Value Partners Pools

Simplified Prospectus
dated August 6, 2026

Series A Units, Series F Units and Series O Units

of

VPI Special Opportunities Pool II, an alternative mutual fund

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

TABLE OF CONTENTS

Introductory Disclosure **1**
Responsibility for Mutual Fund Administration **1**
Manager **1**
Portfolio Adviser **3**
Brokerage Arrangements **3**
Principal Distributors **3**
Trustee **4**
Custodian **4**
Independent Auditor **5**
Registrar **5**
Prime Broker **5**
Securities Lending Agent **5**
Independent Review Committee and Fund Governance **6**
Affiliated Entities **7**
Dealer Managed Investment Funds **8**
Policies and Practices **9**
Derivatives 9
Securities Lending, Repurchase and Reverse Repurchase Transactions 9
Proxy Voting Policies 10
Remuneration of Directors, Officers and Trustees **10**
Employee Compensation 10
Independent Review Committee Compensation 10
Trustee Compensation 11
Material Contracts **11**
Legal Proceedings **11**
Designated Website **12**
Valuation of Portfolio Securities **12**
Calculation of Net Asset Value **14**
Purchases, Switches and Redemptions **14**
Description of Units 14
Purchasing Units 15
Switching Units 17
Redeeming Units 18
Suspending Your Right to Redeem Units 18
Short-Term Trading 19
Optional Services **19**
Registered Plans 19
Pre-Authorized Chequing Plan 20
Systematic Withdrawal Plan 20
Systematic Switching Plan 21
Fees and Expenses **21**
Fees and Expenses Payable by the Pool 21
Fees and Expenses Payable Directly by You 23
Management Fee Reduction Program 24
Dealer Compensation **26**

Other Kinds of Dealer Support 27
Income Tax Considerations 28
Status of the Pool 28
Income Tax Considerations for the Pool 29
Income Tax Considerations for Investors 30
For Units Held in a Registered Plan 30
For Units Not Held in a Registered Plan 31
Tax information Reporting 33
What Are Your Legal Rights? 33
Additional Information 34
Exemptions and Approvals 34
Certificate of the Pool, Manager and Promoter 35
Certificate of the Principal Distributor 36
Certificate of the Principal Distributors 37
Specific Information about VPI Special Opportunities Pool II 38
What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund? 38
What is a Mutual Fund? 38
What are the Risks of Investing in a Mutual Fund? 38
Investment Restrictions 42
Description of Securities Offered by the Mutual Fund 43
Distribution Policy 44
Name, Formation and History 44
What are the Risks of Investing in this Pool? 45
Borrowing Risk 45
Concentration Risk 45
Cybersecurity Risk 45
Derivative Risk 46
Equity Risk 47
Fixed Income Risk 47
Foreign Currency Risk 47
Foreign Market Risk 48
IPO and Market Risk 48
Issuer-Specific Changes 49
Large Redemption Risk 49
Leverage Risk 49
Liquidity Risk 49
Portfolio Turnover 50
Reliance on Manager and Track Record 50
Securities Lending, Repurchase and Reverse Repurchase Risk 50
Series Risk 50
Short Selling Risk 51
Tax Risk 51
Investment Risk Classification Methodology 53

Introductory Disclosure

This document contains selected important information to help you make an informed investment decision and to help you understand your rights as an investor.

This document is divided into two parts. The first part, pages 1 through 34 contains general information about the VPI Special Opportunities Pool II described in this document (the "Pool"). The second part, pages 38 through 53, contains specific information about the Pool.

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

- the most recently filed fund facts documents ("Fund Facts");
- the most recently filed annual financial statements, if any;
- any interim financial statements filed after those annual financial statements;
- the most recently filed annual management report of fund performance, if any;
- any interim management report of fund performance filed after that annual management report of fund performance.

These documents are incorporated by reference into this document, which means that they legally form part of this document just as if they were printed as part of this document. You can obtain a copy of these documents, at your request, and at no cost by calling 1-866-323-4235 or from your dealer.

These documents are available on the Pool's designated website at www.valuepartnersinvestments.ca or you can ask us to send them to you by emailing info@vpinvestments.ca.

These documents and other information about the Pool are also available at www.sedarplus.ca.

Responsibility for Mutual Fund Administration

Manager

Value Partners Investments Inc. ("Value Partners" or the "Manager") is the manager of the Pool pursuant to the trust agreement dated September 26, 2005, as amended (the "Trust Agreement") under which the Pool was established. All of the mutual funds managed by Value Partners, including the mutual funds offered under a separate simplified prospectus, with the Pool offered herein, are collectively referred to as the "Value Partners Pools". The registered head office of the Manager, and the situs of administration for the Pool, is located at Suite 300, 175 Hargrave, Winnipeg, Manitoba R3C 3R8. The Manager can be contacted by telephone, toll-free, at 1-866-323-4235, by fax at 1-204-949-1743 or by email at info@vpinvestments.ca. The Manager's website is www.valuepartnersinvestments.ca.

The Manager is responsible for the overall business and all of the day-to-day operations of the Pool. Except as otherwise described herein, the Manager provides such services through its employees at its offices in Winnipeg, Manitoba. In consideration of these management services, the Manager is entitled to the management fees that are payable by the Pool as described in this simplified prospectus.

The Trust Agreement gives the Manager the right to resign upon giving 90 days' notice to the Trustee. The Manager shall appoint a new manager upon its resignation subject to the approval of the unitholders, if such successor is not an affiliate of the Manager. Upon the occurrence of a terminating event, as described in the Trust Agreement, which will include a situation where the Manager resigns and does not appoint a new manager and also will include the bankruptcy or insolvency of the Manager, the Pool will be terminated and its assets distributed to securityholders. Other than in respect of a terminating event, the Manager cannot be terminated.

The name and municipality of residence and position and office held with the Manager of each of the directors and executive officers of the Manager are as follows:

Name and Municipality of Residence	**Position and Office held with the Manager**
Gregg Filmon Winnipeg, Manitoba	President, Director and Ultimate Designated Person
Paul Lawton Oak Bluff, Manitoba	Chief Operating Officer, Secretary and Director
Samuel M.R. Febbraro Ancaster, Ontario	Director and Chairperson
Nick Moumos Toronto, Ontario	Director
Jeff Van Hoeve London, Ontario	Director
Dean Bjarnarson, CPA, CA Winnipeg, Manitoba	Chief Financial Officer
Amit Sethi, CPA, CMA Winnipeg, Manitoba	Chief Compliance Officer
Stephen Norton, CPA, CMA, CIM Winnipeg, Manitoba	Executive Vice-President

Portfolio Adviser

The Manager is the portfolio manager for the Pool.

Darrin Erickson is the individual at the Manager responsible for managing the portfolio of the Pool, and analyzing potential investments and making investment decisions for the Pool. Mr. Erickson joined the Manager effective October 15, 2019.

Under the Trust Agreement, the Manager may provide directly, or may arrange for other persons or companies to provide, certain services to the Pool, including portfolio management services. The Trust Agreement may be terminated as described under "Manager" above.

Brokerage Arrangements

All decisions as to the purchase and sale of portfolio securities and all decisions as to the execution of these portfolio transactions, including the selection of market and dealer and the negotiation of commissions, where applicable, will be made by Value Partners, in its capacity as portfolio manager for the Pool. In effecting portfolio transactions, Value Partners seeks to obtain best execution of orders as required by applicable securities regulations.

To the extent that the terms offered by more than one dealer are considered by Value Partners to be comparable, Value Partners may, in its discretion, choose to purchase and sell portfolio securities from and to or through dealers who provide research, statistical and other services to Value Partners in respect of its management of the Pool.

Names of the dealer(s) that provided the Manager with the services described above in connection with the portfolio transactions for the Pool will be provided on request by contacting Value Partners at 1-866-323-4235 or at info@vpinvestments.ca.

Principal Distributors

LP Financial Planning Services Ltd. ("LP")
1000-305 Broadway
Winnipeg, MB R3C 3J7

Quadrus Investment Services Ltd. ("Quadrus")
255 Dufferin Avenue
London, Ontario N6A 4K1

IPC Investment Corporation ("IPCIC")
5015 Spectrum Way, Suite 3000,
Mississauga, Ontario L4W 0E4

IPC Securities Corporation ("IPCSC")
5015 Spectrum Way, Suite 3000,

Mississauga, Ontario L4W 0E4

LP, Quadrus, IPCIC, and IPCSC (collectively, the "Principal Distributors") are the principal distributors of the Pool in the provinces and territories in which each is registered. LP is currently registered in Alberta, British Columbia, Manitoba, New Brunswick, the Northwest Territories, Nova Scotia, Ontario and Saskatchewan. Quadrus, IPCIC, and IPCSC are currently registered in all provinces and territories of Canada. The Principal Distributors are affiliates of the Manager.

Generally, the agreement with each Principal Distributor can be terminated by the Manager or the applicable Principal Distributor by giving 90 days' written notice or in specific circumstances of default. LP's proprietary division will primarily recommend the Pool to clients, but its other dealing representatives may also recommend other services and products to clients. Each agreement between the applicable Principal Distributor and the Manager provides that the applicable Principal Distributor is a non-exclusive principal distributor and may distribute other mutual funds. The Manager may also permit other registered dealers to trade in the Pool, as participating dealers.

Generally, the Manager provides LP with marketing, educational and operational support in respect of its proprietary division as agreed with LP. The Manager also pays LP a fee for its services as Principal Distributor, which is an agreed percentage of the aggregate value of each series of units of the Pool held by clients of LP.

Trustee

RBC Investor Services Trust (the "Trustee") of Toronto, Ontario serves as trustee for the Pool pursuant to the Trust Agreement. The Trustee is responsible for holding the assets of the Pool and implementing certain directions of the Manager.

The Trustee may resign from the office of trustee in respect of the Pool upon providing 90 days' written notice to the Manager and the unitholders. The Manager may remove the Trustee at any time by notice to the Trustee and the unitholders upon providing 90 days' advance notice. If the Trustee resigns or is removed by the Manager, the Manager must forthwith appoint a successor Trustee. The Trustee holds title to the assets owned by the Pool on behalf of its unitholders. The Trustee is not an affiliate of the Manager.

Custodian

RBC Investor Services Trust (the "Custodian") of Toronto, Ontario, acts as custodian of the assets of the Pool pursuant to the Trust Agreement. RBC Investor Services Trust holds the assets of the Pool in safekeeping. The Trust Agreement gives RBC Investor Services Trust the right to appoint sub-custodians. RBC Investor Services Trust is paid a fee for acting as custodian of the Pool. RBC Investor Services Trust or its sub-custodians may use the facilities of any domestic or foreign depository or clearing agency authorized to operate a book-based system. The custodian is not an affiliate of the Manager.

Some of the Pool's qualified foreign sub-custodians act as principal sub-custodians for certain of the Pool's assets that are held outside of Canada. All qualified foreign sub custodians, including the principal sub-custodians, are each subject to the due diligence and oversight of the Custodian. The Bank of New York Mellon acts as principal sub-custodian for securities of the Pool in the USA. Citibank Europe Plc acts as principal sub-custodian for securities of the Pool in France, Italy and Netherlands. Citibank N.A., Tokyo Branch acts as principal sub-custodian for securities of the Pool in Japan. Credit Suisse AG acts as principal custodian for securities of the Pool held in Switzerland. Each of these principal sub-custodians are independent of the Manager.

Independent Auditor

KPMG LLP, Chartered Professional Accountants, Winnipeg, Manitoba is the independent auditor of the Pool. Value Partners may decide to change the auditor of the Pool, subject to compliance with disclosure requirements of securities regulators and IRC approval. Investors will not be asked to vote on this change, but will receive 60 days' advance notice of the change if the IRC approves the proposed change. KPMG LLP is not an affiliate of the Manager.

Registrar

RBC Investor Services Trust is the record-keeper for the Pool under the Trust Agreement. RBC Investor Services Trust is responsible for maintaining unitholder records. The record-keeper is not an affiliate of the Manager.

Prime Broker

The Manager, on behalf of the Pool, has entered into a prime brokerage agreement with RBC Dominion Securities Inc. (the "Prime Brokerage Agreement"). Pursuant to the terms of the Prime Brokerage Agreement, the Pool may borrow money for investment purposes in accordance with its investment objectives and strategies and in compliance with applicable law. RBC Dominion Securities Inc. is not an affiliate of the Manager.

Securities Lending Agent

The Pool does not currently engage in securities lending. In the event that the Pool engages in securities lending, the Manager will appoint RBC Investor Services Trust (the "Agent") of Toronto, Ontario as the securities lending agent for the Pool in administering the securities lending, repurchase and reverse repurchase transactions of the Pool. The Agent is not an affiliate or associate of the Manager. The Agent's duties as securities lending agent will be governed by the terms of a Securities Lending Agreement, which will be entered into by Value Partners and the Agent once the Pool commences any of such activities. The risks associated with these transactions will be managed by requiring that the agent enter into such transactions for the Pool with reputable and well-established Canadian and foreign brokers, dealers and institutions. The Agent will be required to maintain internal controls, procedures and records including a list of approved third parties based on generally accepted creditworthiness standards, transaction and credit limits for

each third party, and collateral diversification standards. Each day, the Agent will determine the market value of both the securities loaned by the Pool under a securities lending transaction or sold by the Pool under a repurchase transaction and the cash or collateral held by the Pool for such transactions. If on any day the market value of the cash or collateral is less than 102 percent of the market value of the borrowed or sold securities, then on the next day the borrower will be required to provide additional cash or collateral to the Pool to increase the collateral value to 102 percent of that market value.

The Manager and the Agent will review, at least annually, the policies and procedures described above to ensure that the risks associated with securities lending, repurchase and reverse repurchase transactions are being properly managed.

Independent Review Committee and Fund Governance

The Manager has responsibility for the governance of the Pool. Specifically, the Manager is required to act honestly, in good faith and in the best interests of the Pool and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in similar circumstances.

The Manager acts to ensure fair treatment of the unitholders of the Pool and to ensure that at all times the interests of the Pool and the unitholders are placed above personal interests of employees, officers and directors of the Manager, and each of its subsidiaries and affiliates and sub-advisers. The Manager applies the highest standards of integrity and ethical business conduct. The objective is not only to remove any potential for real conflict of interest, but also to avoid any perception of conflict. The Manager addresses any issues in the area of investments, which covers personal trading by employees, conflicts of interest, and confidentiality among departments and portfolio managers, and also addresses any issues relating to other conflicts of interest through written policies and procedures. Securities regulations require the Manager to adopt written policies and procedures describing how the Manager manages any conflicts of interest. As required by securities regulation, the Manager has referred its written policies and procedures which address the conflicts of interest it has identified within the meaning of applicable securities legislation to the Independent Review Committee for the Pool (the "IRC"). The IRC has given the Manager standing instructions to follow those policies and procedures regarding conflicts of interest.

The IRC has adopted a written charter that includes its mandate, responsibilities and functions, and the policies and procedures it will follow when performing its functions. The IRC's overall mandate is to provide impartial judgment on conflicts of interest referred to it by the Manager with a view to the best interests of the Pool. The IRC operates in accordance with securities regulations that require that all publicly offered investment funds have independent review committees. The compensation payable to, and the expenses of, the IRC are paid by the Pool.

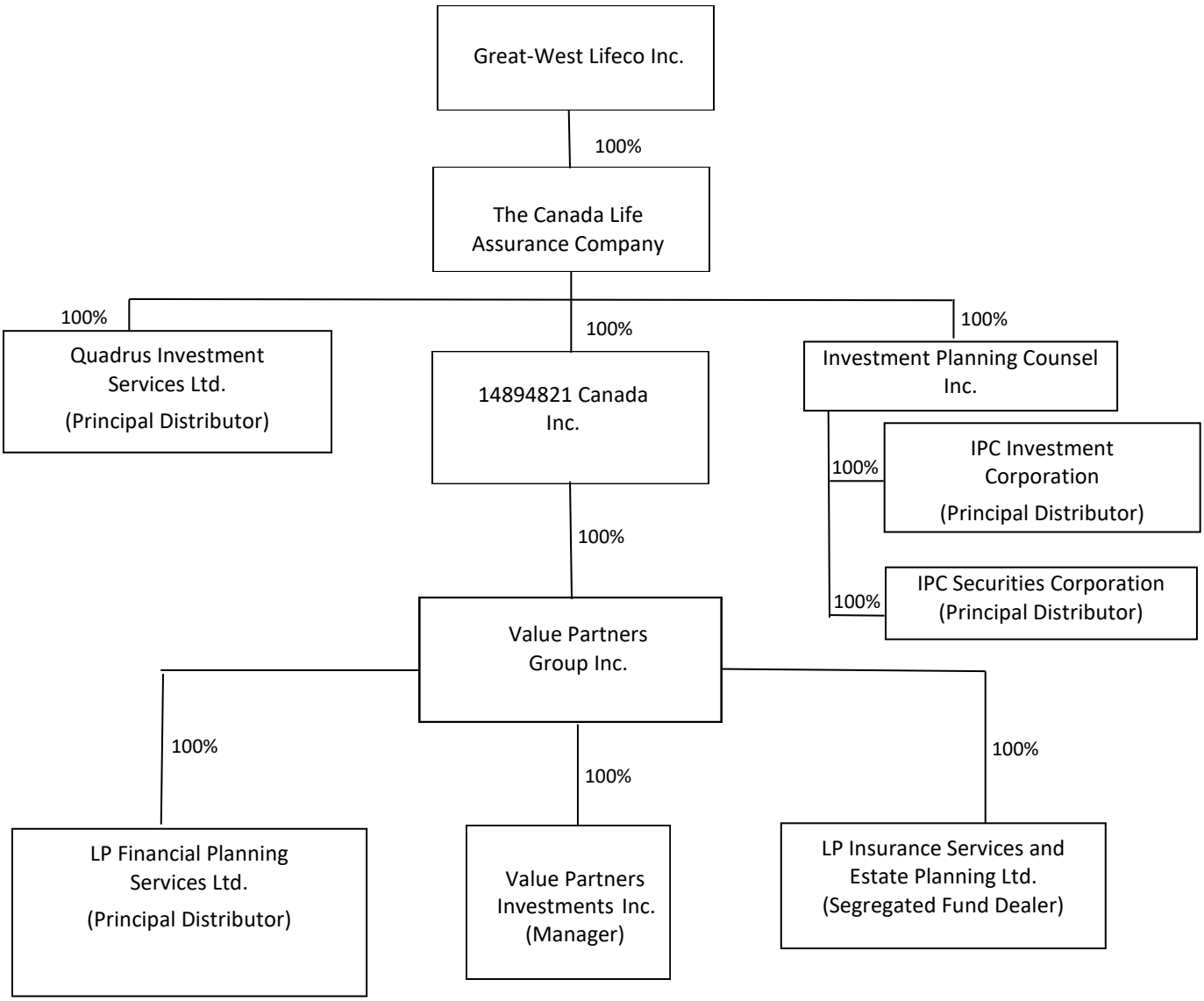
The members of the IRC are Steve Geist (Chair), Joanne De Laurentiis and Linda Currie, all of whom are independent of the Manager.

The IRC prepares, at least annually, a report of its activities for unitholders and makes such report available on the Pool's designated website at www.valuepartnersinvestments.ca, or at the unitholder's request and at no cost, by contacting the Pool at info@vpinvestments.ca.

The Manager has written policies and procedures relating to liquidity risk management, and specifically relating to measuring, assessing, and monitoring liquidity.

Affiliated Entities

The following diagram shows the persons responsible for providing important services to the Pool and how they are related:



The amount of fees received from the Pool by each company described in the above chart is contained in the audited financial statements of the Pool.

Dealer Managed Investment Funds

The Pool is a dealer managed investment fund and is, therefore, prohibited from making certain investments prescribed by National Instrument 81-102 *Investment Funds* ("NI 81-102"). Specifically, the Pool shall not knowingly make an investment in a class of securities:

1. of an issuer, during, or for 60 days after, the period in which we, or an associate or affiliate of ours, act as an underwriter in the distribution of securities of that class of securities, except as a member of the selling group distributing five percent or less of the securities underwritten; and
2. of an issuer of which a partner, director, officer or employee of ours, or a partner, director, officer or employee of an affiliate or associate of ours, is a partner, director or officer, unless the partner, director, officer or employee:
    - does not participate in the formulation of investment decisions made on behalf of the Pool;
    - does not have access before implementation to information concerning investment decisions made on behalf of the Pool; and
    - does not influence, other than through research, statistical and other reports generally available to clients, the investment decisions made on behalf of the Pool.

These restrictions do not apply to an investment in a class of securities issued or fully and unconditionally guaranteed by the government of Canada or the government of a jurisdiction.

Restriction (1) does not apply to an investment in: a class of securities of an issuer if the IRC has approved the transaction and the distribution of securities is made by prospectus or under an exemption from the prospectus requirement, a class of securities of an issuer if, during the 60 days after the period:

- the investment is made on an exchange on which the securities of the issuer are listed and traded, or
- if the security is a debt security that does not trade on an exchange, the ask price is readily available the price paid is not higher than the available ask price of the debt security at the time of the investment, and
- no later than the time the dealer managed investment fund files its annual financial statements, the Manager files the particulars of each investment made by the dealer managed investment fund during its most recently completed financial year.

Policies and Practices

Derivatives

The Pool may use derivatives from time to time as permitted by securities regulation. The decision as to the use of derivatives is made by the Manager. The Manager has written policies and procedures relating to the use of derivatives by the Pool, which set out the objectives and goals for derivatives trading and the risk management procedures applicable to derivatives trading. These policies and procedures have been established by the Manager and are reviewed at least annually by the Manager. The Manager is responsible for oversight of all derivative strategies used by the Pool. Compliance department personnel employed by the Manager review the use of derivatives as part of their ongoing review of Pool activity. Compliance personnel are not members of the investment and trading group and report to a different functional area.

Limits and controls on the use of derivatives are part of the Pool compliance regime and include reviews by analysts who ensure that the derivative positions of the Pool are within applicable policies. Risk measurements or simulations are not employed to test the portfolios of the Pool under stress conditions.

Securities Lending, Repurchase and Reverse Repurchase Transactions

The Pool may engage in securities lending, repurchase and reverse repurchase transactions as permitted by securities regulation. Securities lending, repurchase and reverse repurchase transactions enable the Pool to earn additional income and thereby enhance its performance.

A securities lending transaction involves the Pool lending securities that it owns to a third party borrower where the borrower promises to return to the Pool at a later date an equal number of the same securities and pay a fee to the Pool for borrowing the securities. While the securities are borrowed, the borrower provides the Pool with collateral consisting of a combination of cash and/or securities. A repurchase transaction involves the Pool selling securities that it owns to a third party for cash while at the same time agreeing to buy back the securities at a later date (usually at a lower price) using the cash received by the Pool from the third party. A reverse repurchase transaction involves the Pool purchasing certain types of debt securities from a third party while at the same time agreeing to sell the securities back to the third party at a later date (usually at a higher price).

When conducting securities lending, repurchase and reverse repurchase transactions, the Pool must:

- deal only with counterparties who meet generally accepted creditworthiness standards and who are unrelated to the Pool's portfolio manager, manager or trustee as defined in NI 81-102;

- hold collateral equal to a minimum of 102 percent of the market value of the securities loaned (for securities lending transactions), sold (for repurchase transactions) or purchased (for reverse repurchase transactions) as the case may be;

- adjust the amount of the collateral provided each business day to ensure the value of the collateral relative to the market value of the securities loaned, sold or purchased is not less than the minimum 102 percent limit; and

- limit the aggregate value of all securities loaned or sold through securities lending and repurchase transactions to no more than 50 percent of the net asset value ("NAV") of the Pool (without including the collateral for loaned securities and cash for sold securities).

Proxy Voting Policies

Value Partners, in its capacity as portfolio manager, has the authority to consider whether to vote and to vote any proxies received by the Pool. Value Partners will make the decisions about voting proxies according to proxy voting guidelines it has adopted.

Under its proxy voting policy, Value Partners will ensure that the best interests of the Pool and its unitholders are the primary considerations when voting proxies of companies held in the Pool's portfolio. Value Partners believes in supporting management of companies in which it invests; therefore, on most issues votes will typically be in accordance with the recommendations of the company's board of directors. However, Value Partners will generally vote against any actions that may reduce shareholder rights or shareholder value and will generally vote for any actions that are designed to protect shareholder rights if warranted. All proxies shall be reviewed and analyzed on a case by case basis by the portfolio manager(s).

The policies and procedures that Value Partners uses when voting proxies received by the Pool relating to portfolio securities are available on request, at no cost to you, by calling 1-866-323-4235 or by emailing info@vpinvestments.ca.

The Pool's proxy voting record for the most recent period ending June 30 of any year will be available free of charge to any securityholder of the Pool upon request at any time after August 31 of that year. The most recent proxy voting record for the Pool is available at www.valuepartnersinvestments.ca.

Remuneration of Directors, Officers and Trustees

Employee Compensation

The Pool does not directly employ any directors, officers or trustees to carry out operations of the Pool. The Manager, as manager of the Pool, provides or retains all personnel necessary to conduct the operations of the Pool.

Independent Review Committee Compensation

The current compensation paid to the members of the IRC consists of an annual retainer of $11,800 for each member and $12,800 for the Chair as well as a fee per additional meeting beyond the four quarterly meetings of $1,500. The compensation of the IRC is allocated

between the Value Partners Pools proportionately based on the NAV of the Value Partners Pools.

For the years ended December 31, 2024 and December 31, 2025, the aggregate compensation and expense reimbursements to the IRC by the Value Partners Pools (other than the Pool) were $36,400 and $40,900, respectively. These amounts were paid to each member of the IRC in their capacity as the independent review committee for the Value Partners Pools, as set out below:

IRC Member	Total Individual Compensation for financial year ended December 31, 2024	Total Individual Compensation for financial year ended December 31, 2025
Steve Geist	$12,800 retainer	$12,800 retainer
Joanne De Laurentiis	$11,800 retainer	$11,800 retainer
Linda Currie	$11,800 retainer	$11,800 retainer

Trustee Compensation

RBC Investor Services Trust is paid a fee for its services for acting as trustee, custodian and record-keeper of the Pool.

Material Contracts

The material contracts of the Pool are as follows:

- Trust Agreement, as amended; and
- Principal Distributor Agreements between each Principal Distributor and the Manager, as amended.

Details of these contracts are provided in the section of this simplified prospectus entitled "Responsibility for Mutual Fund Administration". Copies of the material contracts may be examined by prospective or existing unitholders at the principal office of the Manager during normal business hours.

Legal Proceedings

As of the date of this simplified prospectus, we are not aware of any ongoing material legal or administrative proceedings to which we, the Principal Distributors, or the Pool are a party.

Designated Website

A mutual fund is required to post certain regulatory disclosure documents on a designated website. The designated website of the Pool can be found at the following location: www.valuepartnersinvestments.ca.

Valuation of Portfolio Securities

In calculating the Net Asset Value (NAV) for each series of the Pool, the Trustee will value the various assets as described below. The Trustee may deviate from these valuation practices in circumstances where this would be appropriate, for example, if trading in a security is halted because of significant negative news about the company.

Type of Asset	Method of Valuation
Cash on hand, on deposit or on call, prepaid expenses, cash dividends declared and interest accrued and not yet received	Valued at full face value unless the Trustee determines any such deposit or call loan is not worth the face amount thereof, in which case the Trustee will determine a reasonable value.
Short-term investments, including notes and money market instruments	Cost plus accrued interest
Bonds, debentures and other debt obligations	Valued by taking the average of the bid and asked prices on a valuation day at such times as the Trustee in its discretion, deems appropriate.
Securities, index futures or index options thereon listed or traded on a stock exchange	Closing sale price at the Valuation Date or, if there is no closing sale price, the average between the closing bid and the closing asked price on the date on which the valuation is being determined, all as reported by any report in common use or authorized as official by a recognized stock exchange, provided that if such stock exchange is not open for trading on that date, then the last previous date on which such stock exchange was open for trading.

Securities for which a market quotation is not readily available	Fair market value as determined by the Trustee.
Securities the resale of which is restricted or limited	Valued at the lesser of the value based on reported quotations in common use and that percentage of the market value of unrestricted securities of the same class equal to the percentage that the Pool's acquisition cost was of the market value of such securities at the time of acquisition, with gradual recognition of value where the restriction lift date is known.
Purchased or written clearing corporation options, options on futures, over-the-counter options, debt-like securities and listed warrants	Valued at current market value.
Written clearing corporation options, options on futures or over-the-counter options	The premium received shall be reflected as a deferred credit valued at an amount equal to the current market value of the option required to close the position, with any difference treated as unrealized gain or loss; the deferred credit shall be deducted in calculating NAV, and the underlying securities shall be valued at current market value.
Value of futures contracts and forward contracts	Valued based on the gain or loss that would be realized if the position were closed out at the valuation time, or where daily limits apply, based on the current market value of the underlying interest.
Margin paid or deposited in respect of futures and forward contracts	Reflected as an account receivable, with non-cash margin noted as held as margin.
Assets and liabilities denominated in foreign currencies	Converted into Canadian dollars using the rate of exchange obtained from the best available sources as determined by the Trustee.

The following are liabilities of the Pool:

- all bills and accounts payable;
- all administrative expenses payable and/or accrued;
- all contractual obligations to pay money or property, including distributions the Pool has declared but not yet paid;
- allowance that the Manager has approved for taxes or contingencies;
- compensation and expenses of the Pool's Independent Review Committee; and
- all other liabilities of the Pool except liabilities to investors for outstanding units.

Calculation of Net Asset Value

The NAV per unit of each series of the Pool is determined on a daily basis as at the close of trading on the Toronto Stock Exchange (TSX) on each day on which such exchange is open for business, unless the Manager has declared a suspension of such calculations as described below under "Redeeming Units". The day on which the series NAV is calculated is referred to in this simplified prospectus as a "Valuation Date".

The NAV per unit of each series of the Pool is calculated by dividing the particular series proportionate share of the value of the net assets of the Pool (the value of the series proportionate share of the assets less the series proportionate share of the common liabilities and any series liabilities of the Pool) by the total number of units of such series of the Pool then outstanding.

The series NAV per unit is the price for all purchases of units (including the reinvestment of distributions) and for redemptions. The issue and redemption price of units of a series of the Pool is based on the series NAV per unit next determined after the request for an issue or redemption of such units is received.

When a portfolio transaction becomes binding, the transaction is included in the next calculation of the Pool's series NAV. Sales and purchases of units of the Pool are included in the next calculation of series NAV after the purchase or sale is completed.

The daily NAV and NAV per unit of the Pool is available upon request, at no cost, by contacting Value Partners at 1-866-323-4235 or at info@vpinvestments.ca.

Purchases, Switches and Redemptions

Description of Units

The Pool is authorized to have an unlimited number of series of units and may issue an unlimited number of units of each series. You can invest in the Pool by purchasing Series A units, Series F units and Series O units.

Series A units are available to all investors.

Series F units are available only to certain investors, usually those investors who have fee-based accounts with dealers which have executed a Series F agreement with Value Partners, or those investors that have an account with a discount broker (or other dealer who does not make a suitability determination).

Series O units are for investors who open a discretionary investment management account with VPIC.

Series O investors will pay a negotiated fee directly to Value Partners.

No management fees are charged to the Pool in respect of Series O units.

Portfolio management fees are charged to the Pool in respect of Series O units. Because of their different purchase options and availability, Series F units have different management fees than Series A units as described in this simplified prospectus under "Fees and Expenses".

Value Partners may decide to offer additional series of units in the future, without your consent or notice to you.

You may purchase, switch or redeem Series A and Series F units of the Pool through dealers, subject to the above-noted availability of Series F units. Series O units may be purchased, switched or redeemed through Value Partners only (or through dealers if applicable), subject to the above-noted availability of Series O units.

A unit of a particular series of the Pool can be purchased, redeemed or switched at its current series NAV. Each series of units pays its proportionate share of common fund expenses, in addition to expenses that are unique to that series. The differences in expenses and fees among the series mean that each series of the Pool has a different NAV per unit. For each series of units of the Pool, NAV per unit of that series is calculated by determining the series' proportionate share of the value of the Pool's assets, subtracting the liabilities associated with that series and then dividing the result by the number of units in that series held by investors in the Pool.

The series NAV per unit of each series of the Pool is calculated at the close of business on each day that the TSX is open.

Purchase, switch or redemption orders received by or on behalf of the Pool before 4:00 p.m. (ET) on any day that the TSX is open will be processed that day at the applicable series NAV per unit determined at the close of business on that day. Orders received after 4:00 p.m. (ET) or on a day when the TSX is not open for business will be processed the following valuation day at the applicable series NAV per unit determined at the close of business of that day. If the TSX closes earlier than 4:00 p.m. (ET) on any day, the Manager may impose an earlier deadline for receipt of orders on that day.

Purchasing Units

You can invest in Series A or Series F units of the Pool by completing a Value Partners purchase application, which can be obtained from your dealer, and by giving the completed purchase application and your money to invest in the Pool to your dealer, indicating in which series of units you wish to invest.

You can invest in Series O units of the Pool by completing a Value Partners purchase application, which can be obtained from Value Partners or your dealer (as applicable), and by giving the completed purchase application and your money to invest in the Pool directly to Value Partners or your dealer (as applicable).

To invest in Series A or Series F units of the Pool you must initially invest a minimum of $25,000 (or $10,000 for Registered Education Savings Plans), which can be invested in any one or more of the Value Partners Pools, provided that you invest at least $500 in a single series of units of the Pool. You must invest at least $50 for each subsequent investment in the Pool. Value Partners may waive these minimum purchase levels from time to time.

Series O investors that open a discretionary investment management account with VPIC are not subject to any minimum investment requirements for initial or subsequent investment in the Pool. These investors are, however, subject to minimum investment thresholds for holding a discretionary investment management account with VPIC.

Value Partners may close your account if its value falls significantly below the minimum amount noted above or the negotiated minimum amount, whether due to redemptions, switches or market fluctuations. In the event that Value Partners decides to close your account you will receive at least 60 days' advance notice so that you can make additional investments. If you do not make additional investments within those 60 days and the value of your account remains significantly below the minimum amount noted above or the negotiated minimum amount, Value Partners will redeem your account in full and send you a cheque for the full amount, less any outstanding fees that are payable by you.

Value Partners may reject your purchase order provided it is done within one business day of receiving it. Any money sent with your order will be returned to you or your dealer once the payment clears.

If your purchase order is placed in advance of forwarding your purchase money and if Value Partners does not receive your payment within one business day of processing your purchase order, Value Partners will redeem your units on the next business day. If the proceeds of that redemption are greater than the purchase payment you owe, the Pool will keep the difference. If the redemption proceeds are less than the payment you owe, the difference will be paid to the Pool on your behalf and the amount collected from your dealer, who may collect the amount from you.

LP, Quadrus, IPCIC, and IPCSC, affiliates of the Manager, act as the non-exclusive principal distributors of the Pool. See "Principal Distributors" for more information.

Series A Units

If you invest in Series A units of the Pool, you will pay a negotiated sales commission to your dealer at the time you purchase those units. The sales commission will be a percentage of the amount you invest. Value Partners will also pay trailing commissions to your dealer if you invest in Series A units. Please see "Fees and Expenses Payable Directly by You" and "

Dealer Compensation" for more information on sales and trailing commissions.

Series F Units

If you invest in Series F units of the Pool, your dealer must have signed a Series F agreement with Value Partners. To qualify for investing in Series F units, generally you must have a fee-based account with your dealer. This means that you will have agreed with your dealer on the fees that you will pay to your dealer in connection with your account with that dealer. Series F units of the Pool are also available to investors that have an account with a discount broker (or other dealer who does not make a suitability determination).

You may pay these fees (plus any applicable taxes) directly to your dealer, or you may pay these fees (plus any applicable taxes) by redeeming some of the Series F units that you own in the Pool. When these fees are paid by redeeming units, your dealer will provide Value Partners with your fee-based account agreement and the annual fee indicated in the agreement is calculated daily and paid monthly to your dealer. The payment frequency is subject to change at the discretion of Value Partners.

Value Partners does not pay a trailing commission to your dealer if you invest in Series F units.

Series O Units

Series O units of the Pool are not available to all investors. They are only available to investors who have entered into a discretionary investment management account with VPIC.

No management fees are charged to the Pool with respect to Series O units. Instead, each investor negotiates a separate fee that is paid directly to VPIC. Further, each Pool pays a fixed portfolio management fee with respect to Series O units. There is no trailing commissions paid by Value Partners on the sale of these units.

Switching Units

You can switch your investments between the Pool, by redeeming units of the Pool you own and purchasing units of another Value Partners Pool, provided that after the switch you continue to hold a minimum of $500 in each Value Partners Pool in which you hold units. You can give your switch instructions to your dealer. Switch instructions for Series O units can be given directly to Value Partners. You will not typically pay any switch fee, unless you make a switch within 30 days of purchasing the units being switched. If units are switched from the Pool within 30 days of purchasing them, you may be subject to the short-term trading fee described below under "Short-Term Trading". The switch of units of the Pool for units of another Value Partners Pool has the same tax implications for investors as for other redemptions. Please see "Income Tax Considerations for Investors" below for more information.

You can switch units of one series of the Pool for units of another series of any Value Partners Pool, provided you meet the eligibility requirements for the Series F and Series O units if you wish to switch into either of these series. The amount of your investment, less any fees, which are paid by redeeming units, will be the same after the change. You will, however, own a different number of units because each series has a different NAV per unit.

Changing units from one series to another series of the Pool will not trigger a capital gain or loss for income tax purposes.

Redeeming Units

Except for Series O units, you can redeem units of the Pool by sending your signed instructions in writing, with your signature guaranteed by a chartered bank, trust company or other acceptable financial institution, to your dealer. Instructions to redeem Series O units can be sent directly to Value Partners. If the registered owner of the units is a corporation, partnership, agent, fiduciary or surviving joint owner, Value Partners may require additional information. If you redeem your units and the value of your account falls below the minimum amount noted above, or the negotiated minimum amount, Value Partners may seek to close your account as described above.

Payment of the proceeds of the redemption of your units will be made within one business day following receipt of your redemption request in proper order. Payment will be made either by cheque or electronically. Payment by cheque will be made by first class mail to your last address that appears on the register of unitholders, unless you provide other specific instructions.

Value Partners will not charge you a redemption fee or any other charge on a redemption under normal circumstances, however you may be required to pay a short-term trading fee of 2 percent of the amount redeemed if you redeem your units within 30 days after purchasing them. This short-term trading fee will be paid to the Pool. See "Short-Term Trading" below for more information.

Suspending Your Right to Redeem Units

Value Partners may temporarily suspend your right to redeem units of the Pool and postpone payment of redemption proceeds as permitted by securities regulation:

- during any period when normal trading is suspended on any exchange on which securities or derivatives that make up more than 50 percent of the Pool's value or its underlying market exposure are traded, provided those securities or derivatives are not traded on any other exchange that is a reasonable alternative for the Pool or;

- with the approval of the Canadian securities regulators.

Value Partners will not accept orders to buy units during any period when investors' rights to sell units of the Pool have been suspended.

Your right to redeem units of the Pool may be suspended whenever the right to redeem securities is suspended for any underlying fund in which the Pool invests all of its assets directly or indirectly.

Short-Term Trading

The Pool should be considered long-term investments and Value Partners discourages investors from buying and then redeeming or switching units with excessive frequency. Excessive trading is discouraged because, among other things, this practice generates significant costs, which can reduce the Pool's returns, thereby affecting all unitholders. Excessive trading can also interfere with the long-term investment decisions of Value Partners.

Value Partners may consider you to be trading excessively, in its discretion, if:

- you send a purchase order for units of the Pool, within 90 days of redeeming units in the Pool;

- you send a switch order, other than pursuant to the systematic switching plan, for switching units of the Pool into another Value Partners Pool, within 90 days of making any other switch or purchasing those units;

- you send a redemption order, other than a systematic withdrawal, for redemption of units of the Pool within 90 days of purchasing those units, including on a switch; or

- your order to purchase, switch or redeem would disrupt the efficient and cost-effective management of the Pool.

If, using the above criteria, Value Partners determines that the investor is trading excessively, Value Partners may refuse any order to buy or switch units or if the order is not refused, charge a short-term trading fee. If Value Partners refuses an order to buy units, all moneys received with the investor's order will be returned immediately, or as soon as the payment clears. Value Partners may also charge a short-term trading fee, which will be paid to the Pool, if you redeem or switch units within 30 days of purchasing those units. While these restrictions and our monitoring attempt to deter short term trading, we cannot ensure that such trading will be completely eliminated.

Please see "Short-Term Trading Fee" under "Fees and Expenses Payable Directly by You".

Optional Services

You can take advantage of the following programs and services when you invest in the Pool.

Registered Plans

You can invest in the Pool using Canadian dollars, through any of the following registered plans, (some of which may not be available in all provinces). Value Partners or your dealer,

as applicable, can give you an application and tell you whether you can invest through a registered plan in your province:

- Registered Retirement Savings Plans (RRSPs)
- Locked-in Retirement Accounts (LIRAs)
- Locked-in Retirement Savings Plans (LRSPs)
- Registered Retirement Income Funds (RRIFs)
- Locked-in Retirement Income Funds (LRIFs)
- Life Income Funds (LIFs)
- Prescribed Retirement Income Funds (PRIFs)
- Registered Education Savings Plans (RESPs)
- Registered Disability Savings Plans (RDSPs) (self-directed RDSPs only)
- Tax-free savings accounts (TFSAs)
- First Home Savings Accounts (FHSAs)
- Restricted Life Income Funds (RLIFs)
- Restricted Locked-In Savings Plans (RLSPs)

Pre-Authorized Chequing Plan

You can make regular investments in the Pool through a pre-authorized chequing plan. You can start the plan by completing an application, which is available from Value Partners or your dealer, as applicable. Your initial and any subsequent investment must meet the minimum investment amounts as described in "Purchasing Units". You can choose to have the regular investment take place on any day of every month with a frequency of weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annually or annually. Money will automatically be transferred from your bank account to the Pool. You can change or cancel your plan at any time by giving Value Partners 48 hours advance notice.

Systematic Withdrawal Plan

You can receive regular payments from the Pool through a systematic withdrawal plan. You can start the plan by completing an application, which is available from Value Partners or your dealer, as applicable. Value Partners will redeem the necessary number of units to meet your pre-determined dollar amount. You can choose to have the redemption take place on any day of every month with a frequency of weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annually or annually. You can change or cancel your plan at any time by giving Value Partners at least 48 hours advance notice. If by entering

into a systematic withdrawal plan you will be redeeming your units within 30 business days of purchasing them, you may have to pay a short-term trading fee. See "Short-Term Trading". If the value of your account falls below the minimum amount, Value Partners may seek to close your account as described above under "Purchasing Units".

Systematic Switching Plan

You can make regular switches between the Pool and another Value Partners Pool through a systematic switching plan. You can start the plan by completing an application, which is available from Value Partners or your dealer. In accordance with your instructions, Value Partners will redeem the necessary number of units of one Value Partners Pool and purchase units of another Value Partners Pool, provided that after each switch you continue to hold a minimum of $500 in each Value Partners Pool in which you hold units. You must transfer at least $50 per systematic switch. You can choose to have the transfer take place on any day of every month with a frequency of weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annually or annually. You can change or cancel your plan at any time by giving Value Partners at least 48 hours advance notice.

Fees and Expenses

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

Fees and Expenses Payable by the Pool

Management Fees	Except for Series O units, each series of units of the Pool pays an annual management fee that is calculated based on the weighted NAV of the series, calculated daily and payable monthly. In exchange for the management fee, Value Partners manages the operations and affairs of the Pool, providing certain services to the Pool including the following: • appointing and monitoring portfolio managers for the Pool • determining the investment objectives and strategies for the Pool • dealing with the purchases and redemptions of securities of the Pool • arranging for the distribution of securities of the Pool, including the payment of any dealer compensation • engaging service providers for the Pool, including the auditor, custodian and recordkeeper, and monitoring those service providers, and negotiating and entering into all contractual arrangements on behalf of the Pool

<table>
<tr>
<td></td>
<td>

preparing and filing the prospectus and other documents for the Pool, including financial statements and tax returns
reporting to the IRC
ensuring the Pool is operating in compliance with regulatory requirements

The annual management fee charged for each series of the Pool is as follows:
<table>
<tr><th></th><th>Series A units</th><th>Series F units</th><th>Series O units</th></tr>
<tr><td>VPI Special Opportunities Pool II</td><td>2.00%</td><td>1.00%</td><td>0.00%</td></tr>
</table>
The management fee varies by series due to the purchase options available to unitholders of each series.

Fees for Series O units are negotiated and paid directly by the investor, not by the Pool, and will not exceed 2.00%.

If you own Series A or Series F units, you may be eligible for a reduced management fee as described below under “Management Fee Reduction Program”. Series O units are not eligible for this program.

Management fees are subject to applicable taxes, including HST.
</td>
</tr>
<tr>
<td>Portfolio Management Fee</td>
<td>Series O units of each Pool pay a fixed portfolio management fee that is calculated based on the weighted NAV of the series, calculated daily and payable monthly.

The annual portfolio management fee charged to Series O of the Pool is 0.30%.</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>Each series of units of the Pool pays its proportionate share of common operating expenses of the Pool, in addition to expenses that are unique to that series. Common operating expenses for the Pool include:

brokerage commissions and fees;
audit, legal and filing fees;
custodian, record-keeping, and trustee fees;
taxes;
investor servicing costs;
costs of unitholder reports, financial reporting, prospectuses, regulatory filings, and other communications.

</td>
</tr>
</table>

	The Pool also pays its proportionate share of the fees and expenses of the Value Partners Pools Independent Review Committee, which are described under *Independent Review Committee Compensation*. Value Partners may, from time to time, absorb a portion of the operating expenses of the Pool. Value Partners expects to absorb expenses so that each of the Series A and Series F units of the Pool pay maximum operating expenses of 0.5 percent of its average series NAV. Value Partners may discontinue absorbing these expenses at any time in its discretion.
Fund-of-Funds Fees and Expenses	Where the Pool invests in an underlying fund, the fees and expenses payable in connection with the management of the underlying fund are in addition to those payable by the Pool. However, no management fees or incentive fees will be payable by the Pool which, to a reasonable investor, would duplicate a fee payable by the underlying fund for the same service. In addition, the Pool will not pay sales fees or redemption fees with respect to the purchase or redemption by it of securities of an underlying fund that, to a reasonable person, would duplicate a fee payable by an investor in the Pool.

Fees and Expenses Payable Directly by You

Sales Commission – Series A units	For Series A units, you will be required to pay a sales commission to your dealer, negotiable by you up to a maximum of 4.0 percent of the amount you invest. You pay no sales commission at the time you purchase when you invest in Series F units. However, you will negotiate the fees that you will pay to your dealer for your account with that dealer if you invest in Series F units.
Switch or Redemption fees	None.
Advice and/or other services fee – Series O units	For Series O units, you pay a negotiated fee to Value Partners (if you have a discretionary managed account with VPIC).
Short-term trading fee	2 percent of the total amount you redeem, if you redeem or switch your units within 30 days of purchasing them or if Value Partners considers that you are trading excessively. See "Short-Term Trading".

Registered plan fees	None.
Pre-authorized chequing plan	None.
Systematic withdrawal plan	None.
Systematic switching plan	None.
Administrative fees	$30 if purchase cheque is returned because of insufficient funds.

Management Fee Reduction Program

The Manager offers a Management Fee Reduction Program to qualified investors in Series A and Series F units. If you qualify under this program, the management fee charged to the Pool is reduced and the Pool distributes the amount of the reduction to you by way of a management fee distribution. Management fee distributions are paid first out of net income and net realized capital gains and thereafter, out of capital. The tax consequences of management fee distributions made by the Pool generally will be borne by the investors receiving the management fee distributions. Management fee distributions are automatically reinvested in additional units of a particular series of the Pool unless negotiated otherwise. Management fee distributions are calculated and accrued daily in arrears and distributed at least quarterly by the Pool to the relevant investor.

The Management Fee Reduction Program will allow unitholders to benefit from management fee reductions of up to 0.60 percent annually. Based on the NAV of a unitholder's units in the Value Partners Pools, management fee reductions may apply to all or portions of the unitholder's aggregate investment in the Value Partners Pools. The Management Fee Reduction Program is only available to investors who have an account having a NAV of units in the Value Partners Pools in excess of $250,000 and who remain invested in any of the Value Partners Pools, for a minimum period of time as determined by Value Partners. No special instructions are required from unitholders to indicate their intent to participate in the Management Fee Reduction Program, but you must invest in Series A or Series F units of the Value Partners Pools, excluding VPI High Interest Savings Pool, to qualify. Any unitholder that meets the specified criteria will automatically receive the benefit of the applicable fee reduction.

For clarity, the NAV of a unitholder's units in VPI High Interest Savings Pool will be included when determining total account NAV for eligibility. However, no fee reduction will apply to any portion of the unitholder's investment in VPI High Interest Savings Pool.

The calculation of the average series NAV of units of the Value Partners Pools will be based on the daily aggregate of an investor's investment, on a per account basis, in the Value Partners Pools for each month of a calendar year.

The applicable fee reduction for a qualified investor with an account having a NAV of units in the Value Partners Pools in excess of $250,000, but less than $500,000, will be calculated as follows:

- the qualified investor will receive no fee reduction for the first $250,000 of the series NAV of the units of the Value Partners Pools;

- for Series A units of the Pool, the qualified investor will receive a fee reduction of up to 0.30 percent annually on the portion of the series NAV of the units of the Value Partners Pools that is greater than $250,000; and

- for Series F units of the Pool, the qualified investor will receive a fee reduction of up to 0.15 percent annually on the portion of the series NAV of the units of the Value Partners Pools that is greater than $250,000.

The applicable fee reduction for a qualified investor with an account having a NAV of units in the Value Partners Pools in excess of $500,000, but less than $1,000,000, will be calculated as follows:

- for Series A units of the Pool, the qualified investor will receive a fee reduction of up to 0.50 percent annually of the series NAV of all units of the Value Partners Pools;

- for Series F units of the Pool, the qualified investor will receive a fee reduction of up to 0.35 percent annually of the series NAV of all units of the Value Partners Pools; and

- Series O units are not eligible for the Management Fee Reduction Program.

The applicable fee reduction for a qualified investor with an account having a NAV of units in the Value Partners Pools in excess of $1,000,000, but less than $2,500,000 will be calculated as follows:

- for Series A units of the Pool, the qualified investor will receive a fee reduction of up to 0.55 percent annually of the series NAV of all units of the Value Partners Pools;

- for Series F units of the Pool, the qualified investor will receive a fee reduction of up to 0.40 percent annually of the series NAV of all units of the Value Partners Pools; and

- Series O units are not eligible for the Management Fee Reduction Program.

The applicable fee reduction for a qualified investor with an account having a NAV of units in the Value Partners Pools in excess of $2,500,000, but less than $5,000,000 will be calculated as follows:

- for Series A units of the Pool, the qualified investor will receive a fee reduction of up to 0.60 percent annually of the series NAV of all units of the Value Partners Pools;

- for Series F units of the Pool, the qualified investor will receive a fee reduction of up to 0.45 percent annually of the series NAV of all units of the Value Partners Pools; and

- Series O units are not eligible for the Management Fee Reduction Program.

For investments of $5,000,000 or more, Value Partners will consider management fee reductions in excess of those outlined above.

Value Partners also offers an account linking service, where the management fee reduction applicable to accounts having a NAV of units in the Value Partners Pools in excess of $500,000 noted above would apply across accounts in one Household Group that together meet the $500,000 threshold for the reduction. Accounts that are eligible to be linked as a Household Group are those that meet one of the following conditions: (i) accounts that belong to the investor, his/her spouse and family members residing at the same address, or (ii) corporate accounts, where the investor, his/her spouse or family members residing at the same address own more than 50% of the equity of the corporation and more than 50% of the voting shares of the corporation. In order to link your eligible accounts into one Household Group, your dealer must complete certain account linking documentation and provide it to us. Once this has been completed, all accounts in the Household Group that together have a NAV of units in the Value Partners Pools in excess of $500,000 will receive the management fee reduction noted above.

Value Partners may vary the terms, conditions and investor qualifications of the Management Fee Reduction Program from time to time or may discontinue the program in its sole discretion.

Dealer Compensation

Sales and Trailing Commissions

Your dealer may be entitled to receive a sales commission when you purchase units of the Pool. The amount and responsibility for paying the sales commission depends on the series of units being purchased.

Value Partners may pay your dealer a trailing commission (plus applicable sales taxes for payments made on or after July 1, 2026) based on the value of units you hold in the Pool. These trailing commissions are paid for services they provide to you, including giving you investment advice, providing you with account statements and sending you newsletters and other information about the Pool or mutual funds generally.

Trailing commissions are calculated and paid monthly based on the value of the applicable units in each account held by your dealer's clients. Value Partners reserves the right to modify or cancel the trailing commissions payable to dealers at any time at its discretion.

The applicable sales commissions and trailing commissions for each series of units of the Pool are set out below.

Series A units

You negotiate a sales commission with your dealer when you place a purchase order for Series A units of the Pool. Your dealer will retain that sales commission, which may be up to 4 percent of the amount you invest in Series A units. This commission is paid by you and is deducted from your investment.

Value Partners will pay trailing commissions to your dealer in respect of your investment in Series A units. It is not an additional charge to you. The annual rate of trailing commissions on Series A units will be:

- 1.00 percent for accounts having an aggregate NAV of less than $250,000
- 1.00 percent for the first $250,000 and 0.85 percent for amounts over $250,000 for accounts having an aggregate NAV in excess of $250,000, but less than $500,000
- 0.85 percent for accounts (or for Household Groups under our account linking service) having an aggregate NAV in excess of $500,000.

Series F units

You will negotiate the fees that you will pay to your dealer for your account with that dealer if you invest in Series F units. These units are only available to investors who have fee-based accounts with dealers which have executed a Series F agreement with Value Partners, or investors that have an account with a discount broker (or other dealer who does not make a suitability determination). The fees that you pay to your dealer may be paid directly by you or may be paid by redeeming some of the units you own on a monthly basis.

Value Partners does not pay a sales or trailing commission to your dealer if you invest in Series F units of the Pool.

Series O units

There are no sales or trailing commissions payable to dealers by Value Partners on the sale of Series O units.

Other Kinds of Dealer Support

Value Partners may reimburse your dealer for a portion of the expenses they incur in selling the Pool, including their expenses related to:

- advertising the Pool and mutual funds generally and conducting other marketing of the Pool and mutual funds generally;
- educational seminars held by the dealer for their clients about the Pool or mutual funds generally; or

- educational seminars or conferences organized by the dealer for their sales representatives or attended by their sales representatives.

Value Partners can change or cancel its support of the marketing and educational costs of dealers at any time.

Generally, Value Partners provides specialized marketing, educational and operational support to the Principal Distributors.

Value Partners also pays a fee to LP for its services as Principal Distributor, which is an agreed percentage of the aggregate value of each series of units of the Pool held by clients of LP.

Income Tax Considerations

The following summarizes fairly the principal Canadian federal income tax considerations as of the date hereof with respect to the Pool, and with respect to the acquisition, ownership and disposition of units of the Pool generally applicable to an individual unitholder, other than a trust, who for the purposes of the *Income Tax Act* (Canada) (the "Tax Act"), is resident in Canada, deals at arm's length and is not affiliated with the Pool and holds units as capital property directly or in a registered plan.

This summary is based on the current provisions of the Tax Act, the regulations thereunder (the "Regulations"), proposals for specific amendments to the Tax Act and the Regulations publicly announced by the Minister of Finance (Canada) prior to the date hereof ("Tax Proposals") and the current published administrative practices and assessing policies of the Canada Revenue Agency ("CRA"). There can be no assurance that the Tax Proposals will become law as proposed or at all. Other than the Tax Proposals, this summary does not take into account or anticipate any other changes in law whether by legislative, regulatory, administrative or judicial action. This summary does not take into account provincial or foreign income tax legislation or considerations.

This summary also assumes that (i) the Pool will not have more than 50% of its units (based on fair market value) held by one or more unitholders that are "financial institutions" as defined under subsection 142.3(1) of the Tax Act and (ii) the Pool will not be a "SIFT Trust" for purposes of the Tax Act.

This summary is not exhaustive of all tax considerations and is not intended to constitute legal or tax advice to an investor. Investors should seek independent advice regarding the tax consequences of investing in units, based on the investor's own particular circumstances.

Status of the Pool

As of the date hereof, the Pool does not qualify as a "mutual fund trust" or a "registered investment" for tax purposes. While the Pool does not currently qualify as a "mutual fund trust" for purposes of the Tax Act, the Pool may so qualify at a future time.

The Pool is subject to, and substantially complies with, the requirements of NI 81-102. The Manager expects, and this summary assumes, that the Pool will continue to be subject to, and substantially compliant with, the requirements of NI 81-102 at all material times in the future.

Income Tax Considerations for the Pool

The Pool will be subject to tax under Part I of the Tax Act on its taxable income for the year, including net realized taxable capital gains, less the portion thereof that it deducts in respect of amounts paid or payable to unitholders in the taxation year. The Pool intends to distribute to its unitholders in each year such amount of its net income and net realized capital gains that it should generally not be liable for ordinary tax under Part I of the Tax Act.

Gains or losses on the disposition of the Pool's securities held as capital property will constitute capital gains or capital losses for the Pool. Securities will generally be considered to be held by the Pool as capital property unless the Pool is considered to be trading or dealing in securities, or otherwise carrying on a business of buying and selling securities, or has acquired the securities in a transaction or transactions considered to be an adventure or concern in the nature of trade. The Manager has advised that the Pool will purchase portfolio securities (other than derivative instruments and securities for a short selling transaction) with the objective of earning income thereon and will take the position that gains and losses realized on the disposition of these securities are capital gains and capital losses.

Generally, gains and losses realized by the Pool from transactions in derivatives will be taxed on income account rather than as capital gains or losses. However, gains and losses on derivatives used to hedge against risks associated with portfolio assets of the Pool held as capital property may be taxed as capital gains and capital losses, provided that the derivatives are sufficiently linked to the risks associated with such capital property.

In certain circumstances losses realized by the Pool may be suspended or restricted, and therefore, would be unavailable to shelter capital gains or income. Losses incurred by the Pool cannot be allocated to unitholders but may, subject to certain limitations, be deducted by the Pool from taxable capital gains or other income realized in other years.

All of the Pool's deductible expenses, including expenses common to all series of the Pool and management fees and other expenses specific to a particular series of the Pool, will be taken into account in determining the income or loss of the Pool as a whole.

If a unitholder of the Pool is a "designated beneficiary" within the meaning of the Tax Act, the Pool will be subject to a special tax at the rate of 40% under Part XII.2 of the Tax Act on its "designated income" within the meaning of the Tax Act. A "designated beneficiary" includes a non-resident of Canada. Designated income may include income from certain derivatives, and will include gains and losses from dispositions of taxable Canadian property. If the Pool is subject to tax under Part XII.2 of the Tax Act, provisions in the Tax Act are intended to afford unitholders who are not designated beneficiaries with an

appropriate refundable tax credit. The Manager does not expect the Pool will be subject to a material amount of Part XII.2 tax as the Pool is not expected to earn a material amount of "designated income", but no assurances can be given in this regard.

As the Pool's income and capital gains may be derived from investments in countries other than Canada, the Pool may be liable to pay income or profits tax to such countries. To the extent that foreign tax paid directly by the Pool exceeds 15% of the foreign income (excluding capital gains from investments made directly by the Pool), such excess may generally be deducted by the Pool in computing its income for purposes of the Tax Act. To the extent that foreign tax paid by the Pool does not exceed 15% and has not been deducted in computing the income of the Pool, the Pool may designate a portion of its foreign source income in respect of a unitholder's units, so that such income and a portion of the foreign tax paid or deemed to be paid by the Pool may be regarded as foreign source income of, and foreign tax paid by, the unitholder for the purposes of the foreign tax credit provisions of the Tax Act.

If the Pool invests in securities which are not denominated in Canadian dollars, the cost and proceeds of disposition of securities, dividends, interest and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars at the exchange rate prevailing at the time of the transaction. Accordingly, the Pool may realize gains or losses by virtue of the fluctuation in the value of foreign currencies relative to the Canadian dollar.

The Pool may be liable for alternative minimum tax ("**AMT**"), unless the Pool is exempt from AMT. One of these exemptions is for a trust that meets the definition of an "investment fund" for purposes of the loss restriction event rules in the Tax Act (as described in further detail below under "*What are the Risks of Investing in this Pool? – Tax Risk*"). No assurances can be given that the Pool will meet the "investment fund" definition. If the Pool were not to meet the "investment fund" definition at any time in a taxation year, it may become subject to AMT for that taxation year and in future taxation years, unless the Pool qualifies under another exemption from AMT.

Income Tax Considerations for Investors

For Units Held in a Registered Plan

Effective as of November 4, 2025 in accordance with certain Tax Proposals, units of the Pool are expected to be qualified investments under the Tax Act for trusts governed by a "registered retirement savings plan" ("RRSP"), a "registered retirement income fund" ("RRIF"), a "registered education savings plan" ("RESP"), a "registered disability savings plan" ("RDSP"), a "tax-free savings account" ("TFSA"), a "first home savings account" ("FHSA"), or a "deferred profit sharing plan" (as those terms are used in the Tax Act and, collectively, "Registered Plans"), at any time that the Pool is subject to, and substantially complies with, the requirements of NI 81-102.

Annuitants of RRSPs and RRIFs, holders of RDSPs, TFSAs and FHSAs, and subscribers of RESPs should consult with their own tax advisors as to whether units would be a prohibited investment under the Tax Act in their particular circumstances. Units of the Pool will generally not be a prohibited investment unless the holder, annuitant or subscriber (as

applicable) does not deal at arm's length with the Pool for purposes of the Tax Act, or the holder, annuitant or subscriber (as applicable) has a "significant interest" in the Pool for purposes of the Tax Act.

Provided that units of the Pool are qualified investments and not a prohibited investments for a Registered Plan, distributions from the Pool and capital gains from a disposition of the units (provided such distributions or proceeds of disposition remain in the Registered Plan) are generally not subject to tax under the Tax Act for either the Registered Plan and the holder, annuitant or subscriber (as the case may be) of that Registered Plan. Certain withdrawals made from a Registered Plan may be subject to tax under the Tax Act.

For Units Not Held in a Registered Plan

If you hold units of the Pool outside of a Registered Plan, in computing your income for tax purposes you will be required to include the amount (computed in Canadian dollars) of the net income and the taxable portion of the net capital gains paid or payable to you by the Pool in the year (including by way of management fee distributions), whether you receive these distributions in cash or they are reinvested in additional units. Provided the appropriate designations are made by the Pool, distributions of net taxable capital gains, taxable dividends on shares of taxable Canadian corporations and foreign source income of the Pool paid or payable to you by the Pool will effectively retain their character and be treated as such in your hands. Foreign source income received by the Pool will generally be net of any taxes withheld in the foreign jurisdiction. The taxes so withheld will be included in the determination of income under the Tax Act. To the extent that the Pool so designates in accordance with the Tax Act, you will, for the purpose of computing foreign tax credits, be entitled to treat your share of such taxes withheld as foreign taxes paid by you.

To the extent that the distributions to you by the Pool in any year exceed your share of the net income and net capital gains of the Pool allocated to you for that year, those distributions (except to the extent that they are proceeds of disposition) will be a return of capital and will not be taxable to you but will reduce the adjusted cost base of your units of the Pool. If the adjusted cost base of your units would otherwise be a negative amount, the negative amount will be deemed to be a capital gain realized by you from the disposition of the units and the adjusted cost base will be increased by the amount of such gain to zero.

You will be taxed on distributions of income and capital gains from the Pool, even if the income and capital gains accrued to the Pool or were realized by the Pool before you acquired the units and were reflected in the purchase price of the units. In most cases, the most significant distributions of income and capital gains of the Pool occur in December. However, distributions can be made at any time in the calendar year at the discretion of Value Partners. Management fee distributions are calculated and accrued daily.

The Pool's portfolio turnover rate indicates how actively the Pool's portfolio manager manages its portfolio investments. A portfolio turnover rate of 100 percent is equivalent to the Pool buying and selling all of the securities in its portfolio once in the course of the year. The higher the Pool's portfolio turnover rate in a year, the greater the trading costs payable by the Pool in the year, and the greater the chance that you will receive a

distribution from the Pool that must be included in your income for tax purposes for that year.

Fees paid by you in connection with Series O units will generally not be deductible. You should consult with your tax advisor regarding the deductibility of such fees.

If you dispose of a unit, whether by switch, redemption or otherwise, a capital gain (or a capital loss) will be realized to the extent that the proceeds of disposition, less any costs of disposition, are greater (or less) than the adjusted cost base of the unit. Changing units of one series of the Pool into units of another series of the same Pool will not result in a capital gain or loss to you. Currently, one-half of a capital gain must be included in income as a taxable capital gain, and one-half of a capital loss is an allowable capital loss, which may be applied against taxable capital gains realized in the year. Allowable capital losses in excess of taxable capital gains may be carried back three years or forward indefinitely and applied against taxable capital gains realized in those earlier or later years, subject to the rules in the Tax Act.

In general terms, net income of the Pool paid or payable to you that is designated as net realized taxable capital gains or taxable Canadian dividends, or taxable capital gains you realize on the disposition of your units, may increase your liability for alternative minimum tax.

In general, the aggregate adjusted cost base of your units of a series of the Pool equals:

- your initial investment (including any sales charges paid),
- plus the cost of any additional investments (including any sales charges paid),
- plus reinvested distributions,
- plus the adjusted cost base of units of a series of the Pool that are changed into units of another series of the same Pool, and the NAV of the units received on a switch from the Pool into another Value Partners Pool,
- minus the capital returned in any distributions,
- minus the adjusted cost base of any units previously redeemed, switched for units of another Value Partners Pool, or changed into units of another series of the same Value Partners Pool.

The adjusted cost base to you of a unit will generally be determined by reference to the average adjusted cost base of all units of the same series of the Pool held by you at the time of the disposition.

You should keep detailed records of the purchase cost, sales charges and distributions related to your units as this is the only way to accurately calculate the adjusted cost base of those units. Determination of adjusted cost base can involve complex issues and we recommend that you obtain legal and/or tax advice to assist you with those calculations.

If you hold units outside of a Registered Plan, Value Partners will cause a tax statement to be issued to you each year identifying your distributions and other relevant tax information.

Tax information Reporting

The Pool has due diligence and reporting obligations under the Foreign Account Tax Compliance Act as implemented in Canada by the Canada-United States Enhanced Tax Information Exchange Agreement and Part XVIII of the Tax Act (collectively referred to as "FATCA") and the OECD's Common Reporting Standard as implemented in Canada by Part XIX of the Tax Act (referred to as "CRS"). Generally, unitholders (or in the case of certain unitholders that are entities, the "controlling persons" thereof) will be required by law to provide their advisor or dealer with information related to their citizenship and tax residence and, if applicable, their foreign taxpayer identification number, unless the unitholder is investing through a Registered Plan. If a unitholder (or, if applicable, any of its controlling persons) (i) is identified as a "specified U.S. person" for FATCA purposes (including a U.S. resident or a U.S. citizen residing in Canada); (ii) is identified as a tax resident of a country other than Canada or the U.S.; or (iii) does not provide the required information and indicia of U.S. or non-Canadian status is present, information about the unitholder (and, if applicable, its controlling persons) and their investment in the Pool will generally be reported to the CRA unless the units are held within a Registered Plan. The CRA will provide that information to, in the case of "specified U.S. persons" or persons who have not provided the required information and for whom indicia of U.S. status is present, the U.S. Internal Revenue Service ("IRS"), and, in all other cases, the relevant tax authority of any country that is a signatory of the *Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information* or has otherwise agreed to a bilateral information exchange with Canada under CRS.

Investment income received by the Pool from sources within foreign countries may be subject to foreign income tax withheld at the source. Canada has entered into tax treaties with certain foreign countries which may entitle the Pool to a reduced rate of tax on such income. Some countries require the filing of tax reclaim or other forms, which could include requests for information about the unitholders, to receive the benefit of the reduced tax rate. The Pool may provide the required information about its unitholders to foreign tax authorities in order to reclaim foreign income tax owing to the Pool.

What Are Your Legal Rights?

Under securities law in some provinces and territories, you have the right to withdraw from an agreement to buy mutual funds within two business days after you receive a simplified prospectus or Fund Facts document, or cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, Fund Facts document or financial statements contain a misrepresentation. You must act within the time limits set by law in the applicable province or territory.

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

Additional Information

The Manager proposes to merge (the "Merger") VPI Special Opportunities Pool (the "Terminating Fund"), a pooled fund managed by the Manager that is not a reporting issuer, into the Pool effective on or about September 1, 2026 (the "Merger Effective Date").

The Merger will be implemented by causing the Terminating Fund to subscribe for units of the Pool having a net asset value on the effective date equal to the cash subscription proceeds. Unitholders of the Terminating Fund will receive units of the Pool, and the Terminating Fund will subsequently be wound up.

The Merger does not require regulatory approval or approval of the unitholders of the Terminating Fund or the Pool. A written notice will be provided to unitholders of the Terminating Fund at least 60 days' prior to the Merger Effective Date, pursuant to the trust agreement governing the Terminating Fund. No further notice of the Merger will be provided to unitholders.

Exemptions and Approvals

The Pool is subject to certain restrictions and practices contained in securities legislation, including National Instrument 81-101 *Mutual Fund Prospectus Disclosure*, NI 81-102, National Instrument 81-105 *Mutual Fund Sales Practices* ("NI 81-105"), and National Policy Statement No. 39, which are designed, in part, to ensure that the investments of mutual funds are diversified and relatively liquid and to ensure the proper administration of mutual funds. We intend to manage the Pool in accordance with these restrictions and practices or to obtain relief from the securities regulatory authorities before implementing any variations. The following provides a description of the exemption that the Pool has received from the provisions of NI 81-102, and/or a description of the general investment activity.

Rule 144A Securities Relief

The Pool has received exemptive relief from the Canadian securities regulatory authorities that allows it to exclude certain fixed income securities from certain aspects of the definition of "illiquid assets" as set out in NI 81-102. These fixed income securities are called "Rule 144A Securities" because they are exempt from the registration requirements under Rule 144A of the United States' Securities Act of 1933 for resales to "qualified institutional buyers". In general, the Pool qualifies as a qualified institutional buyer when it has over $100 million (USD) in net assets. Despite the foregoing restrictions, we believe that Rule 144A Securities are inherently liquid. The exemptive relief is subject to certain conditions.

Certificate of the Pool, Manager and Promoter

VPI Special Opportunities Pool II

(the "Pool")

This simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Newfoundland and Labrador, Prince Edward Island, Yukon, Nunavut and the Northwest Territories and do not contain any misrepresentations.

Dated: August 6, 2026

(signed) "Gregg Filmon"
Gregg Filmon
Signing in the capacity of
Chief Executive Officer
Value Partners Investments Inc.

(signed) "Dean Bjarnarson"
Dean Bjarnarson
Chief Financial Officer
Value Partners Investments Inc.

On behalf of the Board of Directors of Value Partners Investments Inc. on behalf of the Pool and in its capacity as Manager and Promoter of the Pool.

(signed) "Paul Lawton"
Paul Lawton
Director

(signed) "Jeff Van Hoeve"
Jeff Van Hoeve
Director

Certificate of the Principal Distributor

VPI Special Opportunities Pool II

(the "Pool")

To the best of our knowledge, information and belief, this simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia and the Northwest Territories and do not contain any misrepresentations.

Dated: August 6, 2026

LP FINANCIAL PLANNING SERVICES LTD.

(signed) "Curtis Jenkins"	*(signed) "Paul Lawton"*
Curtis Jenkins	Paul Lawton
President	Secretary

Certificate of the Principal Distributors

VPI Special Opportunities Pool II

(the "Pool")

To the best of our knowledge, information and belief, this simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Newfoundland and Labrador, Prince Edward Island, Yukon, Nunavut and the Northwest Territories and do not contain any misrepresentations.

Dated: August 6, 2026

QUADRUS INVESTMENT SERVICES LTD.

(signed) "Anthony Giglio"
Anthony Giglio
President and Chief Executive Officer

IPC INVESTMENT CORPORATION

(signed) "James McKay"
James McKay
Chair of the Board and President

IPC SECURITIES CORPORATION

(signed) "James McKay"
James McKay
Chair of the Board and President

Specific Information about VPI Special Opportunities Pool II

What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?

What is a Mutual Fund?

The Pool is a mutual fund. A mutual fund is an investment product that pools your money with the money of other investors with similar investment objectives. Professional investment managers use that money to buy a portfolio of securities that they believe will help achieve that investment objective.

While there are many different types of securities that a mutual fund may invest in, they generally fit into two basic types: equity securities and debt securities. In addition to investing in equity and debt securities, mutual funds also may use other investment techniques including investing in securities of other mutual funds, which are then referred to as *underlying funds*.

Each contributor to the pool of money becomes a unitholder of the mutual fund. Each unit represents a proportionate share of the mutual fund's net assets. Unitholders share the mutual fund's income, expenses and any gains and losses the mutual fund makes on its investments based on the proportionate number of units they own.

What are the Risks of Investing in a Mutual Fund?

Mutual funds own different types of investments depending upon their investment objectives. The value of these investments changes from day to day, reflecting changes in interest rates, economic and financial conditions and market and company news. Several factors can influence economic and financial conditions, such as political, social, environmental, banking or health crises, or otherwise. Unanticipated market disruptions may be short-term or may last for an extended period of time, and could have effects on the global markets and the performance of the Pool that cannot necessarily be presently foreseen.

As a result, the value of a mutual fund's units will go up and down, and the value of your investment in a mutual fund may be more or less when you redeem it than when you purchased it. The full amount of your investment in the Pool is not guaranteed. Unlike bank accounts or GICs, mutual fund units are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

Under extraordinary circumstances, a mutual fund may suspend redemptions. Please see "Suspending Your Right to Redeem Units".

Different investors have varying tolerances for risk. You must consider your own comfort with risk as well as the amount of risk suitable for your investments.

The Pool is considered an "alternative mutual fund" according to NI 81-102, meaning that it is permitted to invest in asset classes and use strategies generally prohibited by conventional mutual funds (other than alternative mutual funds), such as the ability to invest more than 10% of its NAV in securities of a single issuer; the ability to invest up to

100% or more of its NAV in physical commodities either directly or through the use of specified derivatives; borrow cash, up to 50% of its NAV, to use for investment purposes; sell securities short, up to 50% of its NAV (the combined level of cash borrowing and short selling is limited to 50% in aggregate); and aggregate leverage exposure up to 300% of its NAV; among other things. While these strategies will be used in accordance with the Pool's investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

Pool Details

Type of Pool	Alternative Fund
Portfolio Manager	Value Partners Investments Inc. Winnipeg, Manitoba
Date Started	Series A units – August 6, 2026 Series F units – August 6, 2026 Series O units – August 6, 2026
Eligible for Registered Plans	Qualified Investment for Registered Plans based on Tax Proposals

What Does the Pool Invest In?

Investment Objective

The objective of the Pool is to provide long-term capital appreciation by investing primarily in long and short positions of global equity securities.

To generate long-term capital appreciation, the Pool may use leverage, created through the use of derivatives, cash borrowings and/or short selling, or any exemption therefrom. The Pool's aggregate exposure to its sources of leverage shall not exceed the limit described in the Investment Strategies section, below, or as otherwise permitted under applicable securities legislation or any exemption therefrom.

Investment Strategies

The Pool seeks to achieve its objectives by employing a flexible, opportunistic investment approach, seeking to capitalize on special situations, market inefficiencies, and tactical opportunities in public and private markets.

The Pool will use both long and short exposures to a diversified portfolio of equities, debt instruments, and other securities. Investment decisions will be made based on fundamental, quantitative, and tactical research.

The Pool may also use derivatives for leverage, engage in short selling and borrow cash for investment purposes. The Pool's aggregate exposure to its sources of leverage, calculated as the sum of the following sources of leverage, must not exceed 300% of its NAV: (i) the aggregate value of the Pool's total amount of outstanding cash borrowed; (ii) the aggregate market value of securities sold short; and (iii) the aggregate notional value of the Pool's specified derivatives positions excluding any specified derivatives used for hedging purposes. Leverage will be calculated in accordance with the methodology prescribed by securities laws, or any exemptions therefrom.

The Pool may employ a variety of investment strategies, including but not limited to:

- Employing derivative instruments such as options, futures, and swaps for hedging, income enhancement, or non-hedging purposes, in accordance with NI 81-102.
- Participating in initial public offerings ("IPOs") and secondary offerings to access new or high-growth opportunities in the public markets.
- Investing up to 10% of its net asset value in private equity and other illiquid assets, seeking to capitalize on unique opportunities not available in public markets.

The Pool may enter into securities lending, repurchase and reverse repurchase transactions in compliance with NI 81-102, and may also borrow cash for investment purposes up to established regulatory limits. On any securities lending, repurchase and reverse repurchase transaction, the Pools must:

- deal only with counterparties who meet generally accepted creditworthiness standards and who are unrelated to the Pool's manager, portfolio manager or trustee;
- hold collateral equal to a minimum of 102 percent of the market value of the securities loaned (for securities lending transactions), sold (for repurchase transactions) or purchased (for reverse repurchase transactions);
- adjust the amount of the collateral on each business day to ensure the collateral's value relative to the market value of the securities loaned, sold or purchased remains at or above the minimum 102 percent limit; and
- limit the aggregate value of all securities loaned or sold through securities lending and repurchase transactions to no more than 50 percent of the NAV of the Pool (without including the collateral for loaned securities and cash for sold securities).

Currency and sector exposures will be actively managed based on the Portfolio Manager's views, market conditions, and the expected risk/reward of various strategies.

From time to time, the Pool may hold cash and cash equivalents, including through investments in money market instruments or investments in securities of money market funds managed by the Manager, an affiliate of the Manager or a third party.

The Pool may also invest in one or more investment funds, including exchange-traded funds managed by third parties or an affiliate of the Manager.

The Pool may depart from its investment strategies or temporarily invest all or a portion of its assets in cash, cash equivalents, or short-term fixed income securities during periods of market stress or volatility, in order to preserve capital or manage liquidity.

Investment Restrictions

The Pool is managed in accordance with Canadian securities legislation, including NI 81-102. This means that the Pool is subject to certain restrictions and practices contained in that legislation, which are designed in part to ensure that the investments of the Pool are diversified and relatively liquid and to ensure the proper administration of the Pool.

The fundamental investment objectives of the Pool are set out in this simplified prospectus. Any change in the investment objectives of the Pool requires the approval of a majority of unitholders at a meeting called for that purpose. The Manager may change the investment strategy of the Pool from time to time at its discretion.

Please see *Exemptions and Approvals* below for a description of all exemptions from, or approval to, National Instrument 81-101 *Mutual Fund Prospectus Disclosure*, NI 81-102, NI 81-105 and National Policy Statement 39, as applicable obtained by the Pool or the Manager that continue to be relied on by the Pool or the Manager.

The Pool has not and will not engage in any undertaking other than the investment of its funds in property for purposes of the Tax Act.

Description of Securities Offered by the Mutual Fund

The Pool may have an unlimited number of series of units and may issue an unlimited number of units of each series.

The Pool offers Series A, Series F and Series O units.

Units represent your ownership in the Pool. Certificates for units are not issued. Units of the Pool may be subdivided or consolidated by Value Partners upon 21 days' advance notice to the trustee and to affected unitholders. You will receive distributions of your pro rata share of the Pool's net income and net capital gains. Investors will receive the same distribution per unit for all distributions of net income, net capital gains and returns of capital, other than management fee distributions (see Management Fee Reduction Program).

If the Pool is ever terminated, each unit that you own in the Pool, will participate equally with each other unit in the assets of the Pool after all of the Pool's liabilities have been paid. Units may be switched for other units of the Pool or another Value Partners Pool as described under "Switching Units" and may be redeemed as described under "Redeeming Units".

You have the right to exercise one vote for each unit held at meetings of all investors of the Pool. Value Partners is required to convene a meeting of investors of the Pool to ask them to consider and approve, by not less than a majority of the votes cast at the meeting (either in person or by proxy), any of the following material changes if they are ever proposed for the Pool:

- a change in the Manager, unless the new manager is an affiliate of the Manager;
- a change in the fundamental investment objectives of the Pool;
- in certain cases, if the Pool undertakes a reorganization with, or transfers its assets to, another mutual fund or acquires another mutual fund's assets;
- a decrease in the frequency of the calculation of the Pool's NAV per security; and
- a change in the method of calculating a fee or expense charged to the Pool or directly to its unitholders, or the introduction of a fee or expense charged to the Pool, if the change could increase the charges to the Pool or its unitholders, unless the Pool is at arm's length to the person or company charging the fee or expense that is to be changed or introduced.

The Manager will give you 60 days' prior written notice of any change to the basis of the calculation of the fees or expenses that are charged to the Pool or its unitholders by an arm's length party that could result in an increase in charges, or the introduction of a fee or expense to be charged to the Pool or its unitholders by an arm's length party that could

result in an increase in charges. You will not be asked to vote on any such change or new fee or expense.

The Manager may decide to merge the Pool with another Value Partners Pool, provided that it complies with applicable securities regulation and obtains the approval of the IRC for such merger transaction. Although you may not be asked to vote on such transaction if you are an investor in the merging Pool, you will receive at least 60 days' notice of such merger transaction, if the IRC approves the proposed merger.

The Manager may decide to change the auditor of the Pool, subject to compliance with disclosure requirements of securities regulators and IRC approval. You will not be asked to vote on this change, but you will receive 60 days' advance notice of the change if the IRC approves the proposed change.

The Manager, with the approval of the trustee, may amend the Trust Agreement of the Pool without approval of or notice to the relevant unitholders if the proposed amendment may be made by law without such approval or notice and where the amendment is not expected to have an adverse effect on the pecuniary value of the interests of unitholders.

Distribution Policy

You earn money from the Pool when it distributes interest, dividend and other income and net realized capital gains earned on its underlying investments. Distributions are automatically reinvested without charge in additional units of the Pool. You can request that any distributions be paid out in cash in a non-registered account. We may change the distribution policy at our discretion. For more information about distributions see "Income Tax Considerations for Investors".

Distributions of any net realized capital gains and net income will be made annually in December.

Name, Formation and History

The Pool is an alternative mutual fund organized as an open-ended mutual fund trust and established on August 6, 2026.

The Pool is governed by the Trust Agreement under the laws of Ontario with RBC Investor Services Trust as trustee.

On September 8, 2023, Great-West Lifeco Inc. ("Lifeco") and a wholly-owned subsidiary of The Canada Life Assurance Company, 14894821 Canada Inc. ("Newco") acquired all of the issued and outstanding shares of Value Partners Group Inc. ("VPGI") from the previous shareholders of VPGI. VPGI is the parent company of the Manager and LP. As a result of the acquisition, there was a change of control of the Manager. Pursuant to an internal restructuring, Newco currently owns all of the shares of VPGI.

The payment provisions in the purchase agreement entered into by the shareholders of VPGI, Lifeco and Newco, provide that an additional amount is payable to the previous

shareholders of VPGI three years after the closing as an earnout payment (the "CL Earnout Payment"). The CL Earnout Payment mechanism is designed to ensure that the financial performance of the VPGI business during the three-year period following the closing of the transaction (the "earnout period") is generally consistent with the financial performance of the VPGI business during the 12 month period prior to closing, as measured by total adjusted revenue growth during the earnout period. Certain executive, management and representatives of the Manager and LP, along with representatives of certain dealers independent of the Manager in their capacity as previous shareholders of VPGI, will be entitled to receive the CL Earnout Payment.

What are the Risks of Investing in this Pool?

The following is a summary of the various types of investment risk applicable to the Pool. To the extent that the Pool invests in an underlying fund, it has the same risks as its underlying fund. Accordingly, any reference to the Pool in this section is intended to also refer to any underlying fund that the Pool may invest in.

Borrowing Risk

The Pool may borrow cash or securities, which could magnify the impact of any movements in the prices of underlying investments and could impact the value of your investment. Consequently, gains or losses on investments realized by the Pool may be more volatile as compared to investing in the same asset classes and securities without making use of borrowings.

Concentration Risk

Concentration risk is the risk associated with investments that are concentrated in a particular issuer, issuers, sector, or in a single country or region of the world. Concentration of investments allows the Pool to focus on the potential of a particular issuer, sector or region. However, concentration also means that the value of the Pool tends to be more volatile than the value of a more diversified Pool because the Pool's value is affected more by the performance of that particular issuer, sector, country or region.

The Pool is subject to increased concentration risk as it is permitted to invest up to 20% of its net assets in the securities of a single issuer.

Cybersecurity Risk

With the increased use of technologies such as the Internet to conduct operations, the Manager and the Pool have become potentially more susceptible to operational and information security risks through breaches in cybersecurity.

In general, a breach in cybersecurity can result from either a deliberate attack or an unintentional event. Cybersecurity breaches may involve, among other things, infection by computer viruses or other malicious software code or unauthorized access to the Manager's or the Pool's digital information systems, networks or devices through "hacking" or other means, in each case for the purpose of misappropriating assets or sensitive information (including, for example, personal securityholder information),

corrupting data or causing operational disruption or failures in the physical infrastructure or operating systems that support the Manager or the Pool. Cybersecurity risks also include the risk of losses of service resulting from external attacks that do not require unauthorized access to the Manager's or the Pool's systems, networks or devices.

Any such cybersecurity breaches or losses of service may cause the Manager or the Pool to lose proprietary information, suffer data corruption or lose operational capacity, which, in turn, could cause the Manager or the Pool to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures and/or financial loss.

While the Manager has established business continuity plans and risk management systems designed to prevent or reduce the impact of cybersecurity attacks, there are inherent limitations in such plans and systems due in part to the ever changing nature of technology and cybersecurity attack tactics, and there is a possibility that certain risks have not been adequately identified or prepared for.

In addition, cybersecurity failures by or breaches of the Manager's or the Pool's third party service providers may disrupt the business operations of the service providers and of the Manager or the Pool. These disruptions may result in financial losses, the inability of securityholders to transact with the Pool and inability of the Pool to process transactions, the inability of the Pool to calculate its NAV, violations of applicable privacy and other laws, rules and regulations, regulatory fines, penalties, reputational damage, reimbursement or other compensatory costs and/or additional compliance costs associated with implementation of any corrective measures.

The Pool and its securityholders could be negatively impacted as a result of any such cybersecurity breaches, and there can be no assurance that the Pool will not suffer losses relating to cybersecurity attacks or other informational security breaches affecting the Manager's or the Pool's third-party service providers in the future, particularly as the Manager and the Pool cannot control any cybersecurity plans or systems implemented by such service providers. Cybersecurity risks may also impact issuers of securities in which the Pool invests, which may cause the Pool's investments in such issuers to lose value.

Derivative Risk

A derivative is usually a contract between two parties to buy or sell an asset at a future date. The value of the contract is derived from the market price or value of the underlying asset, such as currency or stocks, or an economic indicator, such as stock market indices or interest rates. Derivatives may be used for hedging and non-hedging purposes.

To hedge is to reduce the risk of an existing investment by fixing some or all aspects of the price of that investment at some point in the future. Hedging through the use of derivatives may help reduce the risks associated with other investments, including currency value fluctuations, stock market risks and interest rate changes. However, there can be no assurance that the Pool's hedging strategies will be effective. Hedging against changes in currencies, stock markets or interest rates does not necessarily eliminate all fluctuations in the price of portfolio securities or prevent losses if the price of those securities declines.

Hedging may also reduce the opportunity for gain if the value in the Pool's reporting currency of the hedged currency or stock market should rise or if the hedged interest rate should fall. It may not be possible for the Pool to protect its investments against generally anticipated changes in currencies, stock markets or interest rates through the use of derivatives. The use of derivatives for hedging or non-hedging purposes is subject to risks, including

- the other party to a derivative contract may not meet its obligations;
- the Pool may not be able to buy or sell a derivative to make a profit or cover a loss; and
- derivatives traded on foreign markets may be less liquid than derivatives traded on North American markets.

Derivatives will be used in a way that is consistent with the Pool's investment objectives and as permitted by the Canadian securities regulatory authorities.

Equity Risk

Since the Pool invests in equity securities (also called stocks or shares), the value of the Pool will be affected by changes in the market price of those securities. The price of a stock is affected by individual company developments, such as profitability, and also by general economic and financial conditions in those countries where the company is located or carries on business or where the stock is listed for trading.

Fixed Income Risk

The Pool may invest in fixed income securities. Fixed income securities are subject to interest rate risk and to credit risk. These risks exist because the price of fixed income securities varies with prevailing interest rates and the creditworthiness of the government or company issuing the securities. Typically, when interest rates decline the price of fixed income securities, such as bonds, rises. Conversely, when interest rates rise, the price of existing bonds generally falls. The NAV of the Pool holding these securities would then rise or fall as a result of the underlying bond prices either rising or falling. Credit risk is the possibility that an issuer of a bond or other fixed income investment may not be able to pay interest or repay the principal at maturity. The risk of this occurring will vary depending on the issuer of the security and the associated interest rate paid by the issuer will typically correspond to the level of credit risk. Typically, the higher the interest rate paid, the higher the market perceives the credit risk of the issuer.

Foreign Currency Risk

The Canadian dollar value of the Pool's investments in foreign securities is affected by changes in the value of the Canadian dollar relative to the currency in which those securities are denominated. For example, if the Canadian dollar rises relative to the foreign currency, the value of the Pool's holdings expressed in Canadian dollars will go down, even though the value of the foreign holdings in their own market did not change. Investments in

securities issued in foreign currencies may also be subject to foreign currency controls where applicable.

Foreign Market Risk

Investments in foreign securities by the Pool raise additional risks compared to those made in the Canadian market. The value of foreign securities may be influenced by foreign government policies, lack of information about foreign companies, political or social instability and the possible levy of foreign withholding tax. There may be lower standards of government supervision and regulation in foreign financial markets. Foreign stock markets may also be less liquid and more volatile than the Canadian market. At times, the securities markets of various countries may move relatively independently of one another due to different economic, financial, political and social factors. This could lead to a reduction in gains the Pool has derived from movements in a particular market. A fund that holds foreign securities may have difficulty enforcing legal rights in jurisdictions outside Canada.

Emerging market securities have additional risks that are less common in more established capital markets, such as financial and economic risks and political and legal risks. The securities markets in emerging market countries may be smaller than the markets in more developed countries, reducing liquidity and making it more difficult to sell securities when desired in order to take profits or avoid losses. The economies of individual emerging market countries may also differ substantially from economies of more developed countries in such respects as growth of gross domestic product, rate of inflation, capital reinvestment, resource self-sufficiency, the extent of dependence on external trade and its balance of payments position. Capital markets in emerging market countries can be less developed and less reliable than those in mature economies in that disclosure, transparency and reporting rules are limited, subject to change and often less consistent or understandable. The market infrastructures in regard to trading and settlement may also be less efficient and more biased than those in established markets. As well, many emerging market countries have laws and regulations which differ from those in more established capital markets and which may preclude foreign direct investment, repatriation of capital or may restrict foreign exchange transactions. Tax regulations may be subject to frequent change and are not subject to the conventions in place in more developed capital markets, even to the extent that outright confiscation or expropriation may occur. Further, investors in emerging markets may encounter difficulties or be unable to pursue legal remedies and enforce judgments in foreign courts. Accordingly, the value of the Pool may rise and fall substantially and fluctuate greatly from time to time.

IPO and Market Risk

The Pool may invest in IPOs of equity securities and seasoned (i.e., secondary) equity offerings ("SEOs") of equity securities. Securities issued in IPOs have limited operating histories and limited publicly available information, and may be subject to greater price volatility and lower liquidity. In addition, the prices of securities sold in IPOs or SEOs may be extremely volatile or may decline shortly after the initial public offering or seasoned equity offering is completed.

Issuer-Specific Changes

The value of an individual security or particular type of security can be more volatile than, and can perform differently from the market as a whole. The value of lower-quality securities can be more volatile than other securities due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments and can be difficult to resell.

Large Redemption Risk

An investor, group of investors or another mutual fund may hold a large portion of the outstanding units of the Pool. If an investor, group of investors or another mutual fund redeems units representing a large portion of the outstanding units of the Pool, generally representing 10% or more of the NAV of the Pool, the Pool may be required to change the composition of the portfolio significantly or sell a significant portion of its investments at unfavourable prices, which could affect the overall performance of the Pool.

Leverage Risk

The Pool may use leverage in an effort to realize greater profits from its security selection. As an "alternative mutual fund", the Pool is not subject to certain investment restrictions set out in NI 81-102 that restrict the ability of conventional mutual funds (other than alternative mutual funds) to leverage their assets through cash borrowing, short sales and/or derivatives. When the Pool makes investments in derivatives, borrows cash for investment purposes, or uses physical short sales on equities, fixed-income securities or other portfolio assets, leverage may be introduced into the Pool. Leverage occurs when the Pool's notional exposure to underlying assets is greater than the amount invested.

The use of leverage will magnify the volatility of changes in the net asset value per unit. Accordingly, any event which adversely affects the value of an investment would be magnified to the extent the investment is leveraged. The cumulative effect of the use of leverage by the Pool in a market that moves adversely to its investments could result in substantial losses to the Pool, which would be greater than if the Pool were not leveraged.

While leverage increases the buying power of the Pool and presents opportunities for increasing total returns, it has the effect of potentially increasing losses as well. Leverage will increase the investment return of the Pool if an investment purchased with or utilizing leverage earns a greater return than the cost to the Pool of such leverage. The use of leverage will decrease the investment return if the Pool fails to recover the cost of such leverage.

Leverage may increase volatility, may impair the Pool's liquidity and may cause the Pool to liquidate positions at unfavourable times. The Pool is subject to an aggregate exposure limit of 300% of its NAV, which is measured on a daily basis, This will operate to limit the extent to which the Pool is leveraged.

Liquidity Risk

Liquidity risk is the risk that a significant portion of investments within the Pool's portfolio cannot be readily converted into cash when required. While the Pool has guidelines

intended to limit the amount of illiquid securities that it may hold at any given time, the Pool is exposed to varying degrees of liquidity risk depending on market conditions.

Portfolio Turnover

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

Reliance on Manager and Track Record

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

Securities Lending, Repurchase and Reverse Repurchase Risk

The Pool may enter into securities lending, repurchase transactions and reverse repurchase transactions in order to earn additional income but there are risks associated with each of these transactions. Securities lending involves the lending of securities held by the Pool to qualified borrowers who have posted collateral. In lending securities, the Pool is subject to the risk that the borrower may not fulfill its obligations, leaving the Pool holding collateral worth less than the securities it has lent, resulting in a loss.

A repurchase transaction involves a mutual fund selling a security at one price and agreeing to buy it back from the same party at a lower price. Over time, the value of the securities sold under a repurchase transaction might exceed the value of the collateral held by the mutual fund. If the other party defaults on its obligation to resell the securities to the mutual fund the collateral may be insufficient to enable the mutual fund to purchase replacement securities and the mutual fund may suffer a loss.

A reverse repurchase transaction involves the Pool purchasing a security at one price and agreeing to sell it back to the same party at a higher price. Over time, the value of the securities purchased by the Pool under a reverse repurchase transaction may decline below the amount of cash paid by the Pool to the other party. If the other party defaults on its obligation to repurchase the securities from the Pool it may need to sell the securities for a lower price and suffer a loss for the difference.

Series Risk

Units of the Pool are available in more than one series. If the Pool can't pay the expenses of one series using its proportionate share of the Pool's assets for any reason, the Pool will be required to pay those expenses out of the other series' proportionate share of the Pool's assets. That could lower the investment returns of the other series. The Pool may, without unitholder approval, issue additional series.

Short Selling Risk

Certain mutual funds are permitted to engage in a limited amount of short selling. A short sale is a transaction in which a mutual fund sells, on the open market, securities that it has borrowed from a lender for this purpose. At a later date, the mutual fund purchases identical securities on the open market and returns them to the lender. In the interim, the mutual fund must pay compensation to the lender for the loan of the securities and provide collateral to the lender for the loan.

An alternative mutual fund is permitted to sell securities short up to a maximum of 50% of its NAV.

Short selling involves certain risks:

- There is no assurance that the borrowed securities will decline in value during the period of the short sale by more than the compensation paid to the lender, and securities sold short may instead increase in value.

- A mutual fund may experience difficulties in purchasing and returning borrowed securities if a liquid market for the securities does not exist at that time.

- A lender may require a mutual fund to return borrowed securities at any time. This may require the mutual fund to purchase such securities on the open market at an inopportune time.

- The lender from whom a mutual fund has borrowed securities, or the prime broker who is used to facilitate short selling, may become insolvent and the mutual fund may lose the collateral it has deposited with the lender and/or the prime broker.

Tax Risk

There can be no assurance that the CRA will agree with the tax treatment adopted by the Pool in filing its tax return. The CRA could reassess the Pool on a basis that results in tax being payable by the Pool or in an increase in the taxable component of distributions considered to have been paid to unitholders.

There can also be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the CRA will not be changed in a manner that adversely affects the Pool or the unitholders.

If the Pool experiences a "loss restriction event" (i) the Pool will be deemed to have a year-end for tax purposes (which could result in the Pool being subject to tax unless it distributes its income and capital gains prior to such year-end), and (ii) the Pool will become subject to the loss restriction rules generally applicable to corporations that experience an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on their ability to carry forward losses. Generally, the Pool will be subject to a loss restriction event when a person becomes a "majority-interest beneficiary" of the Pool, or a group of persons becomes a "majority-interest group of beneficiaries" of the Pool, as those terms are defined in the affiliated persons rules contained in the Tax Act,

with appropriate modifications. Generally, a majority-interest beneficiary of the Pool will be a beneficiary who, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, holds interests in the Pool that have a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, respectively, in the Pool. The Pool is not subject to the application of the loss restriction event rules if the Pool has at all times met the "investment fund" definition for purposes of the loss restriction event rules. An "investment fund" for this purpose is a trust that meets certain conditions, including limiting its undertaking to the investment of its funds in property, not using any of its property in the course of carrying on a business, and complying with certain asset diversification and investment concentration requirements. As described above under "Income Tax Considerations for the Pool", no assurances can be given that the Pool will meet the investment fund definition.

Under the Tax Act, the excessive interest and financing expenses limitation rules (the "EIFEL Rules") may limit the deductibility of interest and financing expenses of a Canadian resident corporation or trust, that is not an "excluded entity", to a fixed ratio of earnings before interest, tax, depreciation and amortization (as computed in accordance with the EIFEL Rules). If the EIFEL Rules apply to the Pool, the amount of interest and other financing expenses otherwise deductible by the Pool may be reduced and the taxable component of distributions by the Pool to its unitholders may be increased accordingly. Although certain trusts that are considered to be "excluded entities" for the purposes of the EIFEL Rules may be excluded from the application of the EIFEL Rules, there can be no assurance that the Pool would qualify as an "excluded entity" for these purposes, and therefore the Pool could be subject to the EIFEL Rules.

The Pool may be subject to foreign withholding tax on securities of foreign issuers. There is no guarantee that the rate of withholding tax will not increase which may significantly affect returns. Many foreign countries preserve their right under domestic tax laws and applicable tax conventions with respect to taxes on income and on capital ("**Tax Treaties**") to impose tax on dividends and other types of income paid or credited to persons who are not resident in such countries. Investments in global securities may subject the Pool to foreign taxes on income paid or credited to it or any gains realized on the disposition of such securities. Any foreign taxes incurred by the Pool will generally reduce the value of its portfolio. Under certain Tax Treaties, the Pool may be entitled to a reduced rate of tax on such foreign income. Some countries require the filing of a tax reclaim or other forms to receive the benefit of the reduced tax rate. Whether or when the Pool will receive the tax reclaim is within the control of the particular foreign country. Information required on these forms may not be available (such as unitholder information); therefore, the Pool may not receive the reduced treaty rates or potential reclaims. Certain countries have conflicting and changing instructions and restrictive timing requirements that may cause the Pool not to receive the reduced treaty rates or potential reclaims. If the Pool obtains a refund of foreign taxes, the net asset value of the Pool will not be restated, and the amount will remain in the Pool to the benefit of the then-existing unitholders.

Investment Risk Classification Methodology

We assign an investment risk rating to the Pool to help you determine whether the Pool is appropriate for you. The Pool is assigned an investment risk rating in one of the following categories further described below: low, low-to-medium, medium, medium-to-high, or high. The investment risk rating for the Pool is reviewed at least annually and also if there is a material change in the Pool's investment objective or investment strategy.

The methodology we use to determine the risk rating of the Pool is based on the methodology required by the Canadian Securities Administrators in Appendix F *Investment Risk Classification Methodology* of NI 81-102.

Using this methodology, we will generally assign a risk rating based on the Pool's historical ten-year standard deviation. Since the Pool does not have any performance history, we have imputed the return history of the MSCI ACWI Index, which measures the performance of large and mid-capitalisation equities across developed and emerging markets worldwide, to determine the Pool's expected risk rating.

Standard deviation is a statistical measure that is used to estimate the dispersion of a set of data around the average value of the data. In the context of an investment fund's returns, the standard deviation provides a measure of the amount of variability of returns that has historically occurred relative to the average return. The higher the standard deviation of a fund, the greater the range of returns it has experienced in the past.

Generally, the risk rating categories required by the Canadian Securities Administrators are:

- Low – for funds whose performance can be expected to typically vary within a range of 0 to 6 percentage points above or below their average return.
- Low to Medium – for funds whose performance can be expected to typically vary within a range of 6 to 11 percentage points above or below their average return.
- Medium - for funds whose performance can be expected to typically vary within a range of 11 to 16 percentage points above or below their average return.
- Medium to High - for funds whose performance can be expected to typically vary within a range of 16 to 20 percentage points above or below their average return.
- High - for funds whose performance can be expected to typically vary within a range of greater than 20 percentage points above or below their average return.

Details about the method that we use to determine the investment risk level of the Pool is available on request, at no cost to you, by calling 1-866-323-4235, by writing to Value Partners Investments Inc., Suite 300 - 175 Hargrave, Winnipeg, Manitoba, R3C 3R8 or by emailing info@vpinvestments.ca.

Value Partners Pools

VPI Special Opportunities Pool II

Managed by:

Value Partners Investments Inc.
Suite 300 - 175 Hargrave
Winnipeg, Manitoba R3C 3R8

1-866-323-4235

Additional information about the Pool is available in the Pool's Fund Facts, management reports of fund performance and financial statements. These documents are incorporated by reference into this simplified prospectus, which means that they legally form part of this document just as if they were printed as a part of this document.

You can get a copy of these documents, at your request, and at no cost, by calling toll-free at 1-866-323-4235 or from your dealer or by email at info@vpinvestments.ca.

These documents and other information about the Pool, such as information circulars and material contracts are also available on the Pool's designated website at www.valuepartnersinvestments.ca or at www.sedarplus.ca.