

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



**AMENDMENT NO. 1 DATED JANUARY 24, 2024 TO THE
PROSPECTUS DATED APRIL 26, 2023**

FOR

**EVOLVE CANADIAN BANKS AND LIFECOS ENHANCED YIELD INDEX FUND
(the “Evolve Fund”)**

The prospectus of the Evolve Fund dated April 26, 2023 (the “**Prospectus**”) is hereby amended and is to be read subject to the additional information set forth below. Corresponding changes reflecting this amendment are hereby made to any applicable disclosure throughout the Prospectus. In all other respects, the disclosure in the Prospectus is not revised.

All capitalized terms not defined in this Amendment No. 1 have the respective meanings set out in the Prospectus.

New Mutual Fund Units

The Prospectus is being amended to permit the Evolve Fund to offer for sale on a continuing basis unhedged class A mutual fund units (“**Unhedged Class A Mutual Fund Units**”) and unhedged class F mutual fund units (“**Unhedged Class F Mutual Fund Units**”, and together with the Unhedged Class A Mutual Fund Units, the “**Mutual Fund Units**”). The Mutual Fund Units are denominated in Canadian dollars. The Unhedged ETF Units of the Evolve Fund (the “**ETF Units**”) qualified under the Prospectus and the Mutual Fund Units qualified for distribution under this Amendment No. 1 are collectively referred to as “**Units**”.

Unitholders or their investment professional are responsible for determining which class of Mutual Fund Units of the Evolve Fund is appropriate for purchase. All orders are based on the next NAV calculated after the Manager’s receipt of an order. Different classes or series may have different minimum investment levels and may require investors to pay different fees. There is no limit on the number of Mutual Fund Units an investor can buy.

Investors can buy or redeem Mutual Fund Units through a qualified financial advisor or broker. All orders are based on the next NAV calculated after the Manager’s receipt of an order. Redemption orders which are received by the Manager before 4:00 p.m. (Toronto time) or such other cut-off time as specified by the Manager on any Valuation Date (as defined herein) will be priced using that day’s NAV.

ATTRIBUTES OF THE SECURITIES

The chart on the face page of the Prospectus, the chart under the sub-heading “Prospectus Summary – Issuers” on page vi of the Prospectus and the chart under the sub-heading “Attributes of the Securities – Description of the Securities Distributed” on page 61 of the Prospectus are hereby each deleted and replaced with the following chart:

| | | |
|--------|-----------|-------------------|
| Evolve | ETF Units | Mutual Fund Units |
|--------|-----------|-------------------|

| Fund | | | | Hedged Mutual Fund Units | | Unhedged Mutual Fund Units | |
|------|----------------------------|-------------------------------|--------------------------|--|--|--|--|
| | Unhedged ETF Units (CAD\$) | USD Unhedged ETF Units (US\$) | Hedged ETF Units (CAD\$) | Hedged Class A Mutual Fund Units (CAD\$) | Hedged Class F Mutual Fund Units (CAD\$) | Unhedged Class A Mutual Fund Units (CAD\$) | Unhedged Class F Mutual Fund Units (CAD\$) |
| BASE | ✓ | | ✓ | | | | |
| HERO | | | ✓ | | | | |
| EDGE | | ✓ | ✓ | ✓ | ✓ | | |
| FIXD | ✓ | | | | | ✓ | ✓ |
| DATA | ✓ | | ✓ | | | | |
| TECH | ✓ | ✓ | ✓ | | | | |
| BANK | ✓ | | | | | ✓ | ✓ |
| EBNK | ✓ | ✓ | ✓ | | | | |

OVERVIEW OF THE LEGAL STRUCTURE OF THE EVOLVE FUNDS

The last sentence under the heading entitled “Overview of the Legal Structure of the Evolve Funds” on page 1 of the Prospectus is hereby deleted in its entirety and replaced with the following:

“FIXD, EDGE and BANK each also offer Class A Mutual Fund Units and Class F Mutual Fund Units. See “Description of the Securities”.”

INVESTMENT STRATEGIES AND RISK FACTORS

The third paragraph under the sub-heading entitled “Prospectus Summary – General Investment Strategies – Currency Hedging” on page xii of the Prospectus and under the sub-heading “Investment Strategies – General Investment Strategies of the Evolve Funds – Currency Hedging” on page 7 of the Prospectus, and the third paragraph under the sub-heading entitled “Risk Factors – Additional Risks Relating to an Investment in each Evolve Fund – Currency Hedging Risk” on page 22 of the Prospectus are each hereby deleted in their entirety and replaced with the following:

“In respect of the Unhedged ETF Units and Unhedged Mutual Fund Units, BASE, FIXD, EDGE, DATA, TECH, BANK and EBNK will not hedge any foreign currency exposure back to the currency in which such class of Unhedged ETF Units and Unhedged Mutual Fund Units are denominated.”

FEES AND EXPENSES

Fees and Expenses Payable by the Evolve Fund

Management Fees

The Management Fees payable for the ETF Units have not changed.

The Management Fees payable to the Manager for the Mutual Fund Units, which are equal to a percentage of the NAV of the Evolve Fund, calculated daily and payable monthly in arrears, plus applicable taxes, are as follows:

| Evolve Fund | Class of Units | Management Fee |
|-------------|----------------|----------------|
|-------------|----------------|----------------|

| | | |
|--|------------------------------------|-------|
| Evolve Canadian Banks and Lifecos Enhanced Yield Index Fund | Unhedged Class A Mutual Fund Units | 1.60% |
| | Unhedged Class F Mutual Fund Units | 0.60% |

Certain Operating Expenses

The Administration Fee payable to the Manager for the Mutual Fund Units, which is equal to a percentage of the NAV of each class of the Evolve Fund, calculated and paid in the same manner as the Management Fees, is 0.15%.

INCOME TAX CONSIDERATIONS

The third paragraph on page 49 of the Prospectus is hereby deleted in its entirety and replaced as follows:

“Based in part on the current published administrative policies and assessing practices of the CRA, a switch of one class of Hedged Mutual Fund Units into another class of Hedged Mutual Fund Units of the same Evolve Fund or a switch of one class of Unhedged Mutual Fund Units into another class of Unhedged Mutual Fund Units of the same Evolve Fund will not constitute a disposition of the Mutual Fund Units so switched for the purposes of the Tax Act.”

CERTIFICATE OF THE EVOLVE FUND, THE MANAGER AND PROMOTER

Dated: January 24, 2024

The prospectus April 26, 2023, as amended by this Amendment No. 1 dated January 24, 2024, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus dated April 26, 2023, as amended by this Amendment No. 1 dated January 24, 2024, as required by the securities legislation of each of the provinces and territories of Canada.

EVOLVE FUNDS GROUP INC.

(As manager, trustee and promoter and on behalf of the Evolve Fund)

(Signed) "*Raj Lala*"

Raj Lala
Chief Executive Officer of Evolve Funds Group Inc., the
Manager, Trustee and Promoter of the Evolve Fund

(Signed) "*Scharlet Diradour*"

Scharlet Diradour
Chief Financial Officer of Evolve Funds Group Inc.,
the Manager, Trustee and Promoter of the Evolve
Fund

On behalf of the Board of Directors
of Evolve Funds Group Inc.

(Signed) "*Keith Crone*"

Keith Crone
Director

(Signed) "*Elliot Johnson*"

Elliot Johnson
Director

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and only by persons permitted to sell these securities.



PROSPECTUS

Continuous Offering

April 26, 2023

- Evolve Global Materials & Mining Enhanced Yield Index ETF (“BASE”)**
- Evolve E-Gaming Index ETF (“HERO”)**
- Evolve Innovation Index Fund (“EDGE”)**
- Evolve Active Core Fixed Income Fund (“FIXD”)**
- Evolve Cloud Computing Index Fund (“DATA”)**
- Evolve FANGMA Index ETF (“TECH”)**
- Evolve Canadian Banks and Lifecos Enhanced Yield Index Fund (“BANK”)**
- Evolve European Banks Enhanced Yield ETF (“EBNK”)**
- (Collectively, the “Evolve Funds” and each, an “Evolve Fund”)**

This prospectus qualifies the distribution of units (“Units”) of the Evolve Funds, each of which is established under the laws of the province of Ontario. See “Organization and Management Details of the Evolve Funds – Manager”. Each Evolve Fund is offering the following Units:

| Evolve Fund | ETF Units | | | Mutual Fund Units | | | |
|--|----------------------------|-------------------------------|--------------------------|--|--|--|---|
| | Unhedged ETF Units (CAD\$) | USD Unhedged ETF Units (US\$) | Hedged ETF Units (CAD\$) | Hedged Mutual Fund Units | | Unhedged Mutual Fund Units | |
| Hedged Class A Mutual Fund Units (CAD\$) | | | | Hedged Class F Mutual Fund Units (CAD\$) | Unhedged Class A Mutual Fund Units (CAD\$) | Unhedged Class F Mutual Fund Units (CAD\$) | |
| BASE | ✓ | | ✓ | | | | |
| HERO | | | ✓ | | | | |
| EDGE | | ✓ | ✓ | ✓ | ✓ | | |
| FIXD | ✓ | | | | | ✓ | ✓ |
| DATA | ✓ | | ✓ | | | | |
| TECH | ✓ | ✓ | ✓ | | | | |
| BANK | ✓ | | | | | | |
| EBNK | ✓ | ✓ | ✓ | | | | |

Hedged Class A Mutual Fund Units and Unhedged Class A Mutual Fund Units are referred to in this prospectus as “Class A Mutual Fund Units”, and Hedged Class F Mutual Fund Units and Unhedged Class F Mutual Fund Units are referred to in this prospectus as “Class F Mutual Fund Units” (together with the Class A Mutual Fund Units,

“**Mutual Fund Units**”). Unhedged ETF Units (CAD\$) and USD Unhedged ETF Units are referred to in this prospectus as “**Unhedged ETF Units**”, and Unhedged ETF Units and Hedged ETF Units are referred to in this prospectus as “**ETF Units**”. ETF Units and Mutual Fund Units are collectively referred to as “**Units**”. Units, other than the USD Unhedged ETF Units, are denominated in Canadian dollars. USD Unhedged ETF Units are denominated in United States dollars.

Investment Objectives

Evolve Innovation Index Fund

EDGE seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive Global Innovation Index, or any successor thereto (the “**EDGE Index**”). EDGE directly or indirectly invests in equity securities of companies located domestically or internationally that are involved in innovative and disruptive trends across a broad range of industries.

Evolve Active Core Fixed Income Fund

The investment objective of FIXD is to generate an attractive total investment return through income and long term capital appreciation primarily through investments in debt obligations and other evidences of indebtedness of Canadian, U.S., and international issuers.

Evolve Global Materials & Mining Enhanced Yield Index ETF

BASE seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive Materials & Mining Index, or any successor thereto (the “**BASE Index**”), while mitigating downside risk. BASE invests directly or indirectly in equity securities of global issuers engaged in the manufacturing, mining and/or integration of metals and materials, while writing covered call options on up to 33% of the portfolio securities, at the discretion of the Manager. The level of covered call option writing may vary based on market volatility and other factors.

Evolve E-Gaming Index ETF

HERO seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive eGaming Index, or any successor thereto (the “**HERO Index**”). HERO primarily invests in equity securities of companies listed domestically and globally, and other issuers, with business activities in the gaming industry.

Evolve Cloud Computing Index Fund

DATA seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive Global Cloud Computing Index, or any successor thereto (the “**DATA Index**”). DATA invests primarily in equity securities of companies located domestically or internationally that have business operations in the field of cloud computing.

Evolve FANGMA Index ETF

TECH seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive FANGMA Equal Weight Index, or any successor thereto (the “**TECH Index**”). TECH invests in equity securities of Alphabet Inc., Amazon Inc., Apple Inc., Meta Platforms, Inc., Netflix Inc. and Microsoft Corp.

Evolve Canadian Banks and Lifecos Enhanced Yield Index Fund

BANK seeks to replicate, to the extent reasonably possible before fees and expenses, up to a 1.25 times multiple of the performance of the Solactive Canadian Core Financials Equal Weight Index, or any successor thereto (the “**BANK Index**”), while mitigating downside risk. BANK invests primarily in the equity constituents of the BANK Index, while writing covered call options on up to 33% of the portfolio securities in the portfolio, at the discretion of the Manager. The level of covered call option writing may vary based on market volatility and other factors.

BANK will use leverage in order to seek to achieve its investment objective. Leverage will be created through the use of cash borrowings or as otherwise permitted under applicable securities legislation.

Evolve European Banks Enhanced Yield ETF

EBNK seeks to replicate, to the extent reasonably possible before fees and expenses, the performance of the Solactive European Bank Top 20 Equal Weight Index Canadian Dollar Hedged, or any successor thereto (the “**EBNK Index**”), while mitigating downside risk. EBNK invests primarily in the equity constituents of the EBNK Index, while writing covered call options on up to 33% of the portfolio securities, at the discretion of the Manager. The level of covered call option writing may vary based on market volatility and other factors.

See “Investment Objectives” for further information.

Evolve Funds Group Inc. (the “**Manager**”), a registered investment fund manager and portfolio manager, will act as promoter, manager, trustee and portfolio manager of the Evolve Funds and is responsible for the administration of the Evolve Funds. The Manager has retained Addenda Capital Inc. as the sub-advisor for FIXD. See “Organization and Management Details of the Evolve Funds – Manager” and “Organization and Management Details of the Evolve Funds – Sub-Advisor for FIXD”.

Listing of ETF Units

The ETF Units of EDGE, BASE, HERO, DATA, TECH, BANK and EBNK are currently listed and trading on the Toronto Stock Exchange (“**TSX**”) and the ETF Units of FIXD are currently listed and trading on the NEO Exchange Inc. (the “**NEO Exchange**”), together with the TSX, each, a “**Designated Exchange**”), and investors can buy or sell such ETF Units on the applicable Designated Exchange through registered brokers and dealers in the province or territory where the investor resides.

Investors may incur customary brokerage commissions in buying or selling ETF Units. No fees are paid by investors to the Manager or the Evolve Funds in connection with buying or selling ETF Units on the applicable Designated Exchange. Unitholders (as defined herein) may also redeem ETF Units of any Evolve Fund for cash at a redemption price per ETF Unit equal to 95% of the closing price of the applicable ETF Units on the applicable Designated Exchange, on the effective day of redemption, subject to a maximum redemption price per ETF Unit equal to the NAV per ETF Unit (as defined herein) on the effective day of redemption, or exchange a Prescribed Number of ETF Units (as defined herein) (or an integral multiple thereof) for Baskets of Securities (as defined herein) and cash or, in certain circumstances, for cash. See “Exchange and Redemption of ETF Units – Redemption of ETF Units of the Evolve Funds for Cash” and “Exchange and Redemption of ETF Units – Exchange of ETF Units of the Evolve Funds at NAV per ETF Unit for Baskets of Securities and/or Cash” for further information.

The Evolve Funds issue ETF Units directly to the Designated Broker (as defined herein) and Dealers (as defined herein).

No designated broker or dealer has been involved in the preparation of this prospectus or has performed any review of the contents of this prospectus and as such, the Designated Broker and Dealers do not perform many of the usual underwriting activities in connection with the distribution by the Evolve Funds of their Units under this prospectus.

Registration of interests in, and transfer of, the ETF Units will be made only through CDS Clearing and Depository Services Inc (“**CDS**”). Beneficial owners will not have the right to receive physical certificates evidencing their ownership.

Class A Mutual Fund Units

Class A Mutual Fund Units are available to all investors through authorized dealers.

Class F Mutual Fund Units

Class F Mutual Fund Units are available to investors who have fee based accounts with their dealer. The Manager has designed the Class F Mutual Fund Units to offer investors an alternative means of paying their dealer for investment advice and other services. Instead of paying sales charges, investors buying Class F Mutual Fund Units pay fees to their dealer for investment advice and other services. The Manager does not pay any commissions to dealers in respect of the Class F Mutual Fund Units which allows it to charge a lower Management Fee (as defined herein).

If a Unitholder ceases to be eligible to hold Class F Mutual Fund Units, the Manager may switch a Unitholder’s Class F Mutual Fund Units into Class A Mutual Fund Units of the same Evolve Fund after providing the Unitholder with 5 days’ notice, unless the Unitholder notifies the Manager during the notice period and the Manager agrees that such

Unitholder is once again eligible to hold Class F Mutual Fund Units. Unitholders may be charged a sales commission in connection with the switch by their dealer.

Investors can buy or redeem Mutual Fund Units through a qualified financial advisor or broker. All orders are based on the next NAV calculated after the Manager's receipt of an order. Redemption orders which are received by the Manager before 4:00 p.m. (Toronto time) or such other cut-off time as specified by the Manager on any Valuation Date (as defined herein) will be priced using that day's NAV.

For a discussion of the risks associated with an investment in Units of the Evolve Funds, see "Risk Factors".

Eligibility for Investment

Provided that an Evolve Fund qualifies as a "mutual fund trust" within the meaning of the Tax Act (as defined herein), the Units of that Evolve Fund, if issued on the date hereof, would be on such date qualified investments under the Tax Act for a trust governed by a registered retirement savings plan, a registered retirement income fund, a registered disability savings plan, a deferred profit sharing plan, a registered education savings plan, a tax-free savings account or a first home savings account ("**Plans**"). In addition, the ETF Units will be qualified investments for a trust governed by a Plan provided such Units are listed on a "designated stock exchange" (which currently includes the TSX and NEO Exchange) within the meaning of the Tax Act.

Additional Considerations

BANK is considered an alternative mutual fund within the meaning of National Instrument 81-102 *Investment Funds* ("**NI 81-102**") and is permitted to invest in asset classes or use investment strategies that are not permitted for other types of mutual funds. As an alternative mutual fund, under NI 81-102, BANK is permitted to use strategies generally prohibited by conventional mutual funds, including the ability to invest more than 10% of their net asset value in securities of a single issuer, the ability to borrow cash, to short sell beyond the limits prescribed for conventional mutual funds and to employ leverage. While these specific strategies will be used in accordance with the fund's investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

Documents Incorporated by Reference

Additional information about each Evolve Fund is or will be available in the most recently filed annual financial statements, any interim financial statements filed after those annual financial statements, the most recently filed annual management report of fund performance ("**MRFP**"), any interim MRFP filed after the annual MRFP for each Evolve Fund and the most recently filed ETF Facts or Fund Facts (as applicable, as defined herein) for each Evolve Fund. These documents are incorporated by reference into, and legally form an integral part of, this prospectus. See "Documents Incorporated by Reference" for further details.

TABLE OF CONTENTS

| | |
|---|-----------|
| GLOSSARY | i |
| PROSPECTUS SUMMARY | vi |
| OVERVIEW OF THE LEGAL STRUCTURE OF THE EVOLVE FUNDS | 1 |
| INVESTMENT OBJECTIVES | 1 |
| THE INDEXES | 3 |
| Change in an Index | 5 |
| Termination of an Index | 6 |
| Use of the Indexes | 6 |
| INVESTMENT STRATEGIES | 6 |
| OVERVIEW OF THE SECTORS THAT THE EVOLVE FUNDS INVEST IN | 10 |
| INVESTMENT RESTRICTIONS | 10 |
| Tax Related Investment Restrictions | 11 |
| FEES AND EXPENSES | 11 |
| Fees and Expenses Payable by the Evolve Funds..... | 11 |
| Fees and Expenses Payable Directly by the Unitholders..... | 13 |
| Impact of Sales Charges | 14 |
| RISK FACTORS | 14 |
| General Risks Relating to an Investment in the Evolve Funds..... | 14 |
| Additional Risks Relating to an Investment in each Evolve Fund | 20 |
| Suitability | 28 |
| Risk Ratings of the Evolve Funds | 29 |
| DISTRIBUTION POLICY | 30 |
| Optional Distribution Reinvestment Plan for ETF Units..... | 31 |
| Optional Pre-Authorized Cash Contributions for Mutual Fund Units..... | 32 |
| PURCHASES OF UNITS | 32 |
| Continuous Distribution | 32 |
| Designated Broker for ETF Units..... | 33 |
| Purchases of Mutual Fund Units | 33 |
| SWITCHES AND REDEMPTIONS OF MUTUAL FUND UNITS | 35 |
| Switches | 35 |
| Redemptions..... | 36 |
| Suspension of Redemptions | 36 |
| Allocations of Capital Gains to Redeeming Unitholders..... | 37 |
| Short-term Trading..... | 37 |
| EXCHANGE AND REDEMPTION OF ETF UNITS..... | 38 |
| Exchange of ETF Units of an Evolve Fund at NAV per ETF Unit for Baskets of Securities and/or Cash | 38 |
| Redemption of ETF Units of an Evolve Fund for Cash..... | 38 |
| Suspension of Exchanges and Redemptions..... | 39 |
| Other ETF Unit Charges..... | 39 |
| Allocations of Capital Gains to Redeeming or Exchanging Unitholders | 39 |
| Book-Entry Only System | 40 |
| Short-term Trading | 40 |
| PRIOR SALES..... | 40 |
| Trading Price and Volume..... | 40 |
| INCOME TAX CONSIDERATIONS..... | 43 |

| | |
|--|-----------|
| Status of the Evolve Funds | 44 |
| Taxation of the Evolve Funds..... | 45 |
| Taxation of Holders..... | 47 |
| Taxation of Registered Plans..... | 49 |
| Tax Implications of the Evolve Funds' Distribution Policy | 50 |
| ORGANIZATION AND MANAGEMENT DETAILS OF THE EVOLVE FUNDS | 50 |
| Manager..... | 50 |
| Officers and Directors of the Manager | 51 |
| Sub-Advisor for FIXD..... | 53 |
| Brokerage Arrangements..... | 55 |
| Conflicts of Interest..... | 55 |
| Independent Review Committee | 56 |
| Trustee..... | 57 |
| Custodian..... | 57 |
| Prime Broker | 57 |
| Auditors..... | 57 |
| Registrar and Transfer Agent | 57 |
| Fund Administrator | 57 |
| Lending Agent..... | 58 |
| Promoter..... | 58 |
| FUND GOVERNANCE | 58 |
| CALCULATION OF NET ASSET VALUE | 58 |
| Valuation Policies and Procedures of the Evolve Funds | 59 |
| Reporting of Net Asset Value..... | 60 |
| ATTRIBUTES OF THE SECURITIES | 61 |
| Description of the Securities Distributed..... | 61 |
| UNITHOLDER MATTERS | 62 |
| Meetings of Unitholders | 62 |
| Matters Requiring Unitholder Approval..... | 62 |
| Amendments to the Declaration of Trust..... | 63 |
| Permitted Mergers | 63 |
| Accounting and Reporting to Unitholders..... | 63 |
| International Information Reporting..... | 64 |
| TERMINATION OF THE EVOLVE FUNDS..... | 64 |
| PLAN OF DISTRIBUTION | 64 |
| Non-Resident Unitholders..... | 64 |
| DEALER COMPENSATION..... | 65 |
| RELATIONSHIP BETWEEN THE EVOLVE FUNDS AND THE DEALERS | 66 |
| PRINCIPAL HOLDERS OF UNITS..... | 66 |
| PROXY VOTING DISCLOSURE FOR PORTFOLIO SECURITIES HELD | 66 |
| Proxy Voting Policies for Addenda Capital Inc. | 66 |
| MATERIAL CONTRACTS | 66 |
| LEGAL AND ADMINISTRATIVE PROCEEDINGS..... | 67 |
| EXPERTS..... | 67 |
| EXEMPTIONS AND APPROVALS | 67 |
| OTHER MATERIAL FACTS..... | 67 |
| Index Provider Disclaimers | 67 |

| | |
|--|------------|
| PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION | 68 |
| DOCUMENTS INCORPORATED BY REFERENCE..... | 68 |
| DESIGNATED WEBSITE | 69 |
| CERTIFICATE OF THE EVOLVE FUNDS, THE MANAGER AND PROMOTER | C-1 |

GLOSSARY

Unless otherwise indicated, the references to dollar amounts in this prospectus are to Canadian dollars and all references to times in this prospectus are to Toronto time.

Addenda Sub-Advisory Agreement – has the meaning ascribed to such term under the heading “Organization and Management Details of the Evolve Funds – Sub-Advisor for FIXD”.

Adjustment Day – means a Valuation Date designated by the Manager to effect a rebalancing in accordance with the Declaration of Trust.

ADRs – means American Depositary Receipts.

allowable capital loss – has the meaning ascribed thereto under “Income Tax Considerations – Taxation of Holders”.

ATR Rule – has the meaning ascribed thereto under “Switches and Redemptions of Mutual Fund Units – Allocations of Capital Gains to Redeeming or Exchanging Unitholders.”

BANK Index – means the Solactive Canadian Core Financials Equal Weight Index, or any successor thereto.

BASE Index – means the Solactive Materials & Mining Index, or any successor thereto.

Basket of Securities – means, in relation to a particular Evolve Fund, (i) a group of some or all of the Constituent Securities held, to the extent reasonably possible, in approximately the same proportion as they are reflected in the applicable Index; (ii) a group of some or all of the Constituent Securities and other securities selected by the Manager from time to time that collectively reflect the aggregate investment characteristics of, or a representative sample of, the applicable Index; or (iii) a group of securities and/or assets determined by the Manager or the Sub-Advisor from time to time representing the constituents of the portfolio of the Evolve Fund.

Canadian Securities Legislation – means the securities legislation in force in each province and territory of Canada, all regulations, rules, orders and policies made thereunder and all multilateral and national instruments adopted by the Securities Regulatory Authorities, as the same may be amended, restated or replaced from time to time.

Capital Gains Refund – has the meaning ascribed thereto under “Income Tax Considerations – Taxation of the Evolve Funds”.

CDS – means CDS Clearing and Depository Services Inc.

CDS Participant – means a registered dealer or other financial institution that is a participant in CDS and that holds ETF Units on behalf of beneficial owners of ETF Units.

Class A Mutual Fund Units – means hedged class A mutual fund units and unhedged class A mutual fund units of the Evolve Funds, as applicable.

Class F Mutual Fund Units – means hedged class F mutual fund units and unhedged class F mutual fund units of the Evolve Funds, as applicable.

CMBS – means commercial mortgage-backed securities.

Constituent Issuers – means, in relation to a particular Index, the issuers that are included from time to time in that Index as selected by the Index Provider.

Constituent Securities – means, in relation to a particular Index, the specific class or series of securities of the Constituent Issuers included in that Index.

Counterparty – has the meaning ascribed thereto under “Risk Factors – Securities Lending Risks”.

CRA – means the Canada Revenue Agency.

Custodian – means CIBC Mellon Trust Company or its successor, in its capacity as custodian of the Evolve Funds pursuant to the Custodian Agreement.

Custodian Agreement – means the master custodian agreement between the Manager, in its capacity as manager of the Evolve Funds, and the Custodian, as may be further supplemented, amended, and/or amended and restated from time to time.

DATA Index – means the Solactive Global Cloud Computing Index, or any successor thereto.

DBRS – means the DBRS group of companies.

Dealer – means a registered dealer (that may or may not be the Designated Broker) that has entered into a continuous distribution dealer agreement with the Manager, on behalf of an Evolve Fund, and that subscribes for and purchases ETF Units from that Evolve Fund.

Declaration of Trust – means the amended and restated master declaration of trust dated June 4, 2019, governing the Evolve Funds, as the same may be amended, restated or replaced from time to time.

Derivatives – means instruments that derive their value from the market price, value or level of an underlying security, commodity, economic indicator, index or financial instrument and which may include, put options, call options, futures contracts, forward contracts, swaps or debt-like securities.

Designated Broker – means a registered dealer that has entered into a designated broker agreement with the Manager, on behalf of an Evolve Fund, pursuant to which the Designated Broker agrees to perform certain duties in respect of the ETF Units in relation to that Evolve Fund.

Designated Exchange – means the TSX and the NEO Exchange, as applicable.

DFA Rules – has the meaning ascribed thereto under “Risk Factors – Taxation of the Evolve Funds”.

Distribution Record Date – means, in relation to a particular Evolve Fund, a date determined by the Manager as a record date for the determination of the Unitholders entitled to receive a distribution.

DPSP – means a deferred profit sharing plan within the meaning of the Tax Act.

EBNK Index – means the Solactive European Bank Top 20 Equal Weight Index Canadian Dollar Hedged, or any successor thereto.

EDGE Index – means the Solactive Global Innovation Index, or any successor thereto.

EFG – means Evolve Funds Group Inc., the promoter, manager, trustee and portfolio manager of the Evolve Funds.

EIFEL Amendments – has the meaning ascribed thereto under “Risk Factors – Taxation of the Evolve Funds”.

ETF Facts – means an ETF Facts document in respect of ETF Units prescribed by Canadian Securities Legislation in respect of an exchange traded fund, which summarizes certain features of the exchange traded fund and which is publicly available at www.sedar.com and provided or made available to registered dealers for delivery to purchasers of securities of an exchange traded fund.

ETF Units – means the exchange traded units of the Evolve Funds.

Evolve Funds – means collectively, the mutual funds listed on the cover page of this prospectus, each an investment trust established under the laws of Ontario pursuant to the Declaration of Trust.

FHSA – means a first home savings account within the meaning of the Tax Act.

Fund Administrator – means CIBC Mellon Global Securities Services Company or its successor, in its capacity as fund administrator of the Evolve Funds pursuant to the Custodian Agreement.

Fund Facts – means a fund facts document in respect of the Mutual Fund Units, which summarizes certain features of the applicable class of Mutual Fund Units and which is publicly available at www.sedar.com.

GDRs – means Global Depositary Receipts.

GST/HST – means taxes exigible under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder.

Hedged Class A Mutual Fund Units – has the meaning ascribed thereto on the cover page.

Hedged Class F Mutual Fund Units – has the meaning ascribed thereto on the cover page.

Hedged ETF Units – has the meaning ascribed thereto on the cover page.

Hedged Mutual Fund Units – has the meaning ascribed thereto on the cover page.

Hedged Unit – means, in relation to each of the Evolve Funds, a Unit of a class or series of Hedged Mutual Fund Units or Hedged ETF Units of an Evolve Fund, as applicable, which represents an equal, undivided interest in the net assets of that class or series of that Evolve Fund.

HERO Index – means the Solactive eGaming Index, or any successor thereto.

Holder – has the meaning ascribed thereto under “Income Tax Considerations”.

Index – means, in relation to an index-tracking Evolve Fund, a benchmark or index, provided by the relevant Index Provider, that is used by an Evolve Fund in relation to the Evolve Fund’s investment objective and includes, as required, a replacement or alternative benchmark or index that applies substantially similar criteria to those currently used by the relevant Index Provider for the benchmark or index and/or a successor index that is generally comprised of, or would be generally comprised of, the same Constituent Securities as the benchmark or index.

Index Funds – means index-tracking Evolve Funds.

Index License Agreement – means, in relation to an index-tracking Evolve Fund, the agreements pursuant to which the Manager licenses or sublicenses the relevant Indexes for use by the applicable Evolve Fund.

Index Provider – means, in relation to an index-tracking Evolve Fund, the provider of the Index in respect of which the Manager has entered into licensing arrangements pursuant to an Index License Agreement to use the relevant Index and certain trademarks in connection with the operation of the applicable Evolve Fund.

International Information Exchange Legislation – has the meaning ascribed thereto under “Unitholder Matters – International Information Reporting”.

IRC or Independent Review Committee – means the independent review committee of the Evolve Funds established under NI 81-107.

Lending Agent – means The Bank of New York Mellon, in its capacity as lending agent pursuant to a Securities Lending Agreement.

Management Fee – has the meaning ascribed thereto under “Fees and Expenses – Fees and Expenses Payable by the Evolve Funds – Management Fees”.

Management Fee Distributions – has the meaning ascribed thereto under “Fees and Expenses – Fees and Expenses Payable by the Evolve Funds – Management Fees”.

Manager – has the meaning ascribed thereto on the cover page.

Minimum Distribution Requirements – has the meaning ascribed thereto under “Income Tax Considerations – Status of the Evolve Funds”.

MRFP – has the meaning ascribed thereto on the cover page.

Mutual Fund Units – means the Class A Mutual Fund Units and Class F Mutual Fund Units of the Evolve Funds offered under this prospectus.

NAV and NAV per Unit – means, in relation to a particular Evolve Fund, the net asset value of the Evolve Fund and the net asset value per Unit, calculated by the Fund Administrator as described under “Calculation of NAV”.

NEO Exchange – means the NEO Exchange Inc.

NI 81-102 – means National Instrument 81-102 – *Investment Funds*, as the same may be amended, restated or replaced from time to time.

NI 81-106 – means National Instrument 81-106 – *Investment Fund Continuous Disclosure*, as the same may be amended, restated or replaced from time to time.

NI 81-107 – means National Instrument 81-107 – *Independent Review Committee for Investment Funds*, as the same may be amended, restated or replaced from time to time.

Non-Portfolio Income – has the meaning ascribed thereto under “Income Tax Considerations – Taxation of the Evolve Funds”.

Option Premium – means the purchase price of an option.

Permitted Mergers – has the meaning ascribed thereto under “Unitholder Matters – Permitted Mergers”.

Plans – means an RRSP, FHSA, RRIF, RDSP, DPSP, RESP or a TFSA.

PNU or Prescribed Number of ETF Units – means, in relation to a particular Evolve Fund, the number of ETF Units determined by the Manager from time to time for the purpose of subscription orders, exchanges, redemptions or for other purposes.

Policy – has the meaning ascribed thereto under “Fund Governance – Policies, procedures, practices and guidelines”.

Prime Broker – means National Bank Independent Network (NBIN) is a division of NBF Inc., which is an indirect, wholly owned subsidiary of National Bank of Canada.

RDSP – means a registered disability savings plan within the meaning of the Tax Act.

Registrar and Transfer Agent – means TSX Trust Company or its successor, in its capacity as transfer agent of the Evolve Funds.

REIT – means a real estate investment trust.

RESP – means a registered education savings plan within the meaning of the Tax Act.

RRIF – means a registered retirement income fund within the meaning of the Tax Act.

RRSP – means a registered retirement savings plan within the meaning of the Tax Act.

Securities Lending Agreement – has the meaning ascribed thereto under “Organization and Management Details of the Evolve Funds – Lending Agents”.

Securities Regulatory Authorities – means the securities commission or similar regulatory authority in each province and territory of Canada that is responsible for administering the Canadian Securities Legislation in force in such province or territory.

SIFT Rules – has the meaning ascribed thereto under “Risk Factors – Taxation of the Evolve Funds”.

Standard & Poor’s – means Standard & Poor’s Rating Services.

Sub-Advisor – means Addenda Capital Inc., in its capacity as sub-advisor of FIXD pursuant to the Addenda Sub-Advisory Agreement, and its successor, as applicable.

Substituted Property – has the meaning ascribed thereto under “Income Tax Considerations – Taxation of the Evolve Funds”.

taxable capital gain – has the meaning ascribed thereto under “Income Tax Considerations – Taxation of Holders”.

Tax Act – means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time.

Tax Amendment – means a proposed amendment to the Tax Act publicly announced by the Minister of Finance (Canada) prior to the date hereof.

Tax Treaties – has the meaning ascribed thereto under “Risk Factors – Taxation of the Evolve Funds”.

TECH Index – means the Solactive FANGMA Equal Weight Index, or any successor thereto.

TFSA – means a tax-free savings account within the meaning of the Tax Act.

Trading Day – means, for each Evolve Fund, unless otherwise agreed by the Manager, a day on which: (i) a regular session of the applicable Designated Exchange is held, (ii) the primary market or exchange for the majority of securities held by the Evolve Fund is open for trading, and (iii) if applicable, the Index Provider calculates and publishes data relating to the Index of the Evolve Fund.

Trustee – means EFG, in its capacity as trustee of the Evolve Funds pursuant to the Declaration of Trust, or its successor.

TSX – means the Toronto Stock Exchange.

Unhedged Class A Mutual Fund Units – has the meaning ascribed thereto on the cover page.

Unhedged Class F Mutual Fund Units – has the meaning ascribed thereto on the cover page.

Unhedged ETF Units – has the meaning ascribed thereto on the cover page.

Unhedged Mutual Fund Units – has the meaning ascribed thereto on the cover page.

Unhedged Unit – means, in relation to each of the Evolve Funds, a unit of a class or series of Unhedged ETF Units or Unhedged Mutual Fund Units of an Evolve Fund, as applicable, which represents an equal, undivided interest in the net assets of that class or series of that Evolve Fund.

Unit – means, in relation to a particular Evolve Fund, a unit of a class or series of that Evolve Fund, including ETF Units and Mutual Fund Units, as applicable, which represents an equal, undivided interest in the net assets of that class or series of that Evolve Fund.

Unitholder – means a holder of Units of an Evolve Fund.

USD Unhedged ETF Units – means United States dollar denominated Unhedged ETF Units.

Valuation Date – means each Trading Day or any other day designated by the Manager on which the NAV and NAV per Unit of an Evolve Fund is calculated.

Valuation Time – means, in relation to an Evolve Fund, 4:00 p.m. (Toronto time) on a Valuation Date or such other time that the Manager deems appropriate on each Valuation Date.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information, financial data and financial statements contained elsewhere in this prospectus or incorporated by reference in this prospectus.

Issuers: Evolve Innovation Index Fund (“**EDGE**”)
 Evolve Active Core Fixed Income Fund (“**FIXD**”)
 Evolve Global Materials & Mining Enhanced Yield Index ETF (“**BASE**”)
 Evolve E-Gaming Index ETF (“**HERO**”)
 Evolve Cloud Computing Index Fund (“**DATA**”)
 Evolve FANGMA Index ETF (“**TECH**”)
 Evolve Canadian Banks and Lifecos Enhanced Yield Index Fund (“**BANK**”)
 Evolve European Banks Enhanced Yield ETF (“**EBNK**”)
 (each, an “**Evolve Fund**” and together, the “**Evolve Funds**”)

Each Evolve Fund is offering the following Units:

| Evolve Fund | ETF Units | | | Mutual Fund Units | | | |
|--|----------------------------|-------------------------------|--------------------------|--|--|--|---|
| | Unhedged ETF Units (CAD\$) | USD Unhedged ETF Units (US\$) | Hedged ETF Units (CAD\$) | Hedged Mutual Fund Units | | Unhedged Mutual Fund Units | |
| Hedged Class A Mutual Fund Units (CAD\$) | | | | Hedged Class F Mutual Fund Units (CAD\$) | Unhedged Class A Mutual Fund Units (CAD\$) | Unhedged Class F Mutual Fund Units (CAD\$) | |
| BASE | ✓ | | ✓ | | | | |
| HERO | | | ✓ | | | | |
| EDGE | | ✓ | ✓ | ✓ | ✓ | | |
| FIXD | ✓ | | | | | ✓ | ✓ |
| DATA | ✓ | | ✓ | | | | |
| TECH | ✓ | ✓ | ✓ | | | | |
| BANK | ✓ | | | | | | |
| EBNK | ✓ | ✓ | ✓ | | | | |

Hedged Class A Mutual Fund Units and Unhedged Class A Mutual Fund Units are referred to in this prospectus as “**Class A Mutual Fund Units**”, and Hedged Class F Mutual Fund Units and Unhedged Class F Mutual Fund Units are referred to in this prospectus as “**Class F Mutual Fund Units**” (together with the Class A Mutual Fund Units, “**Mutual Fund Units**”). Unhedged ETF Units (CAD\$) and USD Unhedged ETF Units are referred to in this prospectus as Unhedged ETF Units, and Unhedged ETF Units and Hedged ETF Units are referred to in this prospectus as “**ETF Units**”. ETF Units and Mutual Fund Units are collectively referred to as “**Units**”. Units, other than the USD Unhedged ETF Units, are denominated in Canadian dollars. USD Unhedged ETF Units are denominated in United States dollars.

Each Evolve Fund, other than BANK, is a mutual fund established under the laws of the Province of Ontario. BANK is an alternative mutual fund established under the laws of the Province of Ontario. Evolve Funds Group Inc. (“**EFG**”) is the promoter, manager, trustee and portfolio manager of the Evolve Funds and is responsible for the administration of the Evolve Funds.

In its capacity as Manager and portfolio manager of FIXD, EFG has retained Addenda Capital Inc. as sub-advisor to FIXD.

**Continuous
Distribution:*****ETF Units***

The ETF Units of EDGE, BASE, HERO, DATA, TECH, BANK and EBNK are currently listed and trading on the Toronto Stock Exchange (“**TSX**”) and the ETF Units of FIXD are currently listed and trading on the NEO Exchange Inc. (the “**NEO Exchange**”, together with the TSX, each, a “**Designated Exchange**”), and investors can buy or sell such ETF Units on the applicable Designated Exchange through registered brokers and dealers in the province or territory where the investor resides.

Investors may incur customary brokerage commissions in buying or selling Units. No fees are paid by investors to the Manager or the Evolve Funds in connection with the buying or selling of ETF Units on the applicable Designated Exchange, as applicable. Investors may trade ETF Units in the same way as other securities listed on the applicable Designated Exchange, including by using market orders and limit orders.

Class A Mutual Fund Units

Class A Mutual Fund Units are available to all investors through authorized dealers.

Class F Mutual Fund Units

Class F Mutual Fund Units are available to investors who have fee based accounts with their dealer. The Manager has designed the Class F Mutual Fund Units to offer investors an alternative means of paying their dealer for investment advice and other services. Instead of paying sales charges, investors buying Class F Mutual Fund Units pay fees to their dealer for investment advice and other services. The Manager does not pay any commissions to dealers in respect of the Class F Mutual Fund Units which allows it to charge a lower Management Fee.

If a Unitholder ceases to be eligible to hold Class F Mutual Fund Units, the Manager may switch a Unitholder’s Class F Mutual Fund Units into Class A Mutual Fund Units of the same Evolve Fund after providing the Unitholder with 5 days’ notice, unless the Unitholder notifies the Manager during the notice period and the Manager agrees that such Unitholder is once again eligible to hold Class F Mutual Fund Units. Unitholders may be charged a sales commission in connection with the switch by their dealer.

See “Purchases of Units – Continuous Distribution”.

**Investment
Objectives:**

| Evolve Fund | Investment Objectives |
|--------------------|--|
| EDGE | EDGE seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive Global Innovation Index, or any successor thereto (the “ EDGE Index ”). EDGE directly or indirectly invests in equity securities of companies located domestically or internationally that are involved in innovative and disruptive trends across a broad range of industries. |
| FIXD | The investment objective of FIXD is to generate an attractive total investment return through income and long term capital appreciation primarily through investments in debt obligations and other evidences of indebtedness of Canadian, U.S., and international issuers. |
| BASE | BASE seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive Materials & Mining Index, or any successor thereto (the “ BASE Index ”), while mitigating downside risk. BASE invests directly |

or indirectly in equity securities of global issuers engaged in the manufacturing, mining and/or integration of metals and materials, while writing covered call options on up to 33% of the portfolio securities, at the discretion of the Manager. The level of covered call option writing may vary based on market volatility and other factors.

HERO HERO seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive eGaming Index, or any successor thereto (the “**HERO Index**”). HERO primarily invests in equity securities of companies listed domestically and globally, and other issuers, with business activities in the gaming industry.

DATA DATA seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive Global Cloud Computing Index, or any successor thereto (the “**DATA Index**”). DATA invests primarily in equity securities of companies located domestically or internationally that have business operations in the field of cloud computing.

TECH TECH seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive FANGMA Equal Weight Index, or any successor thereto (the “**TECH Index**”). TECH invests in equity securities of Alphabet Inc., Amazon Inc., Apple Inc., Meta Platforms, Inc., Netflix Inc. and Microsoft Corp.

BANK BANK seeks to replicate, to the extent reasonably possible before fees and expenses, up to a 1.25 times multiple of the performance of the Solactive Canadian Core Financials Equal Weight Index, or any successor thereto (the “**BANK Index**”), while mitigating downside risk. BANK invests primarily in the equity constituents of the BANK Index, while writing covered call options on up to 33% of the portfolio securities in the portfolio, at the discretion of the Manager. The level of covered call option writing may vary based on market volatility and other factors.

BANK will use leverage in order to seek to achieve its investment objective. Leverage will be created through the use of cash borrowings or as otherwise permitted under applicable securities legislation.

EBNK EBNK seeks to replicate, to the extent reasonably possible before fees and expenses, the performance of the Solactive European Bank Top 20 Equal Weight Index Canadian Dollar Hedged, or any successor thereto (the “**EBNK Index**”), while mitigating downside risk. EBNK invests primarily in the equity constituents of the EBNK Index, while writing covered call options on up to 33% of the portfolio securities, at the discretion of the Manager. The level of covered call option writing may vary based on market volatility and other factors.

See “Investment Objectives”.

**Specific
Investment
Strategies:**

EDGE In order to achieve its investment objective and to obtain direct or indirect exposure to the Constituent Securities of the EDGE Index, EDGE may hold the Constituent Securities of the EDGE Index in approximately the same proportion as they are reflected in the EDGE Index or may hold securities of one or more exchange traded funds that replicate the performance of the EDGE Index, or a

subset of the EDGE Index. Up to 100% of EDGE's assets may be invested in foreign securities.

FIXD To achieve FIXD's investment objective, FIXD will invest primarily in domestic and international investment grade fixed income securities. FIXD's portfolio may also include, at the discretion of the Sub-Advisor, international fixed income securities, emerging market debt, preferred shares, convertible bonds, private placements, commercial mortgages (including commercial mortgage-backed securities ("CMBS")) and non-investment grade bonds. At the time of purchase, the Sub- Advisor will seek to achieve an average quality rating on all debt securities included in the portfolio of investment grade quality as rated by FTSE Canada the same credit rating scale as the benchmark, FTSE Canada Universe Bond Index. Any security that is not rated by a rating agency at the time of purchase or after inclusion in the portfolio will be assessed by a portfolio manager or analyst of the Sub-Advisor and a rating will be applied. Up to 100% of FIXD's assets may be invested in foreign securities.

The Sub-Advisor seeks to diversify the portfolio by investing in securities of governments and public issuers in a variety of sectors. Government bonds will be used primarily for purposes of adjusting duration. Duration can also be adjusted by using derivatives such as futures and repurchase operations/agreements.

The Manager has appointed Addenda Capital Inc. as sub-advisor for FIXD. Addenda Capital Inc has approximately C\$38.1 billion in assets under management (including overlay and advisory assets) as at December 31, 2021, including \$26.2 billion in fixed income.

BASE In order to achieve its investment objective and to obtain direct or indirect exposure to the Constituent Securities of the BASE Index, BASE may hold the Constituent Securities of the BASE Index in approximately the same proportion as they are reflected in the BASE Index or may hold securities of one or more exchange traded funds that replicate the performance of the BASE Index, or a subset of the BASE Index.

The Manager believes that option writing may have the potential to add value and is an effective way to help lower the level of volatility for an investor and potentially improve returns. All other things being equal, higher volatility in the price of a security results in higher option premiums in respect of such security. The Manager believes that equity securities of BASE are suited for a covered call writing strategy. Covered call options will be written by the Manager at its discretion on not more than 33% of the equity securities of the portfolio at any given time.

HERO In order to achieve its investment objective and to obtain direct or indirect exposure to the Constituent Securities of the HERO Index, HERO may hold the Constituent Securities of the HERO Index in approximately the same proportion as they are reflected in the HERO Index or may hold securities of one or more exchange traded funds that replicate the performance of the HERO Index, or a subset of the HERO Index.

DATA In order to achieve its investment objective and to obtain direct or indirect exposure to the Constituent Securities of the DATA Index, DATA may hold the Constituent Securities of the DATA Index in approximately the same proportion as they are reflected in the DATA Index or may hold securities of one or more exchange traded funds that replicate the performance of the DATA Index, or a subset of such DATA Index.

DATA will invest in its own portfolio comprised of various securities and instruments which may include, but are not limited to, equity and equity related securities. Equity related securities held by DATA may include, but are not limited to, convertible debt, income trust units, single issuer equity options, preferred shares and warrants. If market conditions require, in order to preserve capital, DATA may seek to invest a substantial portion of its assets in cash and cash equivalents.

TECH In order to achieve its investment objective and to obtain direct or indirect exposure to the Constituent Securities of the Index, TECH may hold the Constituent Securities of the TECH Index in approximately the same proportion as they are reflected in the TECH Index or may hold securities of one or more exchange traded funds that replicate the performance of the TECH Index, or a subset of such TECH Index.

TECH will invest in its own portfolio comprised of various securities and instruments which may include, but are not limited to, equity and equity related securities. Equity related securities held by TECH may include, but are not limited to, convertible debt, income trust units, single issuer equity options, preferred shares and warrants. If market conditions require, in order to preserve capital, TECH may seek to invest a substantial portion of its assets in cash and cash equivalents.

BANK BANK seeks to achieve its investment objective by borrowing cash to invest in and hold a proportionate share of, or a sampling of the constituent securities of, the BANK Index in order to track up to approximately 1.25 times the performance of the BANK Index.

In order to achieve its investment objective and to obtain direct or indirect exposure to the Constituent Securities of the BANK Index, BANK may hold the Constituent Securities of the BANK Index in approximately the same proportion as they are reflected in the BANK Index or may hold securities of one or more exchange traded funds that replicate the performance of the BANK Index, or a subset of such BANK Index.

The maximum aggregate exposure of BANK to cash borrowing, short selling and specified derivatives will not exceed approximately 25% of its NAV. Although BANK generally intends to employ leverage up to a 1.25 times multiple of the performance of the BANK Index, there is no guarantee that BANK will employ leverage at all times, or at all, depending on a number of factors including margin requirements, collateral requirements, and subscription or redemption processes, among other reasons.

The BANK Index measures the performance of the largest Canadian banks and insurance securities on an equally-weighted basis. The initial composition of the BANK Index as well as any ongoing adjustments upon rebalancing are based on certain criteria, including only the top 10 Constituent Issuers with the largest market capitalization that have been classified under the following FactSet Sector: Major Banks, Regional Banks, Life/Health Insurance, Multi-Line Insurance. The composition of the Index is ordinarily reviewed quarterly in May, August, November and February of each year and is adjusted on the Adjustment Day. Each index component is equally weighted on each Adjustment Day. The

BANK Index is published in Canadian dollars. The BANK Index is an index of Solactive AG and is calculated and distributed by Solactive AG. Additional information regarding the BANK Index is available at www.Solactive.com.

The Manager believes that option writing may have potential to add value and is an effective way to help lower the level of volatility for an investor and potentially improve returns. All other things being equal, higher volatility in the price of a security results in higher option premiums in respect of such security. The Manager believes that equity securities of BANK are suited for a covered call writing strategy. Covered call options will be written by the Manager at its discretion on not more than 33% of the equity securities of the portfolio at any given time.

As an alternative mutual fund, BANK may use leverage. In accordance with applicable securities regulation, leverage may be created by an alternative mutual fund through the use of cash borrowings, short sales and/or derivatives. Such securities regulations provide that an alternative mutual fund, such as BANK, may borrow cash up to 50% of its NAV and may sell securities short, whereby the aggregate market value of the securities sold short will be limited to 50% of its NAV. The combined use of short-selling and cash borrowing by BANK is subject to an overall limit of 50% of its NAV.

BANK currently anticipates achieving its investment objective and creating leverage through the use of cash borrowing.

In addition, securities regulation provide that an alternative mutual fund's aggregate gross exposure, to be calculated as the sum of the following, must not exceed 300% of its net asset value: (i) the aggregate market value of cash borrowing; (ii) the aggregate market value of physical short sales on equities, fixed income securities or other portfolio assets; and (iii) the aggregate notional value of 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.

Notwithstanding the foregoing and such permitted legislative limits, in accordance with its investment objective, the maximum aggregate exposure of BANK to cash borrowing, short selling and specified derivatives will not exceed approximately 25% of its NAV. As noted, it is anticipated that such leverage will be created through the use of cash borrowings.

The aggregate market exposure of all instruments held directly or indirectly by BANK, calculated daily on a mark-to-market basis, can exceed BANK's net asset value, and can exceed the amount of cash and securities held as margin on deposit to support the derivatives trading activities of BANK. In order to ensure that a unitholder's risk is limited to the capital invested, BANK's leverage will be rebalanced in certain circumstances and when the leverage breaches certain bands. Specifically, BANK's leverage will be rebalanced back to 25% of BANK's NAV within two business days of BANK's leverage exceeding 2% above its target leverage of 25% of NAV (i.e., if the leverage is greater than 27% of BANK's NAV).

EBNK

In order to achieve its investment objective and to obtain direct or indirect exposure to the Constituent Securities of the EBNK Index, EBNK may hold the Constituent Securities of the EBNK Index in approximately the same proportion as they are reflected in the EBNK Index or may hold securities of one or more exchange traded funds that replicate the performance of the EBNK Index, or a subset of such EBNK Index.

EBNK invests in its own portfolio comprised of various securities and instruments which may include, but are not limited to, equity and equity related

securities. Equity related securities held by EBANK may include, but are not limited to, convertible debt, income trust units, single issuer equity options, preferred shares and warrants. If market conditions require, in order to preserve capital, EBANK may seek to invest a substantial portion of its assets in cash and cash equivalents.

EBANK may, in certain circumstances and at the discretion of the Manager, employ a “sampling” strategy. Under a sampling strategy, EBANK may not hold all of the Constituent Securities that are included in the EBANK Index, but instead will hold a portfolio of securities selected by the Manager that closely matches the aggregate investment characteristics (e.g., market capitalization, industry sector, or weightings, etc.) of the securities included in the EBANK Index. It is expected that the Manager may use this sampling methodology where it is difficult to acquire the necessary Constituent Securities of the EBANK Index, where the asset levels of EBANK do not allow for the holding of all of the Constituent Securities or where it is otherwise beneficial to EBANK to do so.

The Manager believes that option writing may have potential to add value and is an effective way to help lower the level of volatility for an investor and potentially improve returns. All other things being equal, higher volatility in the price of a security results in higher Option Premiums in respect of such security. The Manager believes that equity securities of EBANK are suited for a covered call writing strategy. Covered call options will be written by the Manager at its discretion on not more than 33% of the equity securities of EBANK’s portfolio at any given time.

**General
Investment
Strategies:**

Investment in other Investment Funds

In accordance with applicable Canadian Securities Legislation, as part of its investment strategy and as an alternative to or in conjunction with investing in and holding securities directly, an index-tracking Evolve Fund may invest in one or more other investment funds or exchange traded funds listed on a stock exchange in Canada or the United States that provides exposure to the performance of the relevant Index, or a subset of such Index (a “**Reference ETF**”). An index-tracking Evolve Fund may invest in one or more other investment funds or exchange traded funds listed on a stock exchange in Canada or the United States. In such case, there shall be no management fees or incentive fees that are payable by an Evolve Fund that, to a reasonable person, would duplicate a fee payable by the underlying investment fund or exchange traded fund for the same service.

Currency Hedging

The Units, other than the USD Unhedged Units, are denominated in Canadian dollars. The USD Unhedged Units are denominated in United States dollars.

In respect of Hedged ETF Units and Hedged Mutual Fund Units, as applicable, the Manager will seek to hedge all or substantially all of the exposure that the portfolios of EDGE, BASE, HERO, DATA, TECH and EBANK may have to foreign currencies back to the Canadian dollar.

In respect of the Unhedged ETF Units, BASE, FIXD, EDGE, DATA, TECH and EBANK will not hedge any foreign currency exposure back to the currency in which such class of Unhedged ETF Units are denominated.

Hedging currency exposure to reduce the impact of fluctuations in exchange rates is intended to reduce the direct exposure to foreign currency risk for Unitholders. Currency forward agreements, if any, will be entered into in compliance with NI 81-102 with financial institutions that have a “designated rating” as defined in NI 81-102.

Use of Derivatives

An Evolve Fund may use Derivatives from time to time to reduce transaction costs, to increase the liquidity and efficiency of trading, for hedging or investment purposes or to generate

additional income. Any use of Derivatives by an Evolve Fund must be in compliance with NI 81-102 and other applicable derivatives legislation and must be consistent with the investment objective and investment strategies of that Evolve Fund.

Securities Lending

An Evolve Fund may enter into securities lending, repurchase and reverse repurchase transactions in compliance with NI 81-102 in order to earn additional income for the Evolve Fund.

Cash Management

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

See “Investment Strategies”.

**Special
Considerations
for Purchasers:**

The provisions of the so-called “early warning” requirements set out in Canadian Securities Legislation do not apply in connection with the acquisition of Units. In addition, the Evolve Funds have obtained exemptive relief from the Securities Regulatory Authorities to permit Unitholders to acquire more than 20% of the ETF Units through purchases on the applicable Designated Exchange, without regard to the takeover bid requirements of applicable Canadian Securities Legislation.

BANK is considered an alternative mutual fund within the meaning of NI 81-102 and is permitted to invest in asset classes or use investment strategies that are not permitted for other types of mutual funds. As an alternative mutual fund, under NI 81-102, BANK is permitted to use strategies generally prohibited by conventional mutual funds, including the ability to invest in other alternative mutual funds, borrow cash to use for investment purposes and increased ability to invest in commodities. While these specific strategies will be used in accordance with the fund’s investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

See “Attributes of the Securities – Description of the Securities Distributed”.

Risk Factors:

There are certain general risk factors inherent in an investment in the Evolve Funds. In addition to the general risk factors, there are additional risk factors inherent in an investment in one or more of the Evolve Funds. See “Risk Factors – General Risks Relating to an Investment in the Evolve Funds” and “Additional Risks Relating to an Investment in each Evolve Fund”.

Income Tax Considerations:

A Unitholder who is resident in Canada will generally be required to include, in computing income for a taxation year, the amount of income (including any net realized taxable capital gains) that is paid or becomes payable to the Unitholder by an Evolve Fund in that year (including such income that is paid in Units of the Evolve Fund or reinvested in additional Units of the Evolve Fund).

A Unitholder who disposes of a Unit of an Evolve Fund that is held as capital property, including on a redemption or otherwise, will generally realize a capital gain (or capital loss) to the extent that the proceeds of disposition (other than any amount payable by an Evolve Fund to the Unitholder which represents capital gains allocated and designated to the redeeming Unitholder), net of costs of disposition, exceed (or are less than) the adjusted cost base of that Unit.

Each investor should satisfy himself or herself as to the federal and provincial tax consequences of an investment in Units by obtaining advice from his or her tax advisor.

See “Income Tax Considerations”.

Exchange and Redemption of ETF Units:

In addition to the ability to sell ETF Units on the applicable Designated Exchange, Unitholders may also (i) redeem ETF Units for cash at a redemption price per ETF Unit equal to 95% of the closing price of the ETF Units on the applicable Designated Exchange, on the effective day of redemption, subject to a maximum redemption price per Unit equal to the NAV per ETF Unit on the effective day of redemption, less any applicable administrative fee determined by the Manager, in its sole discretion, from time to time, or (ii) exchange a PNU (or an integral multiple thereof) for Baskets of Securities and cash or, in certain circumstances, for cash.

See “Exchange and Redemption of ETF Units – Redemption of ETF Units of an Evolve Fund for Cash” and “Exchange and Redemption of ETF Units – Exchange of ETF Units of an Evolve Fund at NAV per ETF Unit for Baskets of Securities and/or Cash” for further information.

Purchases, Switches and Redemptions of Mutual Fund Units:

Unitholders or their investment professional are responsible for determining which class of Mutual Fund Units of the Evolve Fund is appropriate for purchase. All orders are based on the next NAV calculated after the Manager’s receipt of an order. Different classes or series may have different minimum investment levels and may require investors to pay different fees. There is no limit on the number of Mutual Fund Units an investor can buy.

Class A Mutual Fund Units

Class A Mutual Fund Units are available to all investors through authorized dealers.

Class F Mutual Fund Units

Class F Mutual Fund Units are available to investors who have fee based accounts with their dealer. The Manager has designed the Class F Mutual Fund Units to offer investors an alternative means of paying their dealer for investment advice and other services. Instead of paying sales charges, investors buying Class F Mutual Fund Units pay fees to their dealer for investment advice and other services. The Manager does not pay any commissions to dealers in respect of the Class F Mutual Fund Units which allows it to charge a lower Management Fee.

If a Unitholder ceases to be eligible to hold Class F Mutual Fund Units, the Manager may switch a Unitholder’s Class F Mutual Fund Units into Class A Mutual Fund Units of the same Evolve Fund after providing the Unitholder with 5 days’ notice, unless the Unitholder notifies the Manager during the notice period and the Manager agrees that such Unitholder is once again eligible to hold Class F Mutual Fund Units. Unitholders may be charged a sales commission in connection with the switch by their dealer.

See “Purchases of Units – Purchases of Mutual Fund Units” and “Switches and Redemptions of Mutual Fund Units” for further information.

Distributions: Cash distributions of income, if any, on ETF Units will be payable periodically as set out in the table below by each of the Evolve Funds:

| Evolve Fund | Frequency of Distributions, if any |
|--|---|
| Evolve Innovation Index Fund | Quarterly |
| Evolve Active Core Fixed Income Fund | Monthly |
| Evolve Global Materials & Mining Enhanced Yield Index ETF | Monthly |
| Evolve E-Gaming Index ETF | Quarterly |
| Evolve Cloud Computing Index Fund | Monthly |
| Evolve FANGMA Index ETF | Monthly |
| Evolve Canadian Banks and Lifecos Enhanced Yield Index Fund | Monthly |
| Evolve European Banks Enhanced Yield ETF | Monthly |

Distributions payable on Mutual Fund Units will be payable periodically as set out above and will be automatically reinvested in additional Mutual Fund Units of the same class or series, as the case may be. Holders of Mutual Fund Units who wish to receive cash as of a particular dividend/distribution record date should speak with their broker, dealer or investment advisor for details.

The Evolve Funds will not have a fixed distribution amount. The amount of distributions, if any, will be based on the Manager's assessment of anticipated cash flow and anticipated expenses of the Evolve Funds from time to time. The date of any cash distribution of each Evolve Fund will be announced in advance by issuance of a press release. The Manager may, in its complete discretion, change the frequency of these distributions and any such change will be announced by issuance of a press release.

Depending on the underlying investments of an Evolve Fund, distributions on Units may consist of ordinary income, including foreign source income, sourced from foreign dividends, distributions or interest received by the Evolve Fund and dividends from taxable Canadian corporations but may also include net realized capital gains, in any case, less the expenses of the Evolve Fund and may include returns of capital. To the extent that the expenses of an Evolve Fund exceed the income generated by such Evolve Fund in any applicable distribution period, it is not expected that a distribution for that period will be paid.

In addition, an Evolve Fund may from time to time pay additional distributions on its Units, including without restriction in connection with returns of capital.

The tax treatment to Unitholders of distributions is discussed under the heading "Income Tax Considerations".

See "Distribution Policy".

Distribution Reinvestment Plan:

The Evolve Funds may provide Unitholders with the opportunity to reinvest cash distributions in additional Units through participation in a distribution reinvestment plan.

See "Distribution Policy – Distribution Reinvestment Plan".

Termination: The Evolve Funds do not have a fixed termination date but may be terminated at the discretion of the Manager in accordance with the terms of the Declaration of Trust. See “Termination of the Evolve Funds”.

Eligibility for Investment: Provided that an Evolve Fund qualifies as a “mutual fund trust” within the meaning of the Tax Act, Units of that Evolve Fund, if issued on the date hereof, would be on such date qualified investments under the Tax Act for a Plan. In addition, the ETF Units will be qualified investments for a trust governed by a Plan provided such Units are listed on a “designated stock exchange” (which currently includes the TSX and NEO Exchange) within the meaning of the Tax Act.

See “Income Tax Considerations – Taxation of Registered Plans”.

Documents Incorporated by Reference: Additional information about each Evolve Fund is or will be available in the most recently filed annual financial statements, any interim financial statements filed after those annual financial statements, the most recently filed annual management report of fund performance (“MRFP”), any interim MRFP filed after the annual MRFP for each Evolve Fund and the most recently filed ETF Facts or Fund Facts (as applicable) for each Evolve Fund. These documents are incorporated by reference into, and legally form an integral part of, this prospectus. These documents are publicly available on the Manager’s website at www.evolvefunds.com and may be obtained upon request, at no cost, by calling (416)-214-4884 or toll-free at 1-844-370-4884, by sending an email request to info@evolvefunds.com or by contacting a registered dealer. These documents and other information about the Evolve Funds are also publicly available at www.sedar.com.

See “Documents Incorporated by Reference”.

Organization and Management of the Evolve Funds

Manager, Trustee and Portfolio Manager: In its capacity as manager, EFG is responsible for the administration and operations of the Evolve Funds. In its capacity as trustee, EFG will hold title to the assets of each Evolve Fund in trust for the Unitholders. In its capacity as portfolio manager, EFG will be responsible for the oversight and provision of investment advisory services to the Evolve Fund.

The principal office of the Evolve Funds and EFG is located at Scotia Plaza, 40 King Street West, Suite 3404, Toronto, ON M5H 3Y2.

See “Organization and Management Details of the Evolve Funds – Manager” and “Organization and Management Details of the Evolve Funds – Trustee”.

Sub-Advisor for FIXD: The Manager has retained Addenda Capital Inc. to provide sub-advisory services to FIXD. Addenda Capital Inc. has approximately C\$38.1 billion in assets under management (including overlay and advisory assets) as at December 31, 2021, including \$26.2 billion in fixed income.

See “Organization and Management Details of the Evolve Funds – Sub-Advisor for FIXD”.

Promoter: EFG has taken the initiative of founding and organizing the Evolve Funds and is, accordingly, the promoter of the Evolve Funds within the meaning of securities legislation of certain provinces and territories of Canada.

See “Organization and Management Details of the Evolve Funds – Promoter”.

- Custodian:** CIBC Mellon Trust Company, at its principal office in Toronto, Ontario, is the Custodian of the assets of the Evolve Funds and holds those assets in safekeeping. The Custodian is entitled to receive fees from the Manager as described under “Fees and Expenses” and to be reimbursed for all expenses and liabilities that are properly incurred by the Custodian in connection with the activities of the Evolve Funds.
- See “Organization and Management Details of the Evolve Funds – Custodian”.
- Fund Administrator:** CIBC Mellon Global Securities Services Company, at its principal office in Toronto, Ontario, is the Fund Administrator. The Fund Administrator is responsible for certain aspects of the day-to-day administration of the Evolve Funds, including NAV calculations, calculating net income and net realized capital gains of the Evolve Funds and maintaining books and records with respect to the Evolve Funds.
- See “Organization and Management Details of the Evolve Funds – Fund Administrator”.
- Registrar and Transfer Agent:** TSX Trust Company, at its principal office in Toronto, Ontario, is the registrar and transfer agent for the Units and maintains the register of registered Unitholders. The register of the Evolve Funds is kept in Toronto, Ontario.
- See “Organization and Management Details of the Evolve Funds – Registrar and Transfer Agent”.
- Lending Agents:** The Bank of New York Mellon, at its principal office in Toronto, Ontario, may act as the securities lending agent for the Evolve Funds pursuant to a securities lending authorization agreement.
- See “Organization and Management Details of the Evolve Funds – Lending Agents”.
- Auditors:** Ernst & Young LLP, at its principal office in Toronto, Ontario, are the auditors of the Evolve Funds. The auditors will audit each Evolve Fund’s annual financial statements and provide an opinion as to whether they present fairly the Evolve Fund’s financial position, financial performance and cash flows in accordance with International Financial Reporting Standards. The auditors are independent with respect to the Evolve Funds within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.
- See “Organization and Management Details of the Evolve Funds – Auditors”.
- Prime Broker:** The Prime Broker provides BANK with prime brokerage services, including, in respect of BANK, margin facilities under a custody and securities services agreement. The Prime Broker is independent of the Manager. The Prime Broker will be providing margin lending to BANK to acquire additional equity securities.
- See “Organization and Management Details of the Evolve Funds – Prime Broker”.

Summary of Fees and Expenses

The following table lists the fees and expenses that an investor may have to pay if the investor invests in the Evolve Funds. An investor may have to pay some of these fees and expenses directly. The Evolve Funds may have to pay some of these fees and expenses, which will therefore reduce the value of an investment in the Evolve Funds. See “Fees and Expenses”.

Fees and Expenses Payable by the Evolve Funds

| Type of Fee | Amount and Description |
|------------------------|--|
| Management Fee: | Each Evolve Fund pays an annual management fee (the “ Management Fee ”) to the Manager for acting as trustee, manager and portfolio manager of the Evolve Fund equal to a percentage of the NAV of the Evolve Fund, calculated daily and payable monthly in arrears, plus applicable taxes, as follows: |

| Evolve Fund | Class of Units | Management Fee |
|--------------------|------------------------------------|-----------------------|
| EDGE | Hedged ETF Units | 0.40% |
| | USD Unhedged ETF Units | 0.40% |
| | Hedged Class A Mutual Fund Units | 1.40% |
| | Hedged Class F Mutual Fund Units | 0.40% |
| FIXD | Unhedged ETF Units | 0.45% |
| | Unhedged Class A Mutual Fund Units | 1.20% |
| | Unhedged Class F Mutual Fund Units | 0.45% |
| BASE | Hedged ETF Units | 0.60% |
| | Unhedged ETF Units | 0.60% |
| HERO | Hedged ETF Units | 0.70% |
| DATA | Hedged ETF Units | 0.60% |
| | Unhedged ETF Units | 0.60% |
| TECH | Hedged ETF Units | 0.40% |
| | Unhedged ETF Units | 0.40% |
| | USD Unhedged ETF Units | 0.40% |
| BANK | Unhedged ETF Units | 0.60% |
| EBNK | Hedged ETF Units | 0.60% |
| | Unhedged ETF Units | 0.60% |
| | USD Unhedged ETF Units | 0.60% |

The Manager may, at its discretion, agree to charge a reduced Management Fee for some Unitholders as compared to the Management Fee that the Manager would otherwise be entitled to receive from an Evolve Fund, provided that the difference between the fee otherwise chargeable and the reduced fee is distributed periodically by the Evolve Fund to the applicable Unitholders as a management fee distribution (the “**Management Fee Distributions**”). Any reduction will depend on a number of factors, including the amount invested, the NAV of the Evolve Fund and the expected amount of account activity. Management Fee Distributions will be paid first out of net income of the Evolve Fund, then out of capital gains of the Evolve Fund and thereafter out of capital. See “Fees and Expenses”.

Certain Operating Expenses:

Other than Fund Costs (as defined below), in consideration for the payment by the Evolve Funds of a fixed administration fee (the “**Administration Fee**”) to the Manager, and subject to compliance with NI 81-102, the Manager pays for the following operating

expenses of the Evolve Funds (“**Operating Expenses**”), including but not limited to: mailing and printing expenses for periodic reports to Unitholders; fees payable to the Prime Broker (if applicable), relevant Index Provider (if applicable), Registrar and Transfer Agent and Custodian; any reasonable out of pocket expenses incurred by the Manager or its agents in connection with their ongoing obligations to the Evolve Funds; IRC committee member fees and expenses in connection with the IRC; expenses related to compliance with NI 81-107; fees and expenses relating to voting of proxies by a third party; insurance coverage for the members of the IRC; fees payable to the auditors and legal advisors of the Evolve Funds; regulatory filing, stock exchange and licensing fees (if applicable) and CDS fees; Fundserv fees; banking costs and interest with respect to any borrowing (if applicable); website maintenance costs; costs and expenses of complying with all applicable laws, regulations and policies, including expenses and costs incurred in connection with the continuous public filing requirements such as permitted prospectus preparation and filing expenses; and legal, accounting and audit fees and expenses of the Trustee, Custodian and Manager which are incurred in respect of matters not in the normal course of the Evolve Funds’ activities. The Administration Fee paid to the Manager by an Evolve Fund may, in any particular period, be less than or exceed the Operating Expenses that the Manager incurs. The Manager is not obligated to pay any other expense, cost or fee, including those arising from new government or regulatory requirements relating to the foregoing expenses, costs and fees.

The Administration Fee is equal to a specified percentage of the NAV of each class of an Evolve Fund, calculated and paid in the same manner as the Management Fee for the Evolve Fund. The rate of the annual Administration Fee for each Evolve Fund is set out below.

| Evolve Fund | Administration Fee |
|--------------------|---------------------------|
| EDGE | 0.15% |
| FIXD | 0.15% |
| BASE | 0.15% |
| HERO | 0.15% |
| DATA | 0.15% |
| TECH | 0.15% |
| BANK | 0.15% |
| EBNK | 0.15% |

Fund Costs:

The fund costs (“**Fund Costs**”) which are payable by the Evolve Funds include any taxes payable by the Evolve Funds to which the Evolve Funds may be subject, including income taxes, sales taxes (including GST/HST) and/or withholding taxes (including preparation costs for tax filings in respect of any such taxes); expenditures incurred upon termination of the Evolve Funds; extraordinary expenses that the Evolve Funds may incur and all amounts paid on account of any indebtedness (if applicable); any expenses of insurance and costs of all suits or legal proceedings in connection with the Evolve Funds or the assets of the Evolve Funds or to protect the Unitholders, the Trustee, the Manager, the Sub-Advisor and the directors, officers, employees or agents of any of them; any expenses of indemnification of the Trustee, the Unitholders, the Manager, the Sub-Advisor and the directors, officers, employees or agents of any of them to the extent permitted under the Declaration of Trust; and expenses relating to the preparation, printing and mailing of information to Unitholders in connection with meetings of

Unitholders. The Evolve Funds are also responsible for all commissions and other costs of portfolio transactions and any extraordinary expenses of the Evolve Funds which may be incurred from time to time.

Investments in Other Investment Funds:

In the event that an Evolve Fund invests in one or more other investment funds listed on a stock exchange in Canada or the United States, there shall be no management fees or incentive fees that are payable by the Evolve Fund that, to a reasonable person, would duplicate a fee payable by the underlying investment fund for the same service.

Fees and Expenses Payable Directly by Unitholders

| Type of Fee | Amount and Description |
|---|---|
| Class A Mutual Fund Units Sales Charges: | An investor's dealer, investment advisor or financial advisor may charge a sales charge of up to 5% of the purchase price of the Class A Mutual Fund Units at the time of purchase. The Manager deducts the sales charge from the amount invested and pays it on behalf of the Unitholder to the applicable dealer, investment advisor or financial advisor dealer as a commission. |
| Short-term Trading Fees: | <p>At the present time, the Manager is of the view that it is not necessary to impose any short-term trading restrictions on the ETF Units.</p> <p>If a Unitholder redeems Mutual Fund Units within 30 days of purchasing such Mutual Fund Units, the Manager may charge a short-term trading fee on behalf of an Evolve Fund of up to 2% of the value of such Mutual Fund Units in circumstances where the Manager determines that the trading activity represents market timing or excessive short-term trading. No short-term trading fees are charged on redemptions that may occur when a Unitholder fails to meet the minimum investment amount for an Evolve Fund.</p> <p>See "Fees and Expenses – Fees and Expenses Payable Directly by the Unitholders – Short-term Trading Fees".</p> |
| Other ETF Unit Charges: | <p>An amount as may be agreed to between the Manager and the Designated Broker or a Dealer may be charged to offset certain transaction costs associated with an issue, exchange or redemption of ETF Units. This charge does not apply to Unitholders who buy and sell their ETF Units through the facilities of the applicable Designated Exchange.</p> <p>See "Fees and Expenses – Fees and Expenses Payable Directly by the Unitholders – Other ETF Unit Charges" and "Exchange and Redemption of Units – Other ETF Unit Charges".</p> |

OVERVIEW OF THE LEGAL STRUCTURE OF THE EVOLVE FUNDS

The Evolve Funds are mutual funds established under the laws of the Province of Ontario, pursuant to the terms of the Declaration of Trust. Each Evolve Fund, other than BANK, is a mutual fund under Canadian Securities Legislation. BANK is an alternative mutual fund under Canadian Securities Legislation.

BANK is considered an alternative mutual fund within the meaning of NI 81-102 and is permitted to invest in asset classes or use investment strategies that are not permitted for other types of mutual funds. As an alternative mutual fund, under NI 81-102, BANK is permitted to use strategies generally prohibited by conventional mutual funds, including the ability to invest in other alternative mutual funds, borrow cash to use for investment purposes and increased ability to invest in commodities. While these specific strategies will be used in accordance with the fund's investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

EFG, a registered investment fund manager and portfolio manager, is the trustee, manager and portfolio manager of the Evolve Funds, is the promoter of the Evolve Funds, and in its capacity as manager, will be responsible for the administration of the Evolve Funds. The principal office of the Evolve Funds and EFG is located at Scotia Plaza, 40 King Street West, Suite 3404, Toronto, ON M5H 3Y2.

The Manager has retained Addenda Capital Inc. (the “**Sub-Advisor**”) to provide sub-advisory services to FIXD. In its capacity as portfolio manager, EFG is responsible for the oversight and provision of investment advisory services to FIXD by the Sub-Advisor.

The ETF Units of EDGE, BASE, HERO, DATA, TECH, BANK and EBNK are currently listed and trading on the Toronto Stock Exchange (“**TSX**”) and the ETF Units of FIXD are currently listed and trading on the NEO Exchange Inc. (the “**NEO Exchange**”, together with the TSX, each, a “**Designated Exchange**”), and investors can buy or sell such ETF Units on the applicable Designated Exchange through registered brokers and dealers in the province or territory where the investor resides.

The following chart sets out the full legal name as well as the ticker symbol for the ETF Units for each of the Evolve Funds:

| Evolve Fund | Ticker Symbol | | |
|---|------------------|----------------------------|------------------------|
| | Hedged ETF Units | Unhedged ETF Units (CAD\$) | USD Unhedged ETF Units |
| Evolve Innovation Index Fund | EDGE | - | EDGE.U |
| Evolve Active Core Fixed Income Fund | - | FIXD | - |
| Evolve Global Materials & Mining Enhanced Yield Index ETF | BASE | BASE.B | - |
| Evolve E-Gaming Index ETF | HERO | - | - |
| Evolve Cloud Computing Index Fund | DATA | DATA.B | - |
| Evolve FANGMA Index ETF | TECH | TECH.B | TECH.U |
| Evolve Canadian Banks and Lifecos Enhanced Yield Index Fund | | BANK | |
| Evolve European Banks Enhanced Yield ETF | EBNK | EBNK.B | EBNK.U |

FIXD and EDGE each also offer Class A Mutual Fund Units and Class F Mutual Fund Units. See “Description of the Securities”.

INVESTMENT OBJECTIVES

The investment objective of each Evolve Fund is described below.

Evolve Innovation Index Fund

EDGE seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive Global Innovation Index, or any successor thereto (the “**EDGE Index**”). EDGE directly or indirectly invests in equity securities of companies located domestically or internationally that are involved in innovative and disruptive trends across a broad range of industries.

Evolve Active Core Fixed Income Fund

The investment objective of FIXD is to generate an attractive total investment return through income and long term capital appreciation primarily through investments in debt obligations and other evidences of indebtedness of Canadian, U.S., and international issuers.

Evolve Global Materials & Mining Enhanced Yield Index ETF

BASE seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive Materials & Mining Index, or any successor thereto (the “**BASE Index**”), while mitigating downside risk. base invests directly or indirectly in equity securities of global issuers engaged in the manufacturing, mining and/or integration of metals and materials, while writing covered call options on up to 33% of the portfolio securities, at the discretion of the Manager. The level of covered call option writing may vary based on market volatility and other factors.

Evolve E-Gaming Index ETF

HERO seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive eGaming Index, or any successor thereto (the “**HERO Index**”). HERO primarily invests in equity securities of companies listed domestically and globally, and other issuers, with business activities in the gaming industry.

Evolve Cloud Computing Index Fund

DATA seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive Global Cloud Computing Index, or any successor thereto (the “**DATA Index**”). DATA invests primarily in equity securities of companies located domestically or internationally that have business operations in the field of cloud computing.

Evolve FANGMA Index ETF

TECH seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive FANGMA Equal Weight Index, or any successor thereto (the “**TECH Index**”). TECH invests in equity securities of Alphabet Inc., Amazon Inc., Apple Inc., Meta Platforms, Inc., Netflix Inc. and Microsoft Corp.

Evolve Canadian Banks and Lifecos Enhanced Yield Index Fund

BANK seeks to replicate, to the extent reasonably possible before fees and expenses, up to a 1.25 times multiple of the performance of the Solactive Canadian Core Financials Equal Weight Index, or any successor thereto (the “**BANK Index**”), while mitigating downside risk. BANK invests primarily in the equity constituents of the BANK Index, while writing covered call options on up to 33% of the portfolio securities in the portfolio, at the discretion of the Manager. The level of covered call option writing may vary based on market volatility and other factors.

BANK will use leverage in order to seek to achieve its investment objective. Leverage will be created through the use of cash borrowings or as otherwise permitted under applicable securities legislation.

Evolve European Banks Enhanced Yield ETF

EBNK seeks to replicate, to the extent reasonably possible before fees and expenses, the performance of the Solactive European Bank Top 20 Equal Weight Index Canadian Dollar Hedged, or any successor thereto (the “**EBNK Index**”), while mitigating downside risk. EBNK invests primarily in the equity constituents of the EBNK Index, while writing covered call options on up to 33% of the portfolio securities, at the discretion of the Manager. The level of covered call option writing may vary based on market volatility and other factors.

The investment objectives of each Evolve Fund may not be changed except with the approval of its Unitholders. See “Unitholder Matters” for additional descriptions of the process for calling a meeting of Unitholders and the requirements of Unitholder approval.

THE INDEXES

EDGE Index

The EDGE Index measures the performance of equity securities, including ADRs and GDRs, of issuers that are located in developed markets, Taiwan or South Korea, and that have been assigned a classification according to one of the following categories: Robotics and Automation, Future Cars, Cyber Security, Big Data and Cloud Computing, Genomics and Social Media.

It is intended that each category will be equally weighted in the portfolio, and that with respect to the categories other than Future Cars and Cyber Security, each category will include 10 Constituent Issuers and such Constituent Issuers will be equally weighted within their respective category. In the event any of these categories result in less than 10 Constituent Issuers based on the criteria for inclusion, then that category’s allocation in the portfolio may be reduced accordingly. The constituents in the categories of Future Cars and Cyber Security will be based on the Solactive Future Cars Index Canadian Dollar Hedged and Solactive Global Cyber Security Index Canadian Dollar Hedged, respectively. As at each rebalancing, the constituents in the composition of the EDGE Index will be based on certain criteria, including the following: (i) Constituent Issuers must be classified under an industry group, industry or sub-industry of the FactSet Revere Business Industry Classification System, (ii) Constituent Issuers must have a minimum market capitalization of at least \$100 million, or in the case of Future Cars, a minimum market capitalization of at least CAD\$500 million, and (iii) and a minimum average daily value traded of at least \$2 million based on the preceding one or six months, or in the case of Cyber Security and Future Cars, \$2 million based on the preceding 3 months or \$5 million based on the preceding 3 months, respectively.

The composition of the EDGE Index is reviewed semi-annually and rebalanced on a quarterly basis. The EDGE Index is published in Canadian dollars. The Solactive Global Innovation Index is an index of Solactive AG and is calculated and distributed by Solactive AG. Additional information regarding the EDGE Index is available at www.Solactive.com.

BASE Index

The BASE Index measures the performance of equity securities of companies listed in one of the developed countries as defined by the Solactive Country Classification (see <https://www.solactive.com/documents/>) that are classified in the FactSet Revere Business Industry Classification System (“**RBICS**”) Sector Mining and Mineral Products, the Sub-Sector Coal and Uranium Mining, and the Industry Diversified Specialty/Performance Chemicals Makers. Furthermore, companies classified in the RBICS Industry Locks and Deadbolts Manufacturing, the Sub-Sectors Minerals and Construction Materials, the Industry Groups Nonmetallic Minerals Products, Heavy Building Material and Aggregate Products, General Construction Materials Manufacturing, Architectural and Infrastructure Component Makers, Other Metal Product Manufacturing, and Nonmetallic Mineral Mining are excluded from the selection. The initial composition of the BASE Index as well as any ongoing adjustments upon rebalancing are based on certain criteria, including:

- (i) Constituent Issuers must have securities listed on an exchange (excluding exchange in a country that employs certain restrictions on foreign capital investment);
- (ii) Constituent Issuers must have a minimum market capitalization of CAD 5 billion; and
- (iii) Constituent Issuers must meet a minimum liquidity threshold of CAD 2 million.

The securities of the Constituent Issuers are then ranked by market capitalization in descending order and the 20 highest ranked securities are selected for inclusion into the Index.

The BASE Index is published in Canadian dollars. The composition of the BASE Index is ordinarily reviewed quarterly in January, April, July and October of each year and is adjusted on the rebalancing day. Each Constituent Security is weighted equally on each rebalancing day.

The BASE Index is an index of Solactive AG and is calculated and distributed by Solactive AG. Additional information regarding the BASE Index is available at www.Solactive.com.

HERO Index

The HERO Index measures the performance of equity securities (including ADRs or GDRs) of companies listed in Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Poland, Portugal, Singapore, South Korea, Sweden, Switzerland, Taiwan, United Kingdom, or the United States that are software providers for eGaming and eSports. In general, companies classified in the following RBICS Sub-Industries are eligible for inclusion into the HERO Index: Other Games Software, Online Game Websites and Software, Handheld and Smart Phone Games Software, Console Games Software, and Electronic Gaming/Entertainment Electronics Makers. The initial composition of the HERO Index as well as any ongoing adjustments upon rebalancing are based on certain criteria, including:

- (i) Constituent Issuers must have securities listed on an exchange (excluding exchange in a country that employs certain restrictions on foreign capital investment);
- (ii) Constituent Issuers must have a minimum market capitalization of CAD 100 million; and
- (iii) Constituent Issuers must meet a minimum liquidity threshold of CAD 2 million.

Exposure to each Constituent Issuer is capped at 10%. The number of constituents is not capped.

The HERO Index is published in Canadian dollars. The composition of the HERO Index is ordinarily reviewed quarterly in January, April, July and October of each year and is adjusted on each rebalancing day. Each Constituent Security is weighted in accordance to its market capitalization in relation to the market capitalization of the other constituents on each rebalancing day.

The HERO Index is an index of Solactive AG and is calculated and distributed by Solactive AG. Additional information regarding the HERO Index is available at www.Solactive.com.

DATA Index

The DATA Index measures the performance of equity securities (including ADRs or GDRs) of companies that are located in developed markets. The initial composition of the DATA Index as well as any ongoing adjustments upon rebalancing are based on certain criteria, including:

- (i) Constituent Issuers must be classified under any of the following FactSet Revere Business Industry Classification System Industry Groups, Industries or Subindustries. Industry Groups: Enterprise Management Software, Internet Hosting Services; Industries: Network Infrastructure Software, Communications Infrastructure Software, Data Storage Infrastructure Software, Diversified IT Infrastructure Software, Data Storage Drives and Peripherals, Information and Disk Storage Systems, Multi-Type Data Storage Hardware Makers; Subindustries: Web Search Sites and Software, General and Mixed-Type Software, Productivity Software;
- (ii) The security with the largest share class market capitalization from the following FactSet Revere Business Industry Classification System Subindustry is included: Internet Department Stores;
- (iii) Constituent Issuers must have a minimum market capitalization of CAD \$100 million;
- (iv) Constituent Issuers must have a minimum average daily value traded of CAD \$2 million over the preceding 3 months; and
- (v) All eligible securities are ranked based on their share class market capitalization in a descending order. Top 50 securities by share class market capitalization rank are selected for index inclusion.

Exposure to each Constituent Issuer is capped at 7.5% as of each Adjustment Day, and any excess weighting shall be redistributed among all other Constituent Issuers until no Constituent Issuer has a weighting greater than 7.5%.

The composition of the DATA Index is ordinarily reviewed quarterly in January, April, July and October of each year and is adjusted on the Adjustment Day. The Index is published in Canadian dollars. The Hedged ETF Units and Unhedged ETF Units, as applicable, of DATA seek to replicate the performance of the Solactive Global Cloud Computing Index.

Each of the indexes described above is an index of Solactive AG and is calculated and distributed by Solactive AG. Additional information regarding each of the indexes is available at www.Solactive.com.

TECH Index

The TECH Index measures the performance of the following companies eligible for inclusion:

- Alphabet Inc.
- Amazon Inc.
- Apple Inc.
- Meta Platforms, Inc.
- Netflix Inc.
- Microsoft Corp.

All share classes of each company are eligible for inclusion. In the event that a company has more than one share class, the share class with the highest average daily traded volume over the preceding 1-month and 6-month period is included. To avoid frequent changes between two share-classes of a company, the share class already included in the index will continue to be included if its average daily value traded over the preceding 1-month and 6-month period is at least 75% of the average daily value traded over the preceding 1-month and 6-month period of any share class of the company.

On selection day each index component is assigned an equal weight. The composition of the TECH Index is ordinarily reviewed quarterly in January, April, July and October of each year and is adjusted on the Adjustment Day.

The index is published in US dollars. The TECH Index described above is an index of Solactive AG and is calculated and distributed by Solactive AG. Additional information regarding the TECH Index is available at www.Solactive.com.

BANK Index

The BANK Index measures the performance of the largest Canadian banks and insurance securities on an equally-weighted basis. The initial composition of the BANK Index as well as any ongoing adjustments upon rebalancing are based on certain criteria, including only the top 10 Constituent Issuers with the largest market capitalization that have been classified under the following FactSet Sector: Major Banks, Regional Banks, Life/Health Insurance, Multi-Line Insurance. The composition of the BANK Index is ordinarily reviewed quarterly in May, August, November and February of each year and is adjusted on the Adjustment Day. Each index component is equally weighted on each Adjustment Day. The Index is published in Canadian dollars. The BANK Index is an index of Solactive AG and is calculated and distributed by Solactive AG. Additional information regarding the BANK Index is available at www.Solactive.com.

EBNK Index

The EBNK Index measures the performance of equity securities of the largest European banks on an equally-weighted basis, and hedges foreign currency exposure back to Canadian dollars.

The initial composition of the EBNK Index as well as any ongoing adjustments upon rebalancing are based on certain criteria, including only the top 20 Constituent Issuers with the largest market capitalization that have been classified under the following FactSet Sector: Major and Regional Banks.

The composition of the EBNK Index is ordinarily reviewed quarterly in May, August, November and February of each year and is adjusted on the Adjustment Day. Each index component is equally weighted on each Adjustment Day. The EBNK Index is published in Canadian dollars. The EBNK Index is an index of Solactive AG and is calculated and distributed by Solactive AG. Additional information regarding the EBNK Index is available at www.Solactive.com.

Change in an Index

The Manager may, subject to any required Unitholder approval, change the Index tracked by an Evolve Fund, as applicable, to another widely-recognized index in order to provide investors with substantially the same exposure to the asset class to that which the applicable Evolve Fund is currently exposed. If the Manager changes an Index, or any

index replacing such Index, the Manager will issue a press release identifying the new Index, describing its constituent securities and specifying the reasons for the change in the Index.

Termination of an Index

If an Index Provider ceases to calculate an Index or the Index License Agreement in respect of an Index is terminated, the Manager may: (i) terminate the applicable Evolve Fund on not less than 60 days' notice to Unitholders; (ii) change the investment objective of the applicable Evolve Fund or seek to replicate an alternative index (subject to any Unitholder approval in accordance with Canadian Securities Legislation); or (iii) make such other arrangements as the Manager considers appropriate and in the best interests of Unitholders of the Evolve Fund in the circumstances.

Use of the Indexes

The Manager and the applicable Evolve Funds are permitted to use the Indexes pursuant to the applicable Index License Agreement described under "Material Contracts". The Manager and the Evolve Funds do not accept responsibility for, or guarantee the accuracy and/or completeness of, the Indexes or any data included in the Indexes.

INVESTMENT STRATEGIES

EDGE, BASE, HERO, DATA, TECH, BANK and EBNK ("Index Funds")

In order to achieve its investment objective and to obtain direct or indirect exposure to the Constituent Securities of the applicable Index, each Index Fund may hold the Constituent Securities in approximately the same proportion as they are reflected in the applicable Index or may hold securities of one or more exchange traded funds that replicate the performance of the applicable Index, or a subset of the applicable Index.

The Index Funds may, in certain circumstances and at the discretion of the Manager, employ a "sampling" strategy. Under a sampling strategy, the Index Funds may not hold all of the Constituent Securities that are included in the applicable Index, but instead will hold a portfolio of securities, which may include ADRs, selected by the Manager that closely matches or provides exposure to the aggregate investment characteristics (e.g., market capitalization, industry sector, weightings, credit quality, yield and term to maturity) of the securities included in the Index. It is expected that the Manager may use this sampling methodology where it is difficult to acquire the necessary Constituent Securities of the applicable Index, where it may be more efficient from a trading perspective, where the asset levels of the Index Funds do not allow for the holding of all of the Constituent Securities or where it is otherwise beneficial for the Index Funds to do so.

Generally, up to 100% of EDGE's assets may be invested in foreign securities.

DATA, TECH and EBNK will each invest in its own portfolio comprised of various securities and instruments which may include, but are not limited to, equity and equity related securities. Equity related securities held by DATA, TECH and EBNK may include, but are not limited to, convertible debt, income trust units, single issuer equity options, preferred shares and warrants.

BANK is considered an alternative mutual fund within the meaning of NI 81-102 and is permitted to invest in asset classes or use investment strategies that are not permitted for other types of mutual funds. As an alternative mutual fund, under NI 81-102, BANK is permitted to use strategies generally prohibited by conventional mutual funds, including the ability to invest in other alternative mutual funds, borrow cash to use for investment purposes and increased ability to invest in commodities. While these specific strategies will be used in accordance with the fund's investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

BANK seeks to achieve its investment objective by borrowing cash to invest in and hold a proportionate share of, or a sampling of the constituent securities of, the Index in order to track up to approximately 1.25 times the performance of the BANK Index. Although BANK generally intends to employ leverage up to a 1.25 times multiple of the performance of the BANK Index, there is no guarantee that BANK will employ leverage at all times, or at all, depending on a number of factors including margin requirements, collateral requirements, and subscription or redemption processes, among other reasons.

FIXD

The investment strategy of FIXD is to invest in and hold a portfolio of securities selected by the Sub-Advisor in order to achieve its investment objectives.

To achieve FIXD's investment objective, FIXD will invest primarily in domestic and international investment grade fixed income securities. FIXD's portfolio may also include, at the discretion of the Sub-Advisor, international fixed income securities, emerging market debt, preferred shares, convertible bonds, private placements, commercial mortgages (including CMBS) and non-investment grade bonds. At the time of purchase, the Sub-Advisor will seek to achieve an average quality rating on all debt securities included in the portfolio of investment grade quality as rated by FTSE Canada the same credit rating scale as the benchmark, FTSE Canada Universe Bond Index. Any security that is not rated by a rating agency at the time of purchase or after inclusion in the portfolio will be assessed by a portfolio manager or analyst of the Sub-Advisor and a rating will be applied. Up to 100% of FIXD's assets may be invested in foreign securities.

The Sub-Advisor seeks to diversify the portfolio by investing in securities of governments and public issuers in a variety of sectors. Government bonds will be used primarily for purposes of adjusting duration. Duration can also be adjusted by using derivatives such as futures and repurchase operations/agreements.

The Manager has appointed Addenda Capital Inc. as sub-advisor for FIXD. Addenda Capital Inc has approximately C\$38.1 billion in assets under management (including overlay and advisory assets) as at December 31, 2021, including \$26.2 billion in fixed income.

General Investment Strategies of the Evolve Funds

Generally, each Evolve Fund will invest in its own portfolio comprised of various securities and instruments which may include, but are not limited to, equity and equity related securities, debt securities, futures contracts, senior secured loans and exchange traded funds. Equity related securities may include, but are not limited to, ADRs, GDRs, convertible debt, income trust units, single issuer equity options, preferred shares and warrants. If market conditions require, in order to preserve capital, an Evolve Fund may seek to invest a substantial portion of its assets in cash and cash equivalents.

Investment in other Investment Funds

In accordance with applicable Canadian Securities Legislation, as part of its investment strategy and as an alternative to or in conjunction with investing in and holding securities directly, EDGE may invest in one or more other investment funds or exchange traded funds listed on a stock exchange in Canada or the United States that provides exposure to the performance of the relevant Index, or a subset of such Index (a “**Reference ETF**”). FIXD, DATA, TECH, BANK and EBNK may invest in one or more other investment funds or exchange traded funds listed on a stock exchange in Canada or the United States, including exchange traded funds managed by the Manager. In such case, there shall be no management fees or incentive fees that are payable by an Evolve Fund that, to a reasonable person, would duplicate a fee payable by the underlying investment fund or exchange traded fund for the same service. An Evolve Fund’s allocation to investments in other investment funds or exchange traded funds, if any, will vary from time to time depending on the relative size and liquidity of the investment fund or exchange traded fund, and the ability of the Manager or Sub-Advisor to identify appropriate investment funds or exchange traded funds that are consistent with the Evolve Fund’s investment objectives and strategies. Securities Regulatory Authorities may allow certain exchange traded funds, such as the Evolve Funds, to exceed the normal investment concentration limits if required to allow such exchange traded funds to track the relevant Index. In accordance with the regulatory requirements, the applicable Evolve Funds may track the relevant Index in this manner.

Currency Hedging

The Units, other than the USD Unhedged Units, are denominated in Canadian dollars. The USD Unhedged Units are denominated in United States dollars.

In respect of Hedged ETF Units and Hedged Mutual Fund Units, as applicable, the Manager will seek to hedge all or substantially all of the exposure that the portfolios of EDGE, BASE, HERO, DATA, TECH and EBNK may have to foreign currencies back to the Canadian dollar.

In respect of the Unhedged ETF Units, BASE, FIXD, EDGE, DATA, TECH and EBNK will not hedge any foreign currency exposure back to the currency in which such class of Unhedged ETF Units are denominated.

Hedging currency exposure to reduce the impact of fluctuations in exchange rates is intended to reduce the direct exposure to foreign currency risk for Unitholders. Currency forward agreements, if any, will be entered into in compliance with NI 81-102 with financial institutions that have a “designated rating” as defined in NI 81-102.

Currency forward agreements, if any, will be entered into in compliance with NI 81-102 with financial institutions that have a “designated rating” as defined in NI 81-102. The currency hedging mandate of an Evolve Fund applicable to the Units shall not be changed by the Manager without first obtaining approval of Unitholders of the applicable Evolve Fund.

Covered Call Options (BASE, BANK and EBNK)

The Manager believes that option writing may have the potential to add value and is an effective way to help lower the level of volatility for an investor and potentially improve returns. All other things being equal, higher volatility in the price of a security results in higher option premiums in respect of such security. The Manager believes equity securities of BASE, BANK and EBNK are suited for a covered call writing strategy. Covered call options will be written by the Manager at its discretion on not more than 33% of the equity securities of each applicable Evolve Fund’s portfolio at any given time. Such options will generally be at a strike price that is out-of-the-money. The proportion of the equity securities of each Constituent Issuer in respect of which the Manager may write options may differ. The extent to which any of the individual equity securities in the applicable Evolve Fund’s portfolio are subject to option writing and the terms of such options will vary from time to time based on the Manager’s assessment of the market.

Call options sold by EBNK will be traded as “over-the-counter” options sold pursuant to an agreement with a counterparty with a “designated rating” as defined in NI 81-102.

The holder of a call option purchased from BASE, BANK or EBNK will have the option, exercisable during a specific time period or at expiry, to purchase the securities underlying the option from BASE, BANK or EBNK at the strike price per security. By selling call options, each of BASE, BANK and EBNK, as applicable, will receive option premiums, which are generally paid within one business day of writing the option. If at any time during the term of a call option or at expiry, as applicable, the market price of the underlying securities is above the strike price, the holder of the option may exercise the option and BASE, BANK or EBNK, as applicable, will be obligated to sell the securities to the holder at the strike price per security. Alternatively, BASE, BANK or EBNK may repurchase a call option it has written that is “in-the-money” by paying the market value of the call option. If, however, the option is “out-of-the-money” at expiration of the call option, the holder of the option will likely not exercise the option, the option will expire and BASE, BANK or EBNK will retain the underlying security. In each case, BASE, BANK or EBNK will retain the option premium.

The amount of option premium depends upon, among other factors, the volatility of the price of the underlying security: generally, the higher the volatility, the higher the option premium. In addition, the amount of the option premium will depend upon the difference between the strike price of the option and the market price of the underlying security at the time the option is written. The smaller the positive difference (or the larger the negative difference), the more likely it is that the option will become “in-the-money” during the term of the option and, accordingly, the greater the option premium.

When a call option is written on a security in an applicable Evolve Fund’s portfolio, the amounts that such Evolve Fund will be able to realize on the security if it is called will be limited to the dividends received prior to the exercise of the call option during such period plus an amount equal to the sum of the strike price and the premium received from writing the option. In essence, BASE, BANK or EBNK will forego potential returns resulting from any price appreciation of the security underlying the option above the strike price in favour of the certainty of receiving the option premium. See “Risk Factors – Use of Options Risk”.

Many investors and financial market professionals price call options based on the Black Scholes Model. In practice, however, actual option premiums are determined in the marketplace and there can be no assurance that the values generated by the Black Scholes Model can be attained in the market.

Use of Leverage (BANK)

As an alternative mutual fund, BANK may use leverage. In accordance with applicable securities regulation, leverage may be created by an alternative mutual fund through the use of cash borrowings, short sales and/or derivatives. Such securities regulations provide that an alternative mutual fund, such as BANK, may borrow cash up to 50% of its NAV and may sell securities short, whereby the aggregate market value of the securities sold short will be limited to 50% of its NAV. The combined use of short-selling and cash borrowing by BANK is subject to an overall limit of 50% of its NAV.

BANK currently anticipates achieving its investment objective and creating leverage through the use of cash borrowing.

In addition, securities regulation provide that an alternative mutual fund's aggregate gross exposure, to be calculated as the sum of the following, must not exceed 300% of its net asset value: (i) the aggregate market value of cash borrowing; (ii) the aggregate market value of physical short sales on equities, fixed income securities or other portfolio assets; and (iii) the aggregate notional value of 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.

Notwithstanding the foregoing and such permitted legislative limits, in accordance with its investment objective, the maximum aggregate exposure of BANK to cash borrowing, short selling and specified derivatives will not exceed approximately 25% of its NAV. As noted, it is anticipated that such leverage will be created through the use of cash borrowings.

The aggregate market exposure of all instruments held directly or indirectly by BANK, calculated daily on a mark-to-market basis, can exceed BANK's net asset value, and can exceed the amount of cash and securities held as margin on deposit to support the derivatives trading activities of BANK. In order to ensure that a unitholder's risk is limited to the capital invested, BANK's leverage will be rebalanced in certain circumstances and when the leverage breaches certain bands. Specifically, BANK's leverage will be rebalanced back to 25% of BANK's NAV within two business days of BANK's leverage exceeding 2% above its target leverage of 25% of NAV (i.e., if the leverage is greater than 27% of BANK's NAV).

Use of Derivatives

An Evolve Fund may use Derivatives from time to time to reduce transaction costs, to increase the liquidity and efficiency of trading, for hedging or investment purposes or to generate additional income. Any use of Derivatives by an Evolve Fund must be in compliance with NI 81-102 and other applicable derivatives legislation and must be consistent with the investment objective and investment strategies of that Evolve Fund.

Securities Lending

An Evolve Fund may, in compliance with NI 81-102, lend securities to securities borrowers that are acceptable to it pursuant to the terms of a Securities Lending Agreement under which: (i) the borrower will pay to the Evolve Fund a negotiated securities lending fee and will make compensation payments to the Evolve Fund equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Tax Act; and (iii) the Evolve Fund will receive collateral. The applicable Lending Agent is responsible for the ongoing administration of the securities loans, including the obligation to mark-to-market the loaned securities and collateral on a daily basis, and ensuring that the collateral at least equals the required margin percentage as set out in the applicable Securities Lending Agreement. Any securities lending revenues, net of Lending Agent fees, taxes and, if applicable, rebate payments to borrowers for cash collateral, will be credited to the account of the Evolve Fund from which the securities were borrowed.

Cash Management

From time to time, an Evolve Fund may hold cash or cash equivalents. The Evolve Fund may hold this cash or invest it in money market instruments or securities of money market funds.

Rebalancing Events (for EDGE, BASE, HERO, DATA, TECH, BANK and EBNK)

Whenever an Index Provider rebalances or adjusts an Index, including by adding securities to or subtracting securities from that Index, or whenever the Manager determines that there should be a change to the representative sample of the Index, the applicable Evolve Fund may acquire and/or dispose of the appropriate number of securities, either through the Designated Broker or through other brokers in the open market.

If the rebalancing is done through the Designated Broker and if the value of all securities purchased by an Evolve Fund exceeds the value of all securities disposed of by that Evolve Fund as part of the rebalancing process, the Evolve Fund may issue to the Designated Broker Units with an aggregate NAV per Unit equal to the excess value or, in the alternative, may pay a cash amount equal to such excess amount. Conversely, if the value of all securities disposed of by the Evolve Fund exceeds the value of all securities acquired by that Evolve Fund, the Evolve Fund may receive the excess value in cash and will manage this cash as described above under "Cash Management".

Actions Affecting Constituent Issuers (for EDGE, BASE, HERO, DATA, TECH, BANK and EBNK)

From time to time, certain corporate or other actions may be taken or proposed by a Constituent Issuer or by a third party that could affect a Constituent Issuer of an Index. An example of such an action would be if a takeover bid or an issuer bid is made for a Constituent Security. In each such case, the Manager will determine, in its discretion, what steps, if any, the Evolve Fund will take to address the action. In exercising such discretion, the Manager will generally take those steps necessary to ensure that the Evolve Fund continues to seek to replicate, to the extent reasonably possible and before fees and expenses, the applicable Index.

OVERVIEW OF THE SECTORS THAT THE EVOLVE FUNDS INVEST IN

Evolve Innovation Index Fund

EDGE directly or indirectly invests in equity securities of companies located domestically or internationally that are involved in innovative and disruptive trends across a broad range of industries.

Evolve Active Core Fixed Income Fund

FIXD invests primarily in debt obligations and other evidences of indebtedness of Canadian, U.S. and international issuers in a variety of sectors.

Evolve Global Materials & Mining Enhanced Yield Index ETF

BASE invests directly or indirectly in equity securities of global issuers engaged in the manufacturing, mining and/or integration of metals and materials.

Evolve E-Gaming Index ETF

HERO invests in equity securities of companies listed domestically and globally, and other issuers, with business activities in the e-gaming industry.

Evolve Cloud Computing Index Fund

DATA invests primarily in equity securities of companies located domestically or internationally that have business operations in the field of cloud computing.

Evolve FANGMA Index ETF

TECH invests in equity securities of Alphabet Inc., Amazon Inc., Apple Inc., Meta Platforms, Inc., Netflix Inc. and Microsoft Corp.

Evolve Canadian Banks and Lifecos Enhanced Yield Index Fund

BANK invests in equity securities of the largest Canadian banks and insurance companies.

Evolve European Banks Enhanced Yield ETF

EBNK invests in equity securities of the largest European banks.

Please see “Investment Objectives” and “Investment Strategies” for additional information on the sectors applicable to each Evolve Fund.

INVESTMENT RESTRICTIONS

The Evolve Funds are subject to certain investment restrictions and practices contained in securities legislation, including NI 81-102, which are designed in part to ensure that the investments of the Evolve Funds are diversified and relatively liquid and to ensure its proper administration. Certain restrictions and practices that are applicable to conventional mutual funds are not applicable to BANK because it is an “alternative mutual fund”. The term “alternative mutual fund” includes, among others, a mutual fund that has adopted fundamental investment objectives that permit it to use or invest in specified derivatives, to borrow cash or to engage in short selling in a manner that is not permitted by other mutual funds under NI 81-102. A change to the fundamental investment objective of an Evolve Fund would require the approval of the Unitholders of that Evolve Fund. Please see “Unitholder Matters – Matters Requiring Unitholders Approval”.

Subject to the following, and any exemptive relief that has been or will be obtained, the Evolve Funds are managed in accordance with the investment restrictions and practices set out in the applicable securities legislation, including NI 81-102. See “Exemptions and Approvals”.

Tax Related Investment Restrictions

An Evolve Fund will not make an investment or conduct any activity that would result in the Evolve Fund failing to qualify as a “unit trust” or “mutual fund trust” within the meaning of the Tax Act.

FEES AND EXPENSES

This section details the fees and expenses that an investor may have to pay if the investor invests in the Evolve Funds. An investor may have to pay some of these fees and expenses directly. The Evolve Funds may have to pay some of these fees and expenses, which will therefore reduce the value of an investment in the Evolve Funds.

Fees and Expenses Payable by the Evolve Funds

Management Fees

Each Evolve Fund pays an annual management fee (the “**Management Fee**”) to the Manager for acting as trustee, manager and portfolio manager of the Evolve Fund equal to a percentage of the NAV of the Evolve Fund, calculated daily and payable monthly in arrears, plus applicable taxes, as follows:

| Evolve Fund | Class of Units | Management Fee |
|--------------------|------------------------------------|-----------------------|
| EDGE | Hedged ETF Units | 0.40% |
| | USD Unhedged ETF Units | 0.40% |
| | Hedged Class A Mutual Fund Units | 1.40% |
| | Hedged Class F Mutual Fund Units | 0.40% |
| | | |
| FIXD | Unhedged ETF Units | 0.45% |
| | Unhedged Class A Mutual Fund Units | 1.20% |
| | Unhedged Class F Mutual Fund Units | 0.45% |
| | | |
| BASE | Hedged ETF Units | 0.60% |
| | Unhedged ETF Units | 0.60% |
| | | |
| HERO | Hedged ETF Units | 0.70% |
| | | |
| DATA | Hedged ETF Units | 0.60% |
| | Unhedged ETF Units | 0.60% |
| | | |
| TECH | Hedged ETF Units | 0.40% |
| | Unhedged ETF Units | 0.40% |
| | USD Unhedged ETF Units | 0.40% |
| | | |

| | | |
|------|------------------------|-------|
| BANK | Unhedged ETF Units | 0.60% |
| | | |
| EBNK | Hedged ETF Units | 0.60% |
| | Unhedged ETF Units | 0.60% |
| | USD Unhedged ETF Units | 0.60% |

See “Organization and Management Details of the Evolve Fund – Manager – Duties and Services to be Provided by the Manager” for a description of the services provided by the Manager.

To encourage very large investments in an Evolve Fund by a particular Unitholder, the Manager may, at its discretion, agree to charge a reduced Management Fee for some Unitholders as compared to the Management Fee that the Manager would otherwise be entitled to receive from an Evolve Fund, provided that the difference between the fee otherwise chargeable and the reduced fee is distributed periodically by the Evolve Fund to the applicable Unitholders as a management fee distribution (the “**Management Fee Distributions**”). Any reduction will depend on a number of factors, including the amount invested, the NAV of the Evolve Fund and the expected amount of account activity. Management Fee Distributions will be paid first out of net income of the Evolve Fund, then out of capital gains of the Evolve Fund and thereafter out of capital. The tax consequences of a Management Fee Distribution will generally be borne by the Unitholder who receives the distribution. See “Income Tax Considerations – Taxation of Holders”.

Certain Operating Expenses

Other than Fund Costs (as defined below), in consideration for the payment by the Evolve Funds of a fixed administration fee (the “**Administration Fee**”) to the Manager, and subject to compliance with NI 81-102, the Manager pays for the following operating expenses of the Evolve Funds (“**Operating Expenses**”), including but not limited to: mailing and printing expenses for periodic reports to Unitholders; fees payable to the Prime Broker (if applicable), relevant Index Provider (if applicable), Registrar and Transfer Agent and Custodian; any reasonable out of pocket expenses incurred by the Manager or its agents in connection with their ongoing obligations to the Evolve Funds; IRC committee member fees and expenses in connection with the IRC; expenses related to compliance with NI 81-107; fees and expenses relating to voting of proxies by a third party; insurance coverage for the members of the IRC; fees payable to the auditors and legal advisors of the Evolve Funds; regulatory filing, stock exchange and licensing fees (if applicable) and CDS fees; Fundserv fees; banking costs and interest with respect to any borrowing (if applicable); website maintenance costs; costs and expenses of complying with all applicable laws, regulations and policies, including expenses and costs incurred in connection with the continuous public filing requirements such as permitted prospectus preparation and filing expenses; and legal, accounting and audit fees and fees and expenses of the Trustee, Custodian and Manager which are incurred in respect of matters not in the normal course of the Evolve Funds’ activities. The Administration Fee paid to the Manager by an Evolve Fund may, in any particular period, be less than or exceed the Operating Expenses that the Manager incurs. The Manager is not obligated to pay any other expense, cost or fee, including those arising from new government or regulatory requirements relating to the foregoing expenses, costs and fees.

The Administration Fee is equal to a specified percentage of the NAV of each class of an Evolve Fund, calculated and paid in the same manner as the Management Fee for the Evolve Fund. The rate of the annual Administration Fee for each Evolve Fund is set out below.

| Evolve Fund | Administration Fee |
|--------------------|---------------------------|
| EDGE | 0.15% |
| FIXD | 0.15% |
| BASE | 0.15% |
| HERO | 0.15% |
| DATA | 0.15% |

| | |
|------|-------|
| TECH | 0.15% |
| BANK | 0.15% |
| EBNK | 0.15% |

Fund Costs

The fund costs (“**Fund Costs**”) which are payable by the Evolve Funds include any taxes payable by the Evolve Funds to which the Evolve Funds may be subject, including income taxes, sales taxes (including GST/HST) and/or withholding taxes (including preparation costs for tax filings in respect of any such taxes); expenditures incurred upon termination of the Evolve Funds; extraordinary expenses that the Evolve Funds may incur and all amounts paid on account of any indebtedness (if applicable); any expenses of insurance and costs of all suits or legal proceedings in connection with the Evolve Funds or the assets of the Evolve Funds or to protect the Unitholders, the Trustee, the Manager, the Sub-Advisor and the directors, officers, employees or agents of any of them; any expenses of indemnification of the Trustee, the Unitholders, the Manager, the Sub-Advisor and the directors, officers, employees or agents of any of them to the extent permitted under the Declaration of Trust; and expenses relating to the preparation, printing and mailing of information to Unitholders in connection with meetings of Unitholders. The Evolve Funds are also responsible for all commissions and other costs of portfolio transactions and any extraordinary expenses of the Evolve Funds which may be incurred from time to time.

Each class of an Evolve Fund is responsible for its proportionate share of common Fund Costs of an Evolve Fund, in addition to the expenses it incurs alone (including, in the case of Hedged Units, the costs relating to currency hedging).

Investments in Other Investment Funds

In the event that an Evolve Fund invests in one or more other investment funds listed on a stock exchange in Canada or the United States, there shall be no management fees or incentive fees that are payable by the Evolve Fund that, to a reasonable person, would duplicate a fee payable by the underlying investment fund for the same service.

Fees and Expenses Payable Directly by the Unitholders

Class A Mutual Fund Units Sales Charges

An investor’s dealer, investment advisor or financial advisor may charge a sales charge of up to 5% of the purchase price of the Class A Mutual Fund Units at the time of purchase. The Manager deducts the sales charge from the amount invested and pays it on behalf of the Unitholder to the applicable dealer, investment advisor or financial advisor dealer as a commission.

Short-term Trading Fees

At the present time, the Manager is of the view that it is not necessary to impose any short-term trading restrictions on the ETF Units.

If a Unitholder redeems Mutual Fund Units within 30 days of purchasing such Mutual Fund Units, the Manager may charge a short-term trading fee on behalf of an Evolve Fund of up to 2% of the value of such Mutual Fund Units in circumstances where the Manager determines that the trading activity represents market timing or excessive short-term trading. No short-term trading fees are charged on redemptions that may occur when a Unitholder fails to meet the minimum investment amount for an Evolve Fund.

Other Charges

An amount as may be agreed to between the Manager and the Designated Broker or a Dealer may be charged to offset certain transaction costs associated with an issue, exchange or redemption of ETF Units. This charge does not apply to Unitholders who buy and sell their ETF Units through the facilities of the applicable Designated Exchange. See “Exchange and Redemption of ETF Units – Other ETF Unit Charges”.

Impact of Sales Charges

The following table shows the fees that a Unitholder would pay if:

- (a) the Unitholder invested \$1,000 in Mutual Fund Units or ETF Units; and
- (b) the Unitholder held that investment for one, three, five or 10 years and redeemed the entire investment immediately before the end of that period.

| | Fee at time of purchase | Redemption fee before end of: | | | |
|---------------------------|-------------------------|-------------------------------|---------|---------|----------|
| | | 1 year | 3 years | 5 years | 10 years |
| ETF Units | Nil | Nil | Nil | Nil | Nil |
| Class A Mutual Fund Units | \$50 ¹ | Nil | Nil | Nil | Nil |
| Class F Mutual Fund Units | Nil | Nil | Nil | Nil | Nil |

Note:

⁽¹⁾ Assumes the maximum initial sales charge of 5%. The actual amount of the initial sales charge will be negotiated by the Unitholder and his or her dealer. The Manager does not receive a sales charge or commission when an investor buys, redeems or switches Mutual Fund Units or ETF Units.

RISK FACTORS

A mutual fund is a pool of investments made on behalf of people with a similar investment objective. When a Unitholder invests in a mutual fund, the Unitholder's money is working together with that of many other investors. Investors share a mutual fund's income, expenses, gains and losses in proportion to their interest in the mutual fund. Mutual funds can give individuals the advantages of a simpler, more accessible, less expensive and less time-consuming method of investing in a portfolio of securities.

Mutual funds own different types of investments, depending upon their investment objectives. The value of these investments will change from day to day, reflecting changes in interest rates, economic conditions and market and company news. As a result, the value of a mutual fund's units may go up and down, and the value of a Unitholder's investment in a mutual fund may be more or less at the time of redemption or sale as compared to the value of the Units at the time of purchase.

In addition to the considerations set out elsewhere in this prospectus, the following are certain considerations relating to an investment in Units that prospective investors should consider before purchasing such Units:

General Risks Relating to an Investment in the Evolve Funds

General Risks of Investments

The value of the underlying securities of an Evolve Fund, whether held directly or indirectly, may fluctuate in accordance with changes in the financial condition of the issuers of those underlying securities (particularly those that are more heavily weighted in a particular Index, if applicable), the condition of equity and currency markets generally and other factors. The identity and weighting of the Constituent Issuers and Constituent Securities in the applicable Index also change from time to time.

The risks inherent in investments in equity securities, whether held directly or indirectly, include the risk that the financial condition of the issuers of the securities may become impaired or that the general condition of the stock market may deteriorate (either of which may cause a decrease in the value of an Index, if applicable, and, as a result, a decrease in the value of the Units). Equity securities are susceptible to general stock market fluctuations and the financial condition of the issuer. These investor perceptions are based on various and unpredictable factors, including expectations regarding government, economic, monetary and fiscal policies, inflation and interest rates, economic expansion or contraction and global or regional political, economic and banking crises.

Asset Class Risk

The Constituent Securities, if applicable, and securities in the portfolio of an Evolve Fund may underperform the returns of other securities that track other countries, regions, industries, asset classes or sectors. Various asset classes tend to experience cycles of outperformance and underperformance in comparison to the general securities markets.

Issuer Risk

Performance of the Evolve Funds depends on the performance of the individual securities to which the Evolve Funds has exposure. Changes in the financial condition or credit rating of an issuer of those securities may cause the value of the securities to decline.

Reliance on Key Personnel

Unitholders will be dependent on the abilities of the Manager and the Sub-Advisor, if applicable, to effectively manage the Evolve Funds in a manner consistent with their investment objectives, investment strategies and investment restrictions. There is no certainty that the individuals who are principally responsible for providing administration and portfolio management services to the Evolve Funds will continue to be employed by the Manager or the Sub-Advisor, as applicable.

Trading Price of ETF Units

ETF Units may trade in the market at a premium or a discount to the NAV per Unit. There can be no assurance that ETF Units will trade at prices that reflect their NAV per Unit. The trading price of the ETF Units will fluctuate in accordance with changes in the Evolve Funds' NAV, as well as market supply and demand on the applicable Designated Exchange.

Fluctuations in NAV and NAV per Unit

The NAV and NAV per Unit of an Evolve Fund will vary according to, among other things, the value of the securities held by the Evolve Fund. The Manager, the Sub-Advisor, if applicable, and the Evolve Funds have no control over the factors that affect the value of the securities held by the Evolve Fund, including factors that affect the equity markets generally, such as general economic and political conditions, fluctuations in interest rates and factors unique to each issuer included in an Index, if applicable, such as changes in management, changes in strategic direction, achievement of strategic goals, mergers, acquisitions and divestitures, changes in distribution and dividend policies and other events.

Cease Trading of Securities Risk

If the securities of an issuer included in the portfolio of an Evolve Fund are cease-traded by order of the relevant Securities Regulatory Authority or are halted from trading by the relevant stock exchange, the applicable Evolve Fund may halt trading in its ETF Units or temporarily suspend redemptions. Accordingly, securities of an Evolve Fund bear the risk of cease trading orders against all issuers whose securities are included in its portfolio, not just one. If portfolio securities of the Evolve Funds are cease-traded by order of a Securities Regulatory Authority, if normal trading of such securities is suspended on the relevant exchange, or if for any reason it is likely there will be no closing bid price for such securities, the Evolve Funds may suspend the right to redeem Units, subject to any required prior regulatory approval. If the right to redeem Units is suspended for any reason, the Evolve Funds may return redemption requests to Unitholders who have submitted them. In respect of the ETF Units, if securities are cease-traded, they may not be delivered on an exchange of a PNU for a Basket of Securities until such time as the cease-trade order is lifted.

Concentration Risk

An Evolve Fund may have more of its net assets invested in one or more issuers and/or sectors than is typical or permitted for many investment funds. In these circumstances, the Evolve Fund may be affected more by the performance of individual issuers in its portfolio, with the result that the NAV of the Evolve Fund may be more volatile and may fluctuate more over short periods of time than the NAV of a more broadly diversified investment fund. In addition, this may increase the liquidity risk of the Evolve Fund which may, in turn, have an effect on the Evolve Funds' ability to satisfy redemption requests. This concentration risk will also be greater for Evolve Funds that seek to replicate the performance of an Index that is more concentrated and includes a smaller number of Constituent Issuers than an Evolve Fund that seeks to replicate the performance of a broader Index that includes a larger number of Constituent Issuers.

Currency Fluctuations Risk

As an Evolve Fund may be invested in securities traded in foreign currencies, the NAV of such Evolve Fund, when measured in Canadian dollars, will, to the extent this has not been hedged against, be affected by changes in the value of the foreign currency relative to the Canadian dollar.

Use of Derivatives

Each Evolve Fund may use Derivatives from time to time in accordance with NI 81-102 as described under “Investment Strategies”. The use of Derivatives involves risks different from, and possibly greater than, the risks associated with investing directly in securities and other traditional investments. Risks associated with the use of Derivatives include: (i) there is no guarantee that hedging to reduce risk will not result in a loss or that there will be a gain; (ii) there is no guarantee that a market will exist when the Evolve Fund wants to complete the Derivative contract, which could prevent the Evolve Fund from reducing a loss or making a profit; (iii) securities exchanges may impose trading limits on options and futures contracts, and these limits may prevent the Evolve Fund from completing the Derivative contract; (iv) the Evolve Fund could experience a loss if the other party to the Derivative contract is unable to fulfill its obligations; (v) if the Evolve Fund has an open position in an option, a futures contract or a forward contract or a swap with a Dealer or Counterparty who goes bankrupt, the Evolve Fund could experience a loss and, for an open futures or forward contract or a swap, a loss of margin deposits with that Dealer or Counterparty; and (vi) if a Derivative is based on a stock market index and trading is halted on a substantial number of stocks in the index or there is a change in the composition of the index, there could be an adverse effect on the Derivative.

Securities Lending Risk

The Evolve Funds are authorized to enter into securities lending, repurchase and reverse repurchase transactions in accordance with NI 81-102. In a securities lending transaction, an Evolve Fund lends its portfolio securities through an authorized agent to another party (often called a “**Counterparty**”) and receives a negotiated fee and a required percentage of acceptable collateral (equal to or greater than 102%). The following are some examples of the risks associated with securities lending transactions:

- when entering into securities lending transactions, an Evolve Fund is subject to the credit risk that the Counterparty may default under the agreement and the Evolve Fund would be forced to make a claim in order to recover its security, or its equivalent value;
- when recovering its security on default, an Evolve Fund could incur a loss if the value of the portfolio securities loaned (in a securities lending transaction) or sold (in a repurchase transaction) has increased in value relative to the value of the collateral held by the Evolve Fund; and
- similarly, an Evolve Fund could incur a loss if the value of the portfolio securities it has purchased (in a reverse repurchase transaction) decreases below the amount of cash paid by the Evolve Fund to the Counterparty.

The Evolve Funds may engage in securities lending from time to time. When engaging in securities lending, an Evolve Fund will receive collateral in excess of the value of the securities loaned, and although such collateral is marked to market, the Evolve Fund may be exposed to the risk of loss should a borrower default on its obligations to return the borrowed securities and the collateral is insufficient to reconstitute the portfolio of loaned securities.

Changes in Legislation

There can be no assurance that income tax, securities and other laws will not be changed in a manner that adversely affects the Evolve Funds or the Unitholders. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the CRA respecting the treatment of mutual fund trusts, SIFT trusts or an investment in a non-resident trust will not be changed in a manner that adversely affects the Evolve Funds or the Unitholders.

Taxation of the Evolve Funds

It is anticipated that each Evolve Fund will continue to qualify at all times as a “mutual fund trust” within the meaning of the Tax Act. For an Evolve Fund to qualify as a “mutual fund trust”, it must comply on a continuous basis with certain requirements relating to the qualification of its Units for distribution to the public, the number of Unitholders of the Evolve Fund and the dispersal of ownership of a particular class of its Units.

A trust will be deemed not to be a mutual fund trust if it is established or maintained primarily for the benefit of non-residents of Canada unless, at that time, all or substantially all of its property is property other than property that would be “taxable Canadian property” (if the definition of such term in the Tax Act were read without reference to paragraph (b) thereof). The law does not provide any means of rectifying a loss of mutual fund trust status if this requirement is not met. The Evolve Funds contain a restriction on the number of permitted non-resident Unitholders.

Each of the Evolve Funds currently meets all the requirements to qualify as a “mutual fund trust” for the purposes of the Tax Act.

If an Evolve Fund does not qualify as a mutual fund trust or were to cease to so qualify, the income tax considerations as described under “Income Tax Considerations” would in some respects be materially and adversely different in respect of that Evolve Fund. For example, an Evolve Fund that does not qualify as a “mutual fund trust” within the meaning of the Tax Act throughout a taxation year may be liable to pay alternative minimum tax and/or tax under Part XII.2 of the Tax Act, and would not be entitled to the Capital Gains Refund (as defined herein). In addition, if an Evolve Fund does not qualify as a mutual fund trust, it may be subject to the “mark-to-market” rules under the Tax Act if more than 50% of the fair market value of the Units are held by “financial institutions”, within the meaning of the Tax Act.

The tax treatment of gains and losses realized by each Evolve Fund will depend on whether such gains or losses are treated as being on income or capital account, as described in this paragraph. In determining its income for tax purposes, each Evolve Fund treats gains or losses realized on the disposition of portfolio securities held by it as capital gains and losses. In general, gains and losses realized by an Evolve Fund from Derivative transactions will be on income account except where such Derivatives are used to hedge portfolio securities held on capital account provided there is sufficient linkage, subject to the DFA Rules discussed below. Gains or losses in respect of foreign currency hedges entered into in respect of amounts invested in an Evolve Fund’s portfolio will constitute capital gains and capital losses to the Evolve Fund if the portfolio securities are capital property to the Evolve Fund and provided there is sufficient linkage. BASE, BANK and EBNK also treat option premiums received on the writing of covered call options and any gains or losses sustained on closing out such options as capital gains and capital losses in accordance with the CRA’s published administrative policies. Designations with respect to each Evolve Fund’s income and capital gains will be made and reported to Unitholders on the foregoing basis. The CRA’s practice is not to grant advance income tax rulings on the characterization of items as capital gains or income and no advance income tax ruling has been requested or obtained. If these foregoing dispositions or transactions of an Evolve Fund are determined not to be on capital account (whether because of the DFA Rules discussed below or otherwise), the net income of the Evolve Fund for tax purposes and the taxable component of distributions to its Unitholders could increase. Any such redetermination by the CRA may result in an Evolve Fund being liable for unremitted withholding taxes on prior distributions made to its Unitholders who were not resident in Canada for purposes of the Tax Act at the time of the distribution. Such potential liability may reduce the NAV and NAV per Unit of that Evolve Fund.

The Tax Act contains rules (the “**DFA Rules**”) that target certain financial arrangements (described in the DFA Rules as “derivative forward agreements”) that seek to deliver a return based on an “underlying interest” (other than certain excluded underlying interests) for purposes of the DFA Rules. The DFA Rules are broad in scope and could apply to other agreements or transactions. If the DFA Rules were to apply in respect of any Derivatives utilized by an Evolve Fund, gains realized in respect of the property underlying such Derivatives could be treated as ordinary income rather than capital gains. Provided a covered call option is written by BASE, BANK or EBNK in the manner described under “Investment Strategies – Covered Call Options (BASE, BANK and EBNK)”, the writing of such call option will generally not be subject to the DFA Rules.

Pursuant to rules in the Tax Act, an Evolve Fund that experiences a “loss restriction event” (i) will be deemed to have a year-end for tax purposes (which would result in an unscheduled distribution of the Evolve Fund’s net income and net realized capital gains, if any, at such time to Unitholders so that the Evolve Fund is not liable for income tax on such amounts under Part I of the Tax Act), and (ii) will become subject to the loss restriction rules generally applicable to a corporation that experiences an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on its ability to carry forward losses. Generally, an Evolve Fund will be subject to a loss restriction event if a Unitholder becomes a “majority-interest beneficiary”, or a group of persons becomes a “majority-interest group of beneficiaries”, of the Evolve Fund, as those terms are defined in the affiliated persons rules contained in the Tax Act, with certain modifications. Generally, a majority-interest beneficiary of an Evolve Fund is a beneficiary in the income or capital, as the case may be, of the Evolve Fund whose beneficial interests, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, have a fair market value that is greater

than 50% of the fair market value of all the interests in the income or capital, as the case may be, of the Evolve Fund. Please see “Income Tax Considerations – Taxation of Holders” for the tax consequences of an unscheduled or other distribution to Unitholders. Trusts that qualify as “investment funds” as defined in the rules in the Tax Act relating to loss restriction events are generally excepted from the application of such rules. An “investment fund” for this purpose includes a trust that meets certain conditions, including satisfying certain of the conditions necessary to qualify as a “mutual fund trust” for purposes of the Tax Act, not holding any property that it uses in the course of carrying on a business and complying with certain asset diversification requirements. If an Evolve Fund were not to qualify as an “investment fund”, it could potentially have a loss restriction event and thereby become subject to the related tax consequences described above.

The Tax Act contains rules (the “**SIFT Rules**”) concerning the taxation of publicly traded Canadian trusts and partnerships that own certain types of property defined as “non-portfolio property”. A trust that is subject to these rules is subject to trust level taxation, at rates comparable to those that apply to corporations, on the trust’s income earned from “non-portfolio property” to the extent that such income is distributed to its unitholders. Further, pursuant to certain Tax Amendments released on March 28, 2023 in connection with the 2023 Federal Budget (Canada), a trust that is subject to these rules is also proposed to be subject to a 2% tax on the net value of the trust’s equity repurchases (redemptions) in a taxation year. If an Evolve Fund is subject to tax under these rules, the after-tax return to its Unitholders could be reduced, particularly in the case of a Unitholder who is exempt from tax under the Tax Act or is a non-resident of Canada.

In certain circumstances, the interest on money borrowed to invest in a trust or other entity that may be deducted may be reduced on a pro rata basis in respect of distributions from the trust or other entity that are a return of capital and which are not reinvested for an income earning purpose. Accordingly, part of the interest payable by BANK in connection with money borrowed to acquire certain portfolio securities could be non-deductible, increasing the net income of BANK for tax purposes and the amount of income to be distributed each year to its Unitholders. Further, the Minister of Finance (Canada) has released Tax Amendments (the “**EIFEL Amendments**”) that are intended, where applicable, to limit the deductibility of interest and financing expenses of a Canadian resident corporation or trust to a fixed ratio of tax EBITDA (as calculated in accordance with the EIFEL Amendments), effective for taxation years beginning on or after October 1, 2023. If the EIFEL Amendments are enacted as proposed and if such proposals apply to BANK, the amount of interest and other financing expenses otherwise deductible by BANK may be reduced and the taxable component of distributions by BANK to its Unitholders may be increased accordingly. The Manager is reviewing the impact, if any, of the EIFEL Amendments on BANK.

Certain of the Evolve Funds may invest in global debt and/or equity securities. 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 interest, dividends or distributions paid or credited to persons who are not resident in such countries. While the Evolve Funds intend to make investments in such a manner as to minimize the amount of foreign taxes incurred under foreign tax laws and subject to any applicable Tax Treaties, investments in global debt and equity securities may subject the Evolve Funds to foreign taxes on interest, dividends or distributions paid or credited to them or any gains realized on the disposition of such securities. Any foreign taxes incurred by an Evolve Fund will generally reduce the value of its portfolio. To the extent that such foreign tax paid by an Evolve Fund exceeds 15% of the amount included in the Evolve Fund’s income from such investments, such excess may generally be deducted by the Evolve Fund in computing its net income for the purposes of the Tax Act. To the extent that foreign tax paid does not exceed 15% of the amount included in an Evolve Fund’s income from such investments and has not been deducted in computing the Evolve Fund’s income and the Evolve Fund designates its income from a foreign source in respect of a Unitholder of the Evolve Fund, the Unitholder will, for the purposes of computing its foreign tax credits, be entitled to treat the Unitholder’s proportionate share of foreign taxes paid by the Evolve Fund in respect of such income as foreign taxes paid by the Unitholder. The availability of foreign tax credits to a Unitholder is subject to the detailed rules in the Tax Act.

Limited Operating History and Absence of an Active Market

The Evolve Funds are recently organized investment trusts with limited operating history as ETFs and limited operating history as mutual funds. Although the ETF Units of the Evolve Funds are listed on the applicable Designated Exchange, there can be no assurance that an active public market for the ETF Units of the Evolve Funds will develop or be sustained.

Cease Trading of Units

If Constituent Securities of an Index, if applicable, or issuers in the portfolio of an Evolve Fund are cease traded at any time by a Securities Regulatory Authority or other relevant regulator or stock exchange, the Manager may suspend the exchange or redemption of Units until such time as the transfer of the securities is permitted as described under “Purchases of Units – Suspension of Exchanges and Redemptions”. In addition, if Constituent Securities of an Index are cease traded, the applicable Evolve Funds may not be able to replicate the Index while such cease trade orders are in effect. As a result, when the Evolve Fund holds securities traded on an exchange or other organized market, the Evolve Fund bears the risk of cease trading orders against any Constituent Security held by the Evolve Fund or securities held in the Evolve Fund’s portfolio.

Cyber Security Risk

Cyber security risk is the risk of harm, loss and liability resulting from a failure or breach of information technology systems. Failures or breaches of the information technology systems (“**Cyber Security Incidents**”) can result from deliberate attacks or unintentional events and may arise from external or internal sources. Deliberate cyber attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g. through “hacking” or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, equipment or systems, or causing operational disruption. Deliberate cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e. efforts to make network services unavailable to intended users).

The primary risks to the Evolve Funds from the occurrence of a Cyber Security Incident include disruption in operations, reputational damage, disclosure of confidential information, the incurrence of regulatory penalties, additional compliance costs associated with corrective measures and/or financial loss. Cyber Security Incidents of the Evolve Funds’ third party service providers (e.g. administrators, transfer agents, custodians and sub-custodians) or issuers that the Evolve Funds invest in can also subject the Evolve Funds to many of the same risks associated with direct Cyber Security Incidents. The Evolve Funds and its Unitholders could be negatively impacted as a result.

Country Risk

An Evolve Fund that invests primarily in a specific region or country may be more volatile than a more geographically diversified fund, and will be strongly affected by the overall economic performance of that specific region or country. The Evolve Funds must continue to follow their investment objectives regardless of the economic performance of a specific region or country.

Market Disruptions Risk

War and occupation, terrorism and related geopolitical risks may in the future lead to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally, including U.S., Canadian and other economies and securities markets. Recently the spread of coronavirus disease (COVID-19) has threatened a slowdown in the global economy and has caused volatility in global financial markets. Coronavirus disease or any other disease outbreak may adversely affect the performance of an Evolve Fund. The effects of future terrorist acts (or threats thereof), military action or similar unexpected disruptive events on the economies and securities markets of countries cannot be predicted. These events could also have an acute effect on individual issuers or related groups of issuers. These risks could also adversely affect securities markets, inflation and other factors relating to value of the portfolio of the Evolve Funds.

Upon the occurrence of a natural disaster such as flood, hurricane, or earthquake, or upon an incident of war, riot or civil unrest or disease outbreak, the impacted country may not efficiently and quickly recover from such event, which could have a materially adverse effect on borrowers and other developing economic enterprises in such country.

Global Financial Developments

Global financial markets have experienced a sharp increase in volatility in the last several years. This has been, in part, the result of the revaluation of assets on the balance sheets of international financial institutions and related securities. This has contributed to a reduction in liquidity among financial institutions and has reduced the availability of credit to those institutions and to the issuers who borrow from them. While central banks as well as global governments have worked to restore much needed liquidity to the global economies, no assurance can be given that the combined impact of the significant revaluations and constraints on the availability of credit will not continue to materially and adversely affect economies around the world. No assurance can be given that this stimulus will continue or that, if it continues,

it will be successful or these economies will not be adversely affected by the inflationary pressures resulting from such stimulus or central banks' efforts to slow inflation. Further, continued market concerns about the European sovereign debt crisis, developments in the Middle East and the Ukraine, matters related to the U.S. government debt limits and the inflationary effects of quantitative easing may adversely impact global equity markets. Some of these economies have experienced significantly diminished growth and some are experiencing or have experienced a recession. These market conditions and further volatility or illiquidity in capital markets may also adversely affect the prospects of an Evolve Fund and the value of its Constituent Securities. A substantial drop in the markets in which an Evolve Fund invests could be expected to have a negative effect on such Evolve Fund.

Sensitivity to Interest Rate Fluctuations

It is anticipated that the market value of Units and the value of the Constituent Securities or securities held in the portfolio of an Evolve Fund, as applicable, at any given time will be affected by the level of interest rates prevailing at such time. A rise in interest rates may have a negative effect on the market value of the Units. Unitholders who wish to redeem or sell their Units may, therefore, be exposed to the risk that the redemption price or sale price of the Units will be negatively affected by interest rate fluctuations.

No Guarantees

An investment in an Evolve Fund is not guaranteed. Unlike bank accounts or guaranteed investment certificates (GICs), mutual fund securities are not covered by Canada Deposit Insurance Corporation or any other government deposit insurer.

Suspension of Redemptions

Under exceptional circumstances, an Evolve Fund may suspend redemptions. See "Switches and Redemptions of Mutual Fund Units – Suspension of Exchanges and Redemptions" and Exchange and Redemption of ETF Units – Suspension of Exchanges and Redemptions".

Additional Risks Relating to an Investment in each Evolve Fund

In addition to the general risk factors, the following additional risk factors are inherent in an investment in one or more of the Evolve Funds as indicated in the table below. A description of each of these risks follows the table.

| Fund Specific Risks | EDGE | FIXD | BASE | HERO | DATA | TECH | BANK | EBNK |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Alternative Mutual Fund Risk | | | | | | | ✓ | |
| Banking Risk | | | | | | | ✓ | ✓ |
| Credit Rating Related Risk | | ✓ | | | | | | |
| Currency Hedging Risk | ✓ | | ✓ | ✓ | ✓ | ✓ | | ✓ |
| Depository Receipts Risk | ✓ | | ✓ | ✓ | ✓ | ✓ | | ✓ |
| Emerging Markets Risk | | ✓ | | | | | | |
| Exchange Rate Risk | ✓ | | ✓ | ✓ | ✓ | ✓ | | ✓ |
| Exchange Traded Funds Risk | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Extension Risk | | ✓ | | | | | | |
| Foreign Markets Risk | ✓ | | ✓ | ✓ | | | | ✓ |
| General Risks of Debt Instruments | | ✓ | | | | | | |
| General Risks of Equity Investments | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| General Risks of Foreign Investments | ✓ | | ✓ | ✓ | ✓ | ✓ | | ✓ |
| General Risks of Preferred Shares | | ✓ | | | | | | |
| Hedging Risk | ✓ | | ✓ | ✓ | ✓ | ✓ | | ✓ |
| Illiquid Securities Risk | ✓ | ✓ | ✓ | ✓ | ✓ | | | ✓ |

| Fund Specific Risks | EDGE | FIXD | BASE | HERO | DATA | TECH | BANK | EBNK |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Index Calculation and Index Termination Risks | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Index Investment and Passive Investment Strategies Risks | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Index Replication and Tracking Error Risks | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Investing in Europe | | | | | | | | ✓ |
| Large-Capitalization Issuer Risk | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mid, Small and Micro Capitalization Issuer Risk | ✓ | | ✓ | ✓ | ✓ | | | |
| Performance of European Banks and Financial Institutions | | | | | | | | ✓ |
| Rebalancing and Subscriptions Risk | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Sampling Methodology Risk | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Sector Risk | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Small Company Risk | ✓ | | ✓ | ✓ | ✓ | | | |
| Specialization Risk | ✓ | | | | | | | |
| State/Region Risk | | | | | | | | ✓ |
| Suspended Subscriptions Risk | | | | | | | ✓ | |
| Underlying Funds Risk | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Use of Leverage | | | | | | | ✓ | |
| Use of Options Risk | | | ✓ | | | | ✓ | ✓ |

Alternative Mutual Fund Risk

BANK is an alternative mutual fund, which means that it uses investment strategies that are generally prohibited by other types of conventional mutual funds. As an alternative mutual fund, and unlike a conventional mutual fund, BANK has the ability to invest more than 10% of its net asset value in securities of a single issuer, the ability to borrow cash, to short sell beyond the limits prescribed for conventional mutual funds and to employ leverage. While these strategies will only be used in accordance with the investment objectives and strategies of BANK, during certain market conditions they may accelerate the risk that an investment in Units decreases in value.

Banking Risk

Commercial banks (including “money centre” regional and community banks), savings and loan associations and holding companies of the foregoing are especially subject to adverse effects of volatile interest rates, concentrations of loans in particular industries (such as real estate or energy) and significant competition. The profitability of these businesses is to a significant degree dependent upon the availability and cost of capital funds. Economic conditions in the real estate market may have a particularly strong effect on certain banks and savings associations. Commercial banks and savings associations are subject to extensive federal and, in many instances, state regulation. Neither such extensive regulation nor the federal insurance of deposits ensures the solvency or profitability of companies in this industry, and there is no assurance against losses in securities issued by such companies.

Credit Rating Related Risk

Securities held by an Evolve Fund that are considered below investment grade may be subject to greater levels of credit or default risk than higher-rated securities. High yield securities are often issued by highly-leveraged firms or by smaller, less creditworthy firms. Such securities may be more volatile than higher-rated securities of similar

duration. In addition, the possibility that any fixed income security could have its credit rating downgraded or that it could default by failing to make scheduled interest and/or principal payments could potentially reduce an Evolve Fund's income and Unit price.

Currency Hedging Risk

In respect of Hedged ETF Units and Hedged Mutual Fund Units, the Manager will seek to hedge all or substantially all direct foreign currency exposure by entering into currency forward contracts with financial institutions that have a "designated rating" as defined in NI 81-102. For regulatory and operational reasons, the Manager may not be able to fully hedge such foreign exposure at all times. Although there is no assurance that these currency forward contracts will be effective, the Manager expects these currency forward contracts to be substantially effective. However, some deviations from the returns of the applicable Index are expected to occur as a result of the costs, risks or other performance impacts of this currency hedging strategy.

The effectiveness of an Evolve Fund's currency hedging strategy will, in general, be affected by the volatility of the applicable Evolve Fund and the volatility of the Canadian dollar relative to the foreign currency. Increased volatility will generally reduce the effectiveness of the currency hedging strategy. The effectiveness of this currency hedging strategy may also be affected by any significant difference between the Canadian dollar and foreign currencies' interest rates.

In respect of the Unhedged ETF Units, BASE, FIXD, EDGE, DATA, TECH and EBNK will not hedge any foreign currency exposure back to the currency in which such class of Unhedged ETF Units are denominated.

Depositary Receipts Risk

An Evolve Fund may invest in depositary receipts. Investment in ADRs and GDRs may be less liquid than the underlying shares in their primary trading market and GDRs, many of which are issued by companies in emerging markets, may be more volatile and less liquid than depositary receipts issued by companies in more developed markets.

Emerging Markets Risk

An Evolve Fund may be subject to a number of risks specific to having exposure to issuers in emerging markets. Investments in the securities of issuers in emerging markets involve risks not associated with investments in the securities of issuers in developed markets. Emerging markets can be substantially more volatile and substantially less liquid than more developed markets, such as Canada or the United States. Emerging markets are subject to greater political and economic instability, uncertainty regarding the existence of trading markets and more governmental limitations on foreign investment than more developed markets.

There may be less information publicly available with regard to emerging market issuers and such issuers are not subject to the uniform accounting, auditing and financial reporting standards applicable to Canadian issuers. There may be no single centralized securities exchange on which securities are traded in emerging markets and the systems of corporate governance to which companies in emerging markets are subject may be less advanced than that to which Canadian issuers are subject. As a result, investors in such companies may not receive many of the protections available to investors in Canada.

Securities laws in many emerging markets are relatively new and unsettled. Laws regarding foreign investment in emerging market securities, securities regulation, title to securities and shareholder rights may change quickly and unpredictably. Further, the enforcement of systems of taxation at federal, regional and local levels in emerging markets may be inconsistent and subject to sudden change.

Exchange Rate Risk

Changes in foreign currency exchange rates may affect the NAV of an Evolve Fund to the extent it holds investments denominated in currencies other than the Canadian dollar. The Units, other than the USD Unhedged ETF Units, are Canadian dollar denominated. As a portion of an Evolve Fund's portfolio may be invested in securities traded in foreign currencies, the NAV, when measured in Canadian dollars, will, to the extent this has not been hedged against, be affected by changes in the value of the foreign currencies relative to the Canadian dollar.

Exchange Traded Funds Risk

An Evolve Fund may invest in exchange traded funds that seek to provide returns similar to the performance of a particular market index or industry sector index. Any such exchange traded fund may not achieve the same return as its benchmark market or industry sector index due to differences in the actual weightings of securities held in the fund versus the weightings in the relevant index and due to the operating and administrative expenses of the fund.

Extension Risk

During periods of rising interest rates, an issuer may exercise its right to pay principal on an obligation later than expected. Under these circumstances, the value of the obligation will decrease and an Evolve Fund's performance may suffer from its inability to invest in higher yielding securities.

Foreign Market Risk

Participation in transactions by an Evolve Fund may involve the execution and clearing of trades on or subject to the rules of a foreign market. None of the Securities Regulatory Authorities or Canadian exchanges regulates activities of any foreign markets, including the execution, delivery and clearing of transactions, or has the power to compel enforcement of any rule of a foreign market or any applicable foreign law. Generally, any foreign transaction will be governed by applicable foreign laws. This is true even if the foreign market is formally linked to a Canadian market so that a position taken on a market may be liquidated by a transaction on another market. Moreover, such laws or regulations will vary depending on the foreign country in which the transaction occurs. For these reasons, entities such as the Evolve Funds may not be afforded certain of the protective measures provided by Canadian legislation or Canadian exchanges. In particular, funds received from investors for transactions by an Evolve Fund on foreign exchanges may not be provided the same protection as funds received in respect of transactions by the Evolve Fund on Canadian exchanges.

General Risks of Debt Instruments

The value of the underlying debt securities of an Evolve Fund will be affected by changes in the general level of interest rates. Generally, debt securities will decrease in value when interest rates rise and will increase in value when interest rates decline. Securities with longer durations tend to be more interest rate sensitive, which may make them more volatile than securities with shorter durations. The NAV of an Evolve Fund will fluctuate with interest rate changes and the corresponding changes in the value of the securities held by the Evolve Fund. The value of the bonds held by an Evolve Fund may be affected by price changes due to a change in general economic conditions.

General Risks of Equity Investments

Holders of equity securities of an issuer incur more risk than holders of debt obligations of such issuer because shareholders, as owners of such issuer, have generally inferior rights to receive payments from such issuer in comparison with the rights of creditors of, or holders of debt obligations issued by, such issuer. Further, unlike debt securities, which typically have a stated principal amount payable at maturity (whose value, however, will be subject to market fluctuations prior thereto), equity securities have neither a fixed principal amount nor a maturity.

Distributions on the Units will generally depend upon the declaration of dividends or distributions on the Constituent Securities or securities held in the portfolio of an Evolve Fund, as applicable. The declaration of such dividends or distributions generally depends upon various factors, including the financial condition of the Constituent Issuers or issuers held in the portfolio of an Evolve Fund, as applicable, and general economic conditions. Therefore, there can be no assurance that the Constituent Issuers or issuers held in the portfolio of an Evolve Fund, as applicable, will pay dividends or distributions on Constituent Securities.

General Risks of Foreign Investments

An Evolve Fund may invest, directly or indirectly, in foreign equity securities. In addition to the general risks associated with equity investments, investments in foreign securities may involve unique risks not typically associated with investing in Canada. Foreign exchanges may be open on days when an Evolve Fund or a Reference ETF, if applicable, does not price their securities and, therefore, the value of the securities traded on such exchanges may change on days when investors are not able to purchase or sell Units. Information about corporations not subject to Canadian reporting requirements may not be complete, may not reflect the extensive accounting or auditing standards

required in Canada and may not be subject to the same level of government supervision or regulation as would be the case in Canada.

Some foreign securities markets may be volatile or lack liquidity and some foreign markets may have higher transaction and custody costs and delays in attendant settlement procedures. In some countries, there may be difficulties in enforcing contractual obligations and investments could be affected by political instability, social instability, expropriation or confiscatory taxation.

In the case of an Evolve Fund holding foreign securities, whether directly or indirectly, dividends or distributions on those foreign securities may be subject to withholding taxes.

General Risks of Preferred Shares

An investment in an Evolve Fund should be made with an understanding that the value of the underlying securities may be affected by changes in the general level of interest rates. Generally, preferred shares will decrease in value when interest rates rise and will increase in value when interest rates decline. Securities with longer durations tend to be more interest rate sensitive, which may make them more volatile than securities with shorter durations. The NAV of an Evolve Fund may fluctuate with interest rate changes and the corresponding changes in the value of the securities held by the Evolve Fund. The value of the securities held by an Evolve Fund may be affected by price changes due to a change in general economic conditions.

Hedging Risk

The use of currency hedges by an Evolve Fund, if used, involves special risks, including the possible default by the other party to the transaction, illiquidity and, to the extent the Manager's assessment of certain market movements is incorrect, the risk that the use of hedges could result in losses greater than if the hedging had not been used. Hedging arrangements may have the effect of limiting or reducing the total returns to an Evolve Fund if the Manager's expectations concerning future events or market conditions prove to be incorrect. In addition, the costs associated with a hedging program may outweigh the benefits of the arrangements in such circumstances.

Illiquid Securities Risk

If an Evolve Fund is unable to dispose of some or all of the securities held by it, that Evolve Fund may experience a delay in the receipt of the proceeds of disposition until such time as it is able to dispose of such securities on terms or at a price acceptable to the Manager or Sub-Advisor on a timely basis. In accordance with Canadian Securities Legislation, there are restrictions on the amount of illiquid securities that an Evolve Fund is permitted to hold.

Index Calculation and Index Termination Risks

The relevant Index Provider calculates, determines and maintains the relevant Index. The Indexes were not created by the Index Providers for the purpose of the Evolve Funds. The Index Providers have the right to make adjustments to, or to cease to calculate, the Indexes without regard to the particular interests of the Manager, the Evolve Funds or the Unitholders.

If the computer or other facilities of the Index Providers or the TSX malfunction for any reason, calculation of value of the Indexes and the determination by the Manager of the Prescribed Number of Units and Baskets of Securities for the Evolve Funds may be delayed, and trading in Units may be suspended, for a period of time.

If the Index Providers cease to calculate the Indexes or the applicable Index License Agreement is terminated, the Manager may: (i) terminate the applicable Evolve Fund on not less than 60 days' notice to Unitholders; (ii) change the investment objective of the applicable Evolve Fund or seek to replicate generally an alternative index (subject to any Unitholder approval in accordance with Canadian Securities Legislation); or (iii) make such other arrangements as the Manager considers appropriate and in the best interests of Unitholders in the circumstances.

Index Investment and Passive Investment Strategies Risks

The value of an Index may fluctuate in accordance with the financial condition of the Constituent Issuers that are represented in the Index (particularly those that are more heavily weighted), the value of the securities generally and other factors.

If an Index is concentrated on one stock exchange, if that stock exchange is not open, the applicable Evolve Fund will be unable to determine the NAV per Unit and may be unable to satisfy redemption requests.

Because the investment objective of the applicable Evolve Fund is to replicate the performance of an Index, the Evolve Fund is not actively managed by traditional methods and the Manager will not attempt to take defensive positions in declining markets. Therefore, the adverse financial condition of a Constituent Issuer represented in the Index will not necessarily result in the elimination of exposure to its securities, whether direct or indirect, by the Evolve Fund unless the Constituent Securities are removed from the Index.

Index Replication and Tracking Error Risks

An Evolve Fund will not replicate exactly the performance of the applicable Index because the total return generated by the Units will be reduced by the management fee paid or payable by the Evolve Fund, the brokerage and commission costs incurred in acquiring and rebalancing the portfolio of securities held by the Evolve Fund and the other expenses paid or payable by the Evolve Fund, including costs associated with currency hedging. These fees and expenses are not included in the calculation of the performance of the applicable Index.

Deviations in the tracking of the applicable Index by an Evolve Fund could occur for a variety of other reasons. For example, where an Evolve Fund tenders securities under a successful takeover bid for less than all securities of a Constituent Issuer and the Constituent Issuer is not removed from the applicable Index, the Evolve Fund may be required to buy replacement securities at a purchase price that may be more than the takeover bid price due to timing variances.

It is also possible that an Evolve Fund may not fully replicate the performance of the applicable Index due to the temporary unavailability of certain Constituent Securities in the secondary market, the investment strategies and investment restrictions applicable to the Evolve Fund, including the use of a sampling methodology or due to other extraordinary circumstances.

Investing in Europe

As EBNK's portfolio is comprised of the securities of banks in Europe, EBNK's performance is expected to be closely tied to economic, political and social conditions within Europe and to be more volatile than the performance of more geographically diverse funds. Most countries in Europe are members of the European Union, and many are also members of the European Monetary Union, which requires compliance with restrictions on inflation rates, deficits, and debt levels. Sovereign debt has risen to varying concerning degrees in recent years and months in the European Union's member countries Greece, Spain, Italy, Portugal and Ireland, heightening market turbulence in Europe. Sovereign debt issues in these European countries have in the past and may in the future affect politics and economics in other member countries of the European Union. The European Union's structure makes its members highly dependent on each other, which creates the possibility of contagion when crisis arises. If the politics and economics in other member countries of the European Union are affected by the sovereign debt issues facing certain European countries currently, it may heighten European market volatility. Unemployment in certain European nations is historically high. In addition, the tight fiscal and monetary controls necessary to join the European Monetary Union can significantly affect every country in Europe.

Large-Capitalization Issuer Risk

An Evolve Fund may invest a relatively large percentage of its assets in the securities of large-capitalization companies. As a result, the performance of the Evolve Fund may be adversely affected if securities of large-capitalization companies underperform securities of smaller-capitalization companies or the market as a whole. The securities of large-capitalization companies may be relatively mature compared to smaller companies and therefore subject to slower growth during times of economic expansion.

Mid, Small and Micro Capitalization Issuer Risk

Capitalization is a measure of the value of a company. It is the current price of a company's stock, multiplied by the number of shares issued by the company. Companies with small and micro capitalization may not have a well-developed market for their securities. As a result, such securities may be difficult to trade, making their prices more volatile than those of large capitalization companies.

Performance of European Banks and Financial Institutions

EBNK's portfolio is comprised primarily of securities issued by European financial institutions. Accordingly, the performance of EBNK will be largely impacted by the performance of such financial institutions as well as the prices at which their securities trade in the market, all of which are in turn impacted by the European financial sector and their respective countries' economic performance generally. Any adverse changes to the European financial sector or economy would be expected to have an adverse impact on the portfolio securities and the return to Unitholders of EBNK.

Rebalancing and Subscription Risk

Adjustments to Baskets of Securities held by an Evolve Fund to reflect rebalancing events, including adjustments to the applicable Index or as otherwise determined by the Manager, will depend on the ability of the Manager and the Designated Broker to perform their respective obligations under the designated broker agreement. If the Designated Broker fails to perform, the applicable Evolve Fund may be required to sell or purchase, as the case may be, Constituent Securities of the applicable Index in the market. If this happens, an Evolve Fund would incur additional transaction costs, which would cause the performance of the Evolve Fund to deviate more significantly from the performance of the Index than would otherwise be expected.

Adjustments to the Basket of Securities necessitated by a rebalancing event could affect the underlying market for the Constituent Securities of the applicable Index, which in turn would affect the value of that Index. Similarly, subscriptions for Units by the Designated Broker and Dealers may impact the market for the Constituent Securities of the applicable Index, as the Designated Broker or the Dealer seeks to buy or to borrow the Constituent Securities to constitute the Baskets of Securities to be delivered to the Evolve Fund as payment for the Units to be issued.

Sampling Methodology Risk

An Evolve Fund may employ a sampling methodology or may hold an exchange traded fund that employs a sampling methodology. A sampling methodology involves seeking to replicate the performance of the applicable Index by holding a subset of the Constituent Securities or a portfolio of some or all of the Constituent Securities and other securities selected by the Manager such that the aggregate investment characteristics of the portfolio are reflective of the aggregate investment characteristics of, or a representative sample of, the Index. It is possible that the use of a sampling methodology may result in a greater deviation in performance relative to the applicable Index than a replication strategy in which only the Constituent Securities are held in the portfolio in approximately the same proportions as they are represented in the Index.

Sector Risk

Because the Constituent Securities of an Evolve Fund may be heavily concentrated in one specific sector or industry of the economy, the trading price of the Evolve Fund is expected to be more volatile than that of a fund with a more broadly diversified portfolio.

Small Company Risk

Small companies can be riskier investments than larger companies. Small companies are often newer, and may not have a track record, extensive financial resources, or a well-established market for their securities. Small companies generally do not have as many shares trading in the market, and so it could be difficult for an Evolve Fund to buy or sell small company securities when it needs to. As a result, prices and liquidity can change significantly in a short period of time.

Specialization Risk

An Evolve Fund may specialize in investing in a particular industry or part of the world. Specialization lets an Evolve Fund focus on specific industries or geographic areas, which can boost returns if the industry or geographic area, and the companies selected, prosper. But if the industry or geographic area has a slump, the Evolve Fund may suffer, because there are relatively few other investments to offset the downturn. An Evolve Fund must follow its investment objective and continue to invest in securities in the industry or geographic area, whether it is growing or not. Additionally, if a specific investment approach used by the Evolve Fund, such as value or growth, is out of favour, the Evolve Fund could suffer if it is obliged to confine its investments to the specific investment approach.

State/Region Risk

To the extent that an Evolve Fund invests heavily in regional banks from any given state or region, its performance could be disproportionately affected by factors particular to that state or region. These may include economic or policy

changes, erosion of the tax base, and state legislative changes (especially those regarding budgeting and taxes) and other matters that affect local economies.

Suspended Subscriptions Risk

To meet its investment objective, BANK borrows cash from the Prime Broker to purchase additional equity investments. If BANK experiences a significant increase in total NAV, the Prime Broker may be unwilling to lend additional cash to BANK and as a result, the Manager may, at its sole discretion and if determined to be in the best interests of unitholders, decide to suspend subscriptions for new Units if considered necessary or desirable in order to permit BANK to achieve, or continue to achieve, its investment objectives. During a period of suspended subscriptions, if any, investors should note that Units of BANK are expected to trade at a premium or substantial premium to BANK's NAV. During such periods, investors are strongly discouraged from purchasing Units of BANK on a stock exchange. Any suspension of subscriptions or resumption of subscriptions will be announced by press release and announced on the Manager's website.

Underlying Funds Risk

An Evolve Fund may invest in exchange traded funds that seek to provide returns similar to the performance of a particular market index or industry sector index. Any such exchange traded fund may not achieve the same return as its benchmark market or industry sector index due to differences in the actual weightings of securities held in the fund versus the weightings in the relevant index and due to the operating and administrative expenses of the fund.

The securities of underlying funds in which an Evolve Fund invests, whether directly or indirectly, may trade below, at or above their respective NAVs per security. The NAV per security will fluctuate with changes in the market value of that investment fund's holdings. The trading prices of the securities of those investment funds will fluctuate in accordance with changes in the applicable fund's NAV per security, as well as market supply and demand on the stock exchanges on which those funds are listed.

If an Evolve Fund purchases a security of an underlying investment fund at a time when the market price of that security is at a premium to the NAV per security or sells a security at a time when the market price of that security is at a discount to the NAV per security, the Evolve Fund may sustain a loss.

Use of Leverage

Leverage occurs when BANK's exposure to underlying assets is greater than BANK's net asset value. It is an investment technique that can magnify gains and losses. Leverage should cause BANK to lose more money in market environments adverse to its investment objective than an exchange traded fund that does not employ leverage. Using leverage involves special risks and should be considered to be speculative.

Leverage may increase volatility, may impair the BANK's liquidity and may cause it to liquidate positions at unfavourable times. In accordance with applicable securities legislation, as an alternative mutual fund, BANK is subject to a gross aggregate exposure limit of 300% of its NAV which is calculated by adding together the market value of its short positions, the value of any outstanding cash borrowing and the aggregate notional value of its specified derivatives positions that are not entered into for hedging purposes.

This leverage calculation must be determined on a daily basis. However, and notwithstanding such permitted legislative limits, in accordance with its investment objectives, BANK's aggregate leverage will not generally exceed approximately 25% of NAV.

Use of Options Risk

Deviations from the returns of the applicable Index are expected to occur as a result of the costs, risks, and performance impacts of employing a covered call strategy. BASE, BANK and EBNK are each subject to the full risk of their investment position in the securities comprising their portfolios, including those securities that are subject to outstanding call options, should the market price of such securities decline. In addition, the Evolve Funds, as applicable, will not participate in any gain on securities that are subject to outstanding call options above the strike price of such options.

The use of derivative instruments involves risks different from and possibly greater than the risks associated with investing directly in such securities and other traditional investments. Derivatives are subject to a number of risks, such as liquidity risk, interest rate risk, market risk, credit risk, leveraging risk, counterparty risk and trading execution

risk. Derivatives also involve the risk of mispricing or improper valuation and the risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index.

There is no assurance that a liquid exchange will exist to permit the Evolve Funds, as applicable, to write covered call options on desired terms or to close out option positions should the Manager desire to do so. The ability of the applicable Evolve Funds to close out their positions may also be affected by exchange imposed daily trading limits on options. If the applicable Evolve Funds are unable to repurchase a call option which is “in-the-money”, they will be unable to realize their profits or limit their losses until such time as the option becomes exercisable or expires.

In purchasing call options or entering into forward contracts, as applicable, the Evolve Funds are subject to the credit risk that their counterparty (a clearing corporation, in the case of exchange traded instruments) may be unable to meet their obligations. In addition, there is risk of loss by the Evolve Funds of margin deposits in the event of the bankruptcy of the dealer with whom an Evolve Fund has an open position in an option. The ability of the Evolve Funds to close out their positions may also be affected by exchange imposed daily trading limits on options and futures contracts. If the applicable Evolve Funds are unable to close out a position, they will be unable to realize their profit or limit their losses until such time as the option becomes exercisable or expires. The inability to close out options, futures and forward positions could also have an adverse impact on an Evolve Fund’s ability to use derivatives instruments to effectively hedge their portfolio or implement their investment strategies.

The use of options may have the effect of limiting or reducing the total returns of the applicable Evolve Funds. In addition, the income associated with writing covered call options may be outweighed by the foregone opportunity of remaining invested directly in the securities comprising the portfolio. In such an event, an Evolve Fund would have to increase the percentage of its portfolio that is subject to covered call options in order to meet its targeted distributions.

Suitability

This section describes the type of investment portfolio or investor each Evolve Fund may be suitable for. This is meant as a general guide only. For advice about individual circumstances, Unitholders and investors are encouraged to consult their financial advisor.

EDGE is for investors:

- seeking exposure to equity securities of companies involved in innovative or disruptive industries;
- that are willing to accept a high degree of risk; and
- that do not need a steady source of income from their investment.

FIXD is for investors:

- seeking exposure to an actively managed portfolio of investment grade fixed income securities issued by domestic and international issuers;
- that are willing to take the risks associated with international fixed income securities, emerging market debt, preferred shares, convertible bonds and non-investment grade bonds; and
- seeking enhanced yield potential and a steady source of income from their investment.

BASE is for investors:

- seeking capital appreciation through exposure to equity securities of companies involved in materials and mining;
- willing to take the risk associated with equity investments; and
- seeking increased yield from a covered call strategy.

HERO is for investors:

- seeking capital appreciation through exposure to equity securities of companies involved in hardware, software and services relating to the electronic gaming industry;
- that are willing to accept a medium degree of risk; and
- that do not need a steady source of income from their investment.

DATA is for investors:

- seeking to invest in companies that have business operations in the field of cloud computing;
- seeking capital appreciation through exposure to equity securities of companies located domestically or internationally; and
- willing to take the risk associated with equity investments.

TECH is for investors:

- seeking to invest in the equity securities of Alphabet Inc., Apple Inc., Meta Platforms, Inc., Netflix Inc. and Microsoft Corp.;
- willing to take the risk associated with equity investments; and
- seeking capital appreciation through exposure to equity securities of Alphabet Inc., Apple Inc., Meta Platforms, Inc., Netflix Inc. and Microsoft Corp.

BANK is for investors:

- seeking regular dividend income with long-term capital appreciation;
- willing to take the risk associated with a levered exposure (up to 125%) to Canadian core financials equities; and
- seeking increased yield from a covered call strategy.

EBNK is for investors:

- seeking capital appreciation through exposure to equity securities of European banks;
- willing to take the risk associated with equity investments; and
- seeking increased yield from a covered call strategy.

Risk Ratings of the Evolve Funds

The investment risk level of each Evolve Fund is required to be determined in accordance with a standardized risk classification methodology that is based on the historical volatility of an Evolve Fund, as measured by the 10-year standard deviation of the returns of an Evolve Fund. As the Evolve Funds do not have at least 10 years of performance history, the Manager calculates the investment risk level of each Evolve Fund using a reference index that reasonably approximates the standard deviation of the Evolve Fund for the remainder of the 10-year period. Once the Evolve Funds have 10 years of performance history, the methodology will calculate the standard deviation of each Evolve Fund using the return history of the Evolve Fund rather than that of the reference index. The Evolve Funds are assigned an investment risk rating in one of the following categories: low, low to medium, medium, medium to high or high risk. There may be times when the classification methodology produces a result that the Manager believes is inappropriate in which case the Manager may re-classify an Evolve Fund to a higher risk level, if appropriate.

The following chart sets out a description of the reference index used for each Evolve Fund:

| Evolve Fund | Reference Index |
|--------------------------------------|---|
| Evolve Innovation Index Fund | Solactive Global Innovation Index (for the period between January 1, 2012 and May 1, 2018); Nasdaq Composite Index (for the period between March 1, 2011 and December 31, 2012). |
| Evolve Active Core Fixed Income Fund | FTSE TMX Canada Universe Bond Index – a market capitalization-weighted index designed to be a broad measure of the Canadian investment-grade, fixed income market, including Government of Canada, provincial and corporate bonds with maturities of more than one year and a credit rating of BBB or higher. |

| | |
|---|---|
| Evolve Global Materials & Mining Enhanced Yield Index ETF | Solactive Materials & Mining Index (for the period between November 1, 2013 to June 30, 2019); S&P 500 Materials Sector GICS Level 1 Index – comprises those companies included in the S&P 500 that are classified as members of the GICS® materials sector (for the period between June 1, 2009 and November 1, 2013). |
| Evolve E-Gaming Index ETF | Solactive eGaming Index (for the period between January 1, 2012 and June 16, 2019); Nasdaq Composite Index (for the period between March 1, 2011 and December 31, 2012). |
| Evolve Cloud Computing Index Fund | Solactive Global Cloud Computing Index (for the period between August 1, 2017 and September 30, 2020) S&P Global 1200 Information Tech Index (for the period between October 1, 2010 and July 31, 2017) |
| Evolve FANGMA Index ETF | Nasdaq 100 Index |
| Evolve Canadian Banks and Lifecos Enhanced Yield Index Fund | Solactive Canadian Core Financials Equal Weight Index |
| Evolve European Banks Enhanced Yield ETF | MSCI Europe Financials Net USD Index |

Unitholders should know that other types of risks, both measurable and non-measurable, exist. Also, just as historical performance may not be indicative of future returns, historical volatility may not be indicative of future volatility. The risk rating of each Evolve Fund is reviewed annually and any time it is no longer reasonable in the circumstances. A more detailed explanation of the risk classification methodology used to identify the risk rating of the Evolve Funds is available on request, at no cost, by calling toll-free 1-844-370-4884 or by writing to Evolve Funds Group Inc., Scotia Plaza, 40 King Street West, Suite 3404, Toronto, ON M5H 3Y2.

DISTRIBUTION POLICY

Cash distributions of income, if any, on ETF Units will be payable periodically as set out in the table below by each of the Evolve Funds:

| Evolve Fund | Frequency of Distributions, if any |
|---|---|
| Evolve Innovation Index Fund | Quarterly |
| Evolve Active Core Fixed Income Fund | Monthly |
| Evolve Global Materials & Mining Enhanced Yield Index ETF | Monthly |
| Evolve E-Gaming Index ETF | Quarterly |
| Evolve Cloud Computing Index Fund | Monthly |
| Evolve FANGMA Index ETF | Monthly |
| Evolve Canadian Banks and Lifecos Enhanced Yield Index Fund | Monthly |
| Evolve European Banks Enhanced Yield ETF | Monthly |

Distributions payable on Mutual Fund Units will be payable periodically as set out above and will be automatically reinvested in additional Mutual Fund Units of the same class or series, as the case may be. Holders of Mutual Fund Units who wish to receive cash as of a particular dividend/distribution record date should speak with their broker, dealer or investment advisor for details.

The Evolve Funds will not have a fixed distribution amount. The amount of distributions, if any, will be based on the Manager's assessment of anticipated cash flow and anticipated expenses of the Evolve Funds from time to time. The date of any cash distribution of each Evolve Fund will be announced in advance by issuance of a press release. The Manager may, in its complete discretion, change the frequency of these distributions and any such change will be announced by issuance of a press release.

Depending on the underlying investments of an Evolve Fund, distributions on Units may consist of ordinary income, including foreign source income, sourced from foreign dividends, distributions or interest received by the Evolve Fund and dividends from taxable Canadian corporations but may also include net realized capital gains, in any case, less the expenses of an Evolve Fund and may include returns of capital. To the extent that the expenses of an Evolve Fund exceed the income generated by such Evolve Fund in any applicable distribution period, it is not expected that a distribution for that period will be paid. Management Fee Distributions, if any, will be paid first out of the net income, then out of capital gains of an Evolve Fund and thereafter out of capital. The tax consequences of a Management Fee Distribution will generally be borne by the Unitholder who receives the distribution.

If, for any taxation year, after the ordinary distributions, if any, there would remain in an Evolve Fund additional net income or net realized capital gains, the Evolve Fund will, after December 15 but on or before December 31 of that calendar year, be required to pay or make payable such net income and net realized capital gains as one or more special year-end distributions to Unitholders as is necessary to ensure that the Evolve Fund will not be liable for income tax on such amounts under Part I of the Tax Act (after taking into account all available deductions, credits and refunds). Such special distributions may be paid in the form of Units of the applicable class of the Evolve Fund and/or cash. Any special distributions payable in Units of a class of an Evolve Fund will increase the aggregate adjusted cost base of a Unitholder's Units of such class. Immediately following payment of such a special distribution in Units of a class, the number of Units of such class held by a Unitholder will be automatically consolidated such that the number of Units of such class held by the Unitholder after such distribution will be equal to the number of Units of such class held by such Unitholder immediately prior to such distribution, except in the case of a non-resident Unitholder to the extent tax is required to be withheld in respect of the distribution.

The tax treatment to Unitholders of distributions is discussed under the heading "Income Tax Considerations".

Optional Distribution Reinvestment Plan for ETF Units

The Manager may adopt a distribution reinvestment plan in respect of the Evolve Funds under which cash distributions are used to purchase additional ETF Units and are credited to the participating Unitholder in accordance with the terms of such plan (a copy of which would be available through the Unitholder's broker or dealer). The following are the key terms of such a distribution reinvestment plan:

- Participation in a distribution reinvestment plan will be restricted to Unitholders who are residents of Canada for the purposes of the Tax Act or "Canadian partnerships" as defined in the Tax Act. Immediately upon becoming a non-resident of Canada or ceasing to be a Canadian partnership, a participating Unitholder will be required to notify his, her or its CDS Participant and terminate participation in the distribution reinvestment plan.
- A Unitholder who wishes to enrol in the distribution reinvestment plan as of a particular Distribution Record Date should notify his, her or its CDS Participant sufficiently in advance of that Distribution Record Date to allow the CDS Participant to notify CDS by 4:00 p.m. (Toronto time) on that Distribution Record Date.
- Distributions that participating Unitholders are due to receive will be used to purchase ETF Units on behalf of such Unitholder in the market.
- No fractional ETF Units will be delivered under a distribution reinvestment plan. Payment in cash for any remaining uninvested funds may be made in lieu of delivering fractional ETF Units by the plan agent to CDS or a CDS Participant, on a monthly or quarterly basis, as the case may be. Where applicable, CDS will, in turn, credit the participating Unitholder, via the applicable CDS Participant.

The automatic reinvestment of distributions under the distribution reinvestment plan does not relieve participating Unitholders of any income tax applicable to the distributions.

The tax treatment to Unitholders of reinvested distributions is discussed under the heading “Income Tax Considerations”.

Participating Unitholders will be able to terminate their participation in the distribution reinvestment plan as of a particular Distribution Record Date by notifying their CDS Participant by the prescribed cut-off time prior to the applicable Distribution Record Date. Beginning on the first distribution payment date after such notice is delivered, distributions to such Unitholders will be in cash. The form of termination notice will be available from CDS Participants and any expenses associated with the preparation and delivery of such termination notice will be for the account of the participating Unitholder exercising its rights to terminate participation in the distribution reinvestment plan. The Manager will be permitted to terminate the distribution reinvestment plan, in its sole discretion, upon not less than 30 days’ notice to participating Unitholders and the plan agent, subject to any required regulatory approval.

The Manager is permitted to amend, modify or suspend the distribution reinvestment plan, or add additional features including authorizing pre-authorized cash contributions or systematic withdrawals, at any time, in its sole discretion, provided that it complies with certain requirements, and gives notice of such amendment, modification or suspension to the participating Unitholders and the plan agent, subject to any required regulatory approval, which notice may be given by issuing a press release containing a summary description of the amendment or in any other manner that the Manager determines to be appropriate.

The Manager may from time to time adopt rules and regulations to facilitate the administration of the distribution reinvestment plan. The Manager reserves the right to regulate and interpret the distribution reinvestment plan as it deems necessary or desirable to ensure the efficient and equitable operation of the distribution reinvestment plan.

Optional Pre-Authorized Cash Contributions for Mutual Fund Units

Unitholders who want to invest in Mutual Fund Units on a regular basis can use a pre-authorized purchase plan so that money is automatically withdrawn from the Unitholder’s bank account at regular intervals and invested in the applicable class or series of Mutual Fund Units. The plan is designed to allow Unitholders to take advantage of dollar-cost averaging.

Provided the minimum initial investment and the minimum additional investments required for each class or series of Mutual Fund Units is met, and a Unitholder has at least \$5,000 in their account to set up a pre-authorized cash contribution for an Evolve Fund, Unitholders may be provided with the option to invest weekly, bi-weekly, semi-monthly, monthly, quarterly, semi-annually or annually, depending on the type of account. For more information, Unitholders are encouraged to contact their dealer.

As part of a pre-authorized cash-contribution plan, a Unitholder’s dealer will automatically transfer money from the Unitholder’s bank account to purchase the applicable class or series of Mutual Fund Units. A Unitholder’s participation in the plan may be cancelled if payment is returned due to insufficient funds.

The pre-authorized cash contribution option may be selected upon first buying Mutual Fund Units or at any time afterwards. Unitholder’s must set up the pre-authorized purchase plan through their advisor, and the Manager must receive at least five business days’ notice to set up a pre-authorized purchase plan.

No fee is charged for setting up a pre-authorized purchase plan. However, the initial investment must meet the minimum initial investment and the minimum additional investments required for each series or class, as the case may be. Unitholders may change their pre-authorized purchase plan instructions or cancel such plan at any time as long as at least two business days’ notice is received by the Manager. If a Unitholder redeems all of their Mutual Fund Units of a class or series of an Evolve Fund in their account, the Manager will generally terminate the pre-authorized purchase plan unless instructed otherwise.

Purchases under a pre-authorized purchase plan providing for automatic withdrawal from a bank account may be in minimum amounts of \$50. Pre-authorized cash contributions may also be available under a U.S. dollar purchase option.

PURCHASES OF UNITS

Continuous Distribution

Units are being issued and sold on a continuous basis and there is no maximum number of Units that may be issued.

Unitholders or their investment professional are responsible for determining which class of Mutual Fund Units of an Evolve Fund is appropriate for purchase. Different classes or series may have different minimum investment levels and may require investors to pay different fees. There is no limit on the number of Mutual Fund Units an investor can buy.

Designated Broker for ETF Units

All orders to purchase ETF Units directly from an Evolve Fund must be placed by the Designated Broker or Dealers. Each Evolve Fund reserves the absolute right to reject any subscription order placed by the Designated Broker and/or a Dealer. No fees will be payable by an Evolve Fund to the Designated Broker or a Dealer in connection with the issuance of ETF Units. On the issuance of ETF Units, the Manager may, at its discretion, charge an administrative fee to a Dealer or the Designated Broker to offset any expenses (including any applicable TSX additional listing fees) incurred in issuing the ETF Units.

On any Trading Day, the Designated Broker or a Dealer may place a subscription order for the PNU or integral multiple PNU of an Evolve Fund. If a subscription order is received by an Evolve Fund at or before the applicable cut-off time, or such other time prior to the Valuation Time on such Trading Day as the Manager may permit, and is accepted by the Manager, the Evolve Fund will generally issue to the Dealer or Designated Broker the PNU (or an integral multiple thereof) within two Trading Days (or such later date as may be permitted) from the effective date of the subscription order. The Evolve Fund must receive payment for the ETF Units subscribed for within two Trading Days (or such later date as may be permitted) from the effective date of the subscription order. The effective date of a subscription order is the Trading Day on which the Valuation Time that applies to such subscription order takes place.

Unless the Manager shall otherwise agree or the Declaration of Trust shall otherwise provide, as payment for a PNU of an Evolve Fund, a Dealer or the Designated Broker must deliver subscription proceeds consisting of a Basket of Securities and cash in an amount sufficient so that the value of the Basket of Securities and cash delivered is equal to the NAV of the applicable PNU of the Evolve Fund determined at the Valuation Time on the effective date of the subscription order. The Manager may, in its complete discretion, instead accept subscription proceeds consisting of (i) cash only in an amount equal to the NAV of the applicable PNU of the Evolve Fund determined at the Valuation Time on the effective date of the subscription order, plus (ii) if applicable, associated costs and expenses that the Evolve Fund incurs or expects to incur in purchasing securities on the market with such cash proceeds.

The Manager may from time to time and, in any event not more than once quarterly, require the Designated Broker to subscribe for ETF Units of an Evolve Fund for cash in a dollar amount not to exceed 0.30% of the NAV of the Evolve Fund, or such other amount as may be agreed to by the Manager and the Designated Broker. The number of ETF Units issued will be the subscription amount divided by the NAV per ETF Unit next determined following the delivery by the Manager of a subscription notice to the Designated Broker. Payment for the ETF Units must be made by the Designated Broker by no later than the second Trading Day after the subscription notice has been delivered.

The Manager will, except when circumstances prevent it from doing so, disclose the number of ETF Units comprising a PNU for a particular Evolve Fund to applicable investors, the Designated Broker and Dealers following the close of business on each Trading Day. The Manager may, at its discretion, increase or decrease the applicable PNU from time to time.

Purchases of Mutual Fund Units

Investors can buy or sell Mutual Fund Units through a qualified financial advisor or broker. All orders are based on the next NAV calculated after the Manager's receipt of an order. Unitholders can switch Mutual Fund Units of an Evolve Fund for another class of Mutual Fund Units of the same Evolve Fund through a registered broker or dealer. Unitholders cannot transfer or switch Mutual Fund Units of an Evolve Fund for ETF Units or ETF Units of an Evolve Fund for a class of Mutual Fund Units.

Class A Mutual Fund Units

Class A Mutual Fund Units are available to all investors through authorized dealers.

Class F Mutual Fund Units

Class F Mutual Fund Units are available to investors who have fee based accounts with their dealer. The Manager has designed the Class F Mutual Fund Units to offer investors an alternative means of paying their dealer for investment advice and other services. Instead of paying sales charges, investors buying Class F Mutual Fund Units pay fees to

their dealer for investment advice and other services. The Manager does not pay any commissions to dealers in respect of the Class F Mutual Fund Units, which allows it to charge a lower Management Fee.

If a Unitholder ceases to be eligible to hold Class F Mutual Fund Units, the Manager may switch a Unitholder's Class F Mutual Fund Units into Class A Mutual Fund Units of the same Evolve Fund after providing the Unitholder with 5 days' notice, unless the Unitholder notifies the Manager during the notice period and the Manager agrees that such Unitholder is once again eligible to hold Class F Mutual Fund Units. Unitholders may be charged a sales commission in connection with the switch by their dealer.

Minimum Balance

An investment in Mutual Fund Units requires Unitholders to invest and maintain a minimum balance. The table below outlines the minimums along with the minimum requirements for additional investments of Class A Mutual Fund Units and Class F Mutual Fund Units.

| Class | Minimum Balance | Minimum Additional Investments⁽¹⁾⁽²⁾ |
|---------------------------|------------------------|--|
| Class A Mutual Fund Units | \$500 | N/A |
| Class F Mutual Fund Units | \$500 | N/A |

Notes:

⁽¹⁾ Investors purchasing through dealers may be subject to higher minimum initial or additional investment amounts.

⁽²⁾ Minimums are per transaction in Canadian dollars.

If a Unitholder's balance falls below the minimum required balance for a particular class or series of Mutual Fund Units, as the case may be, or the Unitholder otherwise becomes ineligible to hold a particular class or series of Mutual Fund Units, the Manager may redeem or switch the Unitholder's Mutual Fund Units. Units may also be redeemed by the Manager in circumstances described under "Plan of Distribution – Non-Resident Unitholders". The Manager may redeem a Unitholder's Mutual Fund Units if permitted or required to do so, including in connection with the termination of the Evolve Fund, in accordance with applicable law. If the Manager redeems or switches a Unitholder's Mutual Fund Units, the result will be the same as if the Unitholder initiated the transaction. For redemptions in non-registered accounts, the Manager may transfer the proceeds to the Unitholder, and for redemptions in Plans, the Manager may transfer the proceeds to a registered savings deposit within the Plan. The Manager will not give Unitholders or their dealer notice prior to taking any action.

For the Manager to act on an order to buy, redeem or switch Mutual Fund Units, as the case may be, the branch, telephone salesperson or dealer must send the order to the Manager on the same day it is received before 4:00 p.m. (Toronto time) or such other time as indicated on the website for the Evolve Fund (the "**order cut-off time**") and assume all associated costs.

When an order is placed through a financial advisor on behalf of a Unitholder, the financial advisor sends it to the Manager. If the Manager receives an order before the order cut-off time, the order will be processed using that day's NAV. A separate NAV is calculated for each class or series of Mutual Fund Units. If the Manager receives an order after the order cut-off time, the order will be processed using the next business day's NAV. If the Manager determines that the NAV will be calculated at a time other than after the usual closing time of the Designated Exchange, the NAV paid or received will be determined relative to that time. All orders are processed within two business days (or such longer time as may be permitted). A dealer may establish earlier order cut-off times. Unitholders are encouraged to contact their dealer for details.

All Unitholders must pay for Mutual Fund Units at the time of purchase. If the Manager does not receive payment in full, the Manager will cancel the order and redeem the Mutual Fund Units including any Mutual Fund Units bought through a switch. If the Manager redeems the Mutual Fund Units for more than the value for which they were issued, the difference will go to the Evolve Fund. If the Manager redeems the Mutual Fund Units for less than the value for which they were issued, the Manager will pay the difference to the Evolve Fund and collect this amount, plus the cost of doing so, from the applicable dealer. Accordingly, dealers may require Unitholders to reimburse them for the amount paid if they suffer a loss as a result.

The Manager has the right to refuse any order to buy or switch Mutual Fund Units within one business day from the time of receiving the order. If the Manager refuses an order to buy or switch, the Manager will immediately return any monies received with the order.

The Manager may limit or “cap” the size of an Evolve Fund by restricting new purchases of Mutual Fund Units. The Manager will continue redemptions and the calculation of an Evolve Fund’s NAV for each class of Mutual Fund Units. The Manager may subsequently decide to start accepting new purchases of Units of or switches within an Evolve Fund at any time.

To Unitholders of an Evolve Fund as Distributions Paid in Units

In addition to the issuance of Units as described above, distributions may be made by way of the issuance of Units. See “Distribution Policy”.

Buying and Selling ETF Units of an Evolve Fund

The ETF Units of EDGE, BASE, HERO, DATA, TECH, BANK and EBNK are currently listed and trading on the TSX and the ETF Units of FIXD are currently listed and trading on the NEO Exchange, and investors can buy or sell such ETF Units on the applicable Designated Exchange through registered brokers and dealers in the province or territory where the investor resides.

Investors may incur customary brokerage commissions in buying or selling ETF Units. No fees are paid by investors to the Manager or the Evolve Funds in connection with buying or selling of ETF Units on the applicable Designated Exchange.

Special Considerations for Unitholders

The provisions of the so-called “early warning” requirements set out in Canadian Securities Legislation do not apply in connection with the acquisition of ETF Units. In addition, the Evolve Funds have obtained exemptive relief from the Securities Regulatory Authorities to permit Unitholders to acquire more than 20% of the ETF Units through purchases on the applicable Designated Exchange, without regard to the take-over bid requirements of Canadian Securities Legislation.

BANK is considered an alternative mutual fund within the meaning of NI 81-102 and is permitted to invest in asset classes or use investment strategies that are not permitted for other types of mutual funds. As an alternative mutual fund, under NI 81-102, BANK is permitted to use strategies generally prohibited by conventional mutual funds, including the ability to invest in other alternative mutual funds, borrow cash to use for investment purposes and increased ability to invest in commodities. While these specific strategies will be used in accordance with the fund’s investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

Special Circumstances

ETF Units may also be issued by an Evolve Fund to the Designated Broker in a number of special circumstances, including the following: (i) when the Manager has determined that the Evolve Fund should acquire Constituent Securities or portfolio securities, or other securities in connection with a rebalancing event as described under “Investment Strategies – Rebalancing Events”; and (ii) when cash redemptions of ETF Units occur as described below under “Exchange and Redemption of ETF Units – Redemption of ETF Units of an Evolve Fund for Cash”, or the Evolve Fund otherwise has cash that the Manager wants to invest.

SWITCHES AND REDEMPTIONS OF MUTUAL FUND UNITS

Switches

Holders of Mutual Fund Units may switch Mutual Fund Units of any class into Mutual Fund Units of any other class of the same Evolve Fund. However, Unitholders cannot transfer or switch Mutual Fund Units of an Evolve Fund for ETF Units of the Evolve Fund or ETF Units of the Evolve Fund for a class of Mutual Fund Units of the Evolve Fund. In addition, Unitholders cannot switch Units of an Evolve Fund for units of any other funds.

Redemptions

Unitholders can sell some or all of their Mutual Fund Units at any time. This is called a redemption. A Unitholder's dealer must send the redemption request on the same day it is received. The dealer must assume all associated costs. Redemption requests for an Evolve Fund are processed in the order in which they are received. The Manager will not process redemption requests specifying a forward date or specific price.

Redemption orders which are received by the Manager before 4:00 p.m. (Toronto time) or such other order cut-off time as specified by the Manager on any Valuation Date will be priced using that day's NAV. Redemption orders which are received by the Manager after 4:00 p.m. (Toronto time) or such other order cut-off time as specified by the Manager on a Valuation Date will be priced on the next Valuation Date. If the Manager decides to calculate NAV at a time other than after the usual closing time of the applicable Designated Exchange, the NAV received will be determined relative to that time. Note that a Unitholder's dealer may establish an earlier order cut-off time.

If a Unitholder's balance falls below the minimum required balance for a particular class or series of Mutual Fund Units, or the Unitholder otherwise becomes ineligible to hold a particular class or series of an Evolve Fund, the Manager may redeem or switch the Unitholder's Mutual Fund Units.

Within two business days following each Valuation Date (or such later time as may be permitted), the Manager will pay to each Unitholder who has requested a redemption the value of the Mutual Fund Units determined on the Valuation Date. Payments will be considered made upon deposit of the redemption proceeds in the Unitholder's bank account or the mailing of a cheque in a postage prepaid envelope addressed to the Unitholder unless the cheque is not honoured for payment.

A Unitholder's redemption (or switch) transaction will not be processed until his or her dealer has received all documentation. The dealer will inform the Unitholder of the documentation it requires. The dealer must provide all required documents within 10 business days of the date the redemption order is processed. If not, the Manager will repurchase the Mutual Fund Units. If the cost of repurchasing the Mutual Fund Units is less than the redemption proceeds, the applicable Evolve Fund will keep the difference. If the cost of repurchasing the Mutual Fund Units is more than the redemption proceeds, the applicable dealer must pay the difference and any related costs. Accordingly, the dealer may require the Unitholder to reimburse the amount paid if the dealer has suffered a loss as a result.

If a Unitholder redeems Mutual Fund Units, the Unitholder can tell the Manager to mail him or her a cheque or transfer the proceeds to a particular bank account with any financial institution. **For non-registered accounts, the Unitholder is responsible for tracking and reporting to the CRA any capital gains or losses that the Unitholder realizes from redeeming or switching Units.** If a Unitholder holds their Units in a Plan, tax may apply upon the withdrawal of money from the Plan.

Suspension of Redemptions

The Manager may suspend the redemption of Mutual Fund Units or payment of redemption proceeds of an Evolve Fund: (i) during any period when or on any day on which normal trading is suspended on a stock exchange or other market on which securities owned by the Evolve Fund are listed and traded, if these securities represent more than 50% by value or underlying market exposure of the total assets of the Evolve Fund, without allowance for liabilities, and if these securities are not traded on any other exchange that represents a reasonably practical alternative for the Evolve Fund; or (ii) with the prior permission of the Securities Regulatory Authorities where required, for any period not exceeding 30 days during which the Manager determines that conditions exist which render impractical the sale of assets of the Evolve Fund or which impair the ability of the Custodian to determine the value of the assets of the Evolve Fund. The suspension may apply to all requests for redemption received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders making such requests shall be advised by the Manager of the suspension and that the redemption will be effected at a price determined on the first Valuation Date following the termination of the suspension. All such Unitholders shall have and shall be advised that they have the right to withdraw their requests for redemption. The suspension shall terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over an Evolve Fund, any declaration of suspension made by the Manager shall be conclusive.

Allocations of Capital Gains to Redeeming Unitholders

Pursuant to the Declaration of Trust, an Evolve Fund may allocate and designate as payable any capital gains realized by the Evolve Fund as a result of any disposition of property of the Evolve Fund undertaken to permit or facilitate the redemption of Mutual Fund Units to a Unitholder whose Mutual Fund Units are being redeemed. In addition, each Evolve Fund has the authority to distribute, allocate and designate any capital gains of the Evolve Fund to a Unitholder who has redeemed Mutual Fund Units of the Evolve Fund during a year in an amount equal to the Unitholder's share, at the time of redemption, of the Evolve Fund's capital gains for the year. Any such allocations and designations will reduce the redemption price otherwise payable to the redeeming Unitholder.

Based on recent amendments to the Tax Act (the "**ATR Rule**"), in the case of an Evolve Fund that offers only ETF Units, amounts of taxable capital gains so allocated and designated to redeeming or exchanging Unitholders of the Evolve Fund generally will be deductible to the Evolve Fund to the extent of the redeeming or exchanging Unitholders' pro rata share (as determined under the ATR Rule) of the net taxable capital gains of the Evolve Fund for the year. Where an Evolve Fund issues both Mutual Fund Units and ETF Units, amounts of taxable capital gains so allocated and designated to redeeming or exchanging Unitholders of the Evolve Fund are only deductible to the extent of (i) in respect of the portion of the net taxable capital gains that is referable to the Mutual Fund Units, half of the amount of the gains that would otherwise be realized by the holders of Mutual Fund Units on the redemption or exchange of such Units, and (ii) in respect of the portion of the net taxable capital gains that is referable to the ETF Units, the redeeming or exchanging Unitholders' pro rata share of the net taxable capital gains of the Evolve Fund for the year, all as determined under the ATR Rule.

Any taxable capital gains that are not deductible by an Evolve Fund under the ATR Rule may be made payable to non-redeeming or exchanging Unitholders of the Evolve Fund so that the Evolve Fund will not be liable for non-refundable income tax thereon. Accordingly, the amounts and taxable component of distributions to non-redeeming or exchanging Unitholders of an Evolve Fund may be greater than would have been the case in the absence of the ATR Rule.

Short-term Trading

Most mutual funds are considered long-term investments, so the Manager discourages investors from buying, redeeming or switching units frequently.

Some investors may seek to trade fund Mutual Fund Units frequently in an effort to benefit from differences between the value of an Evolve Fund's Mutual Fund Units and the value of the underlying securities ("**market timing**"). Frequent trading or switching in order to time the market or otherwise can negatively impact the value of an Evolve Fund to the detriment of other Unitholders. Excessive short-term trading can also reduce an Evolve Fund's return because the Evolve Fund may be forced to hold additional cash to pay redemption proceeds or, alternatively, to sell portfolio holdings, thereby incurring additional trading costs.

Depending on the particular circumstances, the Manager will employ a combination of preventative and detective measures to discourage and identify excessive short-term trading in the funds, including:

- (a) imposition of short-term trading fees; and
- (b) monitoring of trading activity and refusal of trades.

The Manager regularly monitor transactions in all of the Evolve funds. The Manager has established criteria for each Evolve fund that is applied fairly and consistently in an effort to eliminate trading activity that the Manager deems potentially detrimental to long-term Unitholders. The Manager reserves the right to restrict or reject any purchase or switch order without any prior notice, including transactions accepted by a Unitholder's dealer. Generally speaking, trading may be considered excessive if a Unitholder sells or switches their Mutual Fund Units within 30 days of buying them on more than one occasion.

The Manager retains the right to consider trading activity in multiple accounts under common ownership, control or influence as trading in a single account when exercising its right to reject a purchase or switch. **Whether trading is considered excessive will be determined by the Manager in its sole discretion.**

EXCHANGE AND REDEMPTION OF ETF UNITS

Exchange of ETF Units of an Evolve Fund at NAV per ETF Unit for Baskets of Securities and/or Cash

Unitholders may exchange the applicable PNU (or an integral multiple thereof) of the Evolve Fund on any Trading Day for Baskets of Securities and cash, subject to the requirement that a minimum PNU be exchanged. To effect an exchange of ETF Units, a Unitholder must submit an exchange request in the form and at the location prescribed by the Evolve Fund from time to time at or before the applicable cut-off time on a Trading Day, or such other time prior to the Valuation Time on such Trading Day as the Manager may permit. The exchange price will be equal to the NAV of each PNU tendered for exchange determined at the Valuation Time on the effective date of the exchange request, payable by delivery of a Basket of Securities (constituted as most recently published prior to the effective date of the exchange request) and cash. The ETF Units will be redeemed in the exchange. The Manager will also make available to Dealers and the Designated Broker the applicable PNU to redeem ETF Units on each Trading Day. The effective date of an exchange request is the Trading Day on which the Valuation Time that applies to such redemption request takes place.

Upon the request of a Unitholder, the Manager may, in its complete discretion, satisfy an exchange request by delivering cash only in an amount equal to the NAV of each PNU tendered for exchange determined at the Valuation Time on the effective date of the exchange request, provided that the Unitholder agrees to pay the costs and expenses that the Evolve Funds incur or expect to incur in selling securities on the market to obtain the necessary cash for exchange.

If an exchange request is not received by the applicable cut-off time, the exchange order will be effective only on the next Trading Day. Settlement of exchanges for Baskets of Securities and/or cash will generally be made by the second Trading Day after the effective day of the exchange request.

If Constituent Securities, portfolio securities or other securities in which an Evolve Fund has invested are cease-traded at any time by order of a Securities Regulatory Authority or other relevant regulator or stock exchange, the delivery of Baskets of Securities to a Unitholder, Dealer or the Designated Broker on an exchange in the PNU may be postponed until such time as the transfer of the Baskets of Securities is permitted by law.

As described under “Book-Entry Only System”, registration of interests in, and transfers of, ETF Units will be made only through the book-entry only system of CDS. The redemption rights described below must be exercised through the CDS Participant through which the owner holds ETF Units. Beneficial owners of ETF Units should ensure that they provide redemption instructions to the CDS Participant through which they hold such ETF Units sufficiently in advance of the cut-off times described below to allow such CDS Participant to notify CDS and for CDS to notify the Manager prior to the relevant cut-off time.

Redemption of ETF Units of an Evolve Fund for Cash

Units of an Evolve Fund may be bought and sold over a designated exchange. However, on any Trading Day, Unitholders of an Evolve Fund may also redeem (i) ETF Units for cash at a redemption price per ETF Unit equal to 95% of the closing price for the ETF Units on the applicable Designated Exchange, on the effective day of the redemption, subject to a maximum redemption price per ETF Unit equal to the NAV per ETF Unit on the effective day of redemption, less any applicable administrative fee determined by the Manager, in its sole discretion, from time to time, or (ii) a PNU of an Evolve Fund or an integral multiple PNU of an Evolve Fund for cash equal to the NAV of that number of ETF Units, less any applicable administrative fee determined by the Manager, in its sole discretion, from time to time. Because Unitholders will generally be able to sell ETF Units at the market price on the applicable Designated Exchange through a registered broker or dealer subject only to customary brokerage commissions, Unitholders are advised to consult their brokers, dealers or investment advisors before redeeming such ETF Units for cash. No fees or expenses are paid by Unitholders to the Manager or any Evolve Fund in connection with selling ETF Units on the applicable Designated Exchange.

In order for a cash redemption to be effective on a Trading Day, a cash redemption request with respect to the applicable Evolve Fund must be delivered to the Manager in the form and at the location prescribed by the Manager from time to time at or before the applicable cut-off time on such Trading Day. Any cash redemption request received after such time will be effective only on the next Trading Day. Where possible, payment of the redemption price will be made by no later than the second Trading Day after the effective day of the redemption. The cash redemption request forms may be obtained from any registered broker or Dealer.

Unitholders that have delivered a redemption request prior to the Distribution Record Date for any distribution will not be entitled to receive that distribution.

In connection with the redemption of ETF Units of an Evolve Fund, the Evolve Fund will generally dispose of securities or other financial instruments.

Suspension of Exchanges and Redemptions

The Manager may suspend the exchange or redemption of ETF Units or payment of redemption proceeds of an Evolve Fund: (i) during any period when normal trading is suspended on a stock exchange or other market on which securities owned by the Evolve Fund are listed and traded, if these securities represent more than 50% by value or underlying market exposure of the total assets of the Evolve Fund, without allowance for liabilities, and if these securities are not traded on any other exchange that represents a reasonably practical alternative for the Evolve Fund; or (ii) with the prior permission of the Securities Regulatory Authorities where required, for any period not exceeding 30 days during which the Manager determines that conditions exist which render impractical the sale of assets of the Evolve Fund or which impair the ability of the Custodian to determine the value of the assets of the Evolve Fund. The suspension may apply to all requests for exchange or redemption received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders making such requests shall be advised by the Manager of the suspension and that the exchange or redemption will be effected at a price determined on the first Valuation Date following the termination of the suspension. All such Unitholders shall have and shall be advised that they have the right to withdraw their requests for exchange or redemption. The suspension shall terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over an Evolve Fund, any declaration of suspension made by the Manager shall be conclusive.

Other ETF Unit Charges

An amount as may be agreed to between the Manager and the Designated Broker or a Dealer of ETF Units may be charged to offset certain transaction costs associated with an issue, exchange or redemption of ETF Units. This charge does not apply to Unitholders who buy and sell their ETF Units through the facilities of the applicable Designated Exchange.

Allocations of Capital Gains to Redeeming or Exchanging Unitholders

Pursuant to the Declaration of Trust, an Evolve Fund may allocate and designate as payable any capital gains realized by the Evolve Fund as a result of any disposition of property of the Evolve Fund undertaken to permit or facilitate the redemption or exchange of ETF Units to a Unitholder whose ETF Units are being redeemed or exchanged. In addition, each Evolve Fund has the authority to distribute, allocate and designate any capital gains of the Evolve Fund to a Unitholder of the Evolve Fund who has redeemed or exchanged ETF Units of the Evolve Fund during a year in an amount equal to the Unitholder's share, at the time of redemption or exchange, of the Evolve Fund's capital gains for the year. Any such allocations and designations will reduce the redemption price otherwise payable to the redeeming or exchanging Unitholder.

Based on the ATR Rule, in the case of an Evolve Fund that offers only ETF Units, amounts of taxable capital gains so allocated and designated to redeeming or exchanging Unitholders of the Evolve Fund generally will be deductible to the Evolve Fund to the extent of the redeeming or exchanging Unitholders' pro rata share (as determined under the ATR Rule) of the net taxable capital gains of the Evolve Fund for the year. Where an Evolve Fund issues both Mutual Fund Units and ETF Units, amounts of taxable capital gains so allocated and designated to redeeming or exchanging Unitholders of the Evolve Fund are only deductible to the extent of (i) in respect of the portion of the net taxable capital gains that is referable to the Mutual Fund Units, half of the amount of the gains that would otherwise be realized by the holders of Mutual Fund Units on the redemption or exchange of such Units, and (ii) in respect of the portion of the net taxable capital gains that is referable to the ETF Units, the redeeming or exchanging Unitholders' pro rata share of the net taxable capital gains of the Evolve Fund for the year, all as determined under the ATR Rule.

Any taxable capital gains that are not deductible by an Evolve Fund under the ATR Rule may be made payable to non-redeeming or exchanging Unitholders of the Evolve Fund so that the Evolve Fund will not be liable for non-refundable income tax thereon. Accordingly, the amounts and taxable component of distributions to non-redeeming or exchanging Unitholders of an Evolve Fund may be greater than would have been the case in the absence of the ATR Rule.

Book-Entry Only System

Registration of interests in, and transfers of, ETF Units will be made only through the book-entry only system of CDS. ETF Units must be purchased, transferred and surrendered for redemption only through a CDS Participant. All rights of an owner of ETF Units must be exercised through, and all payments or other property to which such owner is entitled will be made or delivered by, CDS or the CDS Participant through which the owner holds such ETF Units. Upon buying ETF Units, the owner will receive only the customary confirmation. References in this prospectus to a holder of ETF Units means, unless the context otherwise requires, the owner of the beneficial interest of such ETF Units.

Neither an Evolve Fund nor the Manager will have any liability for: (i) records maintained by CDS relating to the beneficial interests in ETF Units or the book entry accounts maintained by CDS; (ii) maintaining, supervising or reviewing any records relating to such beneficial ownership interests; or (iii) any advice or representation made or given by CDS and made or given with respect to the rules and regulations of CDS or any action taken by CDS or at the direction of the CDS Participants.

The ability of a beneficial owner of ETF Units to pledge such ETF Units or otherwise take action with respect to such owner's interest in such ETF Units (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

An Evolve Fund has the option to terminate registration of ETF Units through the book-entry only system in which case certificates for ETF Units in fully registered form will be issued to beneficial owners of such ETF Units or to their nominees.

Short-term Trading

Unlike the Mutual Fund Units, in which short-term trading by investors may cause an Evolve Fund to incur additional unnecessary trading costs in connection with the purchase of additional portfolio securities and the sale of portfolio securities to fund Unitholder redemptions, the Manager does not believe that it is necessary to impose any short-term trading restrictions on the ETF Units at this time as: (i) the ETF Units are generally traded by investors on an exchange in the secondary market in the same way as listed securities; and (ii) the few transactions involving ETF Units that do not occur on the secondary market involve the Designated Broker and/or Dealers, who can only purchase or redeem ETF Units in a PNU and on whom the Manager may impose an administrative fee. The administrative fee is intended to compensate an Evolve Fund for any costs and expenses incurred by the Evolve Fund in order to fund the redemption of ETF Units.

PRIOR SALES

Trading Price and Volume

The following charts set out the price ranges and volume of ETF Units of each of the Evolve Funds traded on the TSX or NEO Exchange, as applicable, for each month, or if applicable, partial month of the 12-month period before the date of this prospectus.

Evolve Innovation Index Fund

| Month | ETF Unit Price Range (\$) | | Volume of ETF Units Traded | |
|--------------------|---------------------------|------------------------|----------------------------|------------------------|
| | Hedged ETF Units | USD Unhedged ETF Units | Hedged ETF Units | USD Unhedged ETF Units |
| <u>2022</u> | | | | |
| May | 28.44 – 32.82 | 15.58 – 18.29 | 602,710 | 6,956 |
| June | 27.60 – 32.04 | 15.16 – 17.90 | 164,501 | 3,897 |
| July | 28.86 – 31.46 | 15.87 – 17.35 | 156,339 | 205 |
| August | 30.14 – 33.23 | 16.34 – 18.19 | 121,917 | 9,334 |
| September | 26.73 – 30.90 | 14.04 – 16.80 | 80,941 | 4,055 |
| October | 26.03 – 28.42 | 13.62 – 15.09 | 101,774 | 2,728 |
| November | 26.64 – 29.21 | 14.08 – 15.77 | 133,163 | 5,905 |

| | | | | |
|--------------------------|---------------|---------------|---------|-------|
| December | 26.02 – 29.22 | 13.95 – 15.73 | 126,824 | 5,280 |
| <u>2023</u> | | | | |
| January | 26.75 – 29.63 | 14.32 – 16.11 | 73,531 | 3,087 |
| February | 28.61 – 30.77 | 15.31 – 16.73 | 62,710 | 5,430 |
| March | 27.95 – 29.56 | 14.83 – 15.83 | 62,347 | 924 |
| April 1 – April 14, 2023 | 29.48 – 30.00 | 15.90 – 16.24 | 11,426 | 5,313 |

Evolve Active Core Fixed Income Fund

| Month | Unit Price Range (\$) | Volume of Units Traded |
|--------------------------|-----------------------|------------------------|
| <u>2022</u> | | |
| May | 17.78 – 18.08 | 263,169 |
| June | 17.12 – 17.90 | 14,917 |
| July | 17.37 – 18.12 | 6,652 |
| August | 17.60 – 18.09 | 204,289 |
| September | 17.27 – 17.63 | 69,021 |
| October | 16.67 – 17.34 | 13,980 |
| November | 16.70 – 17.59 | 22,359 |
| December | 17.25 – 17.84 | 24,667 |
| <u>2023</u> | | |
| January | 17.36 – 17.97 | 6,921 |
| February | 17.32 – 17.92 | 8,983 |
| March | 17.26 – 17.88 | 64,717 |
| April 1 – April 14, 2023 | 17.57 – 17.77 | 7,214 |

Evolve Global Materials & Mining Enhanced Yield Index ETF

| Month | ETF Unit Price Range (\$) | | Volume of ETF Units Traded | |
|--------------------------|---------------------------|--------------------|----------------------------|--------------------|
| | Hedged ETF Units | Unhedged ETF Units | Hedged ETF Units | Unhedged ETF Units |
| <u>2022</u> | | | | |
| May | 27.61 – 31.47 | 26.80 – 30.29 | 155,687 | 44,152 |
| June | 24.17 – 30.40 | 23.17 – 28.88 | 78,374 | 34,627 |
| July | 23.07 – 25.24 | 22.13 – 24.00 | 99,563 | 34,763 |
| August | 24.35 – 26.27 | 23.16 – 25.07 | 170,233 | 134,451 |
| September | 21.80 – 25.48 | 21.62 – 24.43 | 296,734 | 77,286 |
| October | 22.72 – 24.80 | 22.87 – 24.49 | 216,948 | 64,994 |
| November | 23.47 – 27.02 | 23.38 – 26.97 | 124,434 | 51,910 |
| December | 25.39 – 27.20 | 25.82 – 27.32 | 113,866 | 65,156 |
| <u>2023</u> | | | | |
| January | 25.78 – 29.22 | 26.34 – 29.56 | 286,368 | 75,139 |
| February | 26.81 – 29.05 | 27.04 – 29.31 | 131,776 | 26,096 |
| March | 25.41 – 28.38 | 25.98 – 28.81 | 124,431 | 27,705 |
| April 1 – April 14, 2023 | 26.64 – 27.77 | 26.92 – 27.88 | 198,169 | 10,306 |

Evolve E-Gaming Index ETF

| Month | Unit Price Range (\$) | Volume of Units Traded |
|--------------------|-----------------------|------------------------|
| <u>2022</u> | | |
| May | 26.18 – 29.89 | 98,993 |

| | | |
|--------------------------|---------------|---------|
| June | 27.04 – 30.45 | 227,547 |
| July | 27.83 – 29.65 | 62,524 |
| August | 27.47 – 29.69 | 65,164 |
| September | 25.12 – 28.13 | 39,811 |
| October | 24.48 – 26.35 | 56,189 |
| November | 23.58 – 25.44 | 96,625 |
| December | 23.50 – 25.23 | 256,416 |
| <u>2023</u> | | |
| January | 24.26 – 26.20 | 64,001 |
| February | 24.94 – 26.27 | 68,267 |
| March | 25.10 – 26.43 | 174,386 |
| April 1 – April 14, 2023 | 26.92 – 27.43 | 43,218 |

Evolve Cloud Computing Index Fund

| Month | ETF Unit Price Range (\$) | | Volume of ETF Units Traded | |
|--------------------------|---------------------------|--------------------|----------------------------|--------------------|
| | Hedged ETF Units | Unhedged ETF Units | Hedged ETF Units | Unhedged ETF Units |
| <u>2022</u> | | | | |
| May | 15.16 – 17.96 | 15.30 – 17.96 | 89,244 | 6,404 |
| June | 14.68 – 17.04 | 14.95 – 16.87 | 86,477 | 69,731 |
| July | 15.33 – 16.93 | 15.70 – 17.01 | 188,991 | 20,404 |
| August | 16.30 – 18.17 | 16.75 – 18.39 | 43,860 | 107,615 |
| September | 14.51 – 16.91 | 15.52 – 17.19 | 37,923 | 31,891 |
| October | 14.05 – 15.63 | 15.22 – 16.65 | 132,100 | 625 |
| November | 13.77 – 15.44 | 14.56 – 16.17 | 60,211 | 19,983 |
| December | 13.85 – 15.40 | 14.91 – 16.34 | 36,392 | 24,700 |
| <u>2023</u> | | | | |
| January | 13.87 – 15.70 | 14.89 – 16.61 | 56,795 | 6,541 |
| February | 15.24 – 16.68 | 16.42 – 17.67 | 15,298 | 117 |
| March | 14.87 – 15.99 | 16.30 – 17.40 | 31,596 | 6,224 |
| April 1 – April 14, 2023 | 16.23 – 16.53 | 17.35 – 17.67 | 20,346 | 23 |

Evolve FANGMA Index ETF

| Month | ETF Unit Price Range (\$) | | | Volume of ETF Units Traded | | |
|--------------------|---------------------------|------------------|------------------------|----------------------------|------------------|------------------------|
| | Unhedged ETF Units | Hedged ETF Units | USD Unhedged ETF Units | Unhedged ETF Units | Hedged ETF Units | USD Unhedged ETF Units |
| <u>2022</u> | | | | | | |
| May | 7.76 – 9.03 | 7.40 – 8.66 | 7.45 – 8.72 | 64,077 | 1,930,001 | 64,782 |
| June | 7.41 – 8.42 | 7.02 – 8.19 | 7.05 – 8.24 | 55,507 | 763,689 | 32,082 |
| July | 7.66 – 8.63 | 7.28 – 8.22 | 7.33 – 8.29 | 11,397 | 860,596 | 21,969 |
| August | 8.46 – 9.35 | 7.87 – 8.83 | 7.95 – 8.91 | 100,178 | 834,280 | 48,882 |
| September | 8.16 – 8.77 | 7.16 – 8.23 | 7.27 – 8.31 | 26,323 | 847,270 | 50,245 |
| October | 7.88 – 8.88 | 6.93 – 7.92 | 7.03 – 8.03 | 12,054 | 1,251,942 | 35,983 |
| November | 7.22 – 8.28 | 6.44 – 7.44 | 6.55 – 7.57 | 28,051 | 1,161,011 | 46,800 |
| December | 7.49 – 8.38 | 6.64 – 7.53 | 6.78 – 7.66 | 67,954 | 1,276,857 | 58,731 |
| <u>2023</u> | | | | | | |

| | | | | | | |
|--------------------------|--------------|-------------|-------------|---------|-----------|--------|
| January | 7.68 – 8.80 | 6.84 – 7.97 | 6.97 – 8.13 | 27,285 | 1,153,553 | 34,692 |
| February | 8.71 – 9.58 | 7.69 – 8.66 | 7.87 – 8.84 | 35,668 | 546,268 | 12,126 |
| March | 8.70 – 9.82 | 7.70 – 8.62 | 7.86 – 8.80 | 106,161 | 784,227 | 32,026 |
| April 1 – April 14, 2023 | 9.72 – 10.01 | 8.70 – 8.97 | 8.90 – 9.18 | 3,822 | 203,048 | 10,863 |

Evolve Canadian Banks and Lifecos Enhanced Yield Index Fund

| Month | Unit Price Range (\$) | Volume of Units Traded |
|--------------------------|-----------------------|------------------------|
| <u>2022</u> | | |
| May | 8.06 – 8.78 | 361,256 |
| June | 7.51 – 8.68 | 1,094,214 |
| July | 7.28 – 7.81 | 399,484 |
| August | 7.49 – 8.24 | 472,210 |
| September | 7.14 – 7.87 | 549,548 |
| October | 6.82 – 7.51 | 992,568 |
| November | 7.32 – 7.97 | 1,786,999 |
| December | 7.29 – 7.82 | 1,425,010 |
| <u>2023</u> | | |
| January | 7.42 – 8.12 | 790,773 |
| February | 8.05 – 8.27 | 734,016 |
| March | 7.23 – 8.15 | 1,920,774 |
| April 1 – April 14, 2023 | 7.46 – 7.65 | 479,690 |

Evolve European Banks Enhanced Yield ETF

| Month | ETF Unit Price Range (\$) | | | Volume of ETF Units Traded | | |
|--------------------------|---------------------------|---------------------|------------------------------|----------------------------|---------------------|------------------------------|
| | Unhedged ETF Units | Hedged ETF Units | USD Unhedged ETF Units | Unhedged ETF Units | Hedged ETF Units | USD Unhedged ETF Units |
| <u>2022</u> | | | | | | |
| May | 7.42 – 8.41 | 7.95 – 8.93 | 7.28 – 8.43 | 108,537 | 330,541 | 8,490 |
| June | 7.32 – 8.22 | 7.91 – 8.84 | 7.23 – 8.60 | 39,627 | 97,763 | 41,370 |
| July | 6.77 – 7.37 | 7.45 – 8.02 | 6.58 – 7.28 | 124,551 | 135,836 | 25,200 |
| August | 7.02 – 7.69 | 7.79 – 8.45 | 6.83 – 7.65 | 144,225 | 215,427 | 41,808 |
| September | 6.86 – 7.74 | 7.54 – 8.47 | 6.36 – 7.43 | 21,353 | 37,940 | 3,426 |
| October | 6.84 – 7.60 | 7.54 – 8.26 | 6.30 – 7.12 | 39,611 | 71,905 | 8,500 |
| November | 7.45 – 8.34 | 8.18 – 8.93 | 6.92 – 8.08 | 73,433 | 1,131,203 | 74,694 |
| December | 8.22 – 8.50 | 8.49 – 8.79 | 7.69 – 7.95 | 190,697 | 198,071 | 302 |
| <u>2023</u> | | | | | | |
| January | 8.65 – 9.30 | 8.97 – 9.69 | 8.03 – 8.88 | 94,068 | 132,418 | 29,346 |
| February | 9.21 – 9.85 | 9.66 – 10.24 | 8.69 – 9.13 | 24,869 | 43,172 | 43,235 |
| March | 8.32 – 9.86 | 8.48 – 10.27 | 7.60 – 9.15 | 453,437 | 1,038,876 | 75,079 |
| April 1 – April 14, 2023 | 8.62 – 9.09 | 8.86 – 9.36 | 8.12 – 8.62 | 46,755 | 113,196 | 13,380 |

INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to the acquisition, holding and disposition of Units of an Evolve Fund by a Unitholder who acquires Units of an Evolve Fund pursuant to this prospectus. This summary only applies to a prospective Unitholder of an Evolve Fund who is an individual (other than a trust) resident in Canada for purposes of the Tax Act

who deals at arm's length with the Evolve Fund, the Designated Broker and the Dealers and is not affiliated with the Evolve Fund, the Designated Broker or any Dealer and who holds Units as capital property (a "**Holder**").

Generally, Units of an Evolve Fund will be considered to be capital property to a Holder provided that the Holder does not hold such Units in the course of carrying on a business of buying and selling securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Provided that an Evolve Fund qualifies as a "mutual fund trust" for purposes of the Tax Act, certain Holders who might not otherwise be considered to hold Units of the Evolve Fund as capital property may, in certain circumstances, be entitled to have such Units and all other "Canadian securities" owned or subsequently acquired by them treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. This summary does not apply to a Holder who has entered or will enter into a "derivative forward agreement" as that term is defined in the Tax Act with respect to the Units.

This summary is based on the assumptions that (i) none of the Evolve Funds will be a "SIFT trust" for purposes of the Tax Act, (ii) none of the issuers of the securities in the portfolio of an Evolve Fund will be foreign affiliates of the Evolve Fund or of any Holder, (iii) none of the securities in the portfolio of an Evolve Fund will be a "tax shelter investment" within the meaning of section 143.2 of the Tax Act, (iv) none of the Evolve Funds will enter into any arrangement where the result is a dividend rental arrangement for purposes of the Tax Act, and (v) none of the securities in the portfolio of an Evolve Fund will be an offshore investment fund property (or an interest in a partnership that holds such property) that would require the Evolve Fund (or the partnership) to include significant amounts in the Evolve Fund's (or the partnership's) income pursuant to section 94.1 of the Tax Act, or an interest in a trust (or a partnership which holds such an interest) which would require the Evolve Fund (or the partnership) to report significant amounts of income in connection with such interest pursuant to the rules in section 94.2 of the Tax Act, or an interest in a non-resident trust other than an "exempt foreign trust" (or a partnership which holds such interest).

This summary also assumes that each Evolve Fund will comply with its investment restrictions.

This summary is based on the facts described herein, the current provisions of the Tax Act and an understanding of the current publicly available administrative policies and assessing practices of the CRA published in writing prior to the date hereof. This summary takes into account the Tax Amendments. This description is not exhaustive of all Canadian federal income tax consequences and does not take into account or anticipate changes in the law or in administrative policy or assessing practice, whether by legislative, governmental or judicial action other than the Tax Amendments in their present form, nor does it take into account provincial, territorial or foreign tax considerations which may differ significantly from those discussed herein. There can be no assurance that the Tax Amendments will be enacted in the form publicly announced, or at all.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Units. This summary does not address the deductibility of interest on any funds borrowed by a Holder to purchase Units. The income and other tax consequences of investing in Units will vary depending on an investor's particular circumstances including the province or territory in which the investor resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any holder of Units. Prospective investors should consult their own tax advisors with respect to the income tax consequences to them of an acquisition of Units based on their particular circumstances.

Holders are required to compute their income and gains for tax purposes in Canadian dollars. Amounts denominated in another currency generally must be converted into Canadian dollars based on the exchange rate quoted by the Bank of Canada on the date such amounts arise or such other rate of exchange as is acceptable to the CRA. Therefore, the amount of income, cost, proceeds of disposition and other amounts in respect of USD Units will be affected by fluctuations in the exchange rate of the Canadian dollar against the relevant foreign currency.

Status of the Evolve Funds

This summary assumes that each Evolve Fund currently qualifies and will continue to qualify, at all times as a "mutual fund trust" within the meaning of the Tax Act.

To qualify as a mutual fund trust (i) an Evolve Fund must be a Canadian resident "unit trust" for purposes of the Tax Act, (ii) the only undertaking of the Evolve Fund must be (a) the investing of its funds in property (other than real property or interests in real property or an immovable or a real right in an immovable), (b) the acquiring, holding,

maintaining, improving, leasing or managing of any real property (or interest in real property) or of any immovable (or real right in immovables) that is capital property of the Evolve Fund, or (c) any combination of the activities described in (a) and (b), and (iii) the Evolve Fund must comply with certain minimum requirements respecting the ownership and dispersal of a particular class of Units (the “**Minimum Distribution Requirements**”). In this connection (i) the Manager intends to cause each Evolve Fund to qualify as a unit trust throughout the life of the Evolve Fund, (ii) each Evolve Fund’s undertaking conforms with the restrictions for mutual fund trusts, and (iii) the Manager has no reason to believe that any Evolve Fund will not continue to comply with the Minimum Distribution Requirements at all relevant times.

In addition, in order to qualify as a mutual fund trust, an Evolve Fund cannot at any time reasonably be considered to have been established and/or maintained primarily for the benefit of non-residents unless, at that time, substantially all of its property consists of property other than property that would be “taxable Canadian property” within the meaning of the Tax Act (if the definition of such term were read without reference to paragraph (b) of that definition).

If an Evolve Fund were not to qualify or be deemed to qualify as a mutual fund trust at all times, the income tax considerations described below would, in some respects, be materially and adversely different in respect of that Evolve Fund, than would be the case if it were a mutual fund trust.

Provided that an Evolve Fund qualifies as a “mutual fund trust” within the meaning of the Tax Act, Units of that Evolve Fund will be qualified investments under the Tax Act for a trust governed by a Plan. In addition, the ETF Units will be qualified investments under the Tax Act for a trust governed by a Plan provided such Units are listed on a “designated stock exchange” (which currently includes the TSX and the NEO Exchange) within the meaning of the Tax Act. See “Income Tax Considerations – Taxation of Registered Plans” for the consequences of holding Units in Plans.

Taxation of the Evolve Funds

Each Evolve Fund has elected to have a taxation year that ends on December 15 of each calendar year. An Evolve Fund must pay tax on its net income (including net realized taxable capital gains) for a taxation year, less the portion thereof that it deducts in respect of the amount paid or payable to its Unitholders in the calendar year in which the taxation year ends. An amount will be considered to be payable to a Unitholder of an Evolve Fund in a calendar year if it is paid to the Unitholder in that year by the Evolve Fund or if the Unitholder is entitled in that year to enforce payment of the amount. The Declaration of Trust requires that sufficient amounts be paid or made payable each year so that no Evolve Fund is liable for any non-refundable income tax under Part I of the Tax Act.

An Evolve Fund will be required to include in its income for each taxation year any dividends received (or deemed to be received) by it in such year on a security held in its portfolio.

With respect to indebtedness, FIXD will be required to include in its income for a taxation year all interest thereon that accrues (or is deemed to accrue) to it to the end of that year (or until the disposition of the indebtedness in that year, including on a conversion, redemption or repayment on maturity) or that has become receivable or is received by FIXD before the end of that year except to the extent that such interest was included in computing FIXD’s income for a preceding year and excluding any interest that accrued prior to the time of the acquisition of the indebtedness by FIXD.

To the extent an Evolve Fund holds trust units issued by a trust resident in Canada that is not at any time in the relevant taxation year a “SIFT trust” and held as capital property for purposes of the Tax Act, the Evolve Fund will be required to include in the calculation of its income for a taxation year the net income, including net taxable capital gains, paid or payable to the Evolve Fund by such trust in the calendar year in which that taxation year ends, notwithstanding that certain of such amounts may be reinvested in additional units of the trust. Provided that appropriate designations are made by such trust, net taxable capital gains realized by the trust, foreign source income of the trust and taxable dividends from taxable Canadian corporations received by the trust that are paid or payable by the trust to the Evolve Fund will effectively retain their character in the hands of the Evolve Fund. The Evolve Fund will be required to reduce the adjusted cost base of units of such trust by any amount paid or payable by the trust to the Evolve Fund except to the extent that the amount was included in calculating the income of the Evolve Fund or was the Evolve Fund’s share of the non-taxable portion of capital gains of the trust, the taxable portion of which was designated in respect of the Evolve Fund. If the adjusted cost base to the Evolve Fund of such units becomes a negative amount at any time in a taxation year of the Evolve Fund, that negative amount will be deemed to be a capital gain realized by

the Evolve Fund in that taxation year and the Evolve Fund's adjusted cost base of such units will be increased by the amount of such deemed capital gain to zero.

Each issuer in an Evolve Fund's portfolio that is a "SIFT trust" (which will generally include Canadian resident income trusts, other than certain REITs, the units of which are listed or traded on a stock exchange or other public market) will be subject to a special tax in respect of (i) income from business carried on in Canada, and (ii) certain income and capital gains in respect of "non-portfolio properties" (collectively, "**Non-Portfolio Income**"). Non-Portfolio Income that is distributed by a SIFT trust to its unitholders will be taxed at a rate that is equivalent to the federal general corporate tax rate plus a prescribed amount on account of provincial tax. Non-Portfolio Income that becomes payable by an issuer that is a SIFT trust will generally be taxed as though it were a taxable dividend from a taxable Canadian corporation and will be deemed to be an "eligible dividend" eligible for the enhanced gross-up and tax credit rules.

In general, an Evolve Fund will realize a capital gain (or capital loss) upon the actual or deemed disposition of a security included in its portfolio to the extent the proceeds of disposition net of any amounts included as interest on the disposition of the security and any reasonable costs of disposition exceed (or are less than) the adjusted cost base of such security unless the Evolve Fund were considered to be trading or dealing in securities or otherwise carrying on a business of buying and selling securities or the Evolve Fund has acquired the security in a transaction or transactions considered to be an adventure or concern in the nature of trade. Each Evolve Fund purchases the securities in its portfolio with the objective of receiving interest, dividends and other distributions thereon, as applicable, and takes the position that gains and losses realized on the disposition of its securities are capital gains and capital losses. Each Evolve Fund, other than TECH, has made an election under subsection 39(4) of the Tax Act so that all securities held by the Evolve Fund that are "Canadian securities" (as defined in the Tax Act), including Canadian securities acquired in connection with a short sale, will be deemed to be capital property to the Evolve Fund.

Each Evolve Fund will be entitled for each taxation year throughout which it is a mutual fund trust for purposes of the Tax Act to reduce (or receive a refund in respect of) its liability, if any, for tax on its net realized capital gains by an amount determined under the Tax Act based on the redemptions of Units during the year (the "**Capital Gains Refund**"). The Capital Gains Refund in a particular taxation year may not completely offset the tax liability of the Evolve Fund for such taxation year which may arise upon the sale or other disposition of securities included in the portfolio in connection with the redemption of Units.

In general, gains and losses realized by an Evolve Fund from Derivative transactions will be on income account except where such Derivatives are used to hedge portfolio securities held on capital account provided there is sufficient linkage, subject to the DFA Rules discussed below, and such gains and losses will be recognized for tax purposes at the time they are realized by the Evolve Fund.

A loss realized by an Evolve Fund on a disposition of capital property will be a suspended loss for purposes of the Tax Act if the Evolve Fund, or a person affiliated with the Evolve Fund, acquires a property (a "**Substituted Property**") that is the same as or identical to the property disposed of, within 30 days before and 30 days after the disposition and the Evolve Fund, or a person affiliated with the Evolve Fund, owns the Substituted Property 30 days after the original disposition. If a loss is suspended, an Evolve Fund cannot deduct the loss from the Evolve Fund's capital gains until the Substituted Property is disposed of and is not reacquired by the Evolve Fund, or a person affiliated with the Evolve Fund, within 30 days before and after the disposition.

Premiums received on covered call options written by BASE, BANK or EBANK, which are not exercised prior to the end of the taxation year, will constitute capital gains of the applicable Evolve Fund in the taxation year received, unless such premiums are received by the Evolve Fund as income from a business or the Evolve Fund has engaged in a transaction or transactions considered to be an adventure or concern in the nature of trade. Each of BASE, BANK and EBANK purchases the securities in its portfolio with the objective of receiving dividends and distributions thereon over the life of the applicable Evolve Fund and writes covered call options with the objective of increasing the yield on the portfolio beyond the dividends and distributions received. Having regard to the foregoing, and in accordance with the CRA's published administrative policies, transactions undertaken by each of BASE, BANK and EBANK in respect of options on the securities in its portfolio written as described under "Investment Strategies – Covered Call Options (BASE, BANK and EBANK)" will be on capital account. Each of BASE, BANK and EBANK will report such transactions on capital account.

Premiums received by BASE, BANK and EBANK on covered call options which are subsequently exercised are added in computing the proceeds of disposition to the applicable Evolve Fund of the securities disposed of by the Evolve Fund upon the exercise of such call options. In addition, where a covered call option is exercised after the end of the

taxation year in which it was granted and where this results in BASE, BANK or EBNK disposing of securities, the applicable Evolve Fund's capital gain in the previous taxation year in respect of the receipt of the option premium will be reversed.

An Evolve Fund may enter into transactions denominated in currencies other than the Canadian dollar including the acquisition of securities in its portfolio. The cost and proceeds of disposition of securities, interest, dividends, distributions and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars using the appropriate exchange rates determined in accordance with the detailed rules in the Tax Act in that regard. The amount of income, gains and losses realized by an Evolve Fund may be affected by fluctuations in the value of other currencies relative to the Canadian dollar. Gains or losses in respect of currency hedges entered into in respect of amounts invested in the portfolio of an Evolve Fund will constitute capital gains and capital losses to the Evolve Fund if the securities in the Evolve Fund's portfolio are capital property to the Evolve Fund and provided there is sufficient linkage.

The DFA Rules target certain financial arrangements (described in the DFA Rules as "derivative forward agreements") that seek to deliver a return based on an "underlying interest" (other than certain excluded underlying interests) for purposes of the DFA Rules. The DFA Rules are broad in scope and could apply to other agreements or transactions. If the DFA Rules were to apply in respect of any Derivatives utilized by an Evolve Fund, gains realized in respect of the property underlying such Derivatives could be treated as ordinary income rather than capital gains. Provided a covered call option is written by BASE, BANK or EBNK in the manner described under "Investment Strategies – Covered Call Options (BASE, BANK and EBNK)", the writing of such call option will generally not be subject to the DFA Rules.

An Evolve Fund may derive income or gains from investments in countries other than Canada, and as a result, may be liable to pay income or profits tax to such countries. To the extent that such foreign tax paid by an Evolve Fund exceeds 15% of the amount included in the Evolve Fund's income from such investments, such excess may generally be deducted by the Evolve Fund in computing its net income for the purposes of the Tax Act. To the extent that such foreign tax paid does not exceed 15% of the amount included in the Evolve Fund's income from such investments and has not been deducted in computing the Evolve Fund's income, the Evolve Fund may designate in respect of a Holder a portion of its foreign source income that can reasonably be considered to be part of the Evolve Fund's income distributed to such Holder so that such income and a portion of the foreign tax paid by the Evolve Fund may be regarded as foreign source income of, and foreign tax paid by, the Holder for the purposes of the foreign tax credit provisions of the Tax Act.

An Evolve Fund will be entitled to deduct an amount equal to the reasonable expenses that it incurs in the course of issuing Units. Such issue expenses paid by the Evolve Fund and not reimbursed will be deductible by the Evolve Fund ratably over a five-year period subject to reduction in any taxation year which is less than 365 days. In computing its income under the Tax Act, an Evolve Fund may deduct reasonable administrative and other expenses incurred to earn income, which may include interest paid on money borrowed to invest in securities in the Evolve Fund's portfolio.

In certain circumstances, the interest on money borrowed to invest in a trust or other entity that may be deducted may be reduced on a pro rata basis in respect of distributions from the trust or other entity that are a return of capital and which are not reinvested for an income earning purpose. While the ability to deduct interest depends on the facts, it is possible that part of the interest payable by BANK in connection with money borrowed to acquire certain securities held in its portfolio could be non-deductible where such distributions have been made to BANK, increasing the net income of BANK for tax purposes and the taxable component of distributions to Holders. Moreover, if the EIFEL Amendments (as defined above under "Risk Factors – Taxation of the Evolve Funds") are enacted as proposed and if such proposals apply to BANK, the amount of interest and other financing expenses otherwise deductible by BANK may be reduced and the taxable component of distributions by BANK to its Unitholders may be increased accordingly. The Manager is reviewing the impact, if any, of the EIFEL Amendments on BANK.

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

Taxation of Holders

A Holder will generally be required to include in computing income for a particular taxation year of the Holder such portion of the net income of an Evolve Fund, including the taxable portion of any net realized capital gains, as is paid or becomes payable to the Holder by the Evolve Fund in that particular taxation year (whether in cash, in Units of the applicable class or reinvested in additional Units or whether as a Management Fee Distribution). Amounts paid or

payable by an Evolve Fund to a Holder after December 15 and before the end of the calendar year are deemed to have been paid or become payable to the Holder on December 15.

Under the Tax Act, each Evolve Fund is permitted to deduct in computing its income for a taxation year an amount that is less than the amount of its distributions of income for the calendar year to the extent necessary to enable the Evolve Fund to use, in that taxation year, losses from prior years without affecting the ability of the Evolve Fund to distribute its income annually. In such circumstances, the amount distributed to a Holder of an Evolve Fund but not deducted by the Evolve Fund will not be included in the Holder's income. However, the adjusted cost base of the Holder's Units of the Evolve Fund will be reduced by such amount. The non-taxable portion of an Evolve Fund's net realized capital gains for a taxation year, the taxable portion of which was designated in respect of a Holder for the taxation year, that is paid or becomes payable to the Holder for the year will not be included in computing the Holder's income for the year. Any other amount in excess of a Holder's share of the net income of an Evolve Fund for a taxation year that is paid or becomes payable to the Holder for the year (i.e. returns of capital) will not generally be included in the Holder's income for the year, but will reduce the adjusted cost base of the Holder's Units of the Evolve Fund. To the extent that the adjusted cost base of a Unit to a Holder would otherwise be a negative amount, the negative amount will be deemed to be a capital gain and the adjusted cost base of the Unit to the Holder will be increased by the amount of such deemed capital gain to zero.

Provided that appropriate designations are made by an Evolve Fund, such portion of the net realized taxable capital gains of the Evolve Fund, the taxable dividends received or deemed to be received by the Evolve Fund on shares of taxable Canadian corporations and foreign source income of the Evolve Fund as is paid or becomes payable to a Holder will effectively retain its character and be treated as such in the hands of the Holder for purposes of the Tax Act. To the extent that amounts are designated as taxable dividends from taxable Canadian corporations, the gross-up and dividend tax credit rules will apply. Where an Evolve Fund makes designations in respect of its foreign source income, for the purpose of computing any foreign tax credit that may be available to a Holder, the Holder will generally be deemed to have paid as tax to the government of a foreign country that portion of taxes paid by the Evolve Fund to that country that is equal to the Holder's share of the Evolve Fund's income from sources in that country.

Any loss of an Evolve Fund for purposes of the Tax Act cannot be allocated to, and cannot be treated as a loss of, a Holder.

On the disposition or deemed disposition of a Unit of an Evolve Fund, including on a redemption, a Holder will realize a capital gain (or capital loss) to the extent that the Holder's proceeds of disposition (other than any amount payable by the Evolve Fund which represents capital gains allocated and designated to the redeeming Holder), net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Unit. For the purpose of determining the adjusted cost base of a Holder's Units of a particular class of an Evolve Fund, when additional Units of that class of the Evolve Fund are acquired by the Holder (as a result of a distribution by the Evolve Fund in the form of Units, a reinvestment in Units of the Evolve Fund pursuant to the distribution reinvestment plan or otherwise), the cost of the newly acquired Units of that class will be averaged with the adjusted cost base of all Units of the same class of the Evolve Fund owned by the Holder as capital property immediately before that time. For this purpose, the cost of Units that have been issued on a distribution will generally be equal to the amount of the distribution. A consolidation of Units of an Evolve Fund following a distribution paid in the form of additional Units of the Evolve Fund as described under "Distribution Policy" will not be regarded as a disposition of Units and will not affect the aggregate adjusted cost base to a Holder. Any additional Units acquired by a Holder on the reinvestment of distributions will generally have a cost equal to the amount reinvested.

In the case of an exchange of ETF Units of an Evolve Fund for a Basket of Securities, or in the case of a distribution of portfolio securities and/or cash on termination of an Evolve Fund, a Holder's proceeds of disposition of the ETF Units would generally be equal to the aggregate of the fair market value of the distributed property and the amount of any cash received. The cost to a Holder of any property received from the Evolve Fund upon the exchange will generally be equal to the fair market value of such property at the time of the distribution. In the case of an exchange of ETF Units for a Basket of Securities, or in the case of a distribution of portfolio securities and/or cash on termination of an Evolve Fund, the investor may receive securities that may or may not be qualified investments under the Tax Act for Plans. If such securities are not qualified investments for Plans, such Plans (and, in the case of certain Plans, the annuitants, beneficiaries or subscribers thereunder or holders thereof) may be subject to adverse tax consequences. Investors should consult their own tax counsel for advice on whether or not such securities would be qualified investments for Plans.

Pursuant to the Declaration of Trust, an Evolve Fund may allocate and designate as payable any capital gains realized by the Evolve Fund as a result of any disposition of property of the Evolve Fund undertaken to permit or facilitate the redemption or exchange of Units of the Evolve Fund to a Holder whose Units are being redeemed or exchanged. In addition, each Evolve Fund has the authority to distribute, allocate and designate any capital gains of the Evolve Fund to a Holder who has redeemed or exchanged Units of the Evolve Fund during a year in an amount equal to the Holder's share, at the time of redemption or exchange, of the Evolve Fund's capital gains for the year. Any such allocations and designations will reduce the redemption price otherwise payable to the Holder and therefore the Holder's proceeds of disposition. Based on the ATR Rule, in the case of an Evolve Fund that offers only ETF Units, amounts of taxable capital gains so allocated and designated to redeeming or exchanging Unitholders of the Evolve Fund generally will be deductible to the Evolve Fund to the extent of the redeeming or exchanging Unitholders' pro rata share (as determined under the ATR Rule) of the net taxable capital gains of the Evolve Fund for the year. Where an Evolve Fund issues both Mutual Fund Units and ETF Units, amounts of taxable capital gains so allocated and designated to redeeming or exchanging Unitholders of the Evolve Fund are only deductible to the extent of (i) in respect of the portion of the net taxable capital gains that is referable to the Mutual Fund Units, half of the amount of the gains that would otherwise be realized by the holders of Mutual Fund Units on the redemption or exchange of such Units, and (ii) in respect of the portion of the net taxable capital gains that is referable to the ETF Units, the redeeming or exchanging Unitholders' pro rata share of the net taxable capital gains of the Evolve Fund for the year, all as determined under the ATR Rule.

In general, one-half of any capital gain (a "**taxable capital gain**") realized by a Holder on the disposition of Units of an Evolve Fund or a taxable capital gain designated by the Evolve Fund in respect of the Holder for a taxation year of the Holder will be included in computing the Holder's income for that year and one-half of any capital loss (an "**allowable capital loss**") realized by the Holder in a taxation year of the Holder generally must be deducted from taxable capital gains realized by the Holder in the taxation year or designated by the Evolve Fund in respect of the Holder for the taxation year in accordance with the detailed provisions of the Tax Act. Allowable capital losses for a taxation year in excess of taxable capital gains for that taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against taxable capital gains in accordance with the provisions of the Tax Act.

Based in part on the current published administrative policies and assessing practices of the CRA, a switch of one class of Hedged Mutual Fund Units of EDGE into another class of Hedged Mutual Fund Units of EDGE or a switch of one class of Unhedged Mutual Fund Units of FIXD into another class of Unhedged Mutual Fund Units of FIXD will not constitute a disposition of the Mutual Fund Units so switched for the purposes of the Tax Act.

Amounts designated by an Evolve Fund to a Holder of the Evolve Fund as taxable capital gains or dividends from taxable Canadian corporations, and taxable capital gains realized on the disposition of Units of an Evolve Fund may increase the Holder's liability, if any, for alternative minimum tax.

Taxation of Registered Plans

Distributions received by Plans on Units and capital gains realized by Plans on the disposition of Units are generally not taxable under Part I of the Tax Act provided the Units are "qualified investments" for the Plan for purposes of the Tax Act.

Holders should consult with their own advisors regarding the tax implications of establishing, amending, terminating or withdrawing amounts from a Plan.

Notwithstanding the foregoing, the holder of a TFSA, RDSP or FHSA, the annuitant of an RRSP or RRIF or the subscriber of an RESP will be subject to a penalty tax in respect of Units held by such Plan if such Units are a "prohibited investment" for such Plan for the purposes of the Tax Act. The Units of an Evolve Fund will not be a "prohibited investment" for a trust governed by such a Plan unless the holder of the TFSA, RDSP or FHSA, the annuitant of the RRSP or RRIF or the subscriber of the RESP, as applicable, (i) does not deal at arm's length with the Evolve Fund for purposes of the Tax Act, or (ii) has a "significant interest" as defined in the Tax Act in the Evolve Fund. Generally, a holder, annuitant or subscriber, as the case may be, will not have a significant interest in an Evolve Fund unless the holder, annuitant or subscriber, as the case may be, owns interests as a beneficiary under the Evolve Fund that have a fair market value of 10% or more of the fair market value of the interests of all beneficiaries under the Evolve Fund, either alone or together with persons and partnerships with which the holder, annuitant or subscriber, as the case may be, does not deal at arm's length. In addition, the Units will not be a prohibited investment if such

Units are “excluded property” as defined in the Tax Act for a trust governed by a TFSA, RDSP, FHSA, RRSP, RRIF or RESP.

Holders, annuitants and subscribers should consult their own tax advisors with respect to whether Units of an Evolve Fund would be prohibited investments, including with respect to whether such Units would be excluded property.

Tax Implications of the Evolve Funds’ Distribution Policy

The NAV per Unit of an Evolve Fund will, in part, reflect any income and gains of the Evolve Fund that have accrued or have been realized, but have not been made payable at the time Units of the Evolve Fund were acquired. Accordingly, a Holder of an Evolve Fund who acquires Units, including on a distribution of Units or on a reinvestment in Units, may become taxable on the Holder’s share of such income and gains of the Evolve Fund. In particular, an investor who acquires Units at any time in the year but prior to a distribution being paid or made payable will have to pay tax on the entire distribution (to the extent it is a taxable distribution) notwithstanding that such amounts may have been reflected in the price paid by the Holder for the Units. Further, where a Holder acquires Units in a calendar year after December 15 of such year, such Holder may become taxable on income earned or capital gains realized in the taxation year ending on December 15 of such calendar year but that had not been made payable before the Units were acquired.

Where an Evolve Fund realizes capital gains on the disposition of assets effected to fund the redemption price for Units tendered for redemption during a year, such capital gains may be allocated or designated to Unitholders who hold Units of the applicable Evolve Fund at the end of the year rather than to the redeeming Unitholders.

ORGANIZATION AND MANAGEMENT DETAILS OF THE EVOLVE FUNDS

Manager

EFG is the trustee, manager, promoter and portfolio manager of the Evolve Funds and will be responsible for the administration of the Evolve Funds. In its capacity as portfolio manager, EFG is responsible for the oversight and provision of investment advisory services to FIXD by the Sub-Advisor. The Manager is registered as an investment fund manager and portfolio manager with the applicable Securities Regulatory Authorities in Canada. The registered office of the Evolve Fund and the Manager is located at Scotia Plaza, 40 King Street West, Suite 3404, Toronto, ON M5H 3Y2.

The Manager performs or arranges for the performance of management services for the Evolve Funds and is responsible for the administration of the Evolve Funds. The Manager is entitled to fees for its services as manager under the Declaration of Trust as described under “Fees and Expenses” and will be reimbursed for all reasonable costs and expenses incurred by the Manager on behalf of the Evolve Funds.

Duties and Services to be provided by the Manager

Pursuant to the Declaration of Trust, the Manager has full authority and responsibility to manage and direct the business and affairs of the Evolve Funds, to make all decisions regarding the business of the Evolve Funds and to bind the Evolve Funds. The Manager may delegate certain of its powers to third parties where, in the discretion of the Manager, it would be in the best interests of the Evolve Funds to do so.

The Manager is responsible for providing, or causing to be provided, management, administrative and portfolio advisory and investment management services to the Evolve Fund. The Manager’s duties include, without limitation:

- (i) negotiating contracts with certain third-party service providers, including but not limited to investment managers, sub-advisors, custodians, registrars, transfer agents, auditors and printers;
- (ii) authorizing the payment of operating expenses incurred on behalf of the Evolve Funds;
- (iii) maintaining accounting records;
- (iv) preparing the reports to Unitholders and to the applicable Securities Regulatory Authorities;
- (v) calculating the amount and determining the frequency of distributions by the Evolve Funds;
- (vi) preparing financial statements, income tax returns and financial and accounting information as required;

- (vii) ensuring that Unitholders are provided with financial statements and other reports as are required from time to time by applicable law;
- (viii) ensuring that the Evolve Funds comply with all other regulatory requirements including continuous disclosure obligations under applicable securities laws;
- (ix) administering purchases, redemptions and other transactions in Units;
- (x) arranging for any payments required upon termination of the Evolve Funds;
- (xi) dealing and communicating with Unitholders;
- (xii) providing office facilities and personnel to carry out these services, if not otherwise furnished by any other service provider to the Evolve Funds;
- (xiii) monitoring the investment strategy of each Evolve Fund to ensure that each Evolve Fund complies with its investment objective, investment strategies and investment restrictions and practices; and
- (xiv) facilitating the execution of orders and investment recommendations provided by sub-advisors where required.

The Manager is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Unitholders of the Evolve Funds, and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Declaration of Trust provides that the Manager will not be liable to an Evolve Fund or to any Unitholder or any other person for any loss or damage relating to any matter regarding that Evolve Fund, including any loss or diminution of value of the assets of the Evolve Fund if it has satisfied its standard of care set forth above.

The administration and management services of the Manager under the Declaration of Trust are not exclusive and nothing in the Declaration of Trust prevents the Manager from providing similar administrative and management services to other investment funds and other clients (whether or not their investment objectives and policies are similar to those of the Evolve Funds) or from engaging in other activities.

The Manager and each of its directors, officers, employees and agents may be indemnified out of the assets of the applicable Evolve Fund from and against all claims whatsoever, including costs, charges and expenses in connection therewith, brought, commenced or prosecuted against it for or in respect of any act, deed, matter or thing whatsoever made, done or omitted in or in relation to the execution of its duties to the applicable Evolve Fund as long as the person acted honestly and in good faith with a view to the best interests of the Evolve Fund.

The Manager may resign upon 90 days' prior written notice to the Trustee or upon such lesser notice period as the Trustee may accept. The Manager may also be removed by the Trustee on at least 90 days' written notice to the Manager. The Manager is deemed to have resigned if the Manager ceases to (i) be resident in Canada for the purposes of the Tax Act; or (ii) carry out its functions of managing the Evolve Funds in Canada. The Trustee shall make every effort to select and appoint a successor manager prior to the effective date of the Manager's resignation.

Officers and Directors of the Manager

The name and municipality of residence of each of the directors and executive officers of the Manager and their principal occupations are as follows:

***Name and Municipality of
Residence***

RAJ LALA
Toronto, Ontario

Position with the Manager and Principal Occupation

President, Chief Executive Officer, Director and Ultimate Designated Person, EFG

Prior to founding EFG, Raj Lala served as Head of WisdomTree Canada – a division of WisdomTree Investments Inc., one of the world’s largest ETF issuers. Prior to this, Mr. Lala was Executive Vice President and Head of Retail Markets for Fiera Capital Corporation, a prominent Canadian investment management firm with over \$100 billion in assets under management. Mr. Lala co-founded and served as President and CEO of Propel Capital Corporation (which was acquired by Fiera Capital Corporation in September 2014). Propel raised approximately \$1 billion in structured products in its five years of operation. Prior to Propel, Mr. Lala worked with Jovian Capital. Mr. Lala held several roles at Jovian including President of JovFunds Inc., an asset management division of Jovian Capital. Mr. Lala holds a Bachelor’s degree in Economics from the University of Toronto (1994).

SCHARLET DIRADOUR

Toronto, Ontario

Chief Financial Officer, EFG

Prior to joining EFG, Ms. Diradour played a key role in the establishment of a Derivatives and Alternative Investments Administration group at Fiera Capital Corporation, a major Canadian investment management firm with over \$100 billion in asset under management. In addition, Ms. Diradour was an integral part of driving a full-scale operational process for Fiera Quantum Limited Partnership, an alternative investment manager. Previously, Ms. Diradour was a Senior Analyst on the Operations Risk and Valuation Group at Curaçao International Trust Company Fund Services (Canada), working closely with many prominent US and European hedge funds. Ms. Diradour received a BA Dipl. with Honours from Humber Business School, a BAS Specialized Honours from York University and a MFin from Queen’s University. Ms. Diradour has completed Level II of the CFA Program. Through Humber Business Schools Ms. Diradour was awarded the David Dodge Economics Award, personally presented by David Dodge, the Former Governor of the Bank of Canada for excellence in studies in economics. Ms. Diradour was also presented the Rosemary Brown Human Rights Award for outstanding academic achievement. Ms. Diradour volunteers as an advisor for Queen’s University Smith School of Business – Alumni Advisory Program.

ELLIOT JOHNSON

TORONTO, ONTARIO

Chief Investment Officer, Chief Operating Officer, Chief Compliance Officer, Corporate Secretary and Director, EFG

Prior to joining EFG, Mr. Johnson was Senior Vice President, Retail Markets at Fiera Capital Corporation, a prominent Canadian investment management firm. Prior to this role, Mr. Johnson served as Chief Operating Officer of Fiera Quantum Limited Partnership, an alternative investment manager. From 2010 to 2012, Mr. Johnson led technology management for a number of business lines at National Bank of Canada. Prior to 2012 he spent 13 years at GMP Capital Corp. in a variety of management roles across institutional brokerage, wealth management and asset management businesses. Mr. Johnson holds the Canadian Investment Manager (CIM) designation, the Derivatives Markets Specialist (DMS) designation and is a Fellow of the Canadian Securities Institute (FCSI). From 2016 to 2020, Mr. Johnson served on the board of Trinity College at the University of Toronto as the Chair of the Committee on Investments. Mr. Johnson currently serves as Chair,

Name and Municipality of Residence

Position with the Manager and Principal Occupation

KEITH CRONE

Toronto, Ontario

President and a trustee of the Upper Canada College Foundation and is also a trustee of the US based Upper Canada Educational Foundation.

Executive Vice President, Head of Marketing and Director, EFG

Prior to joining EFG, Mr. Crone served as Vice President, Retail Markets at Fiera Capital Corporation, a prominent Canadian investment management firm with over \$100 billion in assets under management. Mr. Crone served as Vice President and Partner of Propel Capital Corporation (which was acquired by Fiera Capital Corporation in September 2014). Propel raised approximately \$1 billion in structured products in its five years of operation. Prior to Propel, Mr. Crone served as Senior Vice President, Sales within JovFunds Inc., the specialty investment arm of Jovian Capital Corporation. Prior to 2005, Mr. Crone served in various sales and marketing capacities at Dynamic Funds, which is now a wholly-owned subsidiary of Scotiabank.

MICHAEL SIMONETTA

Toronto, Ontario

Chairman and Director, EFG

Mr. Simonetta has a broad background in management, investment and capital markets. Mr. Simonetta was one of the founding partners of First Asset Management Inc. (“FAMI”), and served as President and CEO of FAMI from 1997 to 2006. At the time FAMI was sold in 2005, FAMI managed in excess of \$30 billion in assets and was one of Canada’s top ten largest companies in the pension and high net worth asset management business. FAMI’s affiliates have included: Beutel, Goodman & Company Ltd.; Foyston Gordon & Payne, Inc.; Deans Knight Capital Management Ltd., Montrusco Bolton Investments Inc.; Covington Capital Corporation; First Asset Funds Inc. (formerly Triax Capital Corporation); and Northwest Mutual Funds Inc. FAMI was sold in 2005 to Affiliated Managers Group, Inc. (NYSE: AMG), a publicly listed investment management company based in Boston. Mr. Simonetta is a member of the Institute of Chartered Accountants of Ontario, obtaining his C.A. designation in 1984 while achieving Top 20 Honour Roll standing, and holds a Bachelor of Arts from the University of Waterloo (1983 – Gold Medal).

The Manager’s portfolio management team, under the supervision of the Manager’s chief investment officer, is responsible for executing the investment strategies of EDGE, BASE, HERO, DATA, TECH, BANK and EBNK. Portfolio decisions made are made in a team-oriented manner, and such decisions are not subject to the oversight, approval or ratification of a committee.

Sub-Advisor for FIXD

Pursuant to a portfolio management sub-advisory agreement (the “**Addenda Sub-Advisory Agreement**”) between the Manager and Addenda Capital Inc., the Manager appointed Addenda Capital Inc. as an investment sub-advisor for FIXD. Addenda Capital Inc. is currently registered in the category of adviser as a portfolio manager with the Ontario Securities Commission and with each of the other provincial regulatory authorities in Canada.

The Sub-Advisor will principally provide its services to FIXD in Toronto, Ontario, Canada.

The following portfolio manager of Addenda Capital Inc. is principally responsible for the portfolio management of FIXD:

| <u>Name and Municipality of Residence</u> | <u>Position with Addenda Capital Inc.</u> | <u>Principal Occupation</u> |
|--|--|---|
| IAN A. MCKINNON, CFA TORONTO, ONTARIO | Executive Vice-President, Core Fixed Income | Executive Vice-President, Core Fixed Income |

Ian. A. McKinnon is responsible for developing and implementing the core fixed income and preferred shares strategies, as well as overseeing asset allocation for balanced portfolios. Since 2018, Mr. McKinnon has been appointed as executive vice-president, core fixed income. Prior to that, Mr. McKinnon was Deputy Chief Investment Officer, Core Fixed Income and Insurance (2015-2016); Senior Vice-President, Core Fixed Income and Head, Corporate Bonds (2014-2015); and has held various other positions within Addenda Capital Inc. since 2000.

The investment decisions made by this individual are not subject to oversight, approval or ratification.

Addenda Sub-Advisory Agreement

Under the Addenda Sub-Advisory Agreement, the Sub-Advisor is required to act at all times on a basis which is fair and reasonable to FIXD, to act honestly and in good faith with a view to the best interests of FIXD, and, in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent portfolio manager would exercise in comparable circumstances. The Addenda Sub-Advisory Agreement provides that the Sub-Advisor, any of its affiliates or any of its or their officers, directors, members, equity holders or employees will not be liable in any way to the parties indemnified under the Addenda Sub-Advisory Agreement for any default, failure or defect in any of the securities comprising the FIXD portfolio unless it fails to satisfy the standard of care, diligence and skill set forth above.

The Addenda Sub-Advisory Agreement further provides that the Sub-Advisor will not be liable for any losses in the NAV of FIXD unless it fails to satisfy the standard of care, diligence and skill set forth above. Pursuant to the Addenda Sub-Advisory Agreement, the Sub-Advisor any of its affiliates or any of its or their officers, directors, members, equity holders and employees shall be indemnified from the assets of FIXD against all losses (other than loss of profits), expenses and liabilities incurred by any of them in connection with any matter relating to their respective duties under the Addenda Sub-Advisory Agreement, unless caused by a material breach or misconduct of such person's obligations under the Addenda Sub-Advisory Agreement or an act or omission involving wilful misconduct, bad faith, actual fraud, gross negligence or reckless disregard of such person's duties under the Addenda Sub-Advisory Agreement.

The Sub-Advisor may terminate the Addenda Sub-Advisory Agreement, without payment of any penalty in accordance with the Addenda Sub-Advisory Agreement, including in the following circumstances: (i) subject to a minimum term of one year, upon 120 days' written notice to the Manager; (ii) in the event that the Manager is in material breach of the Addenda Sub-Advisory Agreement and the material breach has not been cured within 20 Business Days' (as defined in the Addenda Sub-Advisory Agreement) notice thereof to the Manager; (iii) if there is a material change in the investment objectives, investment strategies and/or investment restrictions of FIXD to which the Sub-Advisor has not previously agreed; (iv) if there is a dissolution and commencement of winding-up of FIXD; (v) if FIXD becomes bankrupt or insolvent or makes a general assignment for the benefit of its creditors or a receiver is appointed in respect of FIXD or a substantial portion of its assets; or (vi) if the assets of FIXD become subject to seizure or confiscation by any public or governmental organization.

The Manager may terminate the Addenda Sub-Advisory Agreement, without payment of any penalty in accordance with the Addenda Sub-Advisory Agreement, including in the following circumstances: (i) subject to a minimum term of one year, upon 120 days' written notice to the Sub-Advisor; (ii) subject to a minimum term of one year, upon 60 days' written notice to the Sub-Advisor, provided that the Manager assumes the portfolio management services required by FIXD; (iii) in the event that the Sub-Advisor is in material breach of the Addenda Sub-Advisory Agreement and the material breach has not been cured within 20 Business Days' notice thereof to the Sub-Advisor; (iv) if there is a dissolution and commencement of winding-up of the Sub-Advisor (except a voluntary dissolution or voluntary liquidation as the case may be for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the parties); (v) if the Sub-Advisor becomes bankrupt or insolvent or makes a general assignment for the benefit of the creditors or a receiver is appointed in respect of the Sub-Advisor or a substantial portion of the assets of the Sub-Advisor; (vi) if the assets of the Sub-Advisor become subject to seizure or confiscation by any public or governmental organization; (vii) if the Sub-Advisor has lost any registration, license or other authorization or cannot rely on an exemption therefrom required by the Sub-Advisor for it to perform the services delegated to it thereunder; or (viii) if the Sub-Advisor acted with wilful misconduct, fraud or gross negligence.

The Addenda Sub-Advisory Agreement will not be subject to termination under clause (iii) in the preceding paragraph if a material breach by the Sub-Advisor cannot be cured within 20 Business Days' notice thereof but the Sub-Advisor commences the cure within the 20 Business Day period and completes the cure within 30 days of such notice. In addition, if the Sub-Advisor purchases a security for the portfolio of FIXD or takes any other action with respect to

the assets of FIXD that through inadvertence violates any investment strategy or restriction set forth in the Addenda Sub-Advisory Agreement and the violation has or will have a material adverse effect on the portfolio of FIXD, then it will not be considered a material breach for purposes of the termination right in clause (iii) in the preceding paragraph if the Sub-Advisor takes action that returns the portfolio of FIXD to compliance with such investment strategy or restriction within the cure period described above, as the same may be extended by agreement in writing by all the parties to the Addenda Sub-Advisory Agreement.

The Manager is responsible for payment of the investment management fees of the Sub-Advisor out of the Management Fee.

Brokerage Arrangements

The Manager may utilize various brokers to effect securities transactions on behalf of the Evolve Funds. These brokers may directly provide the Manager with research and related services, in addition to executing transactions. Although each Evolve Fund may not benefit equally from each research and related service received from a broker, the Manager will endeavour to ensure that all of the Evolve Funds receive an equitable benefit over time. The Manager will monitor and evaluate the execution performance of its brokers with a view to determining whether steps should be taken to improve the quality of trade execution. When determining whether a broker should be added to the Manager's list of approved brokers, there are numerous factors that are considered including transaction cost, value of research, type and size of an order, speed and certainty of execution, responsiveness and trade matching quality.

Approved brokers will be monitored on a regular basis to ensure that the value of the goods and services, as outlined above, provides a reasonable benefit as compared to the amount of brokerage commissions paid for the goods and services.

Conflicts of Interest

The administration, management and investment advisory services of the Manager and the Sub-Advisor are not exclusive and nothing in the Declaration of Trust or the Addenda Sub-Advisory Agreement prevents the Manager or the Sub-Advisor from providing similar services to other investment funds and other clients (whether or not their investment objectives and policies are similar to those of the Evolve Funds) or from engaging in other activities.

Investments in securities purchased by the Manager or the Sub-Advisor on behalf of an Evolve Fund and other investment funds managed by the Manager or Sub-Advisor will be allocated to the Evolve Fund and such other investment funds on a fair and equitable basis according to the size of the order and the applicable investment restrictions and policies of the Evolve Funds and the other investment funds.

When it is determined that it would be appropriate for the Evolve Funds and one or more other investment accounts managed by the Manager or the Sub-Advisor or its affiliates to participate in an investment opportunity, the Manager and the Sub-Advisor will seek to make such investments for all of the participating investment accounts, including the Evolve Funds, on an equitable basis, taking into account such factors as the relative amounts of capital available for new investments and the investment programs and portfolio positions of the Evolve Funds and the affiliated entities for which participation is appropriate. Orders may be combined for all such accounts, and if any order is not filled at the same price, they may be allocated on an average price basis. Similarly, if an investment for the account of more than one account cannot be fully executed under prevailing market conditions, investments may be allocated among the different accounts on a basis which the Manager or the Sub-Advisor or its affiliates consider equitable. The Manager and the Sub-Advisor may recommend that the Evolve Funds sell a security, while not recommending such sale for other accounts in order to enable the Evolve Funds to have sufficient liquidity to honor Unitholders' repurchase requests.

The Declaration of Trust acknowledges that the Manager may provide services to the Evolve Funds in other capacities, provided that the terms of any such arrangement are no less favourable to the Evolve Funds than those that would be obtained from parties that are at arm's length for comparable services.

The Manager and the Sub-Advisor may at times have interests that differ from the interests of the Unitholders. Where the Manager, the Sub-Advisor or their respective affiliates otherwise perceive in the course of business, that they are or may be in a material conflict of interest position, the matter will be referred to the IRC. The IRC will consider all matters referred to it and provide its recommendations to the Manager as soon as possible. In evaluating these conflicts of interest, potential investors should be aware that the Manager and the Sub-Advisor have a responsibility to the Unitholders to exercise good faith and fairness in all dealings affecting the Evolve Funds. In the event that a Unitholder believes that the Manager or the Sub-Advisor has violated its duty to such Unitholder, the Unitholder may seek relief

for itself or on behalf of an Evolve Fund to recover damages from or to require an accounting by the Manager. Unitholders should be aware that the performance by the Manager and Sub-Advisor of its responsibilities to an Evolve Fund will be measured in accordance with (i) the provisions of the agreement by which the Manager and the Sub-Advisor have been appointed to its position with the Evolve Fund; and (ii) applicable laws.

Neither the Designated Broker nor any Dealer has been involved in the preparation of this prospectus or has performed any review of the contents of this prospectus and, as such, the Designated Broker and the Dealers do not perform many of the usual underwriting activities in connection with the distribution by the Evolve Funds of its Units under this prospectus. Units of an Evolve Fund do not represent an interest or an obligation of the Designated Broker, any Dealer or any affiliate thereof and a Unitholder does not have any recourse against any such parties in respect of amounts payable by an Evolve Fund to the Designated Broker or applicable Dealers.

A registered dealer acts as the Designated Broker and one or more registered dealers acts or may act as a Dealer and/or a market maker. These relationships may create actual or perceived conflicts of interest that investors should consider in relation to an investment in an Evolve Fund. In particular, by virtue of these relationships, these registered dealers may profit from the sale and trading of Units. The Designated Broker, as market maker of an Evolve Fund in the secondary market, may therefore have economic interests that differ from, and may be adverse to, those of Unitholders. Any such registered dealer and its affiliates may, at present or in the future, engage in business with an Evolve Fund, with the issuers of securities making up the investment portfolio of an Evolve Fund or with the Manager or any funds sponsored by the Manager or its affiliates, including by making loans, entering into Derivative transactions or providing advisory or agency services to the Manager or its affiliates. In addition, the relationship between any such registered dealer and its affiliates and the Manager and its affiliates may extend to other activities, such as being part of a distribution syndicate for other funds sponsored by the Manager or its affiliates.

See also “Other Material Facts”.

Independent Review Committee

As required by NI 81-107, the Manager has established an IRC to review all conflicts of interest matters identified and referred to the IRC by the Manager relating to the Evolve Funds. The IRC reviews and gives its approval or recommendations as to the conflict of interests matters referred to it. A conflict of interest matter is a situation where a reasonable person would consider the Manager or an entity related to the Manager to have an interest that conflicts with the Manager’s ability to act in good faith and in the best interest of the Evolve Funds. The IRC is also required to approve certain reorganizations involving the Evolve Funds and any change of the auditors of the Evolve Funds.

The IRC is made up of members who are independent. The Manager considers that an individual is independent if the individual is not a director, officer or employee of any of the Manager or an affiliate of the Manager for at least 5 years. In addition, the individual must be independent of management and free from any interest and any business or other relationship that could, or could reasonably be perceived to, materially interfere with the individual’s ability to act with the view to the best interest of the Evolve Funds.

The members of the IRC are Kevin Drynan (Chair), Rod McIsaac and Mark Leung.

The IRC has a written charter that sets out its powers, duties and responsibilities. Additionally, pursuant to NI 81-107, the IRC assesses, at least annually, the adequacy and effectiveness of the following: the Manager’s policies and procedures regarding conflict of interest matters; any standing instructions that the IRC gave to the Manager for conflict of interest matters related to the Evolve Funds; the compliance of the Manager and each Evolve Fund with any conditions imposed by the IRC on a recommendation or approval it has provided to the Manager; the independence and compensation of its members; the IRC’s effectiveness as a committee; and the contribution of each member to the IRC.

The IRC prepares a report for Unitholders, at least annually, of its activities. Such report is made available on the Manager’s website at www.evolvefunds.com or, at the request of a Unitholder and at no cost, by calling the Manager at (416)-214-4884 or toll-free at 1-844-370-4884 or by sending an email request to info@evolvefunds.com.

The members of the IRC are paid an annual fee for serving on the IRC of the investment funds in the EFG family of funds. Each investment fund, including the Evolve Funds, is responsible for a portion of that fee, which is allocated by the Manager among the various funds. Currently, annual fees are payable to the following members of the IRC as follows: Kevin Drynan (Chair, \$10,000), Rod McIsaac (\$7,500) and Mark Leung (\$7,500). In addition to the annual fee, each IRC member will receive an additional \$2,000 for each additional meeting held after the first two meetings in any year.

The investment funds in the EFG family of funds all share the same IRC. Fees and expenses of the IRC are borne and shared by all of the investment funds in the EFG family of funds.

Trustee

Pursuant to the Declaration of Trust, the Manager is also the trustee of the Evolve Funds. The Trustee may resign upon 90 days' notice to Unitholders and the Manager. The Trustee must be removed if the Trustee ceases to (i) be resident in Canada for purposes of the Tax Act; (ii) carry out its function of managing the Evolve Funds in Canada; or (iii) exercise the main powers and discretions of the Trustee in respect of the Evolve Funds in Canada. If the Trustee resigns or if it becomes incapable of acting as trustee, the Trustee may appoint a successor trustee prior to its resignation, and its resignation shall become effective upon the acceptance of such appointment by its successor. If no successor has been appointed within 90 days after the Trustee has provided the Manager with 90 days' notice of its intention to resign, the Evolve Funds will be terminated, and the property of the Evolve Funds shall be distributed in accordance with the terms of the Declaration of Trust.

The Declaration of Trust provides that the Trustee shall act honestly, in good faith and in the best interests of each Evolve Fund and shall perform its duties to the standard of care that a reasonably prudent person would exercise in the circumstances. In addition, the Declaration of Trust contains other customary provisions limiting the liability of the Trustee and indemnifying the Trustee in respect of certain liabilities incurred by it in carrying out the Trustee's duties.

At any time during which the Manager is the trustee, the Manager will receive no fee in respect of the provision of services as trustee.

Custodian

CIBC Mellon Trust Company, at its principal office in Toronto, Ontario, is custodian of the assets of the Evolve Funds pursuant to the Custodian Agreement. The Custodian has appointed qualified foreign sub-custodians in each jurisdiction in which the Evolve Funds have securities. The Manager or the Custodian may terminate the Custodian Agreement at any time upon ninety (90) days' written notice.

The Custodian is entitled to receive fees from the Manager as described under "Fees and Expenses" and to be reimbursed for all expenses and liabilities that are properly incurred by the Custodian in connection with the activities of the Evolve Funds.

Prime Broker

National Bank Independent Network (NBIN), a division of NBF Inc., provides BANK with prime brokerage services, including, in respect of BANK, margin facilities under a custody and securities services agreement. The Prime Broker is independent of the Manager. The Prime Broker will be providing margin lending to BANK to acquire additional equity securities. The custody and securities services agreement acts as a margin agreement in connection with BANK's cash borrowing. The custody and securities services agreement may be terminated at any time at the option of either party upon ninety business days' prior notice to the other party.

Auditors

The auditors of the Evolve Funds are Ernst & Young LLP located at its principal offices in Toronto, Ontario. The auditors of the Evolve Funds may not be changed unless the IRC has approved the change and Unitholders have received at least 60 days' notice before the effective date of the change, or as otherwise required by Canadian Securities Legislation.

Registrar and Transfer Agent

TSX Trust Company, at its principal offices in Toronto, Ontario, is the Registrar and Transfer Agent for the Evolve Funds pursuant to registrar and transfer agency agreements entered into as of the date of the initial issuance of ETF Units of each Evolve Fund.

Fund Administrator

CIBC Mellon Global Securities Services Company, at its principal offices in Toronto, Ontario, is the Fund Administrator. The Fund Administrator is responsible for certain aspects of the day-to-day administration of the Evolve Fund, including NAV calculations, accounting for net income and net realized capital gains of the Evolve Fund and maintaining books and records with respect to the Evolve Fund.

Lending Agent

The Bank of New York Mellon may act as the securities lending agent the Evolve Funds pursuant to a securities lending authorization agreement (a “**Securities Lending Agreement**”) to be entered into between the Lending Agent, EFG, in its capacity as manager of the applicable Evolve Fund, and the Lending Agent. The Lending Agent is not an affiliate or associate of the Manager. The Manager or the Lending Agent may terminate the Securities Lending Agreement upon thirty (30) days’ written notice to the other parties at any time.

Under the applicable Securities Lending Agreement, the collateral posted by a securities borrower to the applicable Evolve Fund will be required to have an aggregate value of not less than 102% of the market value of the loaned securities. In addition to the collateral held by the applicable Evolve Fund, the Evolve Fund will also benefit from a borrower default indemnity provided by the Lending Agent. The Lending Agent’s indemnity will provide for the replacement of a number of securities equal to the number of unreturned loaned securities.

Promoter

The Manager has taken the initiative in founding and organizing the Evolve Funds and is, accordingly, the promoter of the Evolve Funds within the meaning of securities legislation of certain provinces and territories of Canada. The Manager, in its capacity as manager of the Evolve Funds, receives compensation from the Evolve Fund. See “Fees and Expenses”.

FUND GOVERNANCE

The Manager, in its capacity as trustee of the Evolve Funds, has overall responsibility for the management of the Evolve Funds.

Policies, procedures, practices and guidelines

As manager of the Evolve Funds, the Manager is responsible for the day-to-day management, administration and operation of the Evolve Funds.

The Manager has established appropriate policies, procedures, practices and guidelines to ensure the proper management of the Evolve Funds, including as required by NI 81-107, policies and procedures relating to conflicts of interest. The systems used by the Manager in relation to the Evolve Funds monitor and manage the business and sales practices, risk and internal conflicts of interest relating to the Evolve Funds, while ensuring compliance with applicable regulatory, compliance and corporate requirements. The Manager’s personnel responsible for compliance, together with management of the Evolve Funds, ensure that these policies, procedures, practices and guidelines are communicated from time to time to all relevant persons and are updated as necessary (including the systems referred to above) to reflect changing circumstances. The Manager also monitors the application of all such policies, procedures, practices and guidelines to ensure their continuing effectiveness.

Compliance with the investment practices and investment restrictions mandated by securities legislation is monitored by the Manager on a regular basis.

The Manager has also developed a personal trading policy for employees (the “**Policy**”) which is designed to prevent potential, perceived or actual conflicts between the interests of the Manager and its staff and the interests of clients and the Evolve Funds. Under the policy, certain of the Manager’s personnel are required to pre-clear certain personal securities transactions in order to ensure that those trades do not conflict with the best interests of the Evolve Funds and have not been offered to the person because of the position they hold with the Manager. The Manager has also adopted the basic principles set out in the Code of Ethics on Personal Investing established by The Investment Funds Institute of Canada.

CALCULATION OF NET ASSET VALUE

The NAV and NAV per Unit of a class of Units of an Evolve Fund are calculated by the Fund Administrator as of the Valuation Time on each Valuation Date. The NAV of a class of Units of an Evolve Fund on a particular date is equal to the aggregate value of the assets of the Evolve Fund attributable to that class less the aggregate value of the liabilities of the Evolve Fund attributable to that class, including any accrued management and administration fees and any income, net realized capital gains or other amounts payable to Unitholders on or before such date, expressed in Canadian dollars. The NAV per Unit of a class of Units on any day is obtained by dividing the NAV of an Evolve

Fund attributable to that class on such day by the applicable number of Units of that class of the Evolve Fund then outstanding.

Valuation Policies and Procedures of the Evolve Funds

In determining the NAV of each Evolve Fund at any time, the Fund Administrator uses the following valuation principles:

- a) cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, cash dividends received or receivable and interest accrued and not yet received, shall be deemed to be the face value thereof unless the Manager has determined that any such deposit, bill, demand note, account receivable, prepaid expense, cash dividend received or receivable or interest is not worth the full face value, in which event the value thereof shall be deemed to be such value as the Manager determines to be reasonable;
- b) bonds, debentures, notes, money market instruments and other obligations shall be valued by taking the average of the most recently available bid and asked quotations at the Valuation Time on the Valuation Date;
- c) loans shall be valued at the Valuation Time on the Valuation Date in the following manner:
 - (i) the bid-side quote determined by any of Loan Pricing Corporation, MarkIt Partners or any other nationally recognized loan pricing service selected by the Manager, as applicable; or
 - (ii) if such quote described in clause (i) above is not available, the average of the bid-side quotes determined by the Manager, as applicable, from three independent broker-dealers active in the trading of such asset; or (A) if only two such bids can be obtained, the average of the bid-side quotes of such two bids; or (B) if only one such bid can be obtained, such bid; or
 - (iii) if such quote or bid described in clauses (i) and (ii) above are not available, the value of such loan (expressed as a percentage of par) shall be the value assigned by the Manager based on its best estimate of fair value, taking into consideration all relevant factors, including, but not limited to, the earnings and cash flow of the applicable obligor, comparable loans and/or obligors in the market, credit ratings and/or market credit spreads, interest rate levels, liquidity levels and position concentration levels;
- d) any security which is listed or dealt in upon a stock exchange shall be valued at its current market value;
- e) any security which is not listed or dealt in upon a stock exchange shall be valued at the most recently available sale price on the Valuation Date, or if such sale price is unavailable, the average of the bid and asked quotations immediately prior to the Valuation Time on the Valuation Date shall be used;
- f) restricted securities shall be valued at the lesser of:
 - (i) the value thereof based on reported quotations in common use; and
 - (ii) that percentage of the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, undertaking or agreement or by law, equal to the percentage that the Evolve Fund's acquisition cost was of the market value of such securities at the time of acquisition, as applicable, provided that a gradual taking into account of the actual value of the securities may be made where the date on which the restrictions will be lifted is known;
- g) purchased or written clearing corporation options, options on futures, over-the-counter options, debt-like securities and listed warrants shall be valued at the current market value thereof;
- h) where a covered clearing corporation option, option on futures or over-the-counter option is written, the premium received by the Evolve Fund shall be reflected as a deferred credit which shall be valued at an amount equal to the current market value of the clearing corporation option, option on futures or over-the-counter option that would have the effect of closing the position. Any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment. The deferred credit shall be deducted in arriving at the NAV. The securities, if any, which are the subject of a written clearing corporation option or over-the-counter option shall be valued at their current market value;

- i) the value of a futures contract, forward contract or other Derivatives, such as swap contracts or options on financial futures, shall be the gain or loss with respect thereto that would be realized if, at the Valuation Time, the position in the futures contract, or the forward contract, as the case may be, were to be closed out in accordance with its terms, unless “daily limits” are in effect, in which case fair value shall be based on the current market value of the underlying interest;
- j) margin paid or deposited in respect of futures contracts and forward contracts shall be reflected as an account receivable and margin consisting of assets other than cash shall be noted as held as margin;
- k) translating amounts in a foreign currency to Canadian currency shall be based on the rate of exchange in effect on the applicable Valuation Date, as quoted by a recognized source, at the Manager’s sole discretion;
- l) if any Valuation Date is not a business day in any jurisdiction which is relevant for the purposes of valuing investments of the Evolve Funds, the prices or quotations as of the preceding business day in such jurisdiction shall be used for the purposes of such valuation;
- m) any security purchased, the purchase price of which has not been paid, shall be included for valuation purposes as a security held, and the purchase price, including brokers’ commissions and other expenses, shall be treated as a liability of the Evolve Fund;
- n) any security sold, but not delivered, pending receipt of the proceeds, shall be excluded for valuation purposes as a security held, and the selling price, net of brokers’ commissions and other expenses, shall be treated as an asset of the Evolve Fund; and
- o) if any investment cannot be valued under the foregoing rules or if the foregoing rules are at any time considered by the Manager to be inappropriate under the circumstances, then notwithstanding the foregoing rules, the Manager shall make such valuation as it considers fair and reasonable.

Unless otherwise indicated, for purposes hereof, “current market value” means the most recently available sale price applicable to the relevant security on the principal exchange on which it is traded immediately preceding the Valuation Time on the Valuation Date, provided that, if no sale has taken place on a Valuation Date, the average of the bid and asked quotations immediately prior to the Valuation Time on the Valuation Date shall be used.

For the purposes of the foregoing valuation policies, quotations may be obtained from any report in common use, or from a reputable broker or other financial institutions, provided always that the Manager shall retain sole discretion to use such information and methods as it deems to be necessary or desirable for valuing the assets of the Evolve Funds, including the use of a formula computation.

If any investment cannot be valued under the foregoing rules or if the foregoing rules are at any time considered by the Manager to be inappropriate under the circumstances, then notwithstanding the foregoing rules, the Manager shall make such valuation as it considers fair and reasonable under the circumstances and, if there is an industry practice, in a manner consistent with such industry practice for valuing such investment.

Pursuant to NI 81-106, investment funds calculate their NAV using fair value for purposes of securityholder transactions. The Manager considers the policies above to result in fair valuation of the securities held by the Evolve Funds in accordance with NI 81-106 and such policies have been approved by the Board of Directors of the Manager. Net assets of the Evolve Funds will continue to be calculated in accordance with the rules and policies of the Canadian Securities Administrators or any exemption therefrom that the Evolve Funds may obtain.

Although the purchases and redemptions of Units are recorded on a class basis, the assets attributable to all of the classes or series of the Evolve Fund are pooled to create one fund for investment purposes. Each class or series pays its proportionate share of Fund Costs in addition to its Management Fee and Administration Fee. The difference in Fund Costs, Management Fees and Administration Fees between each class means that each class has a different NAV per Unit.

Reporting of Net Asset Value

The Manager will publish the NAV and NAV per Unit for the Evolve Fund following the Valuation Time on the Valuation Date on its website at www.evolvefunds.com. This information will be available at no cost to the public.

ATTRIBUTES OF THE SECURITIES

Description of the Securities Distributed

Each Evolve Fund is divided into multiple classes of Units and each class of Units is divided into Units of participation of equal value. Each Evolve Fund is offering the following Units:

| Evolve Fund | ETF Units | | | Mutual Fund Units | | | |
|-------------|----------------------------|-------------------------------|--------------------------|--|--|--|--|
| | Unhedged ETF Units (CAD\$) | USD Unhedged ETF Units (US\$) | Hedged ETF Units (CAD\$) | Hedged Class A Mutual Fund Units (CAD\$) | Hedged Class F Mutual Fund Units (CAD\$) | Unhedged Class A Mutual Fund Units (CAD\$) | Unhedged Class F Mutual Fund Units (CAD\$) |
| BASE | ✓ | | ✓ | | | | |
| HERO | | | ✓ | | | | |
| EDGE | | ✓ | ✓ | ✓ | ✓ | | |
| FIXD | ✓ | | | | | ✓ | ✓ |
| DATA | ✓ | | ✓ | | | | |
| TECH | ✓ | ✓ | ✓ | | | | |
| BANK | ✓ | | | | | | |
| EBNK | ✓ | ✓ | ✓ | | | | |

Class A Mutual Fund Units are available to all investors. Class F Mutual Fund Units have lower fees than Class A Mutual Fund Units and are available for sale to investors who have accounts with dealers who have signed a fee-based agreement with them. These investors pay their dealers a fee directly for investment advice or other services. The Evolve Funds are authorized to issue an unlimited number of Units of each class. All Units of each class of an Evolve Fund have equal rights and privileges. The interest of each Unitholder in an Evolve Fund is shown by how many Units are registered in the name of such Unitholder. There is no fixed issue price. No Unit of a class of an Evolve Fund has any preference or priority over another Unit of the same class of that Evolve Fund.

On December 16, 2004, the *Trust Beneficiaries' Liability Act, 2004* (Ontario) came into force. This statute provides that holders of units of a trust are not, as beneficiaries, liable for any default, obligation or liability of the trust if, when the default occurs or the liability arises: (i) the trust is a reporting issuer under the *Securities Act* (Ontario); and (ii) the trust is governed by the laws of the Province of Ontario. Each Evolve Fund is a reporting issuer under the *Securities Act* (Ontario) and each Evolve Fund is governed by the laws of Ontario by virtue of the provisions of the Declaration of Trust.

Certain Provisions of the Units

Each Unit entitles the holder thereof to one vote at meetings of Unitholders and to participate equally with all other Units of the same class of the Evolve Fund with respect to all payments made to Unitholders, other than Management Fee Distributions, including distributions of net income and net realized capital gains and, on liquidation, to participate equally in the net assets of the Evolve Fund remaining after satisfaction of any outstanding liabilities that are attributable to the Units of that class of the Evolve Fund. Notwithstanding the foregoing, an Evolve Fund may allocate and designate as payable certain capital gains to a Unitholder whose Units are being redeemed or exchanged as described under “Exchange and Redemption of ETF Units – Allocations of Capital Gains to Redeeming or Exchanging Unitholders” and “Switches and Redemptions of Mutual Fund Units – Allocations of Capital Gains to Redeeming Unitholders”. All Units will be fully paid, with no liability for future assessments, when issued and will not be

transferable except by operation of law. Unitholders are entitled to require the Evolve Fund to redeem their Units as outlined under “Exchange and Redemption of ETF Units – Redemption of ETF Units of an Evolve Fund for Cash” and “Switches and Redemptions of Mutual Fund Units – Redemptions”.

Exchange of ETF Units for Baskets of Securities

As set out under “Exchange and Redemption of ETF Units – Exchange of ETF Units of an Evolve Fund at NAV per ETF Unit for Baskets of Securities and/or Cash”, Unitholders may exchange the applicable PNU (or an integral multiple thereof) of an Evolve Fund on any Trading Day for Baskets of Securities and/or cash, subject to the requirement that a minimum PNU be exchanged.

Redemptions of ETF Units for Cash

Units of an Evolve Fund may be bought and sold over a designated exchange. However, on any Trading Day, Unitholders may also redeem ETF Units of any Evolve Fund for cash at a redemption price per ETF Unit equal to 95% of the closing price of the applicable Units on the applicable Designated Exchange, on the effective day of redemption, subject to a maximum redemption price per ETF Unit equal to the NAV per ETF Unit on the effective day of redemption, less any applicable administrative fee determined by the Manager, in its sole discretion, from time to time. Because Unitholders will generally be able to sell ETF Units at the market price on the applicable Designated Exchange, through a registered broker or dealer subject only to customary brokerage commissions, Unitholders are advised to consult their brokers, dealers or investment advisers before redeeming their ETF Units for cash.

Modification of Terms

All rights attached to the Units may only be modified, amended or varied in accordance with the terms of the Declaration of Trust. See “Unitholder Matters – Amendments to the Declaration of Trust”.

The Manager may amend the Declaration of Trust from time to time to redesignate the name of an Evolve Fund or to create a new class or series of units of an Evolve Fund without notice to existing Unitholders.

Voting Rights in the Portfolio Securities

Holders of Units will not have any voting rights in respect of the securities in an Evolve Fund’s portfolio.

UNITHOLDER MATTERS

Meetings of Unitholders

Meetings of Unitholders of an Evolve Fund will be held if called by the Manager or upon the written request to the Manager of Unitholders of the Evolve Fund holding not less than 25% of the then outstanding Units of the Evolve Fund.

Matters Requiring Unitholder Approval

NI 81-102 requires a meeting of Unitholders of an Evolve Fund to be called to approve certain changes as follows:

- (i) the basis of the calculation of a fee or expense that is charged to the Evolve Fund or its Unitholders is changed in a way that could result in an increase in charges to the Evolve Fund or to its Unitholders, except where (a) the Evolve Fund is at arm’s length with the person or company charging the fee; and (b) the Unitholders have received at least 60 days’ notice before the effective date of the change;
- (ii) a fee or expense, to be charged to the Evolve Fund or directly to its Unitholders by the Evolve Fund or the Manager in connection with the holding of Units that could result in an increase in charges to the Evolve Fund or its Unitholders, is introduced;
- (iii) the Manager is changed, unless the new manager of the Evolve Fund is an affiliate of the Manager;
- (iv) the fundamental investment objective of the Evolve Fund is changed;
- (v) the Evolve Fund decreases the frequency of the calculation of its NAV per Unit;
- (vi) other than a Permitted Merger (as defined below) for which Unitholder approval is not required, the Evolve Fund undertakes a reorganization with, or transfers its assets to, another mutual fund, if the

Evolve Fund ceases to continue after the reorganization or transfer of assets and the transaction results in the Unitholders becoming securityholders in the other mutual fund;

- (vii) the Evolve Fund undertakes a reorganization with, or acquires assets from, another mutual fund, if the Evolve Fund continues after the reorganization or acquisition of assets, the transaction results in the securityholders of the other mutual fund becoming Unitholders, and the transaction would be a material change to the Evolve Fund; or
- (viii) any matter which is required by the constitutive documents of the Evolve Fund, by the laws applicable to the Evolve Fund or by any agreement to be submitted to a vote of the Unitholders.

In addition, the auditors of an Evolve Fund may not be changed unless the IRC of the Evolve Fund has approved the change and Unitholders have received at least 60 days' notice before the effective date of the change.

Approval of Unitholders of any such matter will be given if a majority of the votes cast at a meeting of Unitholders duly called and held for the purpose of considering the same approve the related resolution.

Amendments to the Declaration of Trust

The Trustee may amend the Declaration of Trust from time to time but may not, without the approval of a majority of the votes of Unitholders of the Evolve Fund voting at a meeting of Unitholders duly called for such purpose, make any amendment relating to any matter in respect of which NI 81-102 requires a meeting, as set out above, or any amendment that will adversely affect the voting rights of Unitholders. All Unitholders of an Evolve Fund shall be bound by an amendment affecting the Evolve Fund from the effective date of the amendment.

Permitted Mergers

An Evolve Fund may, without Unitholder approval, enter into a merger or other similar transaction (a "**Permitted Merger**") that has the effect of combining that Evolve Fund with any other investment fund or funds that have investment objectives, valuation procedures and fee structures that are similar to the Evolve Fund, subject to:

- (i) approval of the merger by the IRC;
- (ii) compliance with certain merger pre-approval conditions set out in NI 81-102; and
- (iii) written notice being sent to Unitholders at least 60 days before the effective date of the merger.

In connection with a Permitted Merger, the merging funds will be valued at their respective NAVs and Unitholders of the Evolve Fund will be offered the right to redeem their Units for cash at the applicable NAV per Unit.

Accounting and Reporting to Unitholders

The fiscal year-end of the Evolve Funds is December 31. The Evolve Funds will deliver or make available to Unitholders: (i) audited annual financial statements; (ii) unaudited interim financial statements; and (iii) annual and interim management reports of fund performance. Such documents are, or will be, incorporated by reference into, and form an integral part of, this prospectus. See "Documents Incorporated by Reference".

Each Unitholder will also be mailed annually, by his, her or its broker, as and when required under applicable law, information necessary to enable such Unitholder to complete an income tax return with respect to amounts paid or payable by each Evolve Fund owned by such Unitholder in respect of the preceding taxation year of such Evolve Fund. Neither the Manager nor the Registrar and Transfer Agent is responsible for tracking the adjusted cost base of a Unitholder's Units. Unitholders should consult with their tax or investment adviser in respect of how to compute the adjusted cost base of their Units and in particular how distributions made by the Evolve Fund to a Unitholder affect the Unitholder's tax position. See "Income Tax Considerations".

The Manager will ensure that each Evolve Fund complies with all applicable reporting and administrative requirements. The Manager will also ensure that adequate books and records are kept reflecting the activities of each Evolve Fund. A Unitholder or his, her or its duly authorized representative has the right to examine the books and records of the applicable Evolve Fund during normal business hours at the offices of the Fund Administrator. Notwithstanding the foregoing, a Unitholder shall not have access to any information that, in the opinion of the Manager, should be kept confidential in the interests of the Evolve Funds.

International Information Reporting

The Tax Act includes provisions which implement the Organization for Economic Co-operation and Development Common Reporting Standard (the “CRS”) and the Canada-United States Enhanced Tax Information Exchange Agreement (together with the CRS, the “**International Information Exchange Legislation**”). Pursuant to the International Information Exchange Legislation, certain “Canadian financial institutions” (as defined in the International Information Exchange Legislation) are required to have procedures in place, in general terms, to identify accounts held by residents of foreign countries or by certain entities organized in, or the “controlling persons” of which are resident in, a foreign country (or, in the case of the U.S., of which the holder or any such controlling person is a citizen or resident, including U.S. persons not residing in the U.S.) and to report required information to the CRA. Under the International Information Exchange Legislation, Unitholders may be required to provide certain information including citizenship, tax residence and tax identification numbers, which information may be required to be reported to the CRA unless the investment is held within a Plan (other than an FHSA). Such information is exchanged by the CRA on a reciprocal, bilateral basis with the countries in which the account holder or any such controlling person is resident (or of which such holder or person is a citizen or resident, where applicable), where such countries (including the U.S.) have agreed to a bilateral information exchange with Canada to which the International Information Exchange Legislation applies. The Tax Act does not currently address whether FHSAs would be treated in the same way as other Plans for these purposes; however, the Department of Finance indicated in a “comfort letter” provided to the Investment Funds Institute of Canada in January 2023 that it is prepared to recommend that the Tax Act be amended to exempt FHSAs from the provisions of the Tax Act that implement the CRS, although no assurances can be given that this recommendation will be accepted.

TERMINATION OF THE EVOLVE FUNDS

An Evolve Fund may be terminated by the Manager on at least sixty (60) days’ notice to Unitholders of such termination and the Manager will issue a press release in advance thereof. The Manager may also terminate an Evolve Fund if the Trustee resigns or becomes incapable of acting and is not replaced or if the applicable Index Provider ceases to calculate the applicable Index or the applicable License Agreement in respect of the applicable Index is terminated. The rights of Unitholders to exchange and redeem Units described under “Switches and Redemptions of Mutual Fund Units” and “Exchange and Redemption of ETF Units” will cease as and from the date of termination of that Evolve Fund.

The Trustee shall be entitled to retain out of any assets of an Evolve Fund, at the date of termination of the Evolve Fund, full provision for all costs, charges, expenses, claims and demands incurred or believed by the Trustee to be due or to become due in connection with or arising out of the termination of the Evolve Fund and the distribution of its assets to the Unitholders of the Evolve Fund. Out of the moneys so retained, the Trustee is entitled to be indemnified and saved harmless against all costs, charges, expenses, claims and demands. Upon such termination, the Constituent Securities or portfolio securities, cash and other assets remaining after paying or providing for all liabilities and obligations of the Evolve Fund shall be distributed *pro rata* based on NAV among the Unitholders.

PLAN OF DISTRIBUTION

Units are being offered for sale on a continuous basis by this prospectus and there is no maximum number of Units that may be issued. The Units shall be offered for sale at a price equal to the NAV of such class of Units determined at the Valuation Time on the effective date of the subscription order.

Non-Resident Unitholders

At no time may (i) non-residents of Canada, (ii) partnerships that are not Canadian partnerships or (iii) a combination of non-residents of Canada and such partnerships (all as defined in the Tax Act) be the beneficial owners of a majority of the Units of an Evolve Fund (on either a number of Units or fair market value basis) and the Manager shall inform the Registrar and Transfer Agent of each Evolve Fund of this restriction. The Manager may require declarations as to the jurisdictions in which a beneficial owner of Units is resident and, if a partnership, its status as a Canadian partnership. If the Manager becomes aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that the beneficial owners of 40% of the Units of an Evolve Fund then outstanding (on either a number of Units or fair market value basis) are, or may be, non-residents and/or partnerships that are not Canadian partnerships, or that such a situation is imminent, the Manager may make a public announcement thereof. If the Manager determines that more than 40% of the Units of an Evolve Fund (on either a number of Units or fair market value basis) are

beneficially held by non-residents and/or partnerships that are not Canadian partnerships, the Manager may send a notice to such non-residents and/or partnerships, chosen in inverse order to the order of acquisition or in such manner as the Manager may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 30 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Manager with satisfactory evidence that they are not non-residents or partnerships other than Canadian partnerships within such period, the Manager may on behalf of such Unitholders sell such Units and, in the interim, shall suspend the voting and distribution rights attached to such Units. Upon such sale, the affected holders shall cease to be beneficial holders of Units and their rights shall be limited to receiving the net proceeds of sale of such Units.

Notwithstanding the foregoing, the Manager may determine not to take any of the actions described above if the Manager has been advised by legal counsel that the failure to take any of such actions would not adversely impact the status of an Evolve Fund as a mutual fund trust for purposes of the Tax Act or, alternatively, may take such other action or actions as may be necessary to maintain the status of an Evolve Fund as a mutual fund trust for purposes of the Tax Act.

DEALER COMPENSATION

How an investment professional and dealer are paid

An investment professional is usually the person through whom an investor purchases Units of an Evolve Fund. An investment professional could be a broker, financial planner or advisor who is registered to sell mutual funds. A dealer is the firm for which the investment professional works.

Class A Mutual Fund Units

If an investor buys Class A Mutual Fund Units, the negotiated commission (up to 5% of the purchase amount) is deducted from the purchase amount and paid by the Unitholder, through the Manager, to the dealer. In addition, the Manager pays the dealer a service fee when holding Class A Mutual Fund Units. An Evolve Fund may also charge a short-term trading fee if the Manager redeems a Unitholder's Class A Mutual Fund Units within 30 days of purchase.

Trailing Commission

The Manager pays a service fee known as a "trailing commission" to a Unitholder's dealer, either monthly or quarterly for ongoing services that the dealer provides to purchasers on the Class A Mutual Fund Units. The service fee is a percentage of the value of the Class A Mutual Fund Units held. The Manager pays the dealer the service fee (up to 1% of the value of the Class A Mutual Fund Units held) out of the Management Fee payable to the Manager for as long as the Class A Mutual Fund Units are held. The Manager may change the terms of the service fee, including the manner and frequency with which it is paid at any time. The Manager may do this without informing Unitholders. Dealers typically pay a portion of the service fee they receive to their investment professionals for the services they provide to their clients.

Trailing commissions are not paid on ETF Units or Class F Mutual Fund Units.

Class F Mutual Fund Units

The Manager does not pay dealers a commission if an investor buys Class F Mutual Fund Units. Investors who buy Class F Mutual Fund Units pay a negotiated fee to their dealer for investment advice and other services. An Evolve Fund may also charge a short-term trading fee if a Unitholder redeems their units within 30 days of buying them.

ETF Units

The Manager does not pay any dealer a commission for the purchase of ETF Units. At the present time, the Manager is of the view that it is not necessary to impose any short-term trading restrictions on the ETF Units. See "Exchange and Redemption of ETF Units – Short-term Trading".

Other forms of dealer support

The Manager may participate in co-operative advertising programs with dealers to help them market an Evolve Fund. The Manager may use part of the Management Fee to pay up to 50% of the cost of these advertising programs in accordance with rules set out in National Instrument 81-105 – *Mutual Fund Sales Practices*.

RELATIONSHIP BETWEEN THE EVOLVE FUNDS AND THE DEALERS

The Manager, on behalf of an Evolve Fund, may enter into various agreements with registered dealers (that may or may not be the Designated Broker) pursuant to which the Dealers may subscribe for ETF Units of the Evolve Fund as described under “Purchases of Units”.

No Designated Broker or Dealer has been involved in the preparation of this prospectus or has performed any review of the contents of this prospectus and, as such, the Designated Broker and the Dealers do not perform many of the usual underwriting activities in connection with the distribution by the Evolve Funds of their Units under this prospectus. ETF Units of an Evolve Fund do not represent an interest or an obligation of the applicable Designated Broker, any Dealer or any affiliate thereof and a Unitholder does not have any recourse against any such parties in respect of amounts payable by an Evolve Fund to the Designated Broker or applicable Dealers. See “Organization and Management Details of the Evolve Funds – Conflicts of Interest”.

PRINCIPAL HOLDERS OF UNITS

CDS & Co., the nominee of CDS, is the registered owner of the ETF Units of the Evolve Funds, which it holds for various brokers and other persons on behalf of their clients and others. From time to time, a Designated Broker, Dealer, Evolve Fund or another investment fund managed by the Manager or an affiliate thereof, may beneficially own, directly or indirectly, more than 10% of the ETF Units of an Evolve Fund.

PROXY VOTING DISCLOSURE FOR PORTFOLIO SECURITIES HELD

The Manager has established policies and procedures with respect to the voting of proxies received from issuers of securities held in an Evolve Fund’s portfolio. Unless the Sub-Advisor’s proxy voting policies have been adopted, the Manager’s Proxy Voting Policy provides that the Manager will vote (or refrain from voting) proxies for each Evolve Fund for which it has voting power in the best economic interests of the Evolve Fund. The Proxy Voting Policy is not exhaustive and due to the variety of proxy voting issues that the Manager may be required to consider, are intended only to provide guidance and are not intended to dictate how proxies are to be voted in each instance. The Manager may depart from the Proxy Voting Policy in order to avoid voting decisions that may be contrary to the best interests of the Evolve Funds.

The Manager will publish these records on an annual basis on the Evolve Funds’ website at www.evolvefunds.com. Each Evolve Fund’s proxy voting record for the annual period from July 1 to June 30 will be available at any time after August 31 following the end of that annual period, to any Unitholder on request, at no cost, and will also be available at www.evolvefunds.com.

The Manager has delegated the right and obligation to vote proxies relating to the portfolio securities of FIXD to the Sub-Advisor as part of its respective portfolio management responsibilities.

Proxy Voting Policies for Addenda Capital Inc.

In respect of FIXD for which Addenda Capital Inc. has been appointed as sub-advisor, pursuant to the terms of the Addenda Sub-Advisory Agreement, Addenda Capital Inc. is authorized to exercise all rights and privileges incidental to ownership of the securities comprising the portfolio of FIXD in accordance with Addenda Capital Inc.’s proxy voting policy, which has been or will be adopted for the voting of proxies in compliance with applicable legislation. Addenda Capital Inc. has adopted a proxy voting policy to ensure that proxies are voted in the best interest of its clients.

MATERIAL CONTRACTS

The only contracts material to the Evolve Funds are the Declaration of Trust, Custodian Agreement, Index License Agreements and the Addenda Sub-Advisory Agreement.

Copies of these agreements may be examined at the head office of the Manager at Scotia Plaza, 40 King Street West, Suite 3404, Toronto, ON M5H 3Y2.

LEGAL AND ADMINISTRATIVE PROCEEDINGS

The Evolve Funds are not involved in any legal proceedings, nor is the Manager aware of existing or pending legal or arbitration proceedings involving the Evolve Funds.

EXPERTS

The auditors of the Evolve Funds, Ernst & Young LLP, Chartered Professional Accountants, Licensed Public Accountants have consented to the use of their report dated March 24, 2023 to the Unitholders of the Evolve Funds. Ernst & Young LLP has advised that it is independent with respect to the Evolve Funds within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

EXEMPTIONS AND APPROVALS

The Manager, on behalf of the Evolve Funds, has obtained exemptive relief from the Securities Regulatory Authorities:

- (a) to permit a Unitholder to acquire more than 20% of the Units through purchases on the applicable Designated Exchange, without regard to the takeover bid requirements of applicable Canadian Securities Legislation. See “Purchases of Units – Special Considerations for Unitholders”;
- (b) to relieve the Evolve Funds from the requirement that a prospectus contain a certificate of the underwriters;
- (c) to permit an Evolve Fund to purchase certain securities such that, immediately after the transaction, more than 10 percent of such Evolve Fund’s net assets would be invested in the securities of a single issuer for the purposes of determining compliance with the concentration restriction in subsection 2.1(1) of NI 81-102, subject to certain conditions;
- (d) to relieve the Evolve Funds from the requirement to prepare and file a simplified prospectus and annual information form in accordance with the provisions of National Instrument 81-101 – *Mutual Fund Prospectus Disclosure* and the forms prescribed by Form 81-101F1 – *Contents of Simplified Prospectus* and Form 81-101F2 – *Contents of Annual Information* for any mutual fund securities that are or will be distributed, provided that the Evolve Funds file a long form prospectus for any such mutual fund securities in accordance with the provisions of National Instrument 41-101 – *General Prospectus Requirements* in the form prescribed by Form 41-101F2 – *Information Required in an Investment Fund Prospectus*; and
- (e) to treat the Units and any mutual fund securities as if such securities were separate funds in connection with their compliance with the provisions of Parts 9, 10 and 14 of NI 81-102.

OTHER MATERIAL FACTS

Index Provider Disclaimers

Solactive AG

The Evolve Funds are not sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the EDGE Index, the BASE Index, the HERO Index, the DATA Index, the TECH Index, the BANK Index, the EBANK Index and/or EDGE Index trade mark, BASE Index trade mark, HERO Index trade mark, DATA Index trade mark, TECH Index trade mark, BANK Index trade mark, EBANK Index trade mark or the EDGE Index price, BASE Index price, HERO Index price, DATA Index price, TECH Index price, BANK Index price or EBANK Index price at any time or in any other respect. The EDGE Index, BASE Index, HERO Index, DATA Index, TECH Index, BANK Index and EBANK Index are each calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the EDGE Index, BASE Index, HERO Index, DATA Index, TECH Index, BANK Index and EBANK Index are calculated correctly. Irrespective of its obligations towards the Manager, EDGE, BASE, HERO, DATA, TECH, BANK or EBANK, Solactive AG has no obligation to point out errors in the EDGE Index, BASE Index, HERO Index, DATA Index, TECH Index, BANK Index or EBANK Index to third parties including but not limited to investors and/or financial intermediaries of EDGE, BASE, HERO, DATA, TECH, BANK or EBANK. Neither publication of the EDGE Index,

BASE Index, HERO Index, DATA Index, TECH Index BANK Index or EBANK Index by Solactive AG nor the licensing of such EDGE Index, BASE Index, HERO Index, DATA Index, TECH Index, BANK Index, EBANK Index, EDGE Index trade mark, BASE Index trade mark, HERO Index trade mark, DATA Index trade mark, TECH Index trade mark, BANK Index trade mark or EBANK Index trade mark for the purpose of use in connection with EDGE, BASE, HERO, DATA, TECH, BANK or EBANK, as applicable, constitutes a recommendation by Solactive AG to invest capital in said financial instruments nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in EDGE, BASE, HERO, DATA, TECH, BANK or EBANK.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Mutual Fund Units

Securities legislation in some provinces gives Unitholders the right to withdraw from an agreement to buy mutual funds within two business days of receiving the prospectus or fund facts, or to cancel their purchase within 48 hours of receiving confirmation of the order.

Securities legislation in some provinces and territories also allows Unitholders to cancel an agreement to buy units and get their money back or to make a claim for damages, if the prospectus, fund facts or financial statements misrepresent any facts about the fund. These rights must usually be exercised within certain time limits.

The purchaser should refer to the applicable provisions of the securities legislation of the province or territory for the particulars of these rights or should consult with a legal adviser.

ETF Units

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase exchange traded mutual fund securities within 48 hours after the receipt of a confirmation of a purchase of such securities. In several of the provinces and territories of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation, or for non-delivery of the ETF Facts, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory.

The purchaser should refer to the applicable provisions of the securities legislation of the province or territory for the particulars of these rights or should consult with a legal adviser.

DOCUMENTS INCORPORATED BY REFERENCE

Additional information about each of the Evolve Funds is, or will be, available in the following documents:

- (i) the most recently filed ETF Facts or Fund Facts (as applicable) of the Evolve Funds;
- (ii) the most recently filed comparative annual financial statements of the Evolve Funds, together with the accompanying report of the auditors;
- (iii) any unaudited interim financial statements of the Evolve Funds filed after the most recently filed comparative annual financial statements of the Evolve Funds;
- (iv) the most recently filed annual MRFP of the Evolve Funds; and
- (v) any interim MRFP of the Evolve Funds filed after that most recently filed annual MRFP of the Evolve Funds.

These documents are or will be incorporated by reference into this prospectus, which means that they legally form part of this document just as if they were printed as part of this document.

These documents are available on the Manager's website at www.evolvefunds.com or by contacting the Manager at (416)-214-4884 or toll-free at 1-844-370-4884 or by email at info@evolvefunds.com. These documents and other information about the Evolve Funds are available on the Internet at www.sedar.com.

In addition to the documents listed above, any documents of the type described above that are filed on behalf of the Evolve Funds after the date of this prospectus and before the termination of the distribution of the Evolve Funds are deemed to be incorporated by reference into this prospectus.

DESIGNATED WEBSITE

A mutual fund is required to post certain regulatory disclosure documents on a designated website. The designated website of the Evolve Funds this document pertains to can be found at the following location: www.evolveetfs.com. These documents and other information about the Evolve Funds, such as information circulars and material contracts, are also available at www.sedar.com.

CERTIFICATE OF THE EVOLVE FUNDS, THE MANAGER AND PROMOTER

Dated: April 26, 2023

This prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces and territories of Canada.

EVOLVE FUNDS GROUP INC.

(As manager, trustee and promoter and on behalf of the Evolve Funds)

(signed) "*Raj Lala*"

Raj Lala

Chief Executive Officer of Evolve Funds Group Inc., the
Manager, Trustee and Promoter of the Evolve Funds, and
on behalf of the Evolve Funds

(signed) "*Scharlet Diradour*"

Scharlet Diradour

Chief Financial Officer of Evolve Funds Group Inc.,
the Manager, Trustee and Promoter of the Evolve
Funds, and on behalf of the Evolve Funds

On behalf of the Board of Directors
of Evolve Funds Group Inc.

(signed) "*Keith Crone*"

Keith Crone

Director

(signed) "*Elliot Johnson*"

Elliot Johnson

Director