more volatile than a Canadian investment.

Certain countries may also have foreign investment or exchange laws that make it difficult to sell an investment or may impose withholding or other taxes that could reduce the return on the investment. Different financial, political and social factors could hurt the value of foreign investments. As a result, mutual funds that specialize in foreign investments may experience larger and more frequent price changes in the short-term.

### *General Market Risk*

General market risk occurs when markets go down in value on the basis of economic developments, political changes, changes in economic policy or catastrophe.

### *Issuer Risk*

Issuer risk is the risk that the value of a security may decline in value for reasons that directly relate to the issuer of the security.

### *Large Transaction Risk*

If a Unitholder has significant holdings in the Fund, the Fund is subject to the risk that such large Unitholder may request a significant purchase or redemption of Units of the Fund. Large purchases and redemptions may result in: (a) the Fund maintaining an abnormally high cash balance; (b) large sales of portfolio securities impacting market value; (c) increased transaction costs (e.g., commissions); and/or (d) capital gains being realized which may increase taxable distributions to investors. If this should occur, the returns of investors (including other mutual funds) that invest in the Fund may be adversely affected.

### *Liquidity Risk*

Liquidity is a measure of how quickly an investment can be sold for cash at a fair market price. If the Fund cannot sell an investment quickly, it may lose money or make a lower profit, especially if it has to meet a large number of redemption requests. Substantial redemptions by Unitholders within a short period of time could require the Manager to arrange for the Fund's positions to be liquidated more rapidly than would otherwise be desirable, which could adversely affect the value of the remaining Units of the Fund. In general, investments in smaller companies, smaller markets or certain sectors of the economy tend to be less liquid than other types of investments. The less liquid an investment, the more its value tends to fluctuate.

### *Multiple Class Risk*

The Fund is available in more than one Class of Units. Each Class has its own fees and expenses, which are tracked separately. Those expenses will be deducted in calculating the unit value for that Class, thereby reducing its unit value. If one Class is unable to pay its expenses or liabilities, the assets of the other Class will be used to pay those expenses or liabilities. As a result, the unit price of the other classes may also be reduced. Please refer to sections entitled "*Purchases, Redesignations and Redemptions*" and "*Fees and Expenses*" for more information regarding each Class and how their unit value is calculated.

### *Regulatory and Legal Risk*

Some industries, such as telecommunications and financial services, are heavily regulated by governments and in some cases depend on government funding and favourable decisions made by those governments. Investments in such industries may be substantially affected by changes in government policy, regulation or deregulation, ownership restrictions, funding and the imposition of stricter operating conditions. The value of the securities of issuers in regulated industries may change substantially based on these factors.

In addition, there can be no assurance that applicable laws, or other legislation, legal and statutory rights will not be changed in a manner which adversely affects the Fund or its Unitholders. There can be no assurance that income tax, securities, and other laws or the interpretation and application of such laws by courts or government authorities will not be changed in a manner which adversely affects the distributions received by the Fund or by the Unitholders.

### *Securities Lending, Repurchase and Reverse Repurchase Transaction Risk*

The Fund may enter into securities lending, repurchase and reverse repurchase transactions in accordance with NI 81-102. In a securities lending transaction, the Fund lends its portfolio securities through an authorized agent to another party (a "**counterparty**") in exchange for a fee and a form of acceptable collateral. In a repurchase transaction, the Fund sells its portfolio securities for cash through an authorized agent while at the same time it assumes an obligation to repurchase the same securities for cash (usually at a lower price) at a later date. In a reverse repurchase transaction, the Fund buys portfolio securities for cash

while at the same time it agrees to resell the same securities for cash (usually at a higher price) at a later date. We have set out below some of the general risks associated with securities lending, repurchase and reverse repurchase transactions:

- When entering into securities lending, repurchase and reverse repurchase transactions, the Fund is subject to the credit risk that the counterparty may default under the agreement and the Fund would be forced to make a claim in order to recover its investment.
- When recovering its investment on a default, the Fund could incur a loss if the value of the portfolio securities loaned (in a securities lending transaction) or sold (in a repurchase transaction) has increased in value relative to the value of the collateral held by the Fund.

Similarly, the Fund could incur a loss if the value of the portfolio securities it has purchased (in a reverse repurchase transaction) decreases below the amount of cash paid by the Fund to the counterparty.

#### *Trust Loss Restriction Rule Risk*

The Fund may be subject to loss restriction rules contained in the *Income Tax Act* (Canada) (the “**Tax Act**”) (the “**Loss Restriction Rules**”). If the Fund experiences a “loss restriction event” (i) the Fund will be deemed to have a year-end for tax purposes (which would result in an allocation of the Fund’s net income and net realized capital gains at such time to Unitholders so that the Fund is not liable for income tax on such amounts); and (ii) the Fund will be deemed to realize any unrealized capital losses and its ability to carry forward losses will be restricted. Generally, the Fund will have a loss restriction event when a person becomes a “majority-interest beneficiary” of the Fund, or a group of persons becomes a “majority-interest group of beneficiaries” of the Fund, as those terms are defined in the Loss Restriction Rules, unless the Fund qualifies as an “investment fund” for the purposes of those rules.

#### *U.S. Foreign Account Tax Compliance Risk*

The governments of Canada and the United States have entered into an Intergovernmental Agreement (“**IGA**”) which establishes a framework for cooperation and information sharing between the two countries and may provide relief from a 30% U.S. withholding tax under U.S. tax law (the “**FATCA Tax**”) for Canadian entities such as the Fund, provided (i) the Fund complies with the terms of the IGA and the Canadian legislation implementing the IGA in Part XVIII of the Tax Act (the “**Canadian IGA Legislation**”); and (ii) the government of Canada complies with the terms of the IGA. The Fund will endeavor to comply with the requirements imposed under the IGA and the Canadian IGA Legislation. Under the Canadian IGA Legislation, Unitholders of the Fund are required to provide identity and residency and other information to the Fund (and may be subject to penalties for failing to do so), which in the case of Specified U.S. Persons or certain non-U.S. entities controlled by Specified U.S. Persons, will be provided by the Fund to the Canada Revenue Agency (the “**CRA**”) and from the CRA to the U.S. Internal Revenue Service (the “**IRS**”). However, the Fund may be subject to FATCA Tax if it cannot satisfy the applicable requirements under the IGA or the Canadian IGA Legislation or if the Canadian government is not in compliance with the IGA and if the Fund is otherwise unable to comply with any relevant and applicable U.S. legislation. Any such FATCA Tax in respect of the Fund would reduce the Fund’s distributable cash flow and net asset value.

#### *Tax-Related Risk Factors*

The return on the investment in Units of the Fund is subject to changes in Canadian federal and provincial tax laws, tax proposals, and other governmental policies or regulations as well as changes in governmental, administrative or judicial interpretation of the foregoing. There can be no assurance that tax laws, tax

proposals, policies or regulations, or the interpretation thereof, will not be changed in a manner that will fundamentally alter the tax consequences to investors of acquiring, holding or disposing of Units of the Fund.

If the Fund does not qualify, or ceases to qualify, as a mutual fund trust or a registered investment, Units may cease to be qualified investments for trusts governed by a registered retirement savings plan (“**RRSP**”), a registered retirement income fund (“**RRIF**”), a tax-free savings account (“**TFSA**”), a registered education savings plan (“**RESP**”), a registered disability savings plan (“**RDSP**”), a registered education savings plan, or a deferred profit sharing plan, each as defined in the Tax Act (each, a “Registered Plan” and collectively, the “**Registered Plans**”). This could result in a Registered Plan, which hold Units, becoming liable for a penalty tax under the Tax Act.

If the Fund is not a mutual fund trust and holds at the end of any month property that is not a “qualified investment” for a Registered Plan, the Fund may be liable for a penalty tax, in respect of each applicable month, under Part X.2 of the Tax Act equal to 1% of the fair market value of such property at the time of its acquisition.

## **PURCHASES, REDESIGNATIONS AND REDEMPTIONS**

### **Description of Units**

The Fund is permitted to issue an unlimited number of classes or series of Units and may issue an unlimited number of Units of each class or series. The Fund has created Class A, Class F and Class I Units (each, a “**Class**”).

Class A Units: Available to all investors.

Class F Units: Available to investors who are enrolled in a dealer-sponsored fee for service or wrap program and who are subject to an annual asset based fee rather than commissions on each transaction or, at the discretion of the Manager, any other investor for whom the Manager does not incur distribution costs.

Class I Units: Available to institutional investors or to other investors on a case-by-case basis, all at the discretion of the Manager.

If you cease to satisfy criteria for holding any Class of Units, the Manager may switch such Class into another Class of Units of the Fund, as appropriate.

### **How We Price the Fund’s Units**

The Fund’s net asset value is calculated at the close of regular trading, normally 4:00 p.m. (Eastern Time), on a day the Toronto Stock Exchange (“**TSX**”) is open (a “**Valuation Date**”). The net asset value will be calculated in Canadian dollars and the Units can be purchased in Canadian dollars.

The Fund’s Units are divided into the Class A, Class F and Class I Units. Each Class is divided into Units of equal value. When you invest in the Fund, you are purchasing Units of a specific Class of the Fund.

A separate net asset value per Unit is calculated for each Class of Units (the “**Unit Price**”). The Unit Price is the price used for all purchases, redesignations and redemptions of Units of that Class (including purchases made on the reinvestment of distributions). The price at which Units are issued or redeemed is based on the next applicable Unit Price determined after the receipt of the purchase or redemption order.

Here is how we calculate the Unit Price of each Class of the Fund:

- We take the fair value of all the investments and other assets allocated to the Class.
- We then subtract the liabilities allocated to that Class. This gives us the net asset value for the Class.
- We divide this amount by the total number of Units of the Class that investors in the Fund are holding. That gives us the Unit Price for the Class.

Although the purchases and redemptions of Units are recorded on a Class basis, the assets attributable to all of the Class of the Fund are pooled to create one fund for investment purposes.

Each Class pays its proportionate share of Fund costs in addition to its management fee. The difference in Fund costs, management fees between each Class means that each Class has a different Unit Price.

Any purchase, switch, redesignation or redemption instruction received after 4:00 p.m. (Eastern Time) on a Valuation Date will be processed on the next Valuation Date.

As Manager, we are responsible for determining the net asset value of the Fund. However, we may delegate some or all of the responsibility in relation to such determination to the Administrator.

You can get the net asset value of the Fund or the Unit Price of a Class of the Fund, at no cost, by sending an email to [info@veritasfunds.com](mailto:info@veritasfunds.com), on the Manager's website at [www.veritasfunds.com](http://www.veritasfunds.com), by calling toll-free at 1-866-640-8783 or by asking your dealer.

## **Purchases**

You may purchase any Class of Units of the Fund through a registered dealer that has entered into a distribution agreement with us to sell the Fund. See "*Description of Units*" for a description of each Class of Units offered by the Fund. The issue price of Units is based on the Unit Price for that particular Class.

The minimum initial investment in Class A and Class F Units of the Fund is \$1,000. The minimum subsequent investment in Class A and Class F Units of the Fund is \$500. These minimum investment amounts may be adjusted or waived at the discretion of the Manager.

The minimum initial and subsequent investments in Class I Units of the Fund are negotiable between the investor and the Manager.

If we receive your purchase order before 4:00 p.m. (Eastern Time) on a Valuation Date, we will process your order at the Unit Price calculated later that day. Otherwise, we will process your order at the Unit Price calculated on the next Valuation Date. We may process orders at an earlier time if the TSX closes for trading earlier on a particular day. Orders received after that earlier closing time would be processed on the next Valuation Date.

Please contact your dealer to find out how to place an order. Please note that dealers may establish cut-off times for receiving purchase orders so that they may be properly processed prior to the 4:00 p.m. (Eastern Time) deadline on the applicable Valuation Date. When you submit money with a purchase order, the money will be held in our trust account and any interest the money earns before it is invested in the Fund is credited to the Fund, not to your account.

We must receive the appropriate documentation and payment in full within two business days of receiving your purchase order in order to process a purchase order. If the Fund does not receive payment in full within the required time or if a cheque is returned because of non-sufficient funds, we will sell the Units that you bought. If we sell them for more than you paid, the Fund will keep the difference. If we sell them for less than you paid, we will bill you for the difference plus any costs or interest. We do not issue certificates when you purchase Units of the Fund. We are entitled to reject any purchase order, but we can only do so within one business day of receiving it. If we reject an order, we will return immediately to your dealer any monies we have received from you in connection with that order.

At the Manager's sole discretion, the Fund may suspend new subscriptions of the Fund's Units.

Please see "*Fees and Expenses*" and "*Dealer Compensation*" for more information on the fees and expenses and dealer compensation applicable to each Class.

### **Redemptions**

If we receive your redemption order before 4:00 p.m. (Eastern Time) on any Valuation Date, we will process your order at the Unit Price calculated later that day. Otherwise, we will process your order at the Unit Price calculated on the next Valuation Date. We may process orders at an earlier time if the TSX closes for trading earlier on a particular day. Orders received after that earlier closing time would be processed on the next Valuation Date.

The latest we will send you your money will be two business days after the Valuation Date used to process your sell order. Required documentation may include a written order to sell with your signature, guaranteed by an acceptable guarantor. If you redeem through your dealer, they will advise you what documents they require. Any interest earned on the proceeds of an order to redeem before you receive the money will be credited to the Fund, not to your account.

Under exceptional circumstances, we may be unable to process your redemption order. This would most likely occur if market trading has been suspended on stock exchanges, options exchanges or futures exchanges on which more than 50% by value of the Fund's assets are listed and if the Fund's portfolio securities cannot be traded on any other exchange that represents a reasonably practical alternative. During these periods, Units will also not be issued or redesignated.

The Fund may postpone a redemption payment during any period which redemption rights are suspended in the circumstances described above as required by securities legislation or with the approval of the applicable securities regulatory authorities.

There are no redemption fees for the Fund, except as described under "*Short-Term Trading Fee*".

### **Redesignations between Classes of the Fund**

You may redesignate from one Class of Units to another Class of Units of the Fund, as long as you are eligible to hold that Class of Units. This is called a redesignation.

If we receive your redesignation order before 4:00 p.m. (Eastern Time) on any Valuation Date, we will process your order at the Unit Price calculated later that day. Otherwise, we will process your order at the Unit Price calculated on the next Valuation Date. We may process orders at an earlier time if the TSX closes for trading earlier on a particular day. Orders received after that earlier closing time would be processed on the next Valuation Date.

You may have to pay a fee to your dealer to effect such a redesignation. You negotiate the fee with your investment professional. See “*Fees and Expenses*” for details.

The value of your investment, less any fees, will be the same immediately after the redesignation. You may, however, own a different number of Units because each Class may have a different Unit Price. Redesignating Units from one Class to another Class of the Fund is generally not a disposition for tax purposes.

### **Short-Term Trading**

Short-term trading in Units of the Fund can have an adverse effect on the Fund. Such trading can increase brokerage and other administrative costs of the Fund and interfere with our long-term investment decisions.

In order to protect the interest of the majority of Unitholders in the Fund and to discourage short-term trading in the Fund, investors may be subject to a short-term trading fee. If an investor redeems Class A or Class F Units of the Fund within 30 days of purchasing such Units, the Fund may deduct and retain, for the benefit of the remaining Unitholders in the Fund, two percent (2%) of the net asset value of the Class A or Class F Units of the Fund being redeemed.

The short-term trading fee will not apply in certain circumstances, such as:

- redemptions of Units purchased by the reinvestment of distributions;
- redesignation of Units from one Class to another Class of the Fund;
- redemptions initiated by the Manager or where redemption notice requirements have been established by the Manager; or
- in the absolute discretion of the Manager.

Please see “*Fees and Expenses*” for details.

### **OPTIONAL SERVICES**

#### **Pre-authorized Contribution Plan**

You can make regular purchases of Units of the Fund through a pre-authorized contribution plan (“**PAC**”). You can invest weekly, bi-weekly, or monthly. You can setup a PAC by contacting your dealer. There is no administrative charge for this service.

## FEES AND EXPENSES

The following table lists the fees and expenses that you may have to pay if you invest in the Fund. You may have to pay some of these fees and expenses directly. The Fund may have to pay some of these fees and expenses, which will therefore reduce the value of your investment in the Fund.

<b>Fees and Expenses Payable by the Fund</b>	
<b>Management Fees</b>	<p>The Manager receives a management fee payable by the Fund for providing its services to the Fund. The management fee varies for each Class of Units. The management fee is calculated and accrued daily based on a percentage of the net asset value of the Class of Units of the Fund, plus applicable taxes, and is payable on the last day of each calendar month.</p> <p>Class A Units: 1.95% per annum            Class F Units: 0.95% per annum            Class I Units: Negotiated by the investor and paid directly by the investor. The management fee rate will not exceed the management fee payable on Class F Units of the Fund (0.95% per annum).</p>
<b>Performance Fees</b>	<p>The Manager does not charge a performance fee in respect of any Class of Units of the Fund.</p>
<b>Operating Expenses</b>	<p>The Fund pays its own operating expenses, other than advertising costs and costs of dealer compensation programs, which are paid by the Manager.</p> <p>Operating expenses include, but are not limited to, brokerage commissions and fees (if applicable), taxes, audit and legal fees, fees of the members of the Fund's independent review committee ("IRC"), costs and fees in connection with the operation of the IRC (including the costs of holding meetings, and fees and expenses of any advisers engaged by the IRC), safekeeping and custodial fees, interest expenses, operating, administrative and systems costs, investor servicing costs and costs of financial and other reports to investors, as well as prospectuses, annual information forms and fund facts. Operating expenses and other costs of the Fund are subject to applicable taxes including HST.</p> <p>The Fund also pays a proportionate share of the total compensation paid to the IRC each year and reimburses members of the IRC for expenses incurred by them in connection with their services as members of the IRC. Each member of the IRC, other than the Chair, is paid, as compensation for his services, \$5,000 (plus applicable taxes or other deductions) per annum. The Chair is paid \$7,500 (plus applicable taxes or other deductions) per annum.</p>
<b>Fees and Expenses Payable by You</b>	
<b>Class I Unit Management Fees</b>	<p>Unitholders of Class I Units pay a negotiated management fee based on the net asset value of the Class I Units of the Fund they own directly to the Manager, which will not exceed the management fee payable on Class F Units of the Fund (0.95% per annum). This fee will be set out in an agreement between the Class I Unitholder and the Manager.</p>

<b>Fees and Expenses Payable by You</b>	
<b>Sales Commissions</b>	You may have to pay a sales commission of up to 3% when you buy Class A Units based on the net asset value of the Class. You may negotiate the amount with your dealer. There are no sales commissions for Class F or Class I Units.
<b>Investment Advisory Fees</b>	Class F Units 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 the Manager. Class F Unitholders will pay a fee to their representative's firm for investment advice and other services.
<b>Switch and Redesignation Fees</b>	You may have to pay a switch fee or a redesignation fee, as applicable, of up to 2% based on the net asset value of the applicable Class of Units of the Fund you switch or redesignate. You may negotiate the amount with your dealer.
<b>Redemption Fees</b>	The Fund does not charge a redemption fee. However, the Fund may charge a short-term trading fee if you redeem your Class A or Class F Units within 30 days of buying them. Please see " <i>Short-Term Trading Fee</i> " below.
<b>Short-Term Trading Fee</b>	<p>A fee of 2% of the amount redeemed may be charged if you redeem Class A, or Class F Units of the Fund within 30 days of purchasing such Units. For a description of the Manager's policy on short-term trading, please see the disclosure under the subheading "<i>Short-Term Trading Fee</i>" under the heading "<i>Fund Governance</i>" in the Annual Information Form.</p> <p>The short-term trading fees charged will be paid directly to the Fund, and is designed to deter excessive trading and offset its associated costs. For the purposes of determining whether the fee applies, we will consider the Units that were held the longest to be Units which are redeemed first. At the Manager's discretion, the fee will not apply in certain circumstances, such as</p> <ul style="list-style-type: none"> <li>● redemptions of Class A or Class F Units purchased by the reinvestment of distributions;</li> <li>● redesignation of Class A or Class F Units to another Class of Units of the Fund;</li> <li>● redemptions initiated by the Manager or where redemption notice requirements have been established by the Manager; or</li> <li>● in the absolute discretion of the Manager.</li> </ul>

### **Impact of Sales Commissions**

Sales commissions may apply when you purchase Class A Units of the Fund. The sales commissions may be negotiated between you and the dealer. There are no sales commissions payable on Class F or Class I Units of the Fund.

The following table shows the amount of fees that you would have to pay under the different purchase options available to you if you had made an investment of \$1,000 in the Fund, if you held the investment for one,

three, five or ten years and redeemed immediately before the end of that period.

	Sales Charge At Time of Purchase	Redemption Fee <sup>1</sup> Before End Of:			
		1 Year <sup>1</sup>	3 Years	5 Years	10 Years
Sales Charge Option	Up to \$30	Nil	Nil	Nil	Nil

<sup>1</sup>There is no redemption fee. However, a short-term trading fee may apply only if you redeem your Class A or Class F Units within 30 days of purchasing them. Short-term trading fees are shown under “*Short-Term Trading Fee*” above.

## DEALER COMPENSATION

**Redesignation Fees** – You pay the redesignation fee, as applicable, to your dealer at the time of redesignation from one Class of Units to another Class of Units in the Fund. The maximum redesignation fee you may pay is 2% based on the net asset value of the applicable Class of Units of the Fund being switched or redesignated. You may negotiate this amount with your dealer.

**Sales Commissions** – You pay a sales commission to your dealer at the time of purchase of Class A Units of the Fund. The maximum sales commission you may pay is 3% based on the net asset value of the Class A Units acquired. You may negotiate this amount with your dealer.

There are no sales commissions payable to your dealer for Class F or Class I Units of the Fund, however, your dealer may receive redesignation fees.

Please see “*Purchases, Redesignations and Redemptions*” for further details.

**Trailing Commissions** – For Class A Units of the Fund, we pay dealers (including discount brokerages) an ongoing annual service fee known as a “trailing commission,” for as long as you hold your investment. The amount of trailing commission paid to dealers is based on the total value of Class A Units their clients hold in the Fund. There are no trailing commissions paid on Class F or Class I Units of the Fund. The trailing commissions are paid quarterly at a current annual rate of up to 1.00% of the value of the Class A Units held by clients of the dealer.

There are no trailing commissions payable in respect of the Class F or Class I Units of the Fund, however, your dealer may receive redesignation fees.

## Other Kinds of Dealer Compensation

We may provide a broad range of marketing support programs to dealers which include research materials on the Fund and pre-approved advertising copy relating to the Fund. We may also provide advertising programs for the Fund which may indirectly benefit your dealer, and in some cases, may share with your dealer the cost of local advertising and marketing activities (including investor conferences and seminars). The cost sharing is on a case-by-case basis and will not exceed 50% of the total direct costs incurred by your dealer. We may reimburse dealers for the registration fees of financial advisors attending certain conferences, seminars and courses organized and presented by third parties. We may also reimburse dealers and certain industry associations for up to 10% of the total direct costs they incur for other kinds of conferences, seminars and courses they organize and present. We may organize and present, at our expense, educational conferences and seminars for financial advisors and provide to financial advisors non-monetary benefits of a promotional nature and of minimal value.

It is important for you to know that all of the amounts described above are paid by us, not the Fund, and only

in accordance with the our policies and the rules set out in National Instrument 81-105 *Mutual Fund Sales Practices*.

## **DEALER COMPENSATION FROM MANAGEMENT FEES**

During the financial year ended December 31, 2020, the total compensation (including sales commissions, trailing commissions and other kinds of dealer compensation for all mutual funds managed by us) was approximately 6.6% of the total management fees that we received from the Fund.

## **CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS FOR INVESTORS**

The following is a general summary, at the time of filing, of certain of the principal Canadian federal income tax considerations generally applicable to you as an investor in Units of the Fund offered under this Simplified Prospectus. This summary assumes you are an individual (other than a trust) who, for the purposes of the Tax Act, and at all times, (i) is a resident of Canada, (ii) deals at arm's length and is not affiliated with the Fund, and (iii) holds Units as capital property (a "**Canadian Unitholder**").

This summary is based on the current provisions of the Tax Act and the regulations thereunder, an understanding of the current published administrative policies and assessing practices of the CRA and all specific proposals to amend the Tax Act and regulations thereunder publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (such proposals referred to hereafter as the "**Tax Proposals**"). This summary does not otherwise take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, nor does it take into account other federal or any provincial, territorial or foreign income tax legislation or considerations. There can be no assurance that the Tax Proposals will be enacted in the form publicly announced or at all.

This summary assumes that none of the issuers of securities held by the Fund will be a foreign affiliate of the Fund or any Unitholder, or a non-resident trust that is not an "exempt foreign trust" as defined in section 94 of the Tax Act. This summary also assumes that the Fund will not be: (i) a "SIFT trust" for the purposes of the Tax Act; (ii) a "financial institution" for purposes of the Tax Act; or (iii) required to include any amounts in income pursuant to section 94.1 or section 94.2 of the Tax Act.

**This summary is not exhaustive of all possible Canadian federal tax considerations applicable to you in respect of an investment in Units and does not describe the income tax consequences relating to the deductibility of interest on money borrowed to acquire Units. It is not intended to be, nor should it be construed to be, legal or tax advice to any particular investor. Accordingly, you are urged to consult with your own tax advisors for advice with respect to the income tax consequences of an investment in Units, based on your own particular circumstances.**

### **Tax Status of the Fund**

The Manager and the Trustee have advised that the Fund has been registered by the CRA as a "registered investment" under paragraph 204.4(2)(d) of the Tax Act with effect from May 1, 2018. This summary is based on the assumption that the Fund will be a "registered investment" for the purposes of the Tax Act and will maintain that status at all relevant times.

If the Fund satisfies certain minimum requirements respecting the ownership and dispersal of Units, the Fund may be a "mutual fund trust" for purposes of the Tax Act. See "*Specific Investment Risk – Tax-Related Risk Factors*".

## Taxation of the Fund

In each taxation year, the Fund will be subject to tax under Part I of the Tax Act on its net income, including the taxable portion of any net capital gains, if any, that is not paid or made payable to Unitholders in that year. Provided the Fund distributes all of its net taxable income and its net capital gains to its Unitholders on an annual basis, it will not be liable for any income tax under Part I of the Tax Act.

The Fund is required to include, in computing its income for each taxation year, the taxable portion of any net capital gains realized in the year, any dividends received by it in the year and all interest that accrues to it during the year, or which becomes receivable or is received by it before the end of the year, except to the extent that such interest was included in computing its income for a preceding taxation year. In computing its income, the Fund will take into account any loss carry-forwards and all deductible expenses, including management fees.

Gains and losses realized by the Fund on the disposition of securities will generally be reported as capital gains and capital losses. Generally, gains and losses realized by the Fund from derivatives and in respect of short sales of securities will be treated as being on income account, except where a derivative is used to hedge securities held on capital account provided there is sufficient linkage and subject to the detailed rules in the Tax Act. Whether gains or losses realized by the Fund in respect of a particular transaction are on income or capital account will depend largely on factual considerations. Notwithstanding the foregoing, the derivative forward agreement rules (the “**DFA Rules**”) in the Tax Act deem gains on the settlement of certain forward agreements (described as “derivative forward agreements”) to be included in ordinary income rather than treated as capital gains. The Tax Act exempts from the application of the DFA Rules currency forward contracts, and certain other derivatives, that are entered into in order to hedge foreign exchange risk in respect of an investment held as capital property.

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

If the Fund is not a “mutual fund trust” and a Unitholder is a “designated beneficiary” of the Fund in a taxation year of the Fund, the “designated income” of the Fund for that taxation year will be subject to tax under Part XII.2 of the Tax Act. The current rate of tax under Part XII.2 of the Tax Act is 40%. A portion of the Part XII.2 tax paid by the Fund may, if the Fund makes a designation in its tax return, be credited against tax otherwise payable by Unitholders who are not “designated beneficiaries” of the Fund. A “designated beneficiary” is defined in the Tax Act to include non-residents of Canada, certain tax-exempt entities and certain trusts. “Designated income” is defined in the Tax Act to include, generally, taxable capital gains from the disposition of taxable Canadian property, and income from Canadian businesses and real estate. The Fund is entitled to redeem the Units of a Unitholder who becomes a “designated beneficiary” or to demand that the Units be transferred to another person who is not a “designated beneficiary”.

The Fund’s portfolio may include securities which are not denominated in Canadian dollars. The cost and proceeds of disposition of securities, dividends, interest and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars at the exchange rate prevailing at the time of the transaction, as more particularly determined in accordance with section 261 of the Tax Act. Accordingly, the Fund may realize gains or losses by virtue of the fluctuation in the value of foreign currencies relative to Canadian dollars.

To the extent the Fund derives income or gains from investments in countries other than Canada, the Fund may be liable to pay income or profits tax to such countries and the ability of the Fund to claim credits or deductions in respect of foreign tax so paid for Canadian tax purposes is subject to special rules and restrictions under the Tax Act.

The Fund may be subject to alternative minimum tax in any taxation year throughout which the Fund is not a “mutual fund trust” for purposes of the Tax Act.

The Fund may be subject to the Loss Restriction Rules unless the Fund qualifies as an “investment fund” as defined in the Tax Act, which, among other things, requires that the Fund satisfy certain investment diversification restrictions, and that Unitholders hold only fixed (and not discretionary) interests in the Fund. If the Fund experiences a “loss restriction event”, (i) the Fund will be deemed to have a year-end for tax purposes (which would result in an allocation of the Fund’s net income and net realized capital gains at such time to Unitholders so that the Fund is not liable for income tax under Part I of the Tax Act on such amounts); and (ii) the Fund will be deemed to realize any unrealized capital losses and its ability to carry forward such losses will be restricted. Generally, the Fund will have a “loss restriction event” when a person becomes a “majority-interest beneficiary” of the Fund, or a group of persons becomes a “majority-interest group of beneficiaries” of the Fund, as those terms are defined in the Tax Act.

The Fund may be subject to the “suspended loss” rules contained in the Tax Act, which would generally apply where the Fund disposes of property and subsequently reacquires the property or acquires an identical property within the time period that begins 30 days before the disposition and ends 30 days following the disposition and the Fund continues to own the reacquired or newly-acquired property following that period. Where the “suspended loss” rules apply, any losses arising from the initial disposition of property would be denied, but may be realized at a future point in time in accordance with the rules in the Tax Act.

### **Taxation of Canadian Unitholders**

A Canadian Unitholder will generally be required to include in computing his or her income for a taxation year, the portion of the net income of the Fund, including the taxable portion of any capital gains, if any, paid (or payable) to him or her by the Fund in that taxation year, whether such amounts are paid in cash or automatically reinvested in additional Units.

Generally, any distributions to a Canadian Unitholder in excess of his or her share of the net income and net capital gains of the Fund in a taxation year are a return of capital and will not be taxable to him or her, but will reduce the adjusted cost base of his or her Units. To the extent that a Canadian Unitholder’s adjusted cost base of his or her Units would otherwise be a negative amount, the negative amount will be deemed to be a capital gain realized by the Canadian Unitholder and the adjusted cost base of his or her Units will be nil immediately thereafter. The non-taxable portion of any net capital gains of the Fund that is distributed to a Canadian Unitholder will not be taxable and will not, provided the appropriate designations are made by the Fund, reduce the adjusted cost base of his or her Units.

Provided that appropriate designations are made by the Fund, such portion of (i) the taxable portion of any net capital gains of the Fund, and (ii) the taxable dividends received by the Fund on shares of taxable Canadian corporations as are paid or become payable to a Canadian Unitholder will effectively retain their character and be treated as such in his or her hands. The gross-up and dividend tax credit rules contained in the Tax Act will apply to such amounts that are designated as taxable dividends from taxable Canadian corporations. If the Fund makes the appropriate designation, a Canadian Unitholder may be entitled to claim a foreign tax credit in accordance with the provisions of, and subject to the general limitations under, the Tax Act for a portion of the foreign tax paid by the Fund in respect of income from foreign sources.

The net asset value per Unit of the Fund at the time a Canadian Unitholder acquires Units may reflect income and gains of the Fund that have accrued prior to that time. Accordingly, if a Canadian Unitholder acquires Units, particularly late in a calendar year, he or she may become taxable on the income or gains of the Fund that accrued before those Units were acquired.

The Fund will provide Unitholders with prescribed information in the form required by the Tax Act to assist with the preparation of their tax returns.

Upon the redemption (or other disposition) of a Unit, including on a redemption of Units to pay any applicable redesignation fees, a Canadian Unitholder will realize a capital gain (or capital loss) to the extent that his or her proceeds of disposition (i.e., the amount received for the Unit) exceed (or are less than) his or her adjusted cost base of the Unit and any reasonable costs of disposition. A Canadian Unitholder's adjusted cost base of a single Unit at any particular time will generally be the average cost of all such Units held by him or her at that time. For the purpose of determining the adjusted cost base of a Canadian Unitholder's Units, when Units are acquired, including on the reinvestment of distributions, the cost of the newly acquired Units will be averaged with the adjusted cost base of all Units owned by him or her as capital property immediately before that time.

One-half of any capital gain realized by a Canadian Unitholder in a taxation year on the disposition of Units will be included in his or her income for that taxation year and one-half of any capital loss realized by the Canadian Unitholder must be deducted from the taxable portion of any capital gains realized in that taxation year. One-half of any unused capital losses may be deducted by a Canadian Unitholder against the taxable portion of any capital gains arising in the three immediately preceding taxation years or in subsequent taxation years, subject to the rules in the Tax Act.

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

Based on the published administrative positions of the CRA, redesignating Units from one Class to another Class of the Fund should generally not be regarded as a disposition for tax purposes.

Management fees paid directly to the Manager will generally not be deductible by Unitholders.

### **Units Held in a Registered Plan**

Unitholders who hold Units in a Registered Plan are generally not subject to tax under the Tax Act in respect of distributions from the Fund and capital gains from a redemption (or other disposition) of Units until withdrawals are made from the Registered Plan (however, withdrawals from a TFSA are generally not subject to tax).

### **Eligibility for Investment**

Provided the Fund is a "registered investment" for Registered Plan at all relevant times, or qualifies as a "mutual fund trust" under the Tax Act, Units of the Fund will be qualified investments under the Tax Act and the regulations thereunder for trusts governed by a Registered Plan. There can be no certainty that the Fund's registered investment status will be maintained, or that the Fund will meet the requirements to be a mutual fund trust, or continue to meet those requirements at any particular time. See also "*Specific Investment Risks – Tax Related Risk Factors*".

Notwithstanding the foregoing, if the Units of the Fund are "prohibited investments" (as defined in the Tax Act) for your TFSA, RRSP, RDSP, RESP or RRIF, you, as the holder of the TFSA or RDSP, the annuitant under the RRSP or RRIF, or the subscriber of the RESP, as the case may be, may be subject to a penalty tax as set out in the Tax Act. The Units of the Fund will be a "prohibited investment" for your TFSA, RRSP, RRIF, RDSP or RESP, if you (i) do not deal at arm's length with the Fund for purposes of the Tax Act, or (ii) have a "significant interest", as defined in the Tax Act, in the Fund. Generally, you will not have a

significant interest in the Fund unless you own interests as a beneficiary under the Fund that have a fair market value of 10% or more of the fair market value of the interests of all beneficiaries under the Fund, either alone or together with persons and partnerships with which you do not deal at arm's length. In addition, your Units will not be a "prohibited investment" if such Units are otherwise "excluded property" as defined in the Tax Act for a TFSA, RRSP, RRIF, RDSP or RESP.

*You should consult with your own tax advisors to determine whether Units of the Fund would be a "prohibited investment" for your TFSA, RRSP, RRIF, RDSP or RESP, based on your particular circumstances.*

## **Tax Reporting**

Generally, Unitholders will be required to provide their financial advisor with information related to their citizenship, tax residence and, if applicable, foreign tax identification number. If a Unitholder is identified as a U.S. citizen (including a U.S. citizen living in Canada), U.S. resident, or a foreign tax resident, details of his or her investment in the Fund will generally be reported to the CRA unless Units are held inside certain Registered Plans. The CRA may provide the information to the relevant foreign tax authorities under exchange of information treaties or other agreements.

## **International Tax Reporting**

Part XIX of the Tax Act implemented the Organisation for Economic Co-operation and Development Common Reporting Standard. Pursuant to Part XIX, "Canadian financial institutions" that are not "non-reporting financial institutions" (as both terms are defined in Part XIX of the Tax Act) are required to have procedures in place to identify accounts held by residents of foreign countries (other than the U.S.) or by certain entities the "controlling persons" of which are resident in a foreign country and to report required information to the CRA. Such information is expected to be exchanged on a reciprocal, bilateral, basis with the tax authorities of the foreign country in which the account holders or such controlling persons are resident, pursuant to the Multilateral Convention on Mutual Administrative Assistance in Tax Matters or the relevant bilateral tax treaty. Pursuant to Part XIX of the Tax Act, Unitholders are required to provide certain information regarding their investment in the Fund for the purpose of such information exchange, unless the investment is held within certain Registered Plans.

## **U.S. Foreign Account Tax Compliance Act ("FATCA")**

FATCA imposes certain reporting requirements on non-U.S. financial institutions. The governments of Canada and the United States have entered into an Intergovernmental Agreement (the "IGA"), which establishes a framework for cooperation and information sharing between the two countries and may provide relief from a 30% U.S. withholding tax under U.S. tax law (the "FATCA Tax") for Canadian entities, such as the Fund, provided that (i) the Fund complies with the terms of the IGA and Part XVIII of the Tax Act, and (ii) the government of Canada complies with the terms of the IGA. The Fund will endeavour to comply with the requirements imposed under the IGA and Part XVIII of the Tax Act. Under Part XVIII of the Tax Act, holders of Units of the Fund are required to provide identity and residency and other information to the Fund (and may be subject to penalties for failing to do so), which, in the case of "Specified U.S. Persons" or certain non-U.S. entities controlled by "Specified U.S. Persons", will be provided, along with certain financial information (for example, account balances), by the Fund to the CRA and from the CRA to the U.S. Internal Revenue Service. The Fund may be subject to FATCA Tax if it cannot satisfy the applicable requirements under the IGA or Part XVIII of the Tax Act, or if the Canadian government is not in compliance with the IGA and if the Fund is otherwise unable to comply with any relevant and applicable U.S. legislation.

## **WHAT ARE YOUR LEGAL RIGHTS?**

Securities legislation in some provinces gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the Simplified Prospectus or Fund Facts, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces also allows you to cancel an agreement to buy mutual fund units and get your money back, or to make a claim for damages, if the Simplified Prospectus, Annual Information Form, Fund Facts or financial statements misrepresent any facts about the Fund. These rights usually must be exercised within certain time limits.

For more information, refer to the securities legislation of your province or consult your lawyer.

## SPECIFIC INFORMATION ABOUT THE VERITAS CANADIAN EQUITY FUND

### ORGANIZATION AND MANAGEMENT OF THE FUND

<p><b><i>Manager, Portfolio Advisor and Trustee</i></b>  Veritas Asset Management Inc.  100 Wellington Street West  TD West Tower, Suite 3110  P.O. Box 80  Toronto, Ontario M5K 1E7</p>	<p>The Manager is a company incorporated under the laws of Ontario, with its office in Toronto, Ontario. As Manager, we manage the overall business and operations of the Fund, including such matters as administration services and fund accounting.</p> <p>As Portfolio Advisor, we are responsible for portfolio management and advisory services for the Fund.</p> <p>As Trustee, we are the legal owner of all of the Fund’s assets and we hold all of those assets on behalf of the Unitholders of the Fund.</p>
<p><b><i>Custodian and Securities Lending Agent</i></b>  RBC Investor &amp; Treasury Services  Toronto, Ontario</p>	<p>The custodian has physical custody of the Fund’s property.</p> <p>The Securities Lending Agent arranges and administers loans of the Fund’s portfolio securities for a fee to qualified borrowers who have posted collateral.</p> <p>The Manager continues to be responsible for the services provided by the Securities Lending Agent.</p>
<p><b><i>Administrator</i></b>  SGGG Fund Services  Toronto, Ontario</p>	<p>The Administrator provides administrative services to the Fund, including maintaining the accounting records of the Fund, fund valuation and net asset value calculation and financial reporting services.</p> <p>The Manager continues to be responsible for the services provided by the Administrator.</p>
<p><b><i>Registrar</i></b>  SGGG Fund Services  Toronto, Ontario</p>	<p>The Registrar keeps track of the owners of Units of the Fund, processes purchases, redesignation and redemption orders, maintains the Unit register, issues investor account statements and trade confirmations and issues annual tax reporting information.</p> <p>The Manager continues to be responsible for the services provided by the Registrar.</p>
<p><b><i>Auditor</i></b>  Deloitte LLP  Toronto, Ontario</p>	<p>The auditor is responsible for auditing the annual financial statements of the Fund.</p>
<p><b><i>Independent Review Committee</i></b></p>	<p>The Independent Review Committee (the “<b>IRC</b>”) will provide independent oversight of conflict of interest matters that may arise between the Manager and the Fund. Among other things, the IRC prepares an annual report of its activities for Unitholders of the Fund which will be available on our website at <a href="http://www.veritasfunds.com">www.veritasfunds.com</a> or upon request by any Unitholder, at no cost, by calling 1-866-640-8783 or emailing <a href="mailto:info@veritasfunds.com">info@veritasfunds.com</a>. The members of the IRC are independent of the Manager. Additional information concerning the IRC, including the names of the members, is available in the Fund’s Annual Information Form.</p>

On the following pages, you will find a detailed description of the Fund to help you make your investment decision. Here is what each section of the Fund description covers.

### **Fund Details**

This is a summary of some basic information about the Fund, such as when it was started, the type of fund that the Fund is best characterized as, the nature of the securities offered by the Fund, and whether the Fund is eligible as an investment for Registered Plans, such as RRSPs, TFSAs, RESPs, etc.

### **What does the Fund invest in?**

This section describes the Fund's fundamental investment objectives and the principal investment strategies the Portfolio Advisor uses in trying to achieve those objectives. It also describes the types of securities the Fund can invest in and how the Portfolio Advisor chooses the investments and manages the portfolio.

### **What are the risks of investing in the Fund?**

This section explains some of the risks of investing in the Fund. Please refer to "*Specific Investment Risks*" for a description of each risk factor.

### **Investment Risk Classification Methodology**

The methodology used to determine the investment risk level of the Fund for purposes of disclosure in this Simplified Prospectus is the historical volatility risk as measured by the standard deviation of fund performance, which is the standard methodology outlined in Appendix F *Investment Risk Classification Methodology* to NI 81-102.

The investment risk level for a fund with at least 10 years of performance history will be based on such fund's historical volatility, as measured by its 10-year standard deviation of performance. The investment risk level for a fund with less than 10 years of performance history will be based on the historical volatility of a reference index that reasonably approximates such fund's historical performance, as measured by the reference index's 10-year standard deviation of performance.

As the Fund has less than 10 years of performance history, the Manager has used the S&P/TSX Composite Total Return Index as the reference index for the purposes of assessing the investment risk level of the Fund. The S&P/TSX Composite Total Return Index is a capitalization-weighted index designed to measure market activity of stocks listed on the TSX. The index is comprised of the largest (by market capitalization) and most liquid securities listed on the TSX. The total return calculation assumes the reinvestment of all dividends, including stock dividends paid in kind, stock dividends paid with the securities of an issuer other than the issuer declaring such dividend, rights distributions, and cash distributions less than 4% of the underlying stock price based on the last traded board lot.

However, the Manager recognizes that other types of risk, both measurable and non-measurable, may exist and we remind you that the historical performance of the Fund (or a reference index used as its proxy) may not be indicative of future returns and that the historical volatility of the Fund (or a reference index used as its proxy) may not be indicative of its future volatility.

The risk rating categories of this methodology are:

**Low (standard deviation range of 0 to less than 6)** – for funds with a level of risk that is typically associated with investments in Canadian fixed-income funds and in money market funds;

**Low to Medium (standard deviation range of 6 to less than 11)** – for funds with a level of risk that is typically associated with investments in balanced funds and global and/or corporate fixed-income funds;

**Medium (standard deviation range of 11 to less than 16)** – for funds with a level of risk that is typically associated with investments in equity portfolios that are diversified among a number of large-capitalization Canadian and/ or international equity securities;

**Medium to High (standard deviation range of 16 to less than 20)** – for funds with a level of risk that is typically associated with investments in equity funds that may concentrate their investments in specific regions or in specific sectors of the economy; and

**High (standard deviation range of 20 or greater)** – for funds with a level of risk that is typically associated with investment in equity portfolios that may concentrate their investments in specific regions or in specific sectors of the economy where there is a substantial risk of loss (e.g., emerging markets, precious metals).

The investment risk level of the Fund is determined when the Fund is first created and is reviewed annually. The methodology that the Manager uses to identify the investment risk level of the Fund is available on request, at no cost, by calling toll-free at 1-866-640-8783 or at 416-866-8783 or by writing to us at c/o Veritas Asset Management Inc., 100 Wellington Street West, TD West Tower, Suite 3110, P.O. Box 80, Toronto, Ontario M5K 1E7.

### **Who should invest in this Fund?**

This information is our assessment of the type of investor and the type of portfolio for which the Fund would be most suitable. In this section, we state what type of investor should consider an investment in the Fund having regard to that investor's objectives, i.e., whether the investor is looking to grow their capital over the long-term as opposed to an investor who is investing to receive current income; whether an investor should be in a non-registered account; and whether the investor is looking to invest in a specific region or industry. In addition to stating the type of investor for whom an investment in the Fund is suitable, we have also stated the degree of risk tolerance that an investor requires to invest in the Fund.

### **Distribution Policy**

This section explains when the Fund will make distributions. You earn money from the Fund when the Fund distributes amounts to you out of interest, dividend and other income earned and capital gains realized on its underlying investments. Mutual fund trusts may make distributions that are treated as ordinary income, dividend income, capital gains, foreign source income or non-taxable amounts (including returns of capital).

### **Fund Expenses indirectly borne by investors**

The information below is intended to help investors compare the cost of investing in this Fund with the cost of investing in other mutual funds. Mutual funds pay certain expenses out of fund assets. That means investors in a mutual fund indirectly pay for these expenses through lower returns.

## VERITAS CANADIAN EQUITY FUND

### FUND DETAILS

Type of Fund	Large Cap Canadian
Date Fund Started:	May 1, 2018
Date Class Started:	Class A Units: October 19, 2018 Class F Units: May 1, 2018 Class I Units: May 1, 2018
Nature of Securities Offered:	Units of a mutual fund trust
Registered Plan Eligibility:	Eligible for Registered Plans

### WHAT DOES THE FUND INVEST IN?

#### Investment Objective

The investment objective of the Veritas Canadian Equity Fund (the “**Fund**”) is to provide Unitholders with long-term capital growth earning enhanced risk adjusted returns relative to the S&P TSX Composite Total Return Index by investing in a portfolio comprised primarily of the securities of Canadian companies.

The fundamental investment objective of the Fund will not change without the consent of a majority of the voting Unitholders of the Fund.

#### Investment Strategies

To achieve the investment objective, the Fund will invest primarily in the securities of publicly traded Canadian companies, but may also invest in other securities. The Fund will invest in a concentrated portfolio of securities selected by the Portfolio Advisor based (in part) on the recommendations of Veritas Investment Research using fundamental analysis utilizing forensic accounting based principals. In constructing the investment portfolio of the Fund, the Portfolio Advisor will seek to minimize volatility.

The Fund will not invest in the securities of non-North American issuers. The Fund may invest up to 10% of its investment portfolio in the securities of U.S. issuers.

The Fund will not sell short but will hold substantial cash balances when faced with a lack of suitable investment opportunities.

The Fund may use derivatives such as futures, options, warrants and swaps for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates, securities values or exchange rates.

The Fund may also choose to engage in securities lending transactions as permitted by securities regulations to seek to generate additional income as more fully described on page 5.

As Manager of the Fund, we may change the investment strategies from time to time, but will give Unitholders notice of our intention to do so if it would be a material change as defined in National Instrument 81-106 *Investment Fund Continuous Disclosure* (“**NI 81-106**”). Under NI 81-106, a change in the

business, operations or affairs of the Fund is considered to be a “material change” if a reasonable investor would consider it important in deciding whether to purchase or continue to hold Units of the fund.

The Portfolio Advisor may actively trade the Fund’s investments. This can increase trading costs, which lower the Fund’s returns. It also increases the possibility that you will receive distributions, which are taxable if you hold the Fund in a non-registered account.

## **WHAT ARE THE RISKS OF INVESTING IN THE FUND?**

Please see “*Specific Investment Risks*” for a full discussion of the risks associated with investing in the Fund. The Fund is generally exposed to the following risks:

- Concentration Risk
- Coronavirus Outbreak Risks
- Currency Risk
- Cyber Security Risk
- Derivatives Risk
- Equity Investment Risk
- Foreign Investment Risk
- General Market Risk
- Issuer Risk
- Large Transaction Risk
- Liquidity Risk
- Multiple Class Risk
- Regulatory and Legal Risk
- Securities Lending, Repurchase and Reverse Repurchase Transaction Risk
- Trust Loss Restriction Rule Risk
- U.S. Foreign Account Tax Compliance Risk

## **INVESTMENT RISK CLASSIFICATION METHODOLOGY**

The Manager has rated this Fund’s risk as Medium. Please see “*Investment Risk Classification Methodology*” for a description of the rating methodology used by the Manager to identify the risk rating of the Fund.

## **WHO SHOULD INVEST IN THE FUND?**

This Fund may be right for you if:

- you plan to hold your investment for the long-term;
- you want research-driven investments;
- you want to gain exposure to a diversified portfolio of large cap equities; and
- you can accept a medium level of risk.

This Fund is not suitable for investors who are investing for the short-term or who are not willing to accept periodic volatility.

## **DISTRIBUTION POLICY**

The Fund intends to distribute any net income and net capital gains at the end of each taxation year (normally, December 31<sup>st</sup>). All annual distributions paid on Class A, Class F and Class I Units will be automatically reinvested in additional Units.

## **FUND EXPENSES INDIRECTLY BORNE BY INVESTORS**

The following information is intended to help you compare the cost of investing in this Fund with the cost of investing in other mutual funds. While you do not pay these expenses directly, they have the effect of reducing the Fund's return. This example is based on an initial investment of \$1,000 and a total annual return of 5% in each year, and assumes the management expense ratio of the Fund was the same throughout each period shown as it was during the most recently completed financial year. See the "*Fees and Expenses*" section in this document for more information about the cost of investing in this Fund.

Cumulative fund expenses payable over the period	1 year	3 years	5 years	10 years
Class A Units	\$34.13	\$104.12	\$176.51	\$368.49
Class F Units	\$22.26	\$68.68	\$117.76	\$253.08
Class I Units	\$7.14	\$22.35	\$38.90	\$86.89

**Additional information about the Fund is available in the Fund's Annual Information Form, Fund Facts, Management Reports of Fund Performance and Financial Statements. These documents are incorporated by reference in this Simplified Prospectus, which means that they legally form part of this document just as if they were printed in it.**

You can get a copy of these documents at your request, and at no cost, by calling toll-free at 1-866-640-8783, online at [www.veritasfunds.com](http://www.veritasfunds.com), or by e-mail to [info@veritasfunds.com](mailto:info@veritasfunds.com).

These documents and other information about the Fund, such as material contracts and information circulars, are also available at [www.sedar.com](http://www.sedar.com).

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