

## Prospectus

Relating to the continuous offering of Investment Shares (the "Shares") of

**Scotia Global Corporate Bond Fund,**

Class A, Class F, Class K, Class I and Class M Shares

**Scotia Global Opportunities Equity Fund,**

Class A, Class F, Class K, Class I and Class M Shares

(collectively referred to as "Funds")

(an exempted company existing under the laws of the Cayman Islands)

Approved 12<sup>th</sup> November, 2025

THIS MEMORANDUM IS NOT TO BE DISTRIBUTED IN, AND NO OFFER OF THE SHARES WILL BE MADE IN, ANY JURISDICTION IN WHICH IT WOULD BE UNLAWFUL TO DO SO WITHOUT THE NEED FOR REGISTRATION OR OTHER LEGAL REQUIREMENTS. IN ANY SUCH JURISDICTION, A RECIPIENT OF THIS MEMORANDUM OR ANY ACCOMPANYING SUBSCRIPTION AGREEMENT MAY NOT TREAT EITHER DOCUMENT AS AN INVITATION TO SUBSCRIBE FOR SHARES, NOR SHOULD THAT RECIPIENT SUBMIT A SUBSCRIPTION AGREEMENT.

ONLY PERSONS OTHER THAN NON-ELIGIBLE INVESTORS MAY SUBSCRIBE FOR SHARES.

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*This prospectus contains information to help you make an informed investment decision and to help you understand your rights. It contains information about Scotia Global Corporate Bond Fund Inc., and Scotia Global Opportunities Equity Fund Inc. (the "Funds"), as well as the names of persons responsible for the organization and management thereof. You are encouraged to read this prospectus in its entirety, together with any addenda and supplements hereto, prior to making any investment decision.*

**A MUTUAL FUND LICENCE ISSUED OR A FUND REGISTERED BY THE CAYMAN ISLANDS MONETARY AUTHORITY DOES NOT CONSTITUTE AN OBLIGATION OF THE AUTHORITY TO ANY INVESTOR AS TO THE PERFORMANCE OR CREDITWORTHINESS OF THE FUND.**

**FURTHERMORE, IN ISSUING SUCH A LICENCE OR IN REGISTERING A FUND, THE AUTHORITY SHALL NOT BE LIABLE FOR ANY LOSSES OR DEFAULT OF THE FUND OR FOR THE CORRECTNESS OF ANY OPINIONS OR STATEMENTS EXPRESSED IN ANY PROSPECTUS OR OFFERING DOCUMENT.**

## **GLOSSARY OF TERMS**

**"Administrator"** means Scotiabank & Trust (Cayman) Ltd., in its capacity as administrator of the Fund, and any successor administrator.

**"Affiliated Company(s)" or "Affiliate(s)"** means an affiliated body corporate or affiliated person as described below:

- (a)
  - (i) one body corporate is affiliated with another body corporate if one of them is the subsidiary of the other, or both are subsidiaries of the same body corporate, or each of them is controlled by the same person; and
  - (ii) if two bodies corporate are affiliated with the same body corporate at the same time, they are affiliated with each other;
- (b) a body corporate is the holding body corporate of another if that other body corporate is its subsidiary; and
- (c) a person that is not a body corporate or an individual is considered to be an affiliated person of another person, including a body corporate, if it is controlled by that other, provided that a person is controlled by another person, if
  - (i) in the case of a partnership, the second-mentioned person owns or holds more than fifty percent of the interest in the partnership; and
  - (ii) in the case of the first-mentioned person other than a body corporate, an individual, or a partnership, securities of the first-mentioned person

carrying more than fifty percent of the interests in such person are held or owned, by or for the benefit of the second-mentioned person.

**"Articles of Association" or "Articles"** means the articles of association of the Fund, as amended and restated.

**"Board of Directors"** means the board of directors of the Fund.

**"Business Day"** means a day on which the New York Stock Exchange is open for business.

**"Class"** means a class of Shares of the Fund.

**"Close of Business"** see definition for "Cut Off Time".

**"Custodian"** means a body corporate or corporation or such other person that may be appointed in its capacity as custodian in respect of the assets of the Fund from time to time.

**"Custodian Agreement"** means a custodian agreement dated May 4, 2021 between the Custodian and the Funds.

**"Cut Off Time"** means 4:00 pm in the United States Eastern Time Zone (for the avoidance of any doubt, being such time as New York City observes) on a day that the New York Stock Exchange is open for business or before the New York Stock Exchange closes for the day, whichever is earlier. All instructions should be received by the Manager electronically by this Cut Off Time. Accordingly, each Distributor can set an earlier cut off time for its clients to ensure that the Manager's Cut Off Time is met.

**"Dealing Day"** means each Business Day or such other day or days as the Directors may from time to time prescribe.

**"Directors"** means persons duly appointed or elected from time to time as directors of the Fund.

**"Distribution(s)"** means income, whether in the form of capital gains, dividends or interest, earned by the Fund and distributed to their shareholders.

**"Distributor"** means any duly appointed and authorized distributor or sub-distributor of the Fund.

**"ETF(s)"** means Exchange Traded Fund(s).

**"Fund(s)"** means Scotia Global Corporate Bond Fund Inc. and Scotia Global Opportunities Equity Fund Inc..

**"Governance Share(s)"** means shares in the authorized capital of the Fund designated as "Governance Shares".

**"Institutional Investors"** means certain individual investors who make large investments (minimum of US\$100,000) in the Shares of the Fund, and who enter into an agreement directly

with the Manager which identifies the management fees negotiated between the investor and the Manager.

**"Investment Grade"** refers to the investment quality of a debt security. In order to be considered an Investment Grade debt security, the security must be rated 'BBB-' or higher by Fitch Ratings, Moody's Investor Services, Standard & Poor's, or any of their respective successors.

**"Investment Shares"** has the same meaning as **"Shares"**.

**"Management Fee"** means an annual fee charged to the Fund(s) on certain classes of Shares or, in the case of Class I Shares, to a holder of such Shares, by the Manager for services provided. The fee is calculated as a percentage of the net asset value of the respective class of Shares.

**"Manager"** means Scotiabank & Trust (Cayman) Ltd. in its capacity as manager of the Fund, and any successor manager.

**"Memorandum of Association"** means the memorandum of association of the Fund, as amended from time to time.

**"Net Asset Value"** or **"NAV"** means the net asset value of the Fund or a particular class of Shares of the Fund calculated as the market value of all assets less all liabilities of the Fund or class of Shares of the Fund on a Dealing Day.

**"Net Asset Value per Share"** means the net asset value of an individual Share of the Fund, calculated as the market value of all assets of the class of Shares of the Fund to which such Share belongs less all liabilities of the class and divided by the number of Shares in that class.

**"Prospectus"** means this prospectus as amended, supplemented or restated.

**"Portfolio Manager"** means the portfolio manager of the Fund and any successor portfolio manager.

**"Redemption Request"** means a request made by or on behalf of a shareholder in writing or in such other manner as may be acceptable to the Manager to redeem the Shares held by or on behalf of a shareholder in the Fund.

**"Settlement Date"** means the date by which the transfer of cash or payment for assets (or vice-versa) must be completed for an executed order.

**"Shares"** means shares in the authorized capital of the Fund designated as "Investment Shares" and offered pursuant to this Prospectus.

**"Shareholder"** means a person who is registered on the Register of Shareholders of the Fund as the holder of a Share or Shares of the Fund.

**"Sub-Administrator"** means the sub-administrator of the Fund and any successor sub-administrator.



**"Sub-Administration Agreement"** means a sub-administration agreement dated May 4, 2021 between the Sub-Administrator, the Manager and the Fund.

**"Subscription Form"** means the form completed by a subscriber to acquire Shares of the Fund.

**"Underlying Funds"** means other mutual funds into which the Fund invests.

**"US Dollar(s)"** and **"US\$"** means the lawful currency of the United States of America.

## MANAGEMENT AND ADMINISTRATION DIRECTORY

### Registered and Principal Office of the Funds

The offices of Scotiabank & Trust (Cayman) Ltd.  
18 Forum Lane, 2nd Floor, Camana Bay, Grand Cayman, P. O. Box 501, KY1-1106  
Cayman Islands, BWI  
[ky.scotiabank.com/personal/investing/scotiabank-mutual-funds-legal-documents.html](http://ky.scotiabank.com/personal/investing/scotiabank-mutual-funds-legal-documents.html)  
[customercarecayman@scotiabank.com](mailto:customercarecayman@scotiabank.com)

### Manager and Distributor

Scotiabank & Trust (Cayman) Ltd.  
18 Forum Lane, 2nd Floor, Camana Bay, Grand Cayman, P. O. Box 501, KY1-1106  
Cayman Islands, BWI  
[ky.scotiabank.com/personal/investing/scotiabank-mutual-funds-legal-documents.html](http://ky.scotiabank.com/personal/investing/scotiabank-mutual-funds-legal-documents.html)  
[customercarecayman@scotiabank.com](mailto:customercarecayman@scotiabank.com)

### Portfolio Manager

1832 Asset Management L.P.  
40 Temperance Street, 16th Floor,  
Toronto, Ontario, M5H 0B4  
Canada  
[www.1832.ca](http://www.1832.ca)

### Custodian

State Street Bank and Trust Company  
State Street Financial Center  
One Lincoln Street  
Boston MA 02111  
USA  
[www.statestreet.com](http://www.statestreet.com)  
[information@statestreet.com](mailto:information@statestreet.com)

### Administrator

Scotiabank & Trust (Cayman) Ltd.  
18 Forum Lane, 2nd Floor, Camana Bay, Grand Cayman,  
P. O. Box 501, KY1-1106 Cayman Islands, BWI  
Cayman Islands, BWI

[ky.scotiabank.com/personal/investing/scotiabank-mutual-funds-legal-documents.html](http://ky.scotiabank.com/personal/investing/scotiabank-mutual-funds-legal-documents.html)  
customerarecayman@scotiabank.com

### **Sub-Administrator**

State Street Cayman Trust Company, Ltd.  
1 Nexus Way, suite # 5203  
Heliconia Courtyard, Camana Bay,  
Grand Cayman KY1-1205  
Cayman Islands, BWI  
[www.statestreet.com](http://www.statestreet.com)  
information@statestreet.com

### **Auditors**

PricewaterhouseCoopers  
Cayman Islands  
18 Forum Lane, P.O. Box 258 Grand Cayman KY1-1104  
Cayman Islands, BWI  
[www.pwc.com/ky](http://www.pwc.com/ky)  
info@ky.pwc.com

### **Registrar and Transfer Agent**

International Financial Data Services Ltd.  
30 Adelaide Street East, Suite 1  
Toronto, ON, M5C 3G9  
Canada  
[www.ifdsgroup.com](http://www.ifdsgroup.com)

## INTRODUCTION

### General

This document is the Prospectus for the offering of Shares of Scotia Global Corporate Bond Fund, and Scotia Global Opportunities Equity Fund. **If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, bank manager, attorney, accountant or other financial advisor.** The contents of this Prospectus are not to be construed as a recommendation or advice to any prospective investor in relation to the subscription, purchase, holding or disposition of Shares. Prospective investors should consult their professional advisors accordingly.

The shares offered pursuant to this Prospectus have not been registered with or approved by any regulatory authority, nor has any authority passed upon the accuracy or adequacy of this Prospectus.

Shares are offered only on the basis of the information contained in this Prospectus. No authorized Distributor, sales agent or other person has been authorized to provide any information or to make any representations, whether orally or in writing, other than as described in this Prospectus. Any other information given or representations made by any person must be regarded as unauthorized. Any distribution or reproduction of all or any part of this Prospectus, or the divulgence of its contents other than as specifically set forth herein, is unauthorized.

A decision to subscribe for Shares should be made on the basis of the information contained in this Prospectus and the documents available for inspection specified herein, copies of which may be obtained from the Manager in the Cayman Islands or its duly appointed agents. Neither the delivery of this Prospectus nor the issue of Shares shall imply that there has been no change in the affairs of the Funds since the date of this Prospectus.

Investment in the Funds involve special risks, and purchases of the shares should be considered only by persons who can bear the economic risk of their investment. There is no assurance that the investment approach of the Funds will be successful or that they will achieve their investment objectives. The value of Shares is subject to the performance of the investments of the Funds and as these investments are subject to prevailing and unanticipated economic, political and social conditions, the value of such Shares may fall as well as rise. **Past performance of the Funds is not necessarily a guide as to how the Funds will perform in the future, as economic conditions do not remain constant and are subject to change.** The nature of the Funds is such that the Funds should be regarded as mid- to long-term investments (see "Risk Factors").

No application has been made for the Funds to be listed on any stock exchange. It is not anticipated that an active secondary market in the Shares will develop.

This Prospectus does not purport to be, and should not be construed as, a complete description of the Articles of Association of the Funds. The Articles of Association of the Funds should be reviewed for complete information concerning the rights, privileges and obligations of their shareholders.

Certain information contained in this Prospectus may constitute “forward-looking statements”, which can be identified by the use of forward-looking terminology such as “may”, “will”, “should”, “expect”, “anticipate”, “estimate”, “intend”, or “believe” or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, including those described under the heading “Risk Factors” later in this document, actual events or results or the actual performance of the Funds may differ materially from those reflected or contemplated in such forward-looking statements.

This Prospectus is intended solely for use by those persons to whom it is delivered by the Funds in connection with the contemplated offering of shares. Neither the Prospectus nor any of the accompanying documents may be reproduced in whole or in part, nor may be used for any purpose other than that for which they have been submitted, without the prior written consent of the Fund.

Any person wishing to subscribe for Shares should satisfy himself or herself that, in doing so, he or she complies with the laws of any relevant country, and that he or she obtains any requisite governmental or other consents and observes any other applicable requirements.

Subscribers of Shares should inform themselves as to (a) the possible tax consequences, (b) the legal requirements, and (c) any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence, incorporation or domicile and which might be relevant to the subscription, holding or disposal of Shares. In making a decision whether to subscribe for Shares in the Funds, subscribers must rely on their own examination of the person or entity creating the securities and the terms of the offering, including the merits and risks involved. No information or advice herein contained shall constitute advice to a prospective shareholder in respect of his, her or its personal position.

It is important to note that the Shares of the Funds are not guaranteed or insured by any authority. The Funds owns different types of investments depending on their investment objectives. The value of these investments may change from day to day, reflecting changes in interest rates, economic conditions and news about issuers whose securities are held in the Funds. As a result, the value of the Shares in the Funds may go up or down and the value of your investment in the Funds may be more or less when you redeem than when you subscribe for it. Please see the investment objective and strategies for the Funds and an outline of potential risk factors later in this document for further details.

The Directors whose names appear in this Prospectus accept responsibility for the information contained in this Prospectus. To the best of their knowledge and belief of the Directors (who have all taken reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The directors accept responsibility accordingly.

### **Distribution**

This Prospectus does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation would be unlawful.

### *United States*

Shares of the Funds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**1933 Securities Act**”) or under the securities laws of any State of the United States of America (the “**United States**”), and may not be offered or sold in the United States or to, or for the account or the benefit of, U.S. persons (as such term is defined in Regulation S under the 1933 Securities Act). By subscribing for Shares, subscribers will be deemed to have declared that they are not a U.S. person and are not subscribing for Shares for the account or benefit of any U.S. person. The Funds have not been and will not be registered as an “investment company” with the U.S. Securities and Exchange Commission under the Investment Company Act of 1940, as amended.

### *Canada*

Shares of the Funds will not be offered, sold, or delivered, directly or indirectly, in Canada, or to, or for the benefit of, any resident thereof, in contravention of the securities laws of Canada or any Province or Territory thereof. By subscribing for Shares, subscribers will be deemed to have declared that they are not a resident of Canada and are not subscribing for Shares on behalf of any resident of Canada.

### *Other*

The distribution of this Prospectus and the offering of Shares of the Funds may be restricted in certain other jurisdictions and it is the responsibility of any person in possession of this Prospectus to inform himself of, and to observe, all applicable laws and regulations. Subscribers for Shares should inform themselves of the legal requirements so applying and any applicable exchange control regulations and applicable taxes in the countries of their citizenships, residence or domicile.

## STRUCTURE

### Organization

The Funds were incorporated in the Cayman Islands as an exempted company with limited liability on 29<sup>th</sup> October, 2020 under the Mutual Funds Act of the Cayman Islands.

The Memorandum of Association and Articles of Association of the Funds are available for inspection at the offices of the Manager in the Cayman Islands during normal business hours. Copies of constitutional documents of the Funds are also available upon request.

### Share Capital

The authorized share capital of the Funds consists of 100 fully paid Governance Shares of par value US\$1.00 each and 100,000,000 Investment Shares of par value US\$0.01 each. See "Capitalization" later in this document for further information on the authorized share capital of the Funds and the rights attached to the Shares and Governance Shares of the Funds. The Funds may offer Shares in different classes as described below.

The Directors have adopted resolutions to approve the creation of the classes of Shares described in this Prospectus. Class F, K and I Shares of the Funds are offered for sale to eligible investors as of the date of this Prospectus. Please check with an authorized Distributor which classes of Shares are available for purchase at this time in your jurisdiction.

The Directors of the Funds may further establish one or more classes of Shares for the Funds. Each class may have terms that differ from those governing the other classes, without obtaining the consent of the shareholders of the Funds. Any new class of Shares may be denominated in a different currency. Each class will bear the expenses and liabilities directly attributable to that class and a portion of the Fund's general administrative expenses allocated on the basis of total net assets or another equitable method. The net asset value of each class is calculated separately; however, there is a risk that the expenses or liabilities of one class of Shares may affect the value of the other classes. See "Cross Class Risk" in *Risk Factors – Specific Risks of Mutual Funds* later in this document.

The Directors of the Funds have the power to create, by Directors' resolution, additional currency purchase options for Shares in the future. Any new class of Shares may be denominated in a different currency.

A shareholder's interest in the Funds is limited to the assets held in the Funds associated with the class of Shares in which the shareholder holds his, her or its Shares. There are no option rights that have been granted by the Funds over the Shares.

### **Description of Classes of Shares**

The Funds offer multiple classes of Shares. The Funds currently offers Class F, K and I Shares denominated in US Dollars. The Subscription Form for the Funds will identify what classes of the Funds are available for purchase at this time in your jurisdiction.

Each class of Shares is intended for different kinds of investors:

- (a) Class A Shares, denominated in US Dollars, are available to all investors.
- (b) Class F Shares, denominated in US Dollars, are only available to eligible investors that who participate in an eligible fee-based or wrap program with their registered dealer and who are subject to a periodic asset based fee rather than commissions on each transaction. Investors may only purchase Class F Shares through a financial advisor who is registered with a dealer that has signed an agreement with the Manager.
- (c) Class I Shares, denominated in US Dollars, are only available to eligible Institutional Investors and other qualified investors where the discretionary portfolio manager, portfolio manager is 1832 Asset Management L.P.
- (d) Class K Shares, denominated in US Dollars, are only available for purchase through the ScotiaMcLeod Investment Portfolios ('SIP'), a managed account program that investors may be permitted to participate in through ScotiaMcLeod advisors, or as otherwise permitted by the Manager. Class K shares are only available in the multi-manager

mandates or optimized portfolios offered as part of the SIP programs and are not available for purchase as single funds.

- (e) Class M Shares, denominated in US Dollars, are generally only available for purchase by eligible institutional or other qualified investors where the discretionary portfolio manager, or subadvisor, is either Scotiabank and Trust (Cayman) Ltd. or a select affiliate.

If you cease to satisfy criteria for holding a class of Shares of one of the Funds, the Manager may switch such class into another class of Shares of that Fund as appropriate.

Each class of Shares of the Funds may have different management fees. You will find information about the management fees applicable to each class of Shares under “Fees and Expenses” later in this document.

## OFFERING OF THE FUND

### Fund Profile

These fund profiles provide specific information about the Funds, their particular investment objective, investment strategies and suitability. Investing in the Funds should not be considered a complete or balanced investment program.

### ***Scotia Global Corporate Bond Fund***

### Fund Details

Nature of Securities Offered:	Class A, Class F, Class I, Class K and Class M Shares
Inception Date of the Fund:	May 18, 2021
Currency:	US\$ - Class A, Class F, Class I, Class K and Class M Shares
Portfolio Manager:	1832 Asset Management L.P.

### Investment Objective

The Scotia Global Corporate Bond Fund’s primary objective for fixed income management is capital preservation and a stable income stream by investing primarily in global investment grade corporate bonds. The Fund will invest in fixed income securities, meaning bonds and/or preferred shares. Exchange Traded Funds (ETFs) could be used to manage the cash position.

Before a change is made to the fundamental investment objective of the Fund, the prior approval of shareholders is required.



## Investment Strategies

This US dollar-denominated fixed income portfolio seeks to obtain superior risk-adjusted total return primarily from income generated from global investment grade corporate bonds. The portfolio is constructed with the objective of providing yield enhancement as well as sector and geographic diversification on a global basis.

The primary goal for fixed income management is capital preservation and a stable income stream. To achieve this, securities are selected through rigorous fundamental analysis of the issuing company by the firm's in-house research team. The analysis of a company is highly focused on its ability to generate and grow free cash flow, which we believe is a key factor in assessing credit quality. Fundamental analysis on companies is conducted by the Portfolio Manager's in-house research team. Corporate issuers have to meet stringent investment criteria, including environment, social and governance considerations, helping to reduce overall risk.

The Portfolio Manager will use bottom-up strategies to identify multiple sources of value. Bottom-up strategies examine the profiles of individual instruments and are key to the portfolio manager's ability to select undervalued securities.

The Fund may temporarily hold a portion of its assets in cash or money market instruments while seeking investment opportunities or for defensive purposes. Cash may be held by the Fund as cash, or otherwise invested overnight or in short-term securities such as bank deposits or other money market securities.

## Risk Factors

The Fund is subject to the following risks:

- asset-backed and mortgage backed securities risk
- class risk
- credit risk
- currency risk
- derivatives risk
- extension risk
- foreign investment risk
- fund-of-funds risk
- interest rate risk
- issuer specific risk
- large transaction risk
- liquidity risk
- market disruption risk
- potential claw back of redemption proceeds risk
- cyber security risk
- U.S. Withholding tax risk
- Concentration risk

- Cross sub fund and cross class risk
- Underlying ETF risk
- Significant security holder risk
- International markets risk
- Inflation risk
- Repurchase and reverse repurchase transaction risk
- Regulatory risk

For additional information on these risks, please see "Risk Factors – Specific Risks of Mutual Funds" later in this document.

### Suitability

This Fund may be suitable for investors who:

- can accept low to medium risk to their capital
- are investing for the medium to long term
- seek to diversify or add to their US dollar portfolio.
- seek stable US dollar-based income derived from global quality fixed income securities

The Fund may be suitable for investors with low to medium tolerance for risk and a medium to long- term investment horizon. The level of risk and the investment horizon associated with any particular investment depends largely on your own personal circumstances and considerations. You should consult your personal investment profile, consult your financial advisor and read the more detailed explanation of risk under the heading "Risk Factors – Specific Risks of Mutual Funds" later in this document before making a decision whether this Fund is suitable for you.

### Investment restrictions

The Fund is not permitted to:

- purchase securities other than through recognized market facilities unless the purchase price approximates the prevailing market price or is negotiated on an arm's length basis
- have less than seventy percent of its portfolio assets invested in bonds, debentures, notes or similar instruments representing indebtedness, whether secured or unsecured, that have an original tenor of more than one year
- purchase a security of an issuer, if immediately after the purchase, the Fund would hold securities representing more than 10% of the votes attaching to the outstanding voting securities of that issuer, or the outstanding equity securities of that issuer; or
- purchase a security for the purpose of exercising control or direction over, or control or direction over the management of, the issuer of the security.

In the event that any limitation or restriction applicable to the Fund is at any time exceeded, for whatever reason, all such steps that are necessary to remedy the situation, shall be taken within a reasonable period of time thereafter.

Prior approval of the shareholders of the Fund will be required to change the fundamental investment objective of the Fund. Except when prohibited by law or the applicable listing rules, the investment strategies or restrictions of the Fund may be altered by written resolution of the Board of Directors of the Fund, without the consent of the shareholders of the Fund. In the event of such alteration, the Fund will give at least 30 days' prior written notice of an impending change to its shareholders in the form of a modification of or, supplement to, or restatement of, this Prospectus.

### **Borrowing and Use of Leverage**

The Fund will not undertake any borrowings (cash or otherwise) or provide security interest over any of its portfolio assets unless the transaction is temporary and is for the purpose of accommodating requests for the redemption of Shares of the Fund while the Fund effects an orderly liquidation of portfolio assets, or to permit the Fund to settle portfolio transactions and, after giving effect to all permitted borrowings the outstanding amount of all borrowings of the Fund shall not exceed five percent of the portfolio assets of the Fund at market value at the time of borrowing. For the purposes of this section, a transaction shall be deemed to be temporary if the borrowing is repaid within six months from the date of the borrowing.

### ***Scotia Global Opportunities Equity Fund***

#### **Fund Details**

Nature of Securities Offered:	Class A, Class F, Class I, Class K and Class M Shares
Inception Date of the Fund:	May 18, 2021
Currency:	US\$ - Class A, Class F, Class I, Class K and Class M Shares
Portfolio Manager:	1832 Asset Management L.P

#### **Investment Objective**

The Scotia Global Opportunities Equity Fund's objective is to provide capital appreciation over the long-term by investing primarily in the equity securities of companies located around the world. Exchange Traded Funds (ETFs) could be used in the Fund to manage the cash position. Foreign currency conversions could also take place.

Before a change is made to the fundamental investment objective of the Fund, the prior approval of shareholders is required.

## Investment Strategies

The Scotia Global Opportunities Equity Fund invests primarily in large U.S. and multinational companies that demonstrate global leadership in their sector. These companies generally have steady growth rates, high returns on invested capital, dominant positions in world markets or their region and strong balance sheets to reduce financial risk. This strategy targets U.S. and international companies that benefit from exposure to economies typically growing at a rate higher than global GDP. The emphasis is on non-cyclical companies with a competitive advantage in their industry.

The Portfolio Manager will use bottom-up strategies to identify multiple sources of value. Bottom-up strategies examine the profiles of individual instruments and are key to the portfolio manager's ability to select undervalued securities.

The Fund may temporarily hold a portion of its assets in cash or money market instruments while seeking investment opportunities or for defensive purposes. Cash may be held by the Fund as cash, or otherwise invested overnight or in short-term securities such as bank deposits or other money market securities.

## Risk Factors

The Fund is subject to the following risks:

- class risk
- credit risk
- currency risk
- derivatives risk
- foreign investment risk
- fund-of-funds risk
- issuer specific risk
- large transaction risk
- liquidity risk
- concentration risk
- cross Sub Fund and cross Class risk
- regulatory risk
- repurchase and reverse repurchase transaction risk
- securities lending risk
- significant security holder risk
- underlying ETF risk
- emerging markets risk
- international markets risk
- market disruption risk
- potential claw back of redemption proceeds risk
- cyber security risk
- U.S. withholding tax risk

- Short-selling risk
- commodity risk
- equity risk
- smaller company risk

For additional information on these risks, please see "Risk Factors – Specific Risks of Mutual Funds" later in this document.

### Suitability

This Fund may be suitable for investors who:

- seek the growth and diversification potential of investing primarily in the equity securities of companies around the world;
- can accept medium to high risk to their capital;
- and are investing for the long term.

The Fund may be suitable for investors with medium to high tolerance for risk and long- term investment horizon. The level of risk and the investment horizon associated with any particular investment depends largely on your own personal circumstances and considerations. You should consult your personal investment profile, consult your financial advisor and read the more detailed explanation of risk under the heading "Risk Factors – Specific Risks of Mutual Funds" later in this document before making a decision whether this Fund is suitable for you.

### Investment restrictions

The Fund is not permitted to:

- purchase securities other than through recognized market facilities unless the purchase price approximates the prevailing market price or is negotiated on an arm's length basis
- have less than eighty percent of its portfolio assets invested in global equity securities
- purchase a security of an issuer, if immediately after the purchase, the Fund would hold securities representing more than 10% of the votes attaching to the outstanding voting securities of that issuer, or the outstanding equity securities of that issuer; or
- purchase a security for the purpose of exercising control or direction over, or control or direction over the management of, the issuer of the security.

In the event that any limitation or restriction applicable to the Fund is at any time exceeded, for whatever reason, all such steps that are necessary to remedy the situation, shall be taken within a reasonable period of time thereafter.

Prior approval of the shareholders of the Fund will be required to change the fundamental investment objective of the Fund. Except when prohibited by law or the applicable listing rules, the investment strategies or restrictions of the Fund may be altered by written resolution of the Board of Directors of the Fund, without the consent of the shareholders of the Fund. In the event of such alteration, the Fund will give at least 30 days' prior written notice of an impending

change to its shareholders in the form of a modification of or, supplement to, or restatement of, this Prospectus.

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The Fund will not undertake any borrowings (cash or otherwise) or provide security interest over any of its portfolio assets unless the transaction is temporary and is for the purpose of accommodating requests for the redemption of Shares of the Fund while the Fund effects an orderly liquidation of portfolio assets, or to permit the Fund to settle portfolio transactions and, after giving effect to all permitted borrowings the outstanding amount of all borrowings of the Fund shall not exceed five percent of the portfolio assets of the Fund at market value at the time of borrowing. For the purposes of this section, a transaction shall be deemed to be temporary if the borrowing is repaid within six months from the date of the borrowing.

## **RISK FACTORS**

### **What are the Risks of Investing in a Mutual Fund?**

Risk is often measured by volatility or the extent to which the net asset value of a mutual fund fluctuates. The value of the Fund's shares can change from day to day for many reasons, including changes in the economy, interest rates, and market news affecting a particular company or industry sector, which the fund may be invested in.

The degree of risk depends on the fund's investment objectives and the types of securities it invests in. A general rule of investing is that the higher the risk, the higher the potential returns.

- Cash equivalent funds - usually offer the least risk as they invest in highly liquid, short-term investments such as treasury bills. Their potential returns are tied to short-term interest rates. At this time, no cash equivalent funds are offered under this Prospectus.
- Bond funds - generally have a medium level of risk as they invest in fixed income securities that fluctuate in value based on changes in interest rates or in the credit quality of the issuer of these bonds. Bond funds typically have higher long-term returns than cash equivalent funds.
- Equity funds - have the highest level of risk as they invest in equity securities, such as common shares, whose prices can rise or fall significantly in a short period of time.

### **Managing Risk**

One way to manage risk is to diversify investments across the three main asset classes: cash, bonds and equities. Since different types of investments tend to move independently from one another, positive performance in one asset class may help offset negative performance in another, thereby reducing a diversified portfolio's volatility and overall risk over the long-term. However, there can be no guarantee such an approach will mitigate risk.

While risk is an important factor to consider when choosing a mutual fund, you should also consider your investment goals and time horizon (i.e. when you will need the money). For example, if you are saving for a large purchase over the short term, you should consider investing in a fund with very low risk. However, if you want your retirement savings to grow over the long term, you should likely put more of the money in funds bearing more risk.

A carefully chosen mix of investments can help reduce risk and still help meet investment goals. A mutual fund representative can assist you in building a portfolio that is suited to your goals and risk comfort level. If your investment goals or tolerance for risk change, you can, and should, change your investments to match your new situation.

### **Specific Risks of Mutual Funds**

Outlined below are some of the most common risks associated with investing in the Fund. To the extent that the Fund invests in underlying funds, it has the same risks as the underlying funds. Accordingly, any reference to the Fund in this section is intended to also refer to any underlying funds that the Fund may invest in.

#### *Asset-Backed and Mortgage-Backed Securities Risk*

Asset-backed securities are debt obligations that are backed by pools of consumer or business loans. Mortgage-backed securities are debt obligations backed by pools of mortgages on commercial or residential real estate. If there are changes in the market perception of the issuers of these types of securities, or in the creditworthiness of the parties involved, then the value of the securities may be affected. In the use of mortgage-backed securities, there is also a risk that there may be a drop in the interest rates charged on mortgages, a mortgagor may default on its obligations under a mortgage, or there may be a drop in the value of the property secured by the mortgage.

#### *Class Risk*

The Fund is available in multiple classes of Shares. All classes of Shares of the Fund share in the common expenses of the Fund. However, expenses applicable to a particular portfolio investment, such as brokerage and interest expenses, and other obligations, are allocated to the relevant class and paid out of the investments and other assets attributable to that class. Although the value of each class is calculated separately, there is a risk that the expenses or liabilities of one class may affect the value of the other classes in the Fund. The Fund as a whole is legally responsible for all the expenses and other obligations of all of its classes. If there are not enough assets attributable to a class to pay its expenses and obligations, assets attributable to the other classes will be used to pay such expenses and other obligations. In such circumstances, the Share price of the other classes will decline by their proportionate share of the shortfall.

#### *Concentration Risk*

Mutual funds that concentrate their investments by investing in fewer securities or issuers, or in a single industry, sector, country or geographic region. A relatively high concentration of assets in, or exposure to, a particular industry, geographic region, single issuer or a small number of issuers

may reduce the diversification of a mutual fund and may result in increased volatility in the mutual fund's net asset value.

#### *Commodity Risk*

Some Funds may invest directly or indirectly in gold or in companies engaged in the energy or natural resource industries. The market value of such a Fund's investments may be affected by adverse movements in commodity prices. When commodity prices decline, this generally has a negative impact on the earnings of companies whose business is based in commodities, such as oil and gas.

#### *Credit Risk*

To the extent that the Fund invests in fixed income securities, debt securities (including mortgages) or mortgage-backed securities, it will be sensitive to credit risk. Credit risk is the risk that a company, the government or a governmental agency that issued a fixed income or money market security will be unable to make interest payments or pay back the principal. Securities that have a low credit rating have higher credit risk. Lower-rated debt securities issued by companies, governments or governmental agencies in developing countries generally have higher credit risk. Securities issued by well-established companies or by governments or governmental agencies of developed countries generally have lower credit risk. The market value of a debt security can be affected by a change in the issuer's credit rating resulting from a change in the creditworthiness, or perceived creditworthiness, of the issuer. Credit ratings may change over time. Please see "Foreign Investment Risk" later in this document in the case of investments in foreign government debt.

#### *Cross Sub Fund and Cross Class Risk*

Some Funds may establish separate Sub Funds or offer two or more Classes of Shares of the same Fund. Although the Net Asset Value of each Sub Fund or Class is calculated separately, there remains a risk that the expenses or liabilities of one Sub Fund or Class of Shares may affect the Net Asset Value of the other Sub Funds or Classes as in the event of the insolvency of the Fund. If one Sub Fund or Class is unable to cover its liabilities, the other Sub Funds or Classes are legally responsible for covering the difference.

#### *Currency Risk*

When the Fund buys or holds an investment that is denominated in a currency other than US dollars, changes in the exchange rate between that foreign currency and the US dollar will affect the value of the Fund.

#### *Cyber Security Risk*

With the increasingly prevalent use of technologies such as the internet to conduct business, the Manager and the Funds are potentially more susceptible to operational, information security, and related risks through breaches in cybersecurity. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining



unauthorized access to digital systems (e.g., through “hacking” or malicious software coding) for purposes of misappropriating assets or -sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting the Funds, the Manager or the Funds’ service providers (including, but not limited to sub-advisor(s) or the Funds’ custodian) have the ability to cause disruptions and impact each of their respective business operations, potentially resulting in financial losses, interference with the funds’ ability to calculate their Net Asset Value, impediments to trading the portfolio securities of the Funds, the inability of the Funds to process transactions in Shares, such as purchases and redemptions of the Shares, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs associated with the implementation of any corrective measures. Similar adverse consequences could result from cyber incidents affecting the issuers of securities in which the Funds invest and counterparties with which the Funds engage in transactions. - Similar to other operational risks, the Manager and the Funds have established risk management systems designed to reduce the risks associated with cyber security. However, there is no guarantee that such systems will be successful in every instance. Inherent limitations exist in such systems including the possibility that certain risks have not been identified or anticipated. Furthermore, the Manager and the Funds cannot control the cyber security plans and systems of the Funds’ service providers, the issuers of securities in which the Funds invest, the counterparties with which the Funds engage in transactions, or any other third parties whose operations may affect the Funds or their Shareholders.

#### *The Data Protection Act*

Under the Cayman Islands Data Protection Act (as revised) (“DPA”), data controllers are subject to additional obligations including, amongst others, processing personal data in accordance with lawful purposes, bearing responsibility for data processors who process personal data on their behalf, and providing data subjects with more detailed information regarding the processing of their personal data. Other obligations imposed on data controllers include personal data retention limitations and the obligation to report any personal data breach to affected data subjects and the Cayman Islands Ombudsman without undue delay. Under the DPA, data subjects are afforded additional rights, including the right to access personal data, the right to have inaccurate personal information rectified, the right to have personal data held by a data controller erased in certain circumstances, and the right to restrict or object to processing in a number of circumstances. The implementation of the DPA may result in increased operational and compliance costs being borne directly or indirectly by the Funds. Further, there is a risk that the measures will not be implemented correctly by the Funds or its service providers. If there are breaches of these measures by the Funds or any of its service providers, the Funds or their respective service providers could face significant administrative fines, imprisonment, and/or be required to compensate any data subject who has suffered damage as a result as well as the Funds suffering reputational damage which may have a material adverse effect on its operations and financial conditions.

## *Derivatives Risk*

To the extent that the Fund uses derivatives, it will be sensitive to derivatives risk. Derivatives can be useful for hedging against losses, gaining exposure to financial markets and making indirect investments, but they involve certain risks:

- Hedging with derivatives may not achieve the intended result. Hedging instruments rely on historical or anticipated correlations to predict the impact of certain events, which may or may not occur. If they occur, they may not have the predicted effect.
- It is difficult to hedge against trends that the market has already anticipated.
- Costs relating to entering and maintaining derivatives contracts may reduce the returns of the Fund.
- A currency hedge will reduce gains in the event that the hedged currency increases in value.
- Currency hedging can be difficult in smaller emerging growth countries because of the limited size of their markets.
- Currency hedging provides no protection against changes in the value of the underlying securities.
- There is no guarantee that a liquid exchange or market for derivatives will exist. This could prevent the Fund closing out its positions to realize gains or limit losses. At worst, the Fund might face losses from having to settle underlying futures contracts.
- The prices of derivatives can be distorted if trading in their underlying assets is halted. Trading in the derivative might be interrupted if trading is halted in a large number of the underlying stocks or assets. This would make it difficult for the Fund to close out its positions.
- Derivatives trading on foreign markets may take longer and be more difficult to complete. Derivatives on foreign markets are subject to foreign investment risk.
- The counterparty in a derivatives contract might not be able to meet its obligations. When using derivatives, a mutual fund relies on the ability of the counterparty to the transaction to perform its obligations. In the event that a counterparty fails to complete its obligations, the mutual fund may bear the risk of loss of the amount expected to be received under options, forward contracts or other transactions in the event of the default or bankruptcy of a counterparty.
- Investment dealers and futures brokers may hold the Fund's assets on deposit as collateral for a derivative contract. As a result, someone other than the Fund's custodian is responsible for the safekeeping of that portion of the Fund's assets. Where the assets of the Fund are not held by a dealer or broker on a segregated basis, the assets may be subject to the counterparty risk described in the immediately preceding paragraph.
- The regulation of derivatives is a rapidly changing area of law and is subject to modification by government and judicial action. The effect of any future regulatory changes may make it more difficult, or impossible, for the Fund to use certain derivatives.

### *Emerging Markets Risk*

Some mutual funds may invest in foreign companies or governments which may be located in, or operate in, developing countries. In general, securities issued in more developed markets, such as Western Europe and North America, have lower international markets risk. Securities issued in emerging or developing markets, such as Southeast Asia or Latin America, have significant international markets risk and may be exposed to emerging markets risk. Companies in these markets may have limited product lines, markets or resources, making it difficult to measure the value of the company. Political instability, possible corruption, as well as lower standards of business regulation increase the risk of fraud and other legal issues. Mutual funds that invest in emerging market securities may be exposed to greater volatility as a result of such issues.

### *Equity Risk*

Funds that invest in equities, such as common shares, are affected by changes in the general economy and by stock market movements. When the economy is strong, the outlook for many companies will be good, and share prices and stock markets will generally rise, as will the value of a fund that holds shares in these companies. On the other hand, share prices usually decline in times of general economic or industry downturn. The price of equity securities of certain companies or companies within a particular industry sector may fluctuate differently than the value of the overall stock market because of changes in the outlook for those individual companies or the particular industry.

### *Extension Risk*

Rising interest rates can cause the average maturity of the Fund's holdings of mortgage-backed securities to lengthen unexpectedly due to a drop in prepayments

### *Foreign Investment Risk*

Investments in foreign companies, securities and governments are influenced by economic and market conditions in which the governments or companies operate. To the extent the Fund invests in securities of foreign companies or governments (collectively, "**foreign issuers**"), it may be subject to additional risk, including the following:

- The economic environment or the particular economic, political, social or legal factors of a country or geographic region in which the foreign issuer operates may impact the value of its securities.
- Volume, liquidity and price volatility in some foreign stock and bond markets may vary due to the differences in reporting practices and disclosure requirements.
- Stock exchanges, listed companies and investment dealers in foreign countries may be less regulated or have different regulations and reporting practices relative to an investor's local market.
- It can be difficult to trade foreign securities solely through foreign securities markets as they can be less liquid and, due to lower trading volumes, more volatile than securities of comparable issuers traded in investor's local market.

- The extent of foreign reserves and the availability of sufficient foreign exchange may affect the ability of a foreign issuer to meet its obligations.
- Political and social instability, restrictions on the movement of capital and the threat of expropriation or nationalization, can affect the value of investments.

These and other risks can contribute to larger and more frequent price changes among foreign investments.

#### *Fund-of-Funds Risk*

The Fund may invest in securities of underlying mutual funds, including underlying funds managed by the Manager or an affiliate or associate of the Manager. The proportions and types of underlying funds held by the Fund will vary according to the risk and investment objectives of the Fund. If the Fund invests in an underlying fund, the risks associated with investing in that underlying fund include the risks associated with the securities in which the underlying fund invests, along with the other risks of the underlying fund. Accordingly, the Fund takes on the risk of an underlying fund and its respective securities in proportion to its investment in that underlying fund.

To the extent that the Fund invests in underlying funds it has the same risks as the underlying funds. If an underlying fund suspends redemptions, the Fund that invests in the underlying fund may be unable to value part of its portfolio and may be unable to process redemption orders.

#### *Interest Rate Risk*

The Fund invests in fixed income securities, such as bonds, mortgages and money market instruments, and is sensitive to changes in interest rates. In general, when interest rates are rising, the value of these investments tends to fall. When rates are falling, fixed income securities tend to increase in value. Fixed income securities with longer terms to maturity are generally more sensitive to changes in interest rates. Certain types of fixed income securities permit issuers to repay principal before the security's maturity date. There is a risk that an issuer will exercise this prepayment right after interest rates have fallen and a fund that hold these fixed income securities will receive payments of principal before the expected maturity date of the security and may need to reinvest these proceeds in securities that have lower interest rates.

#### *Inflation Risk*

Inflation may result in an increase in prices for goods and services and a corresponding decrease in purchasing power and value of a currency. There is the risk that inflation will outpace or erode investment returns over time.

### *International Markets Risk*

Mutual funds that invest in securities of foreign companies or governments are subject to additional risk.

- The economic environment or the particular economic and political factors of a country or geographic region in which the foreign issuer operates may impact the value of its securities.
- Volume, liquidity and price volatility in some foreign stock and bond markets may vary.
- Stock exchanges, listed companies and investment dealers in foreign countries may be less regulated or have different regulations and reporting practices relative to an investor's local market.
- It may be more difficult to enforce the legal rights of a Fund outside of its home jurisdiction.
- Political and social instability, restrictions on the movement of capital and the threat of expropriation, can affect the value of investments.
- In general, securities issued in more developed markets, such as Western Europe, have lower international markets risk. Securities issued in emerging or developing markets, such as Southeast Asia or Latin America, have significant foreign investment risk and are exposed to the emerging markets risk described above.

### *Issuer-Specific Risk*

The market value of an individual issuer's securities can be more volatile than the market as a whole. As a result, if a single issuer's securities represent a significant portion of the market value of the Fund's assets, changes in the market value of that issuer's securities may cause greater fluctuation in the Fund's unit value than would normally be the case. If less diversified, the Fund may also suffer from reduced liquidity if a significant portion of its assets is invested in any one issuer. In particular, the Fund may not be able to easily liquidate its position in the issuers as required to fund redemption requests.

### *Large Transaction Risk*

Shares of the Fund may be purchased in a large number by an entity or entities such as another investment fund. These types of shareholders may make large purchases or redemptions of the Fund. In the case where an entity purchases a large number of Shares, the Fund may temporarily have a higher than normal cash position until this cash can be invested. In the case of a large redemption, the Fund may be required to sell existing investments at unfavorable prices if it does not have enough cash on hand to fund the redemption. In order to mitigate the

impact of this risk to shareholders, the Fund may require large shareholders to provide notice when significant redemptions are being contemplated.

#### *Liquidity Risk*

Liquidity is a measure of how quickly an investment can be sold for cash at a fair market price. Liquidity risk is the possibility that the Fund will not be able to convert its investments into cash when it needs to or will not be able to do so without causing the price of the investments to drop. Some securities are illiquid because of legal restrictions, the nature of the investment itself, settlement terms, a shortage of buyers or sellers, or other reasons. Generally, investments with lower liquidity tend to be subject to more dramatic price changes and this may subject the holder to losses or additional costs. Investments in underlying funds are often subject to restricted transferability, partially gated redemptions, or suspension of redemptions, which significantly increases liquidity risk.

#### *Market Disruption Risk*

Significant events such as natural disasters, incidents of war, terrorism, civil unrest or disease outbreaks and related geopolitical risks may in the future lead to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally, including U.S., Canadian and other economies and securities markets. The effects of such unexpected disruptive events on the economies and securities markets of countries cannot be predicted and could also have an acute effect on individual issuers or related groups of issuers. These risks could also adversely affect securities markets, inflation and other factors relating to the value of the portfolios of the Funds, and may adversely affect the performance of the Funds. Upon the occurrence of a disruptive event, the impacted country may not efficiently and quickly recover from such event, which could have a materially adverse effect on borrowers and other developing economic enterprises in such country.

#### *Potential Claw Back of Redemption Proceeds Risk*

Under certain circumstances, redemption proceeds paid to a Shareholder can be lawfully recalled by a Fund liquidator or other authorised person. If a Shareholder acts as nominee or otherwise does not retain the redemption proceeds received from the Fund, then the Shareholder may be compelled to repay the Fund(s), even if the Shareholder has distributed redemption proceeds to beneficiaries.

#### *Regulatory Risk*

Some companies may be substantially affected by changes in government policy, such as increased regulation, ownership restrictions, deregulation or reduced government funding. The value of a mutual fund that buys these investments may rise and fall substantially due to changes in these factors.

#### *Significant Securityholder Risk*

Some Funds may have particular investors who own a large proportion of the outstanding shares of the Fund. If one of those investors redeems a large amount of their investment in a Fund, the Fund may have to sell its portfolio investments at unfavourable prices to meet the redemption request, which can result in significant price fluctuations to the net asset value of the Fund and may potentially reduce the returns of the Fund. Conversely, if a large investor were to increase its investment in a Fund, the Fund may have to hold a relatively large portion in cash for a period of time until the portfolio advisor finds suitable investments, which could also negatively impact the performance of the Fund.

#### *Smaller Company Risk*

The prices of shares issued by smaller companies tend to fluctuate more than those of larger companies. Smaller companies may not have established markets for their products and may not have solid financing. These companies generally issue fewer shares and have a lower share trading volume, which increases their liquidity risk.

#### *Underlying ETFs Risk*

The Funds may invest in ETFs, which may invest in stocks, bonds, commodities, and other financial instruments. ETFs and their underlying investments are subject to the same general types of investment risks as those that apply to the Funds. The risk of each ETF will be dependent on the structure and underlying investments of the ETF.

A Fund's ability to realize the full value of an investment in an ETF will depend on its ability to sell such ETF units or shares on a stock exchange. If the Fund chooses to exercise its rights to redeem ETF units or shares, then it may receive less than 100% of the ETF's then net asset value per unit or share. The trading price of the units or shares of ETFs will fluctuate in accordance with changes in the ETFs' net asset value, as well as market supply and demand on the respective stock exchange on which they are listed. Units or shares of an ETF may trade in the market at a premium or discount to the ETF's net asset value per unit or share and there can be no assurance that units or shares will trade at prices that reflect their net asset value. The ETFs are or will be listed stock exchanges; however, there is no assurance that an active public market for an ETF will develop or be sustained.

The Funds may invest in ETFs that (i) invest in securities that are included in one or more indices in substantially the same proportion as those securities are reflected in a referenced index or indices, or (ii) invest in a manner that substantially replicates the performance of such a referenced index or indices. If the computer or other facilities of the index providers or a stock exchange malfunction for any reason, calculation of the value of these indices may be delayed and trading in units or shares of such an ETF may be suspended for a period of time. If constituent securities of these indices are cease traded at any time, the manager of such an ETF may suspend the exchange or redemption of units or shares of the ETF until such time as the transfer of the securities is permitted by law. The indices on which an ETF may be based may not have been created by index providers for the purpose of the ETF. Index providers generally have the right to make adjustments or to cease calculating the indices without regard to the particular interests of the manager of an ETF, an ETF or investors in an ETF.

Adjustments to baskets of securities held by an ETF to reflect rebalancing of and adjustments to the underlying indices on which it are based will depend on the ability of the manager of the ETF and its brokers to perform their respective obligations. If a designated broker fails to perform, an ETF would be required to sell or purchase, as the case may be, constituent securities of the index on which it is based in the market. If this happens, the ETF would incur additional transaction costs that would cause the performance of the ETF to deviate more significantly from the performance of such index than would otherwise be expected.

Deviations in the tracking by an ETF of an index on which it is based could occur for a variety of reasons. For example, the total return generated will be reduced by the management fee payable to the manager of the ETF and transaction costs incurred in adjusting the portfolio of securities held by the ETFs and other expenses of the ETFs, whereas such transaction costs and expenses are not included in the calculation of such indices.

NO ASSURANCE CAN BE GIVEN THAT ANY OF THE FUNDS WILL ACHIEVE THEIR RESPECTIVE INVESTMENT OBJECTIVES.

### **CONFLICT OF INTEREST**

The Funds' conflicts of interest policy (as set out below) (the "Conflicts Policy") has been drafted to be relevant to the size, complexity, structure, nature of business and risk profile of the operations of the business of the Funds and is approved by the Directors. This Conflicts Policy has been prepared in accordance with: (i) the Statement of Guidance - Corporate Governance for Mutual Funds and Private Funds and; (ii) the Rule - Corporate Governance for Regulated Entities, each published by CIMA and as amended from time to time.

The Directors must disclose to the other Directors any matter that may result in a conflict of interest.

The Directors will oversee the implementation of the Conflicts Policy which requires disclosure of actual or potential conflicts as and when they arise. The Conflicts Policy shall be reviewed at least annually to ensure all material conflicts of interest are identified, reported, recorded, disclosed and other appropriate steps taken, in particular, written confirmation annually from the Directors that any conflicts of interest have been declared throughout the year.

The Directors have a duty to avoid, to the extent possible, activities that could create conflicts of interest or even the appearance of conflicts of interest.

Various conflicts of interest may however exist among the Directors, the Manager, their affiliates, the Funds, and the Shareholders. The Funds must rely on the Directors and the Manager for the operation of its affairs and the management of their portfolios. Such conflicts include, but are not necessarily limited to, the following:

The Directors, the Administrator, the Sub-Administrator, the Manager, the Distributor, the Portfolio Manager, the Custodian, the Registrar and Transfer Agent, and the prime broker (if any) may from time to time act as directors, administrator, registrar and transfer agent, secretary,



manager, custodian, prime broker, investment manager or investment adviser or carry out other functions as may be required from time to time in relation to, or be otherwise involved in or with, other funds and clients which have similar investment objectives to those of the Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Funds. Each will, at all times, have regard in such event to its obligations to the Funds and will endeavour to ensure that such conflicts are managed and minimised so far as reasonably practicable and that measures are adopted that seek to ensure that such conflicts are resolved fairly, taking into account the interest of the Shareholders as a whole.

**Manager Conflicts of Interest.** The Manager, its affiliates and their respective members, partners, officers and employees and their respective affiliates spend substantial time and attention on other business activities including investment management and advisory services for other clients and management of other investment vehicles. Further, they intend to engage in such business activities from time to time and may sponsor, manage or advise other pooled investment funds or separate accounts (collectively, “Other Clients”) with overlapping investment objectives with those of the Funds. The Directors may be subject to similar conflicts of interest in its provision of services to the Funds.

**Allocation of Investment Opportunities.** The Manager and its affiliates will seek to allocate investment opportunities and dispositions fairly over time among the Funds and Other Clients, taking into consideration diversification, investment objectives, existing investments, liquidity, contractual commitments or regulatory obligations and other considerations. Funds’ assets are generally offered in private offerings, and it is not uncommon for Funds’ assets to become closed to new investments due to size constraints or other considerations. Also, the Funds or Other Clients may not be eligible investors in all potential Funds’ assets. Therefore, it is likely that the Funds’ portfolios and those of Other Clients will have differences in the specific assets held in their portfolios even when their investment objectives are the same or similar. These distinctions will result in differences in portfolio performance.

Each of the Manager and its affiliates reserve the right to co-invest on its own account or for other funds and/or other clients with the Funds, although any such co-investment must be made on terms no better than those in which the Funds are investing. Each of the Manager and its affiliates may hold and deal in Shares or in investments held by the Funds either for their own account or for the account of their clients.

The Manager may enter into transactions for the account of the Funds with affiliated brokers or dealers, provided that such transactions are carried out on arm’s length terms, consistent with best execution standards and at a commission rate no higher than customary institutional rates. The Funds may deposit funds with or borrow funds from the Manager or its affiliates, provided that (i) in the case of a deposit, interest is received at a rate not lower than the prevailing commercial rate for a deposit of that size and term, and (ii) in the case of a loan, interest charged and fees levied in connection with the loan are no higher than the prevailing commercial rate for a similar loan.

The Manager may enter into trades for the account of the Funds with the accounts of other clients of the Manager or its affiliates (“cross trades”). Such cross trades will only be undertaken

where the sale and purchase decisions are in the best interests of both clients and fall within the investment objective, restrictions and policies of both clients, the cross trades are executed on arm's length terms at current market value, and the reasons for such cross trades are documented prior to execution.

The Manager may arrange for their other funds and/or other clients to invest in the Funds and may arrange for the Funds to invest in their other funds and/or other clients. The Manager will act in good faith in connection with such transactions and will work to resolve any conflicts fairly, by measures including but not limited to waive of management fee of the funds being invested, taking into account the interest of the Shareholders as a whole.

The Manager and its associates or delegates will not deal with the Funds as beneficial owner on the sale or purchase to or from the Funds, except on a basis approved by the Directors from time to time, or without the consent of the Directors, otherwise deal with the Funds as principal.

**Fees paid to the Manager.** Fees paid to the Manager have not been established on the basis of an arm's-length negotiation between the Funds and the Manager. Performance-based fees may create an incentive for the Manager to approve and cause the Funds to make more speculative investments than it would otherwise make in the absence of such performance-based compensation. By executing the Subscription Form, and by owning Shares, each Shareholder is deemed to have independently agreed to such fees. Further, to the extent the Manager may be consulted on the calculation of Net Asset Value which will determine the amount of any performance fee (if any) payable to the Manager, the Manager will have a conflict of interest as to the determination of valuation of Net Asset Value.

The Manager may share with any other person (including, but not limited to, any investor or any person introducing investors) any fees and other benefits to which it may be entitled from the Funds. The Manager and any person connected with it, including any employee of the Manager or its associated companies, may invest in the Funds, and the Manager may allow to any such person a reduction in the initial charge and/or a rebate of any fees to which the Manager may be entitled from the Funds.

**Allocation of Expenses.** The Manager and its affiliates may from time to time incur expenses on behalf of the Funds and one or more existing or subsequent entities for which the Manager or its affiliates act as investment manager, general partner, managing member or in a similar capacity. Although the Manager and its affiliates will attempt to allocate such expenses on a basis that they consider equitable, there can be no assurance that such expenses will in all cases be allocated appropriately.

**Transactions between the Funds and Other Clients.** The Manager may cause the Fund to purchase securities from or sell securities to Other Clients when the Manager believes such transactions are appropriate based on each party's investment objectives, but all parties will seek to ensure the Funds treats Other Clients as third parties at arms-length.

**Other Business Relationships.** The Manager or its affiliates may have, and in the future may develop, business relationships that are independent of the investment management services provided to the Funds by the Manager. These may include, but are not limited to, lending,

depository, brokerage, risk management, investment advisory, security distribution or banking relationships with counterparties to transactions with the Fund or third parties that also provide investment management or other services to the Funds. Any such relationships may involve potentially material conflicts of interest. In addition, managers of funds included in the Funds' portfolios, their employees or affiliates may be clients of the Manager or its affiliates or investors in funds they manage.

Pursuant to the terms of the Subscription Form of each Shareholder, each Shareholder will be deemed to have consented prospectively to any and all of the activities of the type or nature described in this Prospectus, including, but not limited to, the activities described herein whether or not such activities have or could have an effect on the Funds' affairs and no such activity will in and of itself constitute a breach of any duty owed by any person to the Funds or any Shareholder.

**No Independent Counsel.** Prospective investors in the Funds have not been separately represented by counsel. Any law firm retained by the Directors and the Manager to represent the Funds represents the Funds, the Manager, and the Directors, but not the prospective investors or Shareholders of the Funds.

The foregoing description of conflicts of interest does not purport to be a complete list of potential conflicts. Other present and future activities of the Directors, the Manager, and their affiliates may give rise to additional conflicts of interest. If a conflict of interest arises, the Directors and the Manager will attempt to resolve such conflicts in a fair and equitable manner and in accordance with this Conflicts Policy.

### **Practical Application of Conflicts Policy**

The Directors will be required to complete a table, listing all potential, actual or apparent conflicts of interest.

Once an assessment has been made of the conflict and it is found to be 'Potential' or 'Apparent' (that is, it is not a 'perceived' conflict - which may also require handling), it is a real conflict that requires managing, the following methods of handling the conflict will be applied.

- a) Disclosure – this method discloses the Conflict of Interest to those to who it may affect.
- b) Avoidance - this may not always be possible.
- c) Control – This method places certain protocols in place in order to manage or limit the potential of the conflict such as: (i) a review or approval process before engaging in a certain activity that may create a conflict; and (ii) engaging with any related parties on an arms' length basis.

Where a Director or Officer or a participant in a Director meeting has a conflict, the procedure to follow is:

- a) In the first instance the conflict should be disclosed formally in the Minutes of the meeting and recorded in the “Board Member Conflicts Register”;
- b) The person should excuse themselves physically from the meeting room during any decision-making activities or discussions or votes relating to the matter at hand, that is where the conflict is perceived or apparent;
- c) The Minutes should record all of the above; and
- d) The Board Members Conflict Register should record the conflict and the action taken to handle the conflict.

If any Director or Officer or a participant breaches this Conflict Policy, the said Director or Officer shall notify all affected parties who may take such steps to remediate the breach including holding further board meetings to address the breach and seek to achieve fair outcomes for all involved.

## MANAGEMENT AND SERVICE PROVIDERS

### Scotiabank Group

The Manager and 1832 Asset Management L.P are both members of the Scotiabank Group (as defined below) and have extensive experience and successful track records in carefully managing investments for their clients. The history of the Scotiabank Group dates back to 1832; Scotiabank (as defined below) is a leading bank in the Americas with over Cdn\$1.41 trillion in assets and 25 million customers as at October 31, 2024. As companies and personnel within Scotiabank Group direct, control and manage the Funds, the operations of the Funds may give rise to conflicts of interest or duty. The Articles of Association of the Funds contain provisions that authorize the Directors to act notwithstanding such conflicts.

### Scotiabank Group's other activities

The Bank of Nova Scotia (“Scotiabank”) is a global financial institution. Scotiabank, together with its affiliates, officers, employees and agents (the “Scotiabank Group”), is engaged in wholesale and retail banking, lending, equity investing, financial and merger and acquisition advisory, underwriting, investment management, brokerage, trustee, custodial and similar activities on a world-wide basis. In addition, members of the Scotiabank Group may manage other funds with objectives identical or similar to or overlapping with those of a Fund. In the course of engaging in these activities, members of the Scotiabank Group may compete with a Fund or provide financing or other services to competitors of a Fund. Members of the Scotiabank Group will be under no obligation to refer any opportunity to a Fund, or refrain from investing in, or providing advice or services to others with respect to any such opportunity. Members of the Scotiabank Group have relationships with a significant number of clients and provide, and will in the future provide, advisory services to its clients. In the course of considering the execution of any transaction on behalf of a Fund, the Manager and/or 1832 Asset Management L.P. may consider a client relationship and may choose not to execute any such transaction for a Fund on account

of any such client relationship. In providing services to other clients, a member of the Scotiabank Group may recommend actions that would compete with or otherwise adversely affect a Fund. Members of the Scotiabank Group may from time to time come into the possession of information that could preclude the Manager and/or 1832 Asset Management L.P from taking an action that would be in the best interests of a Fund. In addition, members of the Scotiabank Group have in the past sponsored or advised, and in the future may sponsor or advise, clients that may acquire interests in, provide financing to or otherwise deal with entities, the securities of which may be acquired, held or disposed of by a Fund. Such securities may be, or have been, underwritten, distributed or placed by a member of the Scotiabank Group. A member of the Scotiabank Group may, in certain circumstance, be selling an asset in circumstances in which a Fund is acquiring or retaining the same asset, acquire or dispose of an asset, or take or refrain from taking an action, that may adversely affect a Fund.

Furthermore, a Fund may from time to time acquire and hold investments underwritten, promoted, issued, sold or distributed by a member of the Scotiabank Group.

It is intended that all such transactions would be undertaken on economic terms consistent with market pricing.

It should also be recognized that the terms upon which the Manager and 1832 Asset Management L.P were appointed have not been negotiated at arm's length.

The Articles of Association of a Fund generally do not restrict any actions taken by Scotiabank or its affiliates. Accordingly, no assurance can be given that potentially suitable investments of which Scotiabank may become aware will be offered to the Funds, nor is there any assurance that suitable investments will not be acquired by Scotiabank or other Scotiabank clients.

**The foregoing is not an exhaustive list of potential conflicts associated with the other activities of the Scotiabank Group, and there is no assurance that actions of members of the Scotiabank Group, or their respective clients, will not adversely affect any one or more of the Funds.**

### **Directors of the Funds**

Details of the Directors of the Funds are set out in Appendix I, which forms part of this Prospectus.

The Directors of each Fund may appoint additional Directors from time to time and any Director may be removed by a resolution of the holder of the Management Shares of each Fund, which, in each case, is the Manager. There are no service contracts between any Fund and its respective Directors. Directors may be entitled to receive fees or remunerations from any Fund for serving as a Director. The Directors of a Fund provide for the management and administration of the Fund through delegation to the Manager, subject to the overall supervision of the Fund's Directors.

No Director shall vote in respect of any contract, arrangement or any proposal whatsoever in which he or she has any material interest otherwise than by virtue of his or her interest in Shares, as a Scotiabank employee or his or her interest in any other company as officer or shareholder, provided he or she is not the holder of or beneficially interested in one per cent or more of the issued shares or the voting rights available to members of the relevant company, which is deemed to be a material interest in all circumstances. A Director shall be counted in the quorum at a meeting in relation to any resolution on which he or she is debarred from voting. The Directors can determine their own remuneration, with or without an independent quorum. The Directors can exercise all powers to borrow money. Share capital of each Fund can be increased by ordinary resolution of the Directors of such Fund.

### **Manager**

By agreements dated April 30, 2021 each Fund, as applicable, has appointed Scotiabank & Trust Company (Cayman) Ltd. as Manager to manage its affairs and investments subject to the overall supervision and control of its Board of Directors. The Manager has an unrestricted mutual fund administrator's license issued under the Mutual Funds Law (Revised) of the Cayman Islands and is duly regulated by the Cayman Islands Monetary Authority.

The Manager was incorporated under the laws of the Cayman Islands on August 27, 1965 and has been operating a multi-faceted retail, commercial, institutional and wealth management model. The Manager's operating model is inclusive of the administration and distribution of the mutual funds since 1999. Details of the Directors of the Manager are set out in Appendix I, which forms part of this Prospectus.

The Manager has responsibility for the general administration of each Fund, but has delegated the performance of most tasks, including, but not limited to, transfer agency services to International Financial Data Services Limited, and custody to State Street Bank and Trust Company, Massachusetts. The Manager is at liberty to provide similar or other services to other funds and companies.

The Manager is entitled to receive a Management Fee computed by reference to the Net Asset Value of each Fund (see "Fees and Expenses"). A Management Agreement may be terminated on sixty days' written notice by either the Manager or the applicable Fund.

### **Portfolio Manager**

The Manager may retain portfolio managers, as appropriate, to provide investment advice for the Funds.

*1832 Asset Management L.P.*

By an Investment Advisory Agreement ("IAA") dated May 18, 2021, the Manager appointed Jarislowsky, Fraser Limited (JFL), a wholly owned subsidiary of The Bank of Nova Scotia ("Scotiabank"), to act as the portfolio manager for the Funds. Effective November 1, 2025, the business operations of JFL, are transferred to 1832 Asset Management L.P. ("1832"), another

subsidiary of Scotiabank and an affiliate of 1832 that operates under the business name Scotia Global Asset Management.

In accordance with the terms of the IAA, the rights and obligations of the agreement to act as Portfolio Manager of the Funds, are transferred to 1832, effective November 1, 2025.

The Portfolio Manager is a professional investment and portfolio management firm based in Toronto, Canada, that manages portfolios on a discretionary basis for pension and mutual funds, charitable organizations, corporations, municipalities, hospitals, foundations and private clients based on a proven investment philosophy and process. The Portfolio Manager is a limited partnership, the general partner of which is wholly owned by Scotiabank. Scotia Global Asset Management's assets are CAD \$407 billion as of July 31, 2025.

The Portfolio Manager is responsible for the Funds' day-to-day management, the investment management and advice, including identifying, evaluating, and monitoring existing investments and potential investments, and has power to enter into transactions on behalf of the Segregated Portfolio. The Portfolio Manager is at liberty to provide similar or other services to other funds, persons or companies. The Portfolio Manager will receive fees out of the Management Fee payable to the Manager. The IIA may be terminated on sixty (60) days' written notice by either the Portfolio Manager, the Manager or the Fund.

#### **Registrar and Transfer Agent**

By agreement dated April 12, 2019 and amended May 4, 2021 International Financial Data Services Limited Partnership ("IFDS") was appointed Registrar and Transfer Agent of the Funds. In this capacity, IFDS will act as recordkeeping agent, data processing and distribution disbursement agent and perform certain administrative, Trust Accounting and other services on behalf of the Funds.

The Sub-Administrator and IFDS are entitled to a fee payable by the Manager. A Sub-Administration Agreement may be terminated on ninety days' written notice by either the Manager or the Sub-Administrator.

#### **Custodian**

By agreement dated May 4, 2021, State Street Bank and Trust Company, a trust company organized under the laws of The Commonwealth of Massachusetts, United States of America, was appointed Custodian to each of the Funds. Its lead regulator is SEC (Securities Exchange Commission). The Custodian provides a full range of banking, global custody and financial services to a worldwide clientele and will hold the assets and uninvested cash of each of the Funds, either directly or through sub-custodians, nominees or agents.

As one of the world's leading investment service providers, State Street Bank and Trust Company provides an array of customized investment solutions to asset managers, pension funds, hedge funds, insurance companies, collective funds, mutual funds and nonprofits. They offer fund accounting, fund administration, custody, securities lending, investment operations outsourcing, recordkeeping, performance and analytics and transfer agency services that are

highly scalable and truly global. Recognized as an industry leader in providing global custody services, their custodian network spans more than 100 financial markets. With their expertise and local knowledge, they help their customers control costs, develop and launch competitive new investment products, and expand globally.

The Custodian may receive fees as detailed under “Fees & Expenses”. Each of the Custodian Agreements may be terminated on ninety days' written notice by the Custodian or Fund.

### **Sub-Administrator**

By agreement dated May 4, 2021, the Manager has appointed State Street Cayman Trust Company, Ltd., a trust company duly organized under the laws of the Cayman Islands as Sub-Administrator to perform substantially all of the administration tasks required of the Manager pursuant to the Management Agreements. The Sub-Administrator has an unrestricted mutual fund administrator's license issued under the Mutual Funds Law (as revised) of the Cayman Islands. Its lead regulator is Cayman Islands Money Authority. The Sub-Administrator has responsibility for the general administration of each Fund. The Sub-Administrator is at liberty to provide similar or other services to other funds and companies.

### **Indemnification**

The terms of appointment of the Manager, the Portfolio Manager, the Administrator, the Sub-Administrator, the Custodian and the Registrar and Transfer Agent provide that such appointees shall be indemnified against all claims, liabilities, expenses and like matters, except in certain circumstances. The Directors and officers of the Funds have the benefit of corresponding provisions in the Articles of Association of the Funds.

## **TRANSACTIONS – PURCHASE, REGISTRATION, REDEMPTION, EXCHANGE AND TRANSFER**

### **Transactions**

Transactions of the Funds include the subscription, redemption, transfer and/or exchange of Shares, as well as any changes to the registration particulars of Shares. Shares of the Funds are issued or redeemed at the price determined by reference to the net asset value of the Funds on the applicable Dealing Day. See “Valuation” for more information later in this document. In order for transactions to be accepted on a Dealing Day, instructions must be received by the Manager, in good order, by the Cut Off Time. Instructions, in good order, received after the Cut Off Time will be processed on the next Dealing Day.

The transactions of the Funds must be processed through an authorized Distributor.

All instructions should be received by the Manager electronically by the Manager's Cut Off Time or in any other manner deemed appropriate by the Manager. Accordingly, each Distributor can set an earlier cut off time for its clients to ensure that the Manager's Cut Off Time is met.



## Purchase of Shares

Shares of the Funds must be purchased through an authorized Distributor of the Funds.

The initial issue price for Class A and Class M of the Fund will be determined at a later date.

Subsequent subscription price for all Classes will be determined by reference to the net asset value per Share for a class of Shares on the applicable Dealing Day. See "Valuation" for more information later in this document.

For initial subscription for Shares, the subscriber is required to complete a Subscription Form, or such other form that an authorized Distributor may require, in good order. Subsequently, to invest in the Funds, the subscriber must forward instructions to purchase Shares to the Manager through an authorized Distributor of the Funds. For a subscription to be accepted on a Dealing Day, instructions must be received by the Manager, before the Cut Off Time on such day. Instructions received after the Cut Off Time will be dealt with on the next applicable Dealing Day.

The Manager must receive payment in full within three Business Days of a subscriber placing a subscription order for the Funds. No interest is credited or paid on subscription monies pending the issue of Shares, and no Shares of the Funds will be issued whilst the calculation of its net asset value is suspended. The Manager reserves the right to cancel a subscription if payment is not received by the Settlement Date. Any expenses and losses suffered by the Funds in the event of non-payment or incomplete payment for a subscription, shall be paid by the authorized Distributor, and the subscriber may be responsible to the authorized Distributor for a failed settlement of a subscription of Shares, depending upon arrangements with that authorized Distributor.

The Manager reserves the right to require, at any time, satisfactory evidence that a subscriber is legally entitled to acquire and hold Shares. When a Subscription Form is accepted and processed by the Manager, a written confirmation of such acceptance is sent to the subscriber by mail, email or other means of written communication within two Business Days. The Manager reserves the right to reject any subscription for Shares in whole or part, whenever deemed appropriate. If a subscription is rejected, the subscription monies will be returned to the subscriber without interest, at the risk and expense of the subscriber, within three Business Days of rejection.

Each class of Shares may have a different minimum initial investment amount and/or minimum subsequent investment amount. Such amounts are set out below and are expressed in US dollars. Where a class is denominated in a currency other than the US dollars, the base currency equivalent of the minimum amount for such class will be calculated at the then current exchange rate.

For Class A Shares of the Funds, the minimum initial investment amount is US\$1,000 and the minimum for each subsequent investment is US\$100, or such other amount as may be prescribed from time to time by the Directors

For Class F and K Shares of the Funds, the minimum initial investment amount is US\$10,000 and the minimum for each subsequent investment is US\$100, or such other amount in each case as may be prescribed from time to time by the Directors for such class.

For Class I and Class M Shares of the Funds, the minimum initial investment is US\$100,000 and the minimum for each subsequent investment is US\$1,000, or such other amount in each case as may be prescribed from time to time by the Directors for such class.

Subscribers in Class A Shares may pay an initial sales charge which is negotiated between the subscriber and the authorized Distributor when they buy the Fund. See "Fees and Expenses" later in this document.

Subscriptions for Class A, F, I and K Shares may be made through a Pre-Authorized Contribution (PAC) program.

If you choose to use PAC, the minimum for the initial investment in Class A, F, I and K Shares of the Fund is US\$1,000 for Class A, US\$10,000 for Classes F and K, and US\$100,000 for Class I and Class M, and the minimum for each subsequent investment is US\$100 for Class A, F and K, and US\$1,000 for Class I and Class M, or such other amount in each case as may be prescribed from time to time by the Directors for such class.

The Directors have the power to create additional currency purchase options or classes of Shares at any time in the future. Any new class of Shares may be denominated in a different currency and may have investment policies that differ from those of the existing classes of Shares. Shares are offered on a continuous basis.

### **Registration**

Shares are issued in registered form. No certificates will be issued following the purchase of Shares by a subscriber. The Funds will issue a transaction confirmation which will act as confirmation of purchase. The advantage of a confirmation over a certificate is that Shares may be redeemed or transferred without the necessity of surrendering the applicable certificate.

### **Pre-Authorized Contributions (PAC)**

Following the initial minimum investment, you can make regular pre-authorized contributions of at least US\$100 per transaction for Class A, F and K and at least US\$1,000 per transaction for Class I and Class M by using automatic transfers from your Scotiabank banking account to the Fund(s) selected. You can choose to invest monthly or semi-monthly, on the 1<sup>st</sup> and/or 16<sup>th</sup> day of each month. If such day is not a Business Day, the transaction will be processed the next available Business Day.

Instructions may be sent by a shareholder to the Manager to discontinue the Pre-Authorized Contributions at any time before a scheduled investment date in accordance with our policies. Unless you request it at the time you enroll in the PAC or at any time from your authorized Dealer, you will not receive additional copies of this Prospectus or amendments thereto in

connection with purchases of securities under the PAC program. These documents can be found on our website at <http://ky.scotiabank.com>

### **Redemption**

Shareholders may redeem their Shares in the Funds by delivering to an authorized Distributor a request in writing that a specified dollar amount or number of Shares of the relevant class of the Funds be redeemed. Class of Shares of the Funds will be redeemed at the redemption price determined by reference to the net asset value per Share of that class of the Funds on the applicable Dealing Day. See "Valuation" later in this document for more information. For a redemption order to be accepted on a Dealing Day, the instructions to redeem must be received by the Manager in good order before the Cut Off Time on such day. Redemption instructions received after that time will be dealt with on the next applicable Dealing Day. No Shares may be redeemed whilst the calculation of net asset value of the Funds are suspended.

Shares that are redeemed within 90 days of purchase may be subject to a short-term trading fee of up to 2% of the redemption amount paid to the Funds, at the discretion of the Manager.

Payment of redemption proceeds will normally be dispatched by the Manager within seven Business Days after the relevant Dealing Day at the risk and expense of the shareholder, subject to delay where necessary to conduct an orderly liquidation of appropriate assets to satisfy the redemption requests. The details of where such monies are to be forwarded must accompany each redemption instruction. The Manager will reserve the right to insist on instructions being received in writing with regard to payment under the verified signature of the shareholder. When there are multiple shareholders on an account and the redemption instruction does not provide express payment instructions, proceeds will be divided between and made payable to all the shareholders on the account. Redemption proceeds will be paid in the currency in which you bought the Shares.

The Funds may, in certain circumstances, and by resolution of the Directors of the Funds, satisfy redemptions, in whole or in part, by making (i) "in kind" distributions of its portfolio securities or (ii) distributions consisting of a combination of cash and portfolio securities. To the extent the Funds makes "in kind" distributions, it will allocate such distributions among the shareholders entitled thereto such that each shareholder shall, except for immaterial variances, receive a pro rata portion thereof. Securities distributed "in kind" may not be readily marketable or saleable and may have to be held by shareholders who receive them for an indefinite period of time. Any "in kind" distributions of portfolio securities will not materially prejudice the interests of the remaining shareholders.

The Funds may, in the absolute discretion of the Directors, refuse to make a redemption payment to a shareholder if the Directors suspect or are advised that the payment of any redemption proceeds to such shareholder may result in a breach or violation of any anti-money laundering laws by the Funds or any other person in any relevant jurisdiction, or such refusal is necessary to ensure the compliance by the Funds or its Directors with any anti-money laundering law in any relevant jurisdiction. In such circumstances, and until otherwise instructed by the relevant authority, the Directors may deposit such redemption proceeds in a separate bank account. If the Directors are given permission to pay out such redemption proceeds to the

relevant shareholders, such shareholder's only right against the Company shall be the right to receive the moneys so deposited without interest.

### **Exchange**

Shareholders holding Shares in the Funds may exchange such Shares for shares of certain other funds ("**Select Funds**") offered by the Manager or its affiliates under a separate prospectus. No exchanges will be allowed between the Funds and Select Funds or classes of Shares denominated in different currencies, or between different classes of Shares of the Funds. The timing and processing rules applicable to purchases and redemptions of Shares will apply to exchanges. In addition, where an exchange is made into the shares of a Select Fund, the timing and processing rules applicable to purchases and redemptions of shares of that Select Fund will apply. Following the exchange of Shares of a Fund into the shares of a Select Fund, the fees, terms and conditions set out in the prospectus for such Select Fund will apply to your acquisition, ownership and redemption of shares of that Select Fund. Please ask your authorized Distributor for the list of Select Funds participating in this program and a copy of the prospectus of Select Funds you wish to acquire.

The exchange for Shares into shares of a Select Fund will be treated as redemption of the Shares held by the shareholder, following which, redemption proceeds, minus the deduction of applicable fees, if any, will be applied to subscribe for Shares in the Select Fund. As the net asset value per Share of a given class differs from a Fund to a Select Fund, following the exchange, you may end up with a number of Shares different from the number you held immediately prior to the exchange. Administration charges or sales fees may be charged on such transactions with the Funds and/or Select Funds.

It is not anticipated that an active secondary market in the Shares will develop.

### **Transfer of Ownership**

For transfers of ownership in a Fund, signed completed transfers must be forwarded to the Manager through an authorized Distributor of the Funds.

Similarly, when changing names or shareholder registration (for example, by adding shareholders or transferring the Shares), it is necessary to provide a signed completed transfer and open a new account for the transferee.

Shares of a Fund are freely transferrable, subject to the terms and conditions of this Prospectus.

A Fund may decline to register a transfer of Shares:

- (a) unless a fully and duly completed instrument of transfer is provided to the Manager together with any other evidence necessary to show the transferor's right to transfer;
- (b) if the transferee and any person upon whose behalf the transferee would hold them are prohibited from investing in the Fund as described in "Introduction – Distribution" earlier in this document; and

- (c) if following registration, the holdings of a transferee (and the transferor if such be the case) would result in the Shares being subject to compulsory redemption. See “Transactions – Purchase, Registration, Redemption, Transfer and Exchange – Compulsory Redemption of Shares” below.

### **Compulsory Redemption of Shares**

The Board of Directors of the Funds may redeem all or any portion of the Shares held by shareholders in a Fund at the current redemption price, in certain circumstances including, but not limited to, the following:

- (i) the redemption value of the Shares in a Fund held by a shareholder is less than the minimum initial investment amount of the respective class (excluding where caused by declining net asset value), or such other amount or currency as the Directors may determine either generally or in any particular case; or
- (ii) it comes to the notice of the Manager that Shares are owned directly or beneficially in breach of any law or requirement of any country or governmental authority or that any person is not qualified to hold such Shares directly or beneficially by virtue of such law or requirement or that the relevant shareholder has refused or failed to provide satisfactory evidence that such Shares are not being held in breach of such law or requirement; or
- (iii) it comes to the notice of the Manager that continued direct or beneficial ownership of any Shares might result in pecuniary or financial disadvantage or other adverse consequences to the Fund or any of its shareholders.

Shareholders will be responsible for all the costs and tax consequences, if any, associated with the compulsory redemption of Shares in the event that the Fund in which they invest exercises its right to compulsorily redeem the Shares of a shareholder.

### **Restrictions on Shareholders**

The Directors have power to impose such restrictions as they may think necessary for the purpose of ensuring that no Shares in the Company are acquired or held by any person or persons in circumstances (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Directors to be relevant) which, in the opinion of the Directors, might result in the Company incurring any liability to taxation or suffering any other pecuniary or commercial disadvantage which the Company might not otherwise have incurred or suffered, or

a U.S. Person (a “Non-eligible investor”). If it comes to the notice of the Directors that any Shares are so held by any such Non-eligible investor the Directors may give notice to such investor requiring the redemption or transfer of such shares in accordance with the provisions of the Bye-Laws.

“US Person” means

- a) any natural person resident in the United States;
- b) any partnership or corporation organized or incorporated under the laws of the United States;
- c) any estate of which any executor or administrator is a US Person; (d) any trust of which any trustee is a US Person;
- d) any agency or branch of a foreign entity located in the United States;
- e) any estate or trust other than an estate or trust whose income from sources outside the United States is not includable in gross income from the purposes of computing United States income tax by it;
- f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person;
- g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated or, if an individual, resident in the United States; or
- h) any partnership or corporation if (i) organized or incorporated under the laws of any foreign jurisdiction and (ii) formed by a US Person principally for the purpose of investing in securities not registered under the United States Securities Act of 1933, as amended (“Securities Act”), unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts.

“US Person” does not include:

- a) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US Person by a dealer or other professional fiduciary organized, incorporated or, if an individual, resident in the United States;
- b) any estate of which any professional fiduciary acting as executor or administrator is a US Person if (i) an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with respect to the assets of the estate and (ii) the estate is governed by foreign law;
- c) any estate or trust whose income is from sources outside the United States is not includable in gross income for the purpose of computing U.S. income payable by it;

- d) any trust of which any professional fiduciary acting as trustee is a US Person if a trustee who is not a US Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person;
- e) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;
- f) any agency or branch of a US Person located outside the United States if (i) the agency or branch operates for valid business reasons and (ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located;
- g) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations and their agencies, affiliates and pension plans;
- h) any non-US corporation making an election for US tax purposes under Internal Revenue Code Section 953(d), Election by a Foreign Insurance Company to be treated as a Domestic Corporation;
- i) any employee benefit plan, endowment, not-for-profit or other entity determined to be tax-exempt by the Internal Revenue Service Code and Regulations; or
- j) The Performa (US) Series Fund, L.P., a Delaware series limited partnership or equivalent vehicles

## VALUATION

### Calculation of Net Asset Value

How much a Fund or one of its Shares is worth is called its "net asset value". The net asset value per Share of each class of Shares of a Fund is important because it is the basis upon which Shares of a Fund are purchased and redeemed.

The Funds are valued in US dollars. Each class is valued in its base currency and the US\$ equivalent of its net asset value is then determined, using the then current rate of exchange.

The net asset value per Share of a Fund is the price shareholders pay per Share when they purchase the Shares and the price shareholders receive when they redeem the Share of a Fund.

The Sub-Administrator will calculate a separate net asset value per Share of each class of the Funds as at 4:00 p.m. Eastern Time on each Dealing Day in accordance with the Articles of

Association of the Funds and the International Financial Reporting Standards ("IFRS"). The daily net asset value is not independently audited.

The net asset value per Share of a class of the Funds will depend on which class the Share belongs to. The net asset value per Share of each class of the Funds are calculated by:

- adding up the fair market value of the assets of the Fund and determining the proportionate share of the class;
- subtracting the liabilities of the Fund allocated to that class; and
- dividing the remaining value by the total number of outstanding Shares in that class.

The subscription and redemption price per Share of a class of the Fund will thus be equal to the net asset value of that class of the Fund on the relevant Dealing Day divided by the number of Shares in issue or deemed to be in issue for that particular class.

Securities for which market quotations are not readily available are valued at their fair market value using methods which are in accordance with IFRS and which have been approved by the Manager.

### **Valuation of Portfolio Securities**

The Net Asset Value calculation policy of the Funds ("NAV Policy") is set out herein, and outlines the pricing and valuation practices, policies, and procedures which have been established and are maintained in accordance with the requirements of the Monetary Authority Rule on Calculation of Asset Values: - Regulated Mutual Funds ("NAV Rule"). Capitalised terms in this NAV Policy have the meaning given in the NAV Rule and the PPM unless otherwise defined.

This NAV Policy is designed to ensure the Net Asset Value is fair, complete, neutral and free from material error and is verifiable. This NAV Policy is consistent with the accounting principles or reporting standards used to prepare the Fund's audited financial statements.

The Net Asset Value of each of the Funds, the Sub Funds, the Classes and the Shares will be determined by the Manager as at the Close of Business on each Dealing Day in accordance with the principles set out in the Articles of Association and in accordance with International Financial Reporting Standards ("IFRS"). The NAV Policy complies with the NAV Rule to publish the calculated Net Asset Value on at least a quarterly basis. The Net Asset Value represents the market value of all assets less all liabilities of the relevant Fund on the Dealing Day. Securities for which market quotations are not readily available are valued at their fair value using methods which are in accordance with IFRS and which have been approved by the Manager. The Directors and the Manager may calculate or assist in the calculation of the Net Asset Value, as such are best placed to provide that information given their knowledge and skills in assessing values of the relevant assets and liabilities. There is a conflict of interest in the involvement of the Directors and the Manager in their role in so doing. Subject to the approval of the Directors, the Manager may depart from the normal valuation principles if the Manager, in good faith, believes that the use of a different valuation principle or principles is appropriate. Securities which trade on a public stock exchange are usually valued at their closing price on that exchange. However, fair value pricing will be used if this price is not a true reflection of the value of a security or is affected



by events which occur after the closing of the market where the security is principally traded. Unless otherwise specified in the NAV Policy, the pricing information used in calculating the Net Asset Value will be sourced in accordance with IFRS and any exceptions to the disclosed source of pricing information will be escalated from the relevant Service Provider to the Directors for consideration and determination as they deem appropriate in the circumstances.

The NAV Policy may deviate from the said accounting principles or reporting standards and Shareholders will be notified by disclosure in the Funds' audited financial statements or as deemed necessary by the Directors when such has a material effect on Net Asset Value.

Unless otherwise specified in this NAV Policy, the Funds will value the securities within their portfolio(s) by giving priority to unadjusted market prices, and for Hard-to-Value Securities, priority be given to valuation inputs that are directly observable (i.e. those derived from market data, including publicly available information about events and transactions or reflective of assumptions that market participants would use) with the lowest priority being given to inputs that are unobservable (i.e. where market data is not available regarding the assumptions that market participants would use).

To the extent Pricing Models are used, the Funds may use such to determine a Fair Value for Hard-to-Value securities. In applying a pricing model the Funds shall take into account all information which is reasonably available at the Valuation Point that would be considered by a market participant in the application of their pricing models but need not undertake exhaustive efforts to obtain that information.

Whenever prices are provided or sourced by the Directors or the Manager, the Directors or the Manager must also provide any supporting information that is used to determine the prices and the Administrator must take steps that are reasonable and proportionate to the risk of material error or bias to verify the facts on which the prices are determined and the appropriateness of the provided price to the extent reasonably possible.

There are inherent limitations of the Net Asset Value calculation policy caused by system error, oversight, breakdowns in processes, a lack of information, exchanges communicating incorrect information, rapidly evolving changes to particular industries, regulatory changes and tax and accounting policies.

The subscription and redemption price for Shares are calculated by taking the Net Asset Value of a Fund, Sub Fund or Class (as the case may be) on the relevant Dealing Day and dividing it by the number of Shares of the Fund, Sub Fund or Class (as applicable) in issue or deemed to be in issue.

Subject to the approval of the Directors, the Manager may depart from the normal valuation principles if the Manager, in good faith, believes that the use of a different valuation principle or principles is appropriate.

Valuation of certain underlying securities and/or underlying funds may be provided by a member of the Scotiabank Group. The Manager may rely on such valuations without any third party verification thereof.

### **Suspension of Valuation**

The determination of net asset value of a Fund may be declared suspended by the Directors of the Funds for the whole or part of a period during which:

- (a) by reason of the closure or suspension of trading on any capital market or exchange or over the counter market or for any other reason, the Directors consider it not reasonably practicable for the investments of a Fund to be realized or disposed of or for the net asset value of all or any class of Shares to be fairly determined;
- (b) as a result of an emergency state of affairs, the reasonable disposal or sale of securities of a Fund becomes impracticable or there exist circumstances which the Directors deem will cause material harm or serious prejudice to a Fund or the Fund's shareholders;
- (c) there is a breakdown in the means normally employed by the Directors in ascertaining the value of assets or for any other reason the Directors consider that they cannot ascertain the value of assets of a Fund during the valuation process on the Dealing Day;  
or
- (d) the Directors deem it impracticable to transfer moneys of or for a Fund at applicable exchange rates at any time.

Any such suspension shall be notified to the Cayman Islands Stock Exchange and publicized by the Fund(s) in such manner as the Directors may think fit and shall take effect at such time as the Directors shall declare, but not later than as at the Close of Business on the Business Day next following such declaration. Thereafter there shall be no determination of the net asset value of the Fund(s) until the Directors shall declare the suspension at an end, except that the suspension shall terminate, in any event, on the first Business Day on which:

- (a) the condition giving rise to the suspension shall have ceased to exist; and
- (b) no other condition under which suspension is authorized shall exist.

During any suspension of valuation, the subscription and redemption of Shares will also be suspended for the Fund(s) and any unprocessed redemption requests may be withdrawn in writing during the period of suspension.

### **FEES, CHARGES AND EXPENSES**

The following sections list the fees and expenses that you may have to pay when you invest in the Funds. As a shareholder, you may have to pay some of these fees and expenses directly. The Funds may also have to pay some of these fees and expenses, which will therefore reduce the value of your investment in the Funds.

## Fees and Expenses Payable by the Fund

### *Management Fee*

The Funds pay a management fee to the Manager for some classes of Shares. Management fees for other classes are paid directly by the shareholders (see "Fees and Expenses Payable Directly by the Shareholders" later in this document). The management fee paid by the Funds are paid out of the assets of the Funds in consideration for providing general management services, including covering the fees of the Funds' Portfolio Manager and any other person to whom such functions are delegated by the Manager, along with all investment related direct expenses. The Manager may also pay trailing commissions to Distributors out of the management fees.

Management fees paid directly by classes of Shares of the Funds are calculated and accrued daily and paid monthly. The maximum annual management fee rate for each class of Shares, which is a percentage of the net asset value of the applicable class of Shares, is set out below. A new class of Shares of the Funds may be subject to different management fees

Fund Name	Class A* (%) up to	Class F (%) up to	Class I (%) up to	Class K (%) up to	Class M (%) up to
Scotia Global Corporate Bond Fund	1.20	0.50	0.15	0.25	0.35
Scotia Global Opportunities Equity Fund	2.00	0.95	0.20	0.30	0.55

\* There is a trailer fee payable to the distributor on Class A

The Manager may choose from time to time to absorb any portion of the annual management fees on any class of Shares of the Funds.

There are no fees or remuneration paid by the Funds to the Directors of the Funds.

The prior approval of the holders of Shares will be required to increase fees or expenses chargeable to the Funds. See "Capitalization – Investment Shares" later in this document for more information on the rights attached to Shares. Contracts governing the payment of such fees and expenses to the Funds' service providers may otherwise be varied upon mutual consent of parties thereto.

### *Operating Expenses*

The Funds pay their own operating expenses. These expenses include the fees paid to the Sub-Administrator, Custodian, as well as legal fees, audit and accounting fees, portfolio transaction costs and regulatory filing fees. In addition, the Custodian and the Sub-Administrator are each entitled to be reimbursed by the Funds for all their out-of-pocket disbursements (excluding their normal overhead costs) wholly and exclusively incurred in performance of their duties for the Funds.

The Sub-Administrator and the Registrar and Transfer Agent shall be paid an aggregate annual fee, out of the assets of the Funds, of up to 0.006% of the net asset value of the Fund, calculated in accordance with the Sub-Administration Agreement, with a minimum annual fee of US\$50,000. The Sub-Administrator is also entitled to be reimbursed by the Funds for all of its out-of-pocket expenses (excluding its normal overhead costs) wholly and exclusively incurred in performance of its duties under the Sub-Administration Agreement. Prior written approval of the parties to the Sub-Administration Agreement is required to make any alternations to the fees payable to the Sub-Administrator thereunder.

The Custodian shall be paid an annual fee, out of the assets of the Funds, of up to 0.06% of the net asset value of the Funds, calculated in accordance with the Custodian Agreement. The Custodian is also entitled to be reimbursed by the Funds for all of its out-of-pocket expenses (excluding its normal overhead costs) wholly and exclusively incurred in performance of its duties under the Custodian Agreement. Prior written approval of the parties to the Custodian Agreement is required to make any alterations to the fees payable to the Custodian thereunder.

Other expenses incurred, paid or accrued by, or on behalf of, the Funds in their ordinary and usual course of business and other direct expenses of the Funds' operations will be charged to the Funds. The Funds shall also pay all extraordinary expenses relating to the operation of the Funds including, without limitation, litigation or extraordinary regulatory expenses.

Each class of Shares of the Funds is responsible for its proportionate share of common Fund expenses in addition to expenses it incurs alone.

No reimbursement will be made to the Manager for any expenses incurred by the Manager for providing or arranging for the provision of investment management services, such as communication, travel, office rent and research.

The Manager may choose to absorb any of these expenses at any time. Such expenses may include, but are not limited to, administrative costs (including but not limited to the cost of printing and distributing periodic reports and statements), interest on borrowed funds, auditing expenses, legal expenses, insurance, licensing, accounting, fees and disbursements of transfer agents, registrars, custodians, sub-custodians and escrow agents and the annual registration fees payable in the Cayman Islands and any other jurisdiction where the Funds may be registered from time to time.

#### *Investment in Other Mutual Funds*

The Funds may invest in other mutual funds ("**underlying funds**"). Such investments will be affected on the terms set out in respective fund purchase agreements or subscription agreements between the Funds and the underlying funds. Any income or distributions on securities of an underlying fund held by the Fund(s) will be, at Fund's discretion, either reinvested into the same underlying fund or paid in cash to the Fund.

Generally, an underlying fund pays its own fees and expenses, which are in addition to the fees and expenses payable by the Fund that invests in the underlying funds.

No management or incentive fees are payable by the Funds if the payment of those fees could reasonably be perceived as a duplication of fees payable by an underlying fund managed by the Manager or Affiliate of the Manager for the same services.

No sales or redemption fees are payable by the Funds when they buy or sell securities of an underlying fund that is managed by the Manager or one of its affiliates or associates or if the payment of these fees could reasonably be perceived as a duplication of fees paid by an investor in the Funds.

### **Fees and Expenses Payable Directly by Shareholders**

#### *Management Fees*

The management fees for Class I Shares of the Fund are paid directly by Class I shareholders, respectively. Class I shareholders negotiate a separate management fee that is paid directly to the Manager. The management fees paid by Class I shareholders are accrued daily based on the aggregate daily net asset value of Class I Shares of the Fund held by a shareholder at the end of each Business Day and paid quarterly by shareholders to the Manager, plus applicable taxes, by direct billing or, if requested by a shareholder, through an automatic redemption by the Manager of the applicable number of Shares of the Fund held by the shareholder. The redemption proceeds therefrom will be applied by the Manager to the payment of the management fees and applicable taxes, if any.

#### *Sales Charges*

An initial sales charge of up to 5% of the total amount paid by subscribers in Class A Shares of the Fund may be deducted by the Manager and paid as a commission to the authorized Distributor. Sales charges are negotiable between the shareholder and the authorized Distributor. The net subscription amount, after deduction of the initial sales charge, if any, will be invested in the Fund, if and only if, the subscription order is accepted.

Subscribers in Class I Shares of the Fund pay no sales charges to the Manager when buying or selling. Sales charges on Class I Shares are negotiable between the shareholder and the authorized Distributor. The net amount, after deduction of the fees, if any, will be invested in the Fund.

#### *Short-Term Trading Fees*

Shares that are redeemed or exchanged within 90 days of purchase may be subject to a redemption fee of up to 2% of the redemption amount, payable back to the Fund, at the discretion of the Manager.

### **DISTRIBUTION POLICY**

It is not the present intention that any Classes of Shares of the Funds will make any distributions of income or capital gains by way of dividends. Accordingly, the purchase of such Classes may not be a suitable investment for Shareholders seeking regular cash distributions. Income and net

realized capital gains will be reflected in the Net Asset Value of the Shares of each Fund. However the Directors of each Fund may authorize dividends in their complete and unfettered discretion from time to time.

## CAPITALIZATION

The authorized share capital of each of the Funds is comprised of 100 Governance Shares of par value US\$1.00 each and 100,000,000 Investment Shares of par value US\$0.01 each.

The issued share capital of the Funds at the most recent financial year-end is disclosed in the Fund's financial statements. See "Documents for Inspection" later in this document for more information.

In the event of the Shares being fully subscribed, the holder of the Governance Shares may pass a resolution increasing the authorized share capital by creating additional Shares or additional classes of Shares which may then be offered for subscription.

### Governance Shares

The Governance Shares of the Funds:

- (i) rank *pari passu* as between and among themselves;
- (ii) have full voting rights, with one vote for each such Share, save and except for the voting rights expressly given to the Shares;
- (iii) do not have any ownership participation in, and shall not be entitled to any of the benefits or rewards or bear any of the risks derived from, the assets and liabilities of the Funds; and
- (iv) apart from their voting rights, have no economic rights or entitlements save for the right on a winding up to the repayment of the capital paid thereon after all the Shares have been repaid in full.

The Governance Shares are accordingly not taken into account in determining the net asset value of the Shares. All of the Governance Shares of the Funds are held by Scotiabank & Trust (Cayman) Ltd., the Manager and Administrator of the Funds.

### Investment Shares

The Shares of the Funds have been designated as "Investment Shares". The Investment Shares of a Fund shall:

- (i) together collectively comprise a 100% ownership participation in, and shall be entitled to all of the benefits and rewards and bear all of the risks derived from, the assets and liabilities of that Fund, and shall each individually comprise an aliquot portion of such benefits, rewards and risks;

- (ii) be non-voting and carry no voting rights on any matters (and the members holding the same shall not be entitled to attend or vote at general meetings of the Fund), save and except that the holders of Shares in the Fund shall be entitled to attend and vote at general meetings of such Fund convened to consider the following matters with respect to the Fund, which matters shall require the approval of a majority of the votes cast at such meetings:
  - (A) a change to the Manager or sub-manager of the Fund, where the successor in each case is not an affiliate of the existing Manager or sub-manager;
  - (B) a change to the fundamental investment objectives of the Fund;
  - (C) a change to the auditor of the Fund;
  - (D) a change to the methodology used to calculate the net asset value per Share of the Fund;
  - (E) an increase in fees or expenses charged to the Fund, including, but not limited to, an increase in management fees for such Fund; and
  - (F) the suspension and/or termination of the Fund.
- (iii) carry the right to participate in distributions of the Fund (subject only to the return of the par value of the Governance Shares in the event of liquidation).

The rights and conditions attached to Shares of the Funds may be varied from time to time by a resolution of the Board of Directors of the Funds, save and except that no variation may be made to the rights set out above in sub-paragraph (ii), without compliance with the approval requirements contained therein.

The Shares do not carry any pre-emptive rights.

## TAXATION

The Cayman Islands impose no taxes on income, or capital gains, nor are Shareholders subject to any taxes in the Cayman Islands on income, capital gains, inheritance, wealth or capital transfer or other taxes, as a result of holding such Shares as at the date hereof. The Funds have obtained a written exemption from the Government of the Cayman Islands that, for a period of twenty years from the date of the exemption, no tax hereafter introduced on profits, income, gains or appreciation, or by way of estate duty or inheritance tax would apply to the Funds or their Shares.

No stamp duty is levied by the Government of the Cayman Islands on the issue, transfer or redemption of Shares. No withholding taxes are payable in the Cayman Islands on dividends or other distributions or on redemptions of Shares.

There are no exchange controls and no other restrictions on the transfer of funds to and from the Cayman Islands as at the date hereof.

### **US and UK Tax Withholding and Reporting**

The Foreign Account Tax Compliance Act provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010 (or "**FATCA**") impose a new reporting regime and, potentially, a 30% withholding tax with respect to (i) certain payments from sources within the United States (such as interest and dividends), (ii) gross proceeds from the sale or disposition of property that can produce U.S. source interest or dividends, (iii) "foreign passthrough payments" made to certain non-U.S. financial institutions that do not comply with this new reporting regime, and (iv) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution.

The Cayman Islands has signed a Model 1 inter-governmental agreement with the United States (the "**Cayman Islands – U.S. IGA**") to give effect to the implementation of FATCA. Cayman Islands financial institutions ("**FIs**") that comply with the requirements of the Cayman Islands – U.S. IGA will be treated as satisfying the due diligence and reporting requirements of FATCA and accordingly will be treated as participating foreign financial institutions for the purposes of FATCA. As such, those FIs will be "deemed compliant" with the requirements of FATCA, will not be subject to withholding tax, and will not be required to close recalcitrant accounts.

Under the terms of the Cayman Islands – U.S. IGA and the relevant regulations, FATCA withholding tax will not be imposed on payments made to the Funds, or on payments made by the Funds to an account holder, except to the extent that the Funds, their investors or any other account holder fails to comply with its obligations under FATCA or the Cayman Islands – U.S. IGA, or otherwise fails to comply with any other obligations it may have to the Funds with respect to the Funds' obligations under FATCA or the Cayman Islands – U.S. IGA, as applicable. If subject to withholding or required to withhold, such FATCA withholding tax will generally be at the rate of 30% of the relevant payment.

The Fund may be subject to the requirements imposed on foreign financial institutions or passive non-financial foreign entities under FATCA and will use reasonable efforts to avoid the imposition of a withholding tax under FATCA, which may include entering into an agreement with the IRS. In this event, a Shareholder will be required to provide any information, tax documentation and waivers that the Fund determines are necessary to avoid the imposition of such withholding tax. The ability of the Fund to satisfy such obligations will depend on each Shareholder providing, or causing to be provided, any information, tax documentation and waivers, including information concerning the direct or indirect owners of such Shareholder, that the Fund determines are necessary to satisfy such obligations. The Shareholder understands that the Directors may compulsorily redeem the Shares of any Shareholder who does not provide this information. Furthermore, if the Shareholder fails to provide such information upon request, the Shareholder acknowledges and agrees that the Fund may specially allocate any



withholding penalties or other costs or expenses incurred by the Fund to the Shares held by the Shareholder.

Companion provisions of FATCA may require individual holders of Shares to annually report with their U.S. federal income tax returns certain information with respect to the Shares issued by the Fund (a "specified foreign financial asset") on IRS Form 8938 ("Statement of Specified Foreign Financial Assets").

The Cayman Islands has also signed a separate inter-governmental agreement with the United Kingdom (the "**Cayman Islands – UK IGA**") in broadly similar form to that described above. The Cayman Islands - UK IGA imposes similar requirements, so the Funds will be required to identify accounts held directly or indirectly by "UK Persons" and report information on such UK Persons to the Cayman Islands tax authorities, which will exchange such information annually with the United Kingdom's tax authority.

The Cayman Islands has also implemented the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard (the "CRS") which was effective from January 1 2016. The CRS requires "financial institutions" (such as the Funds) to identify, and report information in respect of, specified persons in the jurisdictions which sign and implement the CRS. In 2017, the UK will adopt the CRS and the Cayman Islands - UK IGA will be subsumed into such legislation.

In the future, the Cayman Islands may enter into further inter-governmental agreements, similar to those described above, with other third countries to introduce similar regimes for reporting to such third countries fiscal authorities. This summary does not address all of the provisions of FATCA and/ or CRS or other Reporting Requirements that might be applicable to the Fund, or a particular Shareholder. Moreover, changes in applicable tax and regulatory laws after the date of this Prospectus may alter anticipated tax consequences or the matters referred to in this summary. None of the Fund, the Investment Advisor, or any of their respective officers, directors, employees, agents, accountants, counsel or consultants assumes any responsibility for the tax consequences to any Shareholder of an investment in the Fund.

Shareholders should consult their own tax advisors regarding FATCA, and CRS and any equivalent or similar regime and the possible implications of such rules for their investments in the Fund.

An investment in the Fund could result in significant adverse tax consequences for U.S. Shareholders and or U.K. Shareholders or other Shareholders resident in a DRS participating foreign jurisdiction, which are not discussed herein. Accordingly, such persons should not invest in the Fund without first consulting their tax advisors

#### **Securityholder Consent to Disclosure**

Pursuant to the FATCA rules effective July 1, 2014 (see "US and UK Tax Withholding and Reporting" above), the Funds may be required to provide identity, residency and certain other information of securityholders who are US persons or provide information on accounts held by certain other persons or entities to the US tax authority in order to avoid a 30% US withholding

tax from being imposed on US source income such as interest, dividends and proceeds from the sale or disposition of property that can produce US source income and on distributions made by the funds.

By investing in the Funds and, through an authorized Dealer, providing the Manager with your identity and residency information you will be deemed to have consented to the Funds' disclosures of such information to the US and UK tax authority and have acknowledged that:

- (i) the Funds (or its Administrator or Manager) may be required to disclose to the tax authorities in the Funds' jurisdiction certain confidential information in relation to the investor (or its Beneficial<sup>1</sup> Owners and Controlling Persons<sup>2</sup>), including but not limited to the investor's name, address, tax identification number (if any), social security number (if any) and certain information relating to the investor's investment;
- (ii) these tax authorities may be required to automatically exchange information as outlined above with the Internal Revenue Service ("IRS") of the United States, the equivalent UK tax authorities and other foreign fiscal authorities;
- (iii) the Funds (or the Administrator or Manager) may be required to disclose to the IRS, the equivalent UK tax authorities and other foreign fiscal authorities certain confidential information when registering with such authorities and if such authorities contact any one of the Funds (or the Administrator or Manager directly) with further enquiries;
- (iv) the Funds may require the investor to provide additional information and/or documentation which the Funds may be required to disclose to the tax authorities in the Cayman Islands;
- (v) in the event an investor does not provide the requested information and/or documentation or provides incorrect information or documents, whether or not that actually leads to compliance failures by the Funds, or a risk of the Funds or its investors being subject to withholding tax under the relevant legislative or inter-governmental agreement, the Funds reserves the right to take any action and/or pursue all remedies at its disposal including, without limitation, determining the investor to be a FATCA U.S. Person and/or compulsory redemption of the investor concerned with any losses or damages suffered by the Funds to be deducted from the redemption price or otherwise as the Funds determine; and
- (vi) no investor (or its Beneficial Owners and / or Controlling Persons) affected by any such action or remedy shall have any claim against the Funds (or the Administrator or Manager) for any form of damages or liability as a result of actions taken or remedies pursued by or on behalf of the Funds in order to comply with current or any future inter-governmental agreements, or any of the relevant underlying legislation.

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<sup>1</sup> This means the natural persons with more than 10% interest by vote or value in the entity.

<sup>2</sup> This means the natural persons who exercise control over the entity (directors, trustees and powers of attorney).

Other jurisdictions may impose similar requirements.

All prospective investors and Shareholders should consult with their own tax advisors regarding the possible implications of FATCA and the CRS on their investment in the Fund.

### **General**

The above information is general information only given at the date hereof and does not constitute any form of tax advice or directions to any shareholder of the Funds. Subscribers should consult their own professional advisors on the possible tax, regulatory or exchange control consequences in all relevant jurisdictions, of acquiring, holding, redeeming or selling Shares.

## **FINANCIAL INFORMATION ABOUT THE FUND**

### **Financial Statements and Annual Reporting**

The Funds will prepare annual financial statements in accordance with IFRS. The financial statements will be audited by the Funds' auditor in accordance with International Standards on Auditing.

The audited annual financial statements of the Funds will normally be available to the shareholders within 90 days of the end of each financial year. Copies of the most recent audited financial statements of the Funds can be obtained by shareholders from the Manager. They will also be available for inspection by shareholders during business hours at the office of the Manager. The financial year-end of the Funds is December 31<sup>st</sup>.

### **Quarterly Statements**

Each shareholder will be sent quarterly statements showing the number and the net asset value of the shareholder's Shares in the Fund.

### **Borrowings, Loan Capital and Contingent Liabilities**

As at the date hereof, the Funds do not have any outstanding loan capital or loans made to them, any other borrowings or indebtedness, or any outstanding contingent liabilities or guarantees.

### Net Asset Values and Asset Allocation Information

The net asset value per Share of each currently available class of the Funds is published on Bloomberg. In addition, the net asset value per Share of each currently available class of the Funds may be published in local papers.

Fund fact sheets including asset allocation information for the Funds at the end of the previous calendar month will be available on our website at <http://ky.scotiabank.com>.

### INSPECTION OF DOCUMENTS

Copies of the following documents are available from the Manager or may be inspected during usual business hours at the offices of the Manager in the Cayman Islands :

- (a) the Memorandum of Association and Articles of Association of the Funds;
- (b) the agreements appointing the Manager and Administrator, the Distributor, the Portfolio Manager, the Administrator, the Sub-Administrator and the Custodian in respect of the Funds;
- (c) the most recent Prospectus; and
- (d) the most recent audited financial statements of the Funds.

Subscribers for Shares are invited to review any publicly available materials relating to the Funds and any other matters regarding this Prospectus, except for proprietary information about the Funds, the Manager, the Portfolio Manager or other Scotiabank Group.

### ADDITIONAL DISCLOSURES

#### Cayman Islands Mutual Funds Law

The Funds fall within the definition of a “mutual fund” in terms of the Mutual Funds Act (as revised) of the Cayman Islands (the “**MF Act**”) and accordingly are regulated in terms of the MF Act. The Funds employ a licensed mutual fund administrator to provide a principal office in the Cayman Islands. Accordingly, the obligations of the Funds are: (a) to register with the Managing Director of the Cayman Islands Monetary Authority (the “**Monetary Authority**”) in accordance with terms of the MF Act; (b) to file with the Monetary Authority prescribed details of this Prospectus and any material change to it; (c) to file annually with the Monetary Authority accounts audited by an approved auditor within six months of the financial year end; and (d) to pay a prescribed registration fee and annual fee. Further, as the Funds are a mutual fund under the MF Act the Directors of the Funds must comply with the Director Registration and Licensing Law 2014.

The Monetary Authority may at any time instruct the Funds to have its accounts audited and to submit them to the Monetary Authority within such time as the Monetary Authority specifies. In addition, the Monetary Authority may ask the Directors of the Funds to give the Monetary Authority such information or such explanation in respect of the Funds as the Monetary

Authority may reasonably require to enable it to carry out its duty under the MF Act. The Directors of the Funds must give the Monetary Authority access to or provide at any reasonable time all records relating to the Funds and the Monetary Authority may copy or take an extract of a record to which it is given access. Failure to comply with these requests by the Monetary Authority may result in substantial fines being imposed on the Directors of the Funds and may result in the Monetary Authority applying to the court to have the Funds wound up.

The Monetary Authority may take certain actions if it is satisfied that a regulated mutual fund is likely to become unable to meet its obligations as they fall due or is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors. The powers of the Monetary Authority include, inter alia, the power to require the substitution of the Directors, to appoint a person to advise the Funds on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Funds. There are other remedies available to the Monetary Authority, including the ability to apply to the court for approval of other actions.

Registration under the MF Act does not involve a detailed examination of the merits of the Funds, or substantive supervision of the investment performance of the Funds by the Cayman Islands Government or the Monetary Authority. There is no financial obligation or compensation scheme imposed on or by the government of the Cayman Islands in favor of or available to the investors in the Funds.

A mutual fund licence issued or a fund registered by the Monetary Authority does not constitute an obligation of the authority to any investor as to the performance or creditworthiness of the Fund. Furthermore, in issuing such a licence or in registering a fund, the Authority shall not be liable for any losses or default of the fund or for the correctness of any opinions or statements expressed in any prospectus or offering document.

### Cayman Islands Anti-Money Laundering Regulations

In order to comply with regulations aimed at the prevention of money laundering, the Funds will require verification of identity from all prospective investors (unless the Funds are satisfied in any given case that an exemption under the Money Laundering Regulations (as revised) of the Cayman Islands (the “**Regulations**”) applies). Depending on the circumstances of each subscription, a detailed verification might not be required where:

- (a) a prospective shareholder makes the payment for its investment from an account held in the prospective shareholder’s name at a recognised financial institution;
- (b) the prospective shareholder is regulated by a recognised regulatory authority and is based or incorporated in, or formed under the law of, a recognised jurisdiction; or
- (c) the subscription is made through an intermediary which is regulated by a recognised regulatory authority and is based or incorporated in, or formed under the law of, a recognised jurisdiction.

For the purposes of these exceptions, recognition of a financial institution, regulatory authority or jurisdiction will be determined in accordance with the Regulations by reference to those jurisdictions recognised by the Cayman Islands as having sufficient anti-money laundering regulations.

The Funds reserve the right to request such information as is necessary to verify the identity of a prospective shareholder. In the event of delay or failure by the prospective shareholder to produce any information required for verification purposes, the Funds may refuse to accept the subscription for Shares and, if so, any funds received will be returned without interest to the account from which the monies were originally debited.

If any person resident in the Cayman Islands knows or suspects or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct or is involved with terrorism or terrorist property and the information for that knowledge or suspicion came to their attention in the course of business in the regulated sector, or other trade, profession, business or employment, the person will be required to report such knowledge or suspicion to (i) the Financial Reporting Authority of the Cayman Islands, pursuant to the Proceeds of Crime Law, Revised of the Cayman Islands if the disclosure relates to criminal conduct or money laundering or (ii) a police constable not below the rank of inspector, or the Financial Reporting Authority, pursuant to the Terrorism Law (Revised) of the Cayman Islands, if the disclosure relates to involvement with terrorism or terrorist financing and property. Such a report shall not be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by any enactment or otherwise.

By purchasing any of the Funds, you consent to your financial institution and advisor releasing such documents or information required by the regulators in the Cayman Islands and/or any other pertinent jurisdiction(s) where the Funds may be registered and/or purchased in order to comply with global standards of AML best practices.

### **Cayman Islands Anti-Money Laundering Regulations**

In order to comply with regulations aimed at the prevention of money laundering, the Funds will require verification of identity from all Subscribers. The Funds reserve the right to request such information as is necessary to verify the identity of a Subscriber. In the event of delay or failure by the Subscriber to produce any information required for verification purposes, the Fund may refuse to accept the subscription for Shares and, if so, any funds received will be returned without interest to the account from which the monies were originally debited.

If any person who is resident in the Cayman Islands has a knowledge or suspicion or reasonable grounds for knowledge or suspicion obtained in the course of business that any other person is engaged in money laundering, that person is required to report such knowledge or suspicion pursuant to the Proceeds of Crime Law (as amended) of the Cayman Islands and such reports shall not be treated as a breach of any restriction upon the disclosure of information imposed by any enactment or otherwise.

The Funds have appointed a Compliance Officer (“CO”), Money Laundering Reporting Officer (“MLRO”), and Deputy Money Laundering Reporting Officer (“DMLRO”) of the Funds (collectively, “Officers”). The Officers shall carry out their functions in accordance with the laws of the Cayman Islands.

The CO shall act as point of contact with CIMA, respond to the competent authorities requests for information relating to the Funds’ Anti-Money Laundering Program, provide Anti-Money Laundering/Counter Terrorist Financing (“AML/CTF”) compliance oversight of the Funds’ activities (including the Funds’ investment activity as well as investor-related anti-money laundering issues), establish and maintain appropriate systems and controls (including documented policies and procedures) to ensure compliance with Cayman AML/CTF laws/regulations, oversee audits/testing of the Administrator’s AML/CTF program and KYC documentation, ensure procedures are in place and employees are aware of procedures for the reporting of suspicious activity to the MLRO/DMLRO, maintain logs/records relating to specified scenarios such as rejection of subscriptions, investor account freezes and enhanced due diligence on politically exposed persons and other high risk investors, advise the Directors of AML/CTF compliance issues that need to be brought to its attention and report periodically to the Directors regarding the state of the Funds’ AML/CTF program and controls.

The MLRO shall receive internal suspicious activity reports presented by the Funds, the Administrator or the Manager’s staff or other service providers of the Funds as applicable and considering any such report in light of all other relevant information for the purpose of determining whether or not the information or other matter contained in the report gives rise to knowledge or suspicion of criminal conduct pursuant to the Anti-Money Laundering Regulations (as revised), the Proceeds of Crime Law (as revised) and the Guidance Notes on the Prevention and Detection of Money Laundering (as revised), file suspicious activity reports with the Financial Reporting Authority (“FRA”) as required, maintain a log of all reports of suspicious activity (including where the filing of a suspicious activity report is not deemed necessary or appropriate), keep the Directors informed of all internal reports of suspicious activity and suspicious activity reports filed with the FRA, to the extent permitted by law and regulation.

In the absence of the MLRO, the DMLRO will be the final decision maker as to whether to file a suspicious activity report.

The Officers are subject to change without prior consent or notice to the Shareholders.

Shareholders may request the Funds provide further particulars of the Officers.

### **Cayman Islands Ultimate Beneficial Ownership Requirements**

The Cayman Islands introduced a requirement for reporting of the ultimate beneficial owner of interests in Cayman Islands entities, consistent with global initiatives to increase transparency. Cayman Islands entities are obtaining information from their investors on the beneficial owners which is reported by secure portal to the Cayman Islands authorities.

The Funds are out of scope and hence not required to identify its beneficial owners. However, circumstances may change and in the future, the Funds may be required to liaise with Shareholders to obtain information.

### **Cayman Islands Economic Substance Act**

As a result of the OECD'S global Base Erosion and Profit Shifting initiative and the EU Code of Conduct Group substance requirements, the Cayman Islands has enacted The International Tax Co-operation (Economic Substance) Act (as revised) ("ES Act") and issued related Regulations and Guidance Notes. As a member of the BEPS Inclusive Framework jurisdictions, the Cayman Islands is committed to meeting substantial activities requirements put in place by the OECD Forum on Harmful Tax Practices. Similar legislation has been introduced in numerous jurisdictions, including the Channel Islands and the British Virgin Islands. Under the ES Act, certain vehicles formed or registered in the Cayman Islands are required to have economic substance in the Cayman Islands. The requirement to show economic substance is primarily aimed at preventing base erosion and profit shifting. The ES Act applies to "relevant entities". Investment funds such as the Funds are specifically excluded from the definition of relevant entity and, as such, they are not within the scope of the ES Act. The definition of "investment fund" is broad and will include a wide range of investment funds, including those that are not licensed or registered with CIMA. Accordingly, no current requirements are imposed on the Funds by the ES Act.

### **Sanctions Applicable to the Fund and the Shareholders**

The Funds are subject to laws that restrict it from dealing with entities, individuals, organisations and/or investments which are subject to applicable sanctions regimes.

Accordingly, the Funds will require a subscriber to represent and warrant, on a continuing basis, that it is not, and that to the best of its knowledge or belief its beneficial owners, controllers or authorised persons ("Designated Persons") (if any) are not: (i) named on any list of sanctioned entities or individuals maintained by the US Department of the Treasury's Office of Foreign Assets Control ("OFAC"), the US Department of the Treasury's Financial Crimes Enforcement Network ("FinCEN"), the United Nations ("UN") Security Council, or pursuant to United Kingdom ("UK") Regulations (as they are extended to the Cayman Islands by Statutory Instrument), (ii) operationally based or domiciled in a country or territory in relation to which sanctions imposed by the UN, OFAC, FinCEN and/or the UK apply, or (iii) otherwise subject to sanctions imposed by the UN, OFAC, FinCEN or the UK (including as they are extended to the Cayman Islands by Statutory Instrument) (collectively, a "Sanctions Subject").

Where the subscriber or a Designated Person is or becomes a Sanctions Subject, the Funds may be required immediately and without notice to the subscriber to inform the FRA, freeze the subscriber's accounts, monies, or economic resources, and to cease any further dealings with the subscriber and/or the subscriber's interest in the relevant Fund until the subscriber ceases to be a Sanctions Subject, or a licence is obtained under applicable law to continue such dealings (a "Sanctioned Persons Event"). The Funds, the Directors, the Administrator and the Manager shall have no liability whatsoever for any liabilities, costs, expenses, damages and/or losses (including



but not limited to any direct, indirect or consequential losses, loss of profit, loss of revenue, loss of reputation and all interest, penalties and legal costs and all other professional costs and expenses) incurred by the subscriber as a result of a Sanctioned Persons Event.

In addition, should any investment made on behalf of the Funds subsequently become subject to applicable sanctions, the Funds may immediately and without notice to the subscriber inform the FRA and cease any further dealings with that investment until the applicable sanctions are lifted or a licence is obtained under applicable law to continue such dealings.

### **Cayman Islands Data Protection Act**

The Cayman Islands Data Protection Act (as revised) (“DPA”) governs the use of personal data by Cayman Islands entities. It also addresses extra-territorial storage and transfer of personal data. Under the provisions thereof, the DPA applies to the processing of personal data where the data controller is established in the Cayman Islands and the personal data is processed in the context of that establishment, or where the data controller is not established in the Cayman Islands but the personal data is processed in the Cayman Islands otherwise than for the purposes of transit of the personal data through the Cayman Islands.

The DPA therefore has the potential to apply to the Funds, the Manager and/or the Administrator amongst others where the Funds are an established Cayman Islands entity and the Fund and/or its service providers process any personal data from investors.

Pursuant to the DPA, investors are entitled to certain rights with respect to the collection, storage, dissemination, and access to their personal data. Where the DPA applies to the Funds and/or their operational activities as carried out by their service providers, it will be necessary for any processing of personal data to be for a lawful purpose.

By subscribing for Shares, applicants acknowledge that the Funds may be subject to the provisions of the DPA. The Funds may rely on lawful purposes for processing of personal data such as performance of a contract, complying with a legal obligation, and/or legitimate interests for collecting, processing and storing personal data or transferring to a third party (including inter alia, the Manager and/or the Administrator) in connection with its obligations pursuant to subscription, anti-money laundering, counter-terrorist financing, automatic exchange of information compliance (for FATCA and CRS purposes) and other current or future matters, in the United States, the Cayman Islands and elsewhere. This may result in disclosure to third parties such as auditors, bankers, the relevant revenue or regulatory authorities, or agents of the Manager and/or the Administrator who process the data for anti-money laundering and counter-terrorist financing purposes or for compliance with foreign regulatory requirements or other applicable current and future requirements.

As such, the extent of processing of personal data is detailed in the Subscription Forms and in our Privacy Notice. By subscribing for Shares, the subscriber acknowledges the processing of his/her information, which may include the recording of telephone calls with the Manager and/or the Administrator for the purpose of confirming personal data, and the disclosure of his/her information as outlined above and to the Manager and/or the Administrator and where necessary or in the Funds, the Manager’s or the Administrator’s legitimate interests to their

affiliates including companies situated in countries inside or outside of the European Economic Area which may have differing levels of data Protection Acts.

### **Directors Services**

Amongst their other regulatory responsibilities, the Directors must comply with the “Rule on Corporate Governance for Regulated Entities” published by the Monetary Authority in April 2023 (the “Rule”) and observe the guidance issued by the Monetary Authority on the minimum expectations for the sound and prudent governance of a regulated fund. The guidance is set out in the "Statement of Guidance Corporate Governance - Mutual Funds and Private Funds" (the "SoG") published by the Monetary Authority in April 2023. The SoG sets out the key corporate governance principles pertaining to the Directors as a whole and to each individual Director. Whilst the SoG is stated to be a non-prescriptive and non-exhaustive guide to the Monetary Authority’s expectations with regard to the governance of a regulated fund such as the Funds, the Directors and each individual member thereof are committed to complying with the corporate governance principles and standards of conduct set out in the SoG where applicable. As required by the Rule, the Directors will meet regularly, at least annually, and be responsible for establishing, implementing and maintaining a corporate governance framework commensurate with the size, complexity, nature of business, structure, risk profile and operations of the Fund. A copy of the Fund’s conflicts of interest policy, as required by the SoG, is set out in this Prospectus.

Under the terms of the Memorandum and Articles of Association, the Directors shall be entitled, for the purpose of indemnity against actions, costs, claims, damages, expenses or demands to which they may be put as Directors in connection with the Funds (in the proper performance of its powers and duties under the Memorandum and Articles of Association), to have recourse to the assets of the Funds save in respect of any action, cost, claim, damage, expense or demand which results from any act or omission occasioned by the fraud, wilful default, dishonesty or gross negligence of the Directors.

Except in respect of loss or damage caused by the Directors’ fraud, wilful default, dishonesty or gross negligence, recourse against the Directors for loss or damage caused by their acts or omissions shall be limited to the assets of the Funds.

### **Litigation**

No litigation or claims against the Funds or initiated by the Funds are known to the Directors or Manager as at the date hereof.

### **Side Letter Supplements**

The Funds will not issue side letter supplements that grant investors the ability to override the terms of the Fund’s Prospectus with respect to their investment in the Funds.

## POTENTIAL CONFLICTS OF INTEREST

Scotiabank & Trust (Cayman) Ltd. holds all of the Governance Shares in the Funds and is the Administrator and Manager of the Funds. Scotiabank & Trust (Cayman) Ltd. carries on the business of trading in securities, including securities that would qualify for investment by the Funds, and it may from time to time as a principal enter into transactions in securities which are being purchased or sold for the account of the Funds. A similar situation could arise in respect of dealings in securities by the Manager or its affiliated companies. The Manager may also aggregate transactions entered into on behalf of the Funds with transactions entered into on behalf of itself or third parties, provided that the terms of such transactions are no less favourable to the Funds than would have been the case had the transactions not been so aggregated.

A majority of the Directors and officers of the Funds are currently either directors or senior officers employed by affiliates of the Manager. The directors of the Manager may from time to time act as directors, manager, investment advisor or distributor in relation to, or be otherwise involved in other funds or collective investment schemes which have similar investment objectives to those of the Funds. Directors may vote on proposals or contracts in which they are materially interested if they first disclose the interest. A Director shall be counted in the quorum at a meeting in relation to any resolution on which he or she is debarred from voting.

The Directors can determine their own remuneration, with or without an independent quorum. The Directors can exercise all powers to borrow money. Share capital of the Funds can be increased by ordinary resolution of the Directors of the Fund.

It is therefore possible that any of them may, in the course of their responsibilities or business, have potential conflicts of interest with the Funds. In such event, each will at all times have regard to his obligations under the Articles of Association of the Funds, the agreements between the Funds and affiliated companies of the Manager, and the obligation to act in the best interests of the shareholders of the Funds when undertaking any transactions where conflicts of interest may arise. Each will also endeavour to ensure that such conflicts are resolved fairly.

In summary, there is no prohibition on dealings in the assets of the Funds with entities related to the Directors of the Funds, the Manager, the Portfolio Manager or their affiliated companies, provided that such transactions are carried out as if effected at arm's length on normal commercial terms. Transactions will be regarded as being effected at arm's length on normal commercial terms if they are executed on terms which the Manager reasonably regards as conforming to normal commercial terms then prevailing.

## SUBSCRIPTION FORM

A Subscription Form for purchasing Shares in the Funds may be obtained from the Manager or one of its authorized Distributors.

## WINDING UP

The Funds are intended to remain in existence indefinitely.

However, the holders of Governance Shares have the power by special resolution to voluntarily wind up the Funds, except that prior approval of the shareholders of the Funds will be required to terminate and/or suspend the Funds in accordance with the powers granted to the holders of Shares under the Memorandum of Association. On the winding up of the Funds, the assets of the Funds will be liquidated, its liabilities and the costs of the winding up settled, and any surplus remaining thereafter will be distributed on a *pari passu* to the holders of Shares.

## DATES OF LICENSING/REGISTRATION

Registration/License	Date
The Funds are incorporated as Exempted Companies in the Cayman Islands with Limited Liability to enable registration as Cayman Islands Mutual Funds.	October 29, 2020

It is anticipated that in the future applications may be made to register the Fund in other jurisdictions.

## APPENDIX I - DIRECTORS

### THE FUNDS

The Directors of each Fund are as follows:

<u>Name and Country of Residence</u>	<u>Position held in Scotiabank Group</u>
Nadine Gartley, Canada	Managing Director, Product Development and Innovation, Canadian Asset Management
Sarah Hobbs; Cayman Islands	Managing Director, Scotiabank & Trust (Cayman) Ltd.
Farried Sulliman; Grenada	Independent Director
Neil MacDonald, Bahamas	Regional Wealth Management Head, CCA, International Wealth Management
Giancarlo Rossi, Canada	Vice President, International Asset Management, International Wealth Management

The profiles of the Directors are as follows:

**Nadine Gartley:** Nadine is Managing Director, Scotia Global Asset Management, accountable for product management and innovation across the retail, third party and institutional distribution channels. Appointed to this role in November 2022, Nadine is responsible for the ongoing development and innovation of the investment product platform across mutual funds, managed programs, pools, ETFs and alternative structures. Prior to this, Nadine was responsible for the strategic vision and tactical execution of investment communication and mutual fund product positioning for many of Scotia's distribution channels. Nadine joined the firm in 2005 and has over 20 years of

investment experience. She is also a CFA charterholder, a designation she has held since 2003.

**Sarah Hobbs:** Ms. Sarah Hobbs holds a Master's Degree in International Business with distinction from the University of South Carolina with concentrations in Finance and Marketing and is involved with several charitable organizations. Ms. Hobbs joined Scotiabank & Trust (Cayman) Ltd. as Vice President and Country Head of Scotiabank & Trust (Cayman) Ltd. in 2021 after serving as Managing Director for Scotiabank (Belize) Ltd. She has over two decades of experience within the Bank, and a strong understanding of the Cayman market having previously spent four years as Director of Cayman Scotia Private Client Group. Ms. Hobbs has held increasingly senior positions over her banking career across the areas of Retail Banking, Commercial Banking, Wealth Management and Operations. She has also served as Country Head for the Bank's operations in the British Virgin Islands. Ms. Hobbs' business address is the registered office of the Funds.

**Farried Sulliman:** Farried Sulliman is a former president of the Trinidad & Tobago Institute of Banking & Finance and Guyana Association of Bankers and a past Director of the Cayman Islands Bankers Association and The Cayman Islands Chamber of Commerce. He retired from the position of Managing Director, Scotiabank and Trust (Cayman) Limited in 2011 and prior to his retirement, held a number of senior executive positions at subsidiaries within the Scotiabank Group. Mr. Sulliman now serves as an external director of the Scotiabank Mutual Funds. Mr. Sulliman's business address is the registered office of the Funds.

**Neil MacDonald:** Neil MacDonald is currently the Regional Wealth Management Head, International Wealth Management for the Caribbean and Central American Region at Scotiabank. Prior to this he served as Managing Director, Product Management and Innovation at Scotia Global Asset Management, based in Toronto, and has over 15 years' experience in leadership positions within Scotiabank. Neil has a Masters in Business Administration from the Ivey School of Business, Western University, and is a CFA Charter holder. Neil currently resides in Nassau, Bahamas.

**Giancarlo Rossi:** Giancarlo Rossi is currently Vice President at Scotia Wealth Management responsible for International Asset Management & Pensions across the Caribbean and Latin America. Previously he had leadership positions at Citco Funds Services and State Street Fund Services, responsible for client service, relationship management and operational improvements for Offshore Mutual Funds and Alternative Investments. Giancarlo has a Masters Degree in Political Science from Carleton University and resides in Toronto, Canada.

The Directors are responsible for the overall management of the Funds and the Shares, including as part of the ordinary course of the Funds' business, the realisation and distribution of the assets to Shareholders in a wind down of the Funds' operations, but they have delegated certain functions as described herein. All actions referred to herein as being taken by the Funds are performed by the Directors or their delegates, including the Manager, the Administrator and any broker or custodian, as or on behalf of the Funds only.

## THE MANAGER

The Directors of the Manager are as follows:

<u>Name and Country of Residence</u>	<u>Position held in Scotiabank Group</u>
Sarah Hobbs; Cayman Islands	Vice President & Country Head, Scotiabank & Trust (Cayman) Ltd.
Roger Archer, Bahamas	Vice President & Country Head, Scotiabank (Bahamas) Limited
Jude Scott	Independent Director

The profiles of the directors of the Manager are as follows:

**Sarah Hobbs:** The details of Sarah Hobbs are set out above.

**Roger Archer:** Roger Archer holds the position of Vice President and District Head with responsibility and oversight for Scotiabank entities in The Bahamas, The Cayman Islands and the Turks and Caicos Islands, a position he has held since 2018.

Mr. Archer has worked in the financial services industry for over 30 years, including five (5) years as a Senior Regulator. Mr. Archer has held progressively senior roles within the Scotiabank, including Director Business Support within Caribbean East, comprised of nine (9) countries, and Country Head of both Grenada and Antigua. As Director of Business Support, he led structural cost transformation initiatives which created efficiencies and assisted in reducing risk within the Caribbean East business. As a

leader within the English Caribbean, Mr. Archer fostered a strong risk culture which included significantly improving asset quality and profitability of businesses. Additionally,

Mr. Archer has been instrumental influencing and leading digital transformation efforts to simplify and improve customer experiences.

Mr. Archer has a Bachelor of Science from the University of Manchester, a Bachelor of Law from the University of London and a Master of Business Administration from Manchester Business School. Mr. Archer's business address is Scotiabank Building, Managing Director's Office, Second Floor, Nassau, The Bahamas.

**Jude Scott:** Mr. Scott is an internationally respected speaker on financial services and has been featured in international media on several occasions. He has extensive experience within the financial services industry and was recently recognized by Queen Elizabeth II for services rendered to the financial services industry of the Cayman Islands by the granting of a Certificate and Badge of Honour.

Mr. Scott previously served as CEO of Cayman Finance where he led the international strategic and communication efforts to protect, promote, develop, and grow the Cayman Islands Financial Services Industry.

Mr. Scott is a Certified Public Account and retired as Audit Partner with Ernst & Young where over the course of 23 years he specialized in audits of investment funds, banks and insurance companies. He was also the Global CEO of Maples and Calder where he took an active role in the strategic growth and development of the firm.

Mr. Scott previously held directorships on the boards or committees of Cayman Airways, Cayman Finance, Ministerial Council for Tourism and Development, Cayman Islands Financial Services Council, Constitutional Commission, Cayman National Bank, Cayman Islands Stock Exchange, Education Council and Cayman Islands Society of Professional Accountants. He currently serves on the boards/committees of the YMCA, Insolvency Rules Committee and National Recovery Fund (Cayman Islands). Mr. Scott's business address is the registered office of the Funds.

Scotia Global Asset Management and Scotia Funds are the brand names under which the Scotiabank group of companies, including Scotiabank & Trust (Cayman) Ltd., markets and distributes mutual funds. <sup>TM</sup> Trademark of The Bank of Nova Scotia, used under license where applicable.