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Dynamic International Discovery Fund
Offering Series A, F, FT, I, O and T Units

SIMPLIFIED PROSPECTUS

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INTRODUCTION

This document contains selected important information to help you make an informed investment decision and to help you understand your rights as an investor. This simplified prospectus (the "**Simplified Prospectus**") offers units of Dynamic International Discovery Fund (the "**Fund**").

In this document, "we", "us", "our", the "Trustee", the "Manager" and "1832 L.P." refer to 1832 Asset Management L.P. Reference to "Trust Funds", including the Fund, means mutual funds managed by the Manager that are established as trusts. Reference to "Corporate Funds" means corporate mutual funds managed by the Manager.

This Simplified Prospectus contains information about the Fund and the risks of investing in mutual funds generally, as well as the names of those responsible for the management of the Fund.

This document is divided into two parts. The first part (Part A), from pages 2 through 34, contains general information applicable to the Fund. The second part (Part B), from pages 35 through 40, contains specific information about each of the Fund described in this document.

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

- the annual information form for the Fund (the "**Annual Information Form**");
- the fund facts ("**Fund Facts**") most recently filed by the Fund;
- the Fund's most recently filed annual financial statements;
- any interim financial reports filed after those annual financial statements;
- the most recently filed annual management report of fund performance; and
- any interim management report of fund performance filed after that annual management report of fund performance.

These documents are incorporated by reference into this document, which means that they legally form part of this document just as if they were printed as a part of this document. You can get a copy of these documents, at your request, and at no cost, by calling 1-800-268-8186 or from your dealer. These documents are available on our internet site at www.dynamic.ca or can be obtained by e-mailing us at invest@dynamic.ca. These documents and other information about the Fund are available at www.sedar.com.

PART A: GENERAL INFORMATION

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

What is the Main Purpose of a Mutual Fund?

A mutual fund is a pool of money that represents the savings of many people who share the same investment objective. Your money is managed by professional investment managers who strive to make the best possible investment decisions according to the objectives of the particular fund. A mutual fund holds a portfolio of investments that may include interest-bearing securities (such as bonds, mortgages or treasury bills), equity securities (such as common shares, preferred shares, securities convertible into common shares of individual companies or units of income trusts) or securities of other investment funds (including mutual funds) depending on the investment objectives of the mutual fund and the manager's investment strategy.

There are different types of mutual funds. Some mutual funds are riskier than others. For example, it is unlikely that you will lose money in a mutual fund that buys money market instruments, such as treasury bills. Risk can sometimes work in your favour: the higher the risk, the bigger the potential return (and the bigger the potential loss); the lower the risk, the smaller the potential return (and the smaller the potential loss). To reduce your overall risk and enhance potential returns, you should invest in a diversified portfolio of mutual funds which have different risk characteristics.

Your investment in the Fund is not guaranteed. Unlike bank accounts or GICs, mutual fund units and shares are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer. Under exceptional circumstances a mutual fund may suspend redemptions. Please see "Purchases, Switches and Redemptions – Redemptions" later in this document.

What do Mutual Funds Invest In?

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, market and company news, and unforeseeable events. As a result, the value of a mutual fund's portfolio may go up and down, and the value of your investment in a mutual fund may be more or less when you redeem it than when you purchased it.

While there are many different types of securities that a mutual fund may invest in, they generally fit into two basic types: equity securities and debt securities. In addition to investing in equity and debt securities, mutual funds also may use other investment techniques such as investing in other investment funds (which may include mutual funds, alternative mutual funds, non-redeemable investment funds and/or exchange-traded funds) (collectively, "**underlying funds**"), using derivatives and engaging in securities lending and short selling.

Equity Securities

Companies issue common shares and other types of equity securities to help finance their operations. Equity securities are investments which give the holder part ownership in a company and the value of an equity security changes with the fortunes of the company that issued it. As the company earns profits and retains some or all of them, its equity value should grow, increasing the value of each common share and making them more attractive to investors. Conversely, a series of losses would reduce retained earnings and therefore reduce the value of the shares. In addition, the company may distribute part of its profit to shareholders in the form of dividends, however dividends are not obligatory. Although common shares are the most familiar type of equity security, equity securities also include preferred shares, securities convertible into common shares, such as warrants, and units of real estate, royalty, income and other types of investment trusts.

Debt Securities

Debt securities generally represent loans to governments or companies that make a commitment to pay interest at fixed intervals and the principal upon maturity. Debt securities enable governments and companies to raise capital to finance major projects or to meet their daily expenses. Short-term debt securities which mature in one year or less are often called money market instruments and include government treasury bills, bankers' acceptances, commercial paper and certain high-grade short-term bonds. Debt securities which have a term to maturity of more than one year are often called fixed income securities and include government and corporate bonds, debentures and mortgages. Debt securities

may also be referred to as fixed income securities because generally either a regular series of cash flows is paid on a lump sum invested or a regular series of cash flows is expected and accrued.

Underlying Funds

Mutual funds may invest all or a portion of their assets indirectly in equity securities and/or debt securities by investing in underlying funds that are managed by us and/or by third party investment managers. The proportions and types of underlying funds held by a mutual fund will vary according to the risk and investment objectives of the fund. Please refer to "Underlying Funds" later in this document for more information.

Exchange-Traded Funds

Mutual funds may invest all or a portion of their assets in securities of exchange-traded funds ("ETFs"). Generally under securities legislation, a mutual fund is permitted to invest in securities of an ETF if:

- the underlying ETF is either (i) an "index participation unit" or (ii) an ETF that is a reporting issuer in Canada, and that is subject to National Instrument 81-102 Investment Funds ("NI 81-102");
- no management fees or incentive fees are payable by the mutual fund that, to a reasonable person, would duplicate a fee payable by the ETF for the same service;
- no sales fees or redemption fees are payable by the mutual fund in relation to its purchases or redemptions of the securities of the ETF if the ETF is managed by the Manager or an affiliate or associate of the Manager of the mutual fund; and
- no sales fees or redemption fees, other than brokerage fees, are payable by the mutual fund in relation to its purchases or redemptions of the securities of the ETF that, to a reasonable person, would duplicate a fee payable by an investor in the mutual fund.

The proportions and types of ETFs held by the Fund will vary according to the risk and investment objectives of the Fund. Please refer to Investing in Underlying Funds above for more information.

The Fund has obtained exemptive relief from the Canadian securities regulatory authorities to invest in certain ETFs created and managed by BlackRock Asset Management Canada Limited, which invest in underlying funds managed by the Manager, provided: (i) the Fund does not short sell securities of the ETF; (ii) the ETF is not a commodity pool; and (iii) the ETF is not relying on relief regarding the purchase of physical commodities, the purchase, sale or use of specified derivatives or with respect to the use of leverage.

Derivatives

The use of derivatives is usually designed to reduce risk and/or enhance returns. Mutual funds may use derivatives to protect against losses from changes in stock prices, exchange rates or market indexes. This practice is known as hedging. Mutual funds may also use derivatives to make indirect investments or to generate income.

A derivative is generally a contract between two parties to buy or sell an asset at a later time. The value of the contract is based on or derived from an underlying asset such as a stock, a market index, a currency, a commodity or a basket of securities. It is not a direct investment in the underlying asset itself. Derivatives may be traded on a stock exchange or in the over-the-counter market. Examples of different types of derivatives are:

Options – An option is the right, but not the obligation, to buy or sell a security, currency, commodity or market index at an agreed upon price by a certain date. The buyer of the option makes a payment called a premium to the seller for this right.

Forward Contracts – A forward contract is an agreement to buy or sell an asset, such as a security or currency, at an agreed upon price at a future date or to pay the difference in value between the contract date and the settlement date. Forward contracts are generally not traded on organized exchanges and are not subject to standardized terms and conditions.

Futures Contracts – Like a forward contract, a futures contract is an agreement between two parties to buy or sell an asset at an agreed upon price at a future date or to pay the difference in value between the contract date and the settlement date. Futures contracts are normally traded on a registered futures exchange. The exchange usually specifies certain standardized features of the contract.

Swaps – A swap is an agreement between two parties to exchange or "swap" payments. The payments are based on an agreed underlying amount such as the amount of payment on a bond. However, each party's payments are calculated according to a different formula. For example, one party's payments may be based on a floating interest rate while the other party's payment may be based on a fixed interest rate. Generally swaps are not traded on organized exchanges. And certain swaps are not subject to standardized terms and conditions.

Securities Lending, Repurchase and Reverse Repurchase Transactions

Mutual funds may enter into securities lending transactions, repurchase and reverse repurchase transactions (collectively, "**Lending and Repurchase Transactions**") consistent with their investment objectives and as permitted by applicable securities and tax legislation. A securities lending transaction is where a mutual fund lends certain qualified securities to a borrower in exchange for a negotiated fee without realizing a disposition of the security for tax purposes. A repurchase transaction is where a mutual fund sells a security at one price and agrees to buy it back from the same party at a specified price on a specified date. A reverse repurchase transaction is where a mutual fund buys securities for cash at one price and agrees to sell them back to the same party at a specified price on a specified date.

Short Selling

Mutual funds (other than money market funds) are permitted to engage in a limited amount of short selling under securities regulations. A "short sale" is where a mutual fund borrows securities from a lender which are then sold in the open market (or "sold short"). At a later date, the same number of securities are repurchased by the mutual fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the mutual fund pays interest to the lender. If the value of the securities declines between the time that the mutual fund borrows the securities and the time it repurchases and returns the securities, the mutual fund makes a profit for the difference (less any interest the mutual fund is required to pay to the lender). In this way, the mutual fund has more opportunities for gains when markets are generally volatile or declining.

How are Mutual Funds Structured?

There are generally two legal forms for a mutual fund: a mutual fund trust or a mutual fund corporation. Both forms of mutual funds allow you to pool your savings with other investors seeking the same investment objective.

A mutual fund trust issues "units" of the trust to people who invest in the trust fund and a mutual fund corporation issues "shares" of the corporation to people who invest in shares of the corporation. Units and shares both represent an ownership interest in a mutual fund.

What Do I Own When I Invest?

What are Units?

When you invest in a mutual fund trust, you are buying an interest in the fund which is called a "unit" of the trust. You then become a unitholder of the trust fund. When you invest in a mutual fund corporation, you are buying an interest in the mutual fund corporation which is called a "share" of the corporation. You then become a shareholder of the mutual fund corporation. The units held by all the investors in a mutual fund trust make up a trust fund. The shares held by all the investors in a single class of shares of a mutual fund corporation make up a corporate fund. The shares held by all the investors in all the classes of shares (where a mutual fund corporation has multiple classes of shares) make up the entire ownership of the mutual fund corporation. The more money you invest in a mutual fund, the more units or shares you receive.

Each mutual fund calculates its net asset value per unit or share of each series of the fund, which is the price you pay when you purchase units or shares of that particular series of the fund and the price you receive when you redeem

units or shares of that particular series of the mutual fund. Please refer to "Purchases, Switches and Redemptions – Calculation of Net Asset Value" later in this document for more information.

Why Should I Invest in a Mutual Fund?

There are many advantages to investing in mutual funds. The main ones are explained below.

Professional Management

You benefit from the expertise of full-time professional investment managers who are dedicated to finding the best investments for a mutual fund portfolio. These managers have access to information, research, expertise and resources that are not often available to individual investors.

Diversification

Certain mutual funds maintain diversified portfolios. This means that they own many different investments at the same time. In essence, a mutual fund allows you to own many different securities at the same time. Although investments may go up or down over time, depending on market conditions, all the investments in a diversified portfolio are not likely to go up or down at the same time, or to the same extent. Therefore, a diversified mutual fund portfolio can protect the value of your investments. Another benefit of diversification is that historical evidence shows that a diversified portfolio may help you achieve better risk-adjusted returns over the long-term.

Easy Access To Your Money

Mutual funds are liquid. This means you can get easy access to your money when you need it by redeeming the mutual fund securities you own subject to the possibility that, in exceptional circumstances, the mutual fund may suspend redemptions temporarily. See "Purchases, Switches and Redemptions – Redemptions" later in this document for additional information.

Easy To Track Your Investments

Your dealer or financial advisor will provide you with detailed, easy-to-read statements of your mutual fund investments. You are also entitled to receive, upon request, financial statements of the fund(s) you invest in and you will be sent year-end tax slips. The statements you receive from your dealer or financial advisor will help you keep track of your investments.

What are the Risks of Investing in a Mutual Fund?

Investment involves putting savings to work to try to increase their value over time and improve your ability to achieve your financial goals. Investing your hard-earned financial resources can bring both benefits and risk, and there is a relationship between the potential "return" of an investment and the "risk" associated with an investment. In fact, there is a "balance" that must be reached.

The precise definition of risk, in a financial sense, and as related to any individual investor in particular, has difficulties. A dictionary would say that risk is a possibility of loss or a dangerous element or hazard. In the investing world, risk is usually portrayed as the product of the amount that may be lost or gained and the probability of that loss or gain occurring. Risk is also a function of your particular knowledge.

While the total amount of any loss can be easily calculated, much expertise is required to determine probability. Most experts would advise that you should not accept more risk of loss, even without concern over probability, than you are comfortable with. You should only accept a level of risk of loss that lets you sleep at night without concern and anxiety.

So what is your "risk/return" balance point? What risk of loss are you willing to accept in relation to the target return you hope to gain? The answer to this question is almost totally dependent on the kind of investor that you are and the type of investments you choose to achieve your financial goals.

Your risk/return balance point will be affected by many factors other than probability of loss, such as:

- your age (for example, younger people tend to be better able to accept higher risk than older people);
- how much you have to invest (for example, those with more money to invest are more prepared to accept risk of loss);
- your goals and how much you require to earn from your investments in order to realize your goals; and
- your time horizon, that is, how long before you need the money (if you need the money from your investments in two years, you will likely accept less risk than someone who does not need the money until retirement in say 35 years).

The primary purpose of investment is to put to work savings that you do not need today. In doing so, these financial resources can bring benefits to you in the future. They can help you realize your financial goals.

In general, there are two forms of investment. One form is a direct investment into some activity to actually take a stake in the ownership of the venture. This is referred to as an equity investment. Another way is to simply provide a loan and earn interest on the loan. This is referred to as a debt investment.

Some investment criteria that are important to consider when making investments are:

- growth potential
- knowledge of the investment opportunity
- liquidity
- return on investment
- safety/risk
- time horizon involved
- volatility

The safety, or the level of risk, involved in the investment is an obvious factor to consider. Do not get involved in any investments if they make you anxious, or if you cannot accept the loss if the investment should lose value, at least in the near term. A key point to note here is the link between the volatility of an investment and your time horizon.

By time horizon we are referring to when you will need the money from the investment. Do you need it in three years, five years, ten years, twenty years, twenty-five years, or more? The time horizon will depend on your goals and the use to which the investment funds will be put. This could include education, training, a house, children, travel, retirement, and so on.

The volatility of an investment refers to the extent of the potential swings, both up and down, in an investment's value. The capital markets and most investments tend to move in cycles. Ideally, you want to be able to leave your investment in the market for enough time to achieve the positive long-term averages. You do not want to find that you have to take your investments out of the market at a bad time, when you will face a loss.

There are some experts who would tell you that riskier investments are those with a higher volatility with wider swings in value. If you want to make those kinds of investments, it is better if you have more time before you need the money, so you can more easily wait out any of the bad times should they occur.

When a person invests, he/she is said to establish a portfolio. A portfolio refers to the collection of investments a person has. Mutual fund portfolios are always diversified, that is, they include in their portfolio a number of different types of investments. The goal is to achieve, within your portfolio, your personal risk/return balance. For example, you may have some investments that you perceive to be risky, others that you perceive to be moderate risk and others that are perceived as low risk. To diversify a portfolio can also mean to hold investments in different countries. For example, you may hold Canadian mutual funds, U.S. mutual funds, Asian mutual funds, European mutual funds, and so on. The investments can help balance each other.

Some investments and mutual funds offer a fixed rate of return. That is, they will guarantee to pay a specific amount of interest – a fixed income. A savings account deposit is an example, as is a bond, a term deposit, and so on. These forms of investment will tell you in advance what rate of return you will earn.

Other types of investments do not offer a guaranteed fixed rate of return. Instead, your return will depend on the success of the venture into which the investment was made. Purchasing common stock, as well as units or shares of mutual funds that hold common stock in their portfolio, are examples. Your return through dividends and capital gains will depend on the success of the company. The better the company does, the higher the return. Obviously, the opposite applies as well.

The growth potential of the investment is another important criterion. Will the value of the investment improve over time? An investment that pays a fixed rate of return usually has less growth potential in its value. An investment in equity shares or a house, though, may be another matter. The value of this type of investment may rise (providing you with a capital gain) or fall (providing you with a capital loss).

The liquidity of the investment should also be considered. Liquidity refers to how easily/quickly an asset can be converted into cash and how certain its value is. A savings account is an example of a highly liquid asset that can be turned into useable cash quickly, easily, and with a certain value. A five-year term deposit is not a very liquid asset. Your investment is locked up for five years; should you need the cash, you would have to get it elsewhere. A mutual fund is very liquid and can generally provide you cash within 24 to 48 hours. It is always important that an investment portfolio have some investments that are very liquid, just in case something unforeseen comes along and you find yourself in need of cash.

The time involved in looking after an investment is also a matter of concern. If you invest in a savings account or a term deposit, little of your time is required to oversee the investment. An investment in a business or in a house, for example, may require a good deal of your time. You need to decide how much time you have available and/or are willing to spend looking after your investments. The potential return on the investment may also affect your willingness to invest more of your time in managing the investment. Alternatively, you may use the services of a financial services company that will provide the time and expertise to manage your investment for a fee. Your knowledge of the investment is also important. It is unwise to invest in any investment that you do not fully understand. Effective investing is linked to knowledge and understanding. The Fund and any underlying funds are managed by investment professionals who have this knowledge and understanding over the portfolios that they look after.

In summary, money that you have available, over and above your current needs, can be put to work and invested in anything from a savings account to a mutual fund. Investing is something that should be considered by everyone, not only those with great wealth. Investment is not only good for the financial health of the individual or household; it also fuels the growth and development of our whole economy.

Risk Factors

The Fund may own different types of investments, the value of which will change from day to day, reflecting changes in, among other things, interest rates, economic conditions, market and company news, and unforeseeable events. As a result, the value of the Fund's investments, and therefore its net asset value, may go up or down. When you redeem units of the Fund, their value may be more or less than your original investment. Outlined below are some of the most common risks associated with investing in the Fund. **To the extent that the Fund invests in underlying funds, it has the same risks as the underlying funds. Accordingly, any reference to the Fund in this section is intended to also refer to any underlying funds that the Fund may invest in.**

Commodity Risk

The Fund may invest directly or indirectly in gold, silver, platinum or palladium or in companies engaged in the energy or natural resource industries, such as gold, silver, platinum, palladium, oil and gas, or other commodity focused industries. These investments, and therefore the value of the Fund's investment in these commodities or in these companies and the unit value of the Fund, will be affected by changes in the price of commodities which include, among others, gold, silver, palladium and platinum and which can fluctuate significantly in short time periods. Commodity prices can change as a result of a number of factors, including supply and demand, speculation, government and regulatory activities, international monetary and political factors, central bank activity and changes in interest rates and currency values. If the Fund holds bullion, the bullion will be insured by the custodian or the sub-

custodian against all risk, including, but not limited to, the risk of loss, damage, destruction or misdelivery, and excepting only those risks for which insurance is not currently available, including, but not limited to, war, terrorist events, nuclear incident or government confiscations. Direct purchases of bullion by the Fund may generate higher transaction and custody costs than other types of investments, which may impact the performance of the Fund.

Concentration Risk

If the Fund holds significant investments in a few issuers, changes in the value of the securities of those issuers may increase the volatility of the net asset value of the Fund. Generally, mutual funds are not permitted to invest more than 10% of their net assets in any one issuer. This restriction does not apply to investments in debt securities issued or guaranteed by the Canadian or U.S. government, securities issued by a clearing corporation, securities issued by mutual funds that are subject to the requirements of NI 81-102 (with the exception of alternative mutual funds) or index participation units issued by a mutual fund.

Credit Risk

To the extent that the Fund invests in fixed income securities, debt securities (including guaranteed mortgages) or mortgage-backed securities, it will be sensitive to credit risk. When a person, company, government or other entity issues a fixed income security or a debt security, the issuer promises to pay interest and repay a specified amount on the maturity date, and the credit risk is that the issuer of the security will not live up to that promise. Generally, this risk is lowest among issuers who have received good credit ratings from recognized credit rating agencies, but the risk level may increase in the event of a downgrade in the issuer's credit rating or a change in the creditworthiness, or perceived creditworthiness, of the issuer. The most risky fixed income or debt securities, which are those with a low credit rating or no credit rating at all, usually offer higher interest rates to compensate for the increased credit risk. In the case of guaranteed mortgages and mortgage-backed securities, the credit risk is that the mortgagor will default on its obligations under a mortgage. A similar credit risk related to default also applies to debt securities other than mortgages. Please see "Foreign Investment Risk" in the case of investments in foreign government debt.

Currency Risk

When the Fund purchases an investment priced in a foreign currency and the exchange rate between the Canadian dollar and the foreign currency changes unfavourably, it could reduce the value of the Fund's investment. Alternatively, exchange rate changes may also increase the value of an investment. Mutual funds may hedge currency exposure of their foreign portfolio positions to the extent deemed appropriate. Hedging against a decrease in the value of a currency does not, however, eliminate fluctuations in the prices of portfolio securities or prevent losses should the prices of the portfolio securities decline. It may also limit the opportunity for gain as a result of an increase in value of the hedged currency. Furthermore, it may not be possible for a mutual fund to hedge against generally anticipated devaluation as the mutual fund may not be able to contract to sell the currency at a price above the anticipated devaluation level.

Cyber Security Risk

With the increasingly prevalent use of technologies such as the internet to conduct business, the Manager and the Fund are potentially more susceptible to operational, information security, and related risks through breaches in cyber security. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting the Fund, the Manager or the Fund's service providers (including, but not limited to, sub-advisor(s) or the Fund's custodian) have the ability to cause disruptions and impact each of their respective business operations, potentially resulting in financial losses, interference with the Fund's ability to calculate their NAV, impediments to trading the portfolio securities of the Fund, the inability of the Fund to process transactions in units of the Fund, such as purchases and redemptions of the Fund's units, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs associated with the implementation of any corrective measures. Similar adverse consequences could result from cyber incidents affecting the issuers of securities in which the Fund invests and counterparties with which the Fund engages in transactions.

Similar to other operational risks, the Manager and the Fund have established risk management systems designed to reduce the risks associated with cyber security. However, there is no guarantee that such systems will be successful in every instance. Inherent limitations exist in such systems including the possibility that certain risks have not been identified or anticipated. Furthermore, the Manager and the Fund cannot control the cyber security plans and systems of the Fund's service providers, the issuers of securities in which the Fund invests, the counterparties with which the Fund engages in transactions, or any other third parties whose operations may affect the Fund or its unitholders.

Derivatives Risk

The use of derivatives is usually designed to reduce risk and/or enhance returns, but its use is not without its own risk. Here are some of the most common ones:

- There is no guarantee that the Fund will be able to complete a derivative contract when it needs to. This could prevent the Fund from making a profit or limiting a loss.
- A securities exchange could impose limits on trading of derivatives, thereby making it difficult to complete a contract. When using derivatives, the Fund relies on the ability of the counterparty to the transaction to perform its obligations. In the event that a counterparty fails to complete its obligations, for example, in the event of the default or bankruptcy of the counterparty, the Fund may bear the risk of loss of the amount expected to be received under options, forward contracts or other transactions.
- The other party to the derivative contract may be unable to honour the terms of the contract.
- The price of a derivative may not reflect the true value of the underlying security or index.
- The price of derivatives based on a stock index could be distorted if some or all of the stocks that make up the index temporarily stop trading.
- Derivatives traded on foreign markets may be harder to close than those traded in Canada.
- In some circumstances, investment dealers and futures brokers may hold some of the Fund's assets on deposit as collateral in a derivative contract. That increases risk because another party is responsible for the safekeeping of the assets.
- A hedging strategy involving the use of derivatives may not always work and could restrict the Fund's ability to increase in value.
- The regulation of derivatives is a rapidly changing area of law and is subject to modification by government and judicial action. The effect of any future regulatory changes may make it more difficult, or impossible, for the Fund to use certain derivatives.
- Costs relating to entering and maintaining derivatives contracts may reduce the returns of the Fund.
- Changes in domestic and foreign tax laws, regulatory laws, or the administrative practices or policies of a tax or regulatory authority may adversely affect the Fund and its investors. For example, the domestic and foreign tax and regulatory environment for derivative instruments is evolving, and changes in the taxation or regulation of derivative instruments may adversely affect the value of derivative instruments held by the Fund and the ability of the Fund to pursue its investment strategies. In addition, interpretation of the law and the application of administrative practices or policies by a taxation authority may also affect the characterization of the Fund's earnings as capital gains or income. In such a case, the net income of the Fund for tax purposes and the taxable component of distributions to investors could be determined to be more than originally reported, with the result that investors or the Fund could be liable to pay additional income tax. The Fund may also become liable for unremitted withholding taxes on prior distributions to non-resident unitholders. Any liability imposed on the Fund may reduce the value of the Fund and the value of an investor's investment in the Fund.

Equity Risk

Companies issue common shares and other types of equity securities to help finance their operations. Equity securities are investments which give the holder part ownership in a company and the value of an equity security changes with the fortunes of the company that issued it. As the company earns profits and retains some or all of them, its equity value should grow, increasing the value of each common share and making them more attractive to investors. Conversely, a series of losses would reduce retained earnings and therefore reduce the value of the shares. In addition, the company may distribute part of its profit to shareholders in the form of dividends, however dividends are not obligatory. Although common shares are the most familiar type of equity security, equity securities also include preferred shares, securities convertible into common shares, such as warrants, and units of real estate, royalty, income and other types of investment trusts.

Foreign Investment Risk

Investments in foreign companies, securities and governments are influenced by economic and market conditions in the countries in which the governments or companies operate. Foreign investments may be considered more risky than Canadian investments as there is often less available information about foreign issuers or governments. Some other countries also have lower standards for accounting, auditing and financial reporting than those of Canada or the United States. In some countries that may be politically unstable, there may also be a risk of nationalization, expropriation or currency controls. It can also be difficult to trade foreign securities solely through foreign securities markets as they can be less liquid and, due to lower trading volumes, more volatile than securities of comparable issuers traded in North America or securities of governments in North America. These and other risks can contribute to larger and more frequent price changes among foreign investments. U.S. investments are not considered to have foreign investment risk.

There may also be Canadian tax consequences for the Fund related to the holding by the Fund of interests in certain foreign investment entities. The information available to the Fund and the Manager relating to the characterization, for Canadian tax purposes, of the income realized or distributions received by the Fund from issuers of the Fund's investments may be insufficient to permit the Fund to accurately determine its income for Canadian tax purposes by the end of a taxation year and to make sufficient distributions to ensure that it will not be liable to pay income tax in respect of that year.

Fund on Fund Risk

The Fund may invest in securities of underlying funds, including underlying funds managed by the Manager or an affiliate or associate of the Manager. The proportions and types of underlying funds held by the Fund will vary according to the risk and investment objectives of the Fund. You may obtain a copy of the simplified prospectus of an underlying fund that is managed by us, at your request and at no cost, by calling toll free 1-800-268-8186, by emailing invest@dynamic.ca or from your dealer.

Pursuant to the requirements of applicable securities legislation, the Fund will not vote any of the securities it holds in an underlying fund managed by us or any of our affiliates and associates. However, we may, in our sole discretion, arrange for you to vote your share of those securities of the underlying fund.

To the extent that the Fund invests in underlying funds it has the same risks as the underlying funds. To the extent that the Fund invests in securities of an underlying fund that is a Canadian resident trust (an "Underlying Fund"), the Underlying Fund may designate a portion of amounts that it distributes to the Fund as may reasonably be considered to consist of: (i) taxable dividends (including eligible dividends) received by the Underlying Fund on shares of taxable Canadian corporations; and (ii) net taxable capital gains realized by the Underlying Fund. Any such designated amounts will be deemed for tax purposes to be received or realized by the Fund as such a taxable dividend or taxable capital gain, respectively. Any reassessment by a taxation authority of an Underlying Fund resulting in an increase in its net income for tax purposes and/or changes to the taxable components of its distributions may result in additional taxable distributions to its unitholders (including the Fund). As a result, the Fund or its unitholders could be liable to pay additional income tax.

Inflation Risk

Inflation is an investment risk which has not been considered for many years. However, it is possible that the value of fixed income investments and currencies could depreciate as the level of inflation rises in the country of origin. Inflation rates are generally measured by government and are reported as the Consumer Price Index ("CPI"). During times of higher and rising rates of the CPI, investors are better protected by being invested in hard asset investments such as real estate, commodities and precious metals or mutual funds that invest in companies in these industries.

Interest Rate Risk

If the Fund invests in fixed income securities, such as money market instruments and bonds, as well as equity securities, it will be sensitive to changes in interest rates. Generally, the value of these types of investments tends to fall as interest rates rise and increase as interest rates decline. Those fixed income securities with longer terms to maturity tend to be more sensitive to interest rate changes.

Like all fixed income securities, commercial paper prices are also susceptible to fluctuations in interest rates. If interest rates rise, commercial paper prices will decline.

Large Redemption Risk

The Fund may have particular investors who own a large proportion of the outstanding securities of the Fund. For example, institutions such as banks and insurance companies or other fund companies may purchase securities of the Fund for their own mutual funds, segregated funds, structured notes or discretionary managed accounts. Retail investors may also own a significant amount of securities of the Fund.

If one of those investors redeems a large amount of their investment in the Fund, it may have to sell its portfolio investments at unfavourable prices to meet the redemption request, which can result in significant price fluctuations to the net asset value of the Fund and may potentially reduce the returns of the Fund.

Liquidity Risk

Investors often describe the speed and ease with which an asset can be sold and converted into cash as its liquidity. Most of the securities owned by the Fund can usually be sold promptly at a fair price and therefore can be described as relatively liquid. But the Fund may also invest in securities that are illiquid, which means they cannot be sold quickly or easily or for the value used in calculating the net asset value. Some securities are illiquid because of legal restrictions, the lack of an organized trading market, the nature of the investment itself, or for other reasons. Sometimes, there may simply be a shortage of buyers. A mutual fund that has trouble selling a security can lose value or incur extra costs. In addition, illiquid securities may be more difficult to value accurately and may experience larger price changes. This can cause greater fluctuations in the Fund's value.

Market Disruptions Risk

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

Securities Lending Risk

The Fund may enter into Lending and Repurchase Transactions (as defined above) consistent with its investment objectives and as permitted by applicable securities and tax legislation. These transactions involve certain risks. If the other party to these agreements goes bankrupt, or is for any reason unable to fulfil its obligations under the agreement, the Fund may experience difficulties or delays in receiving payment. To address these risks, any such transactions

entered into by the Fund will comply with applicable securities legislation including the requirement that each agreement be, at a minimum, fully collateralized by investment grade securities or cash with a value of at least 102% of the market value of the securities subject to the transaction. The Fund will enter into these transactions only with parties that we believe, through conducting credit evaluation, have adequate resources and financial ability to meet their obligations under such agreements. In the case of securities lending transactions and repurchase transactions, the aggregate market value of all securities loaned pursuant to the securities lending transactions, together with those that have been sold pursuant to repurchase transactions, by the Fund will not exceed 50% of the net asset value of the Fund immediately after the Fund enters into the transaction.

In the event that the Fund undertakes Lending and Repurchase Transactions, the Fund will rely on the ability of the counterparty to the transaction to perform its obligations. In the event that a counterparty fails to complete its obligations, for example, in the event of the default or bankruptcy of the counterparty, the Fund may bear the risk of loss of the amount expected to be received under the transaction.

Series Risk

The Fund is available in more than one series. If the Fund cannot pay the expenses of one series using its proportionate share of the Fund's assets, the Fund will be required to pay those expenses out of the other series' proportionate share of the Fund's assets. This may lower the investment returns of the other series of the Fund.

Short Selling Risk

The Fund may engage in a limited amount of short selling consistent with its investment objectives and as permitted by the Canadian securities regulators. A "short sale" is where the Fund borrows securities from a lender which are then sold in the open market (or "sold short"). At a later date, the same number of securities are repurchased by the Fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the Fund pays interest to the lender. If the value of the securities declines between the time that the Fund borrows the securities and the time it repurchases and returns the securities, the Fund makes a profit for the difference (less any interest the Fund is required to pay to the lender). Short selling involves certain risks. There is no assurance that securities will decline in value during the period of the short sale sufficient to offset the interest paid by the Fund and make a profit for the Fund, and securities sold short may instead appreciate in value. The Fund also may experience difficulties repurchasing and returning the borrowed securities if a liquid market for the securities does not exist. The lender from whom the Fund has borrowed securities may go bankrupt and the Fund may lose the collateral it has deposited with the lender. The Fund will adhere to controls and limits that are intended to offset these risks by short selling only securities of larger issuers for which a liquid market is expected to be maintained and by limiting the amount of exposure for short sales. The Fund will also deposit collateral only with lenders that meet certain criteria for creditworthiness and only up to certain limits.

Small Capitalization Risk

If the Fund invests in companies with small capitalization it will be sensitive to small capitalization risk. Capitalization is a measure of the value of a company represented by the current price of a company's stock, multiplied by the number of shares of the company that are outstanding. Companies with small capitalization may not have a well-developed market for their securities. As a result, these securities may be difficult to trade, making their prices more volatile than those of large companies.

Underlying ETFs Risk

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

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

at prices that reflect their net asset value. The ETFs are or will be listed on a Canadian or U.S. stock exchange, or such other stock exchanges as may be approved from time to time by Canadian securities regulators, however there is no assurance that an active public market for an ETF will develop or be sustained.

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

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

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

U.S. Withholding Tax Risk

Generally, the Foreign Account Tax Compliance provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010 (or "**FATCA**") impose a 30% withholding tax on "withholdable payments" made to a mutual fund, unless the mutual fund enters into a FATCA agreement with the U.S. Internal Revenue Service (the "**IRS**") (or is subject to an intergovernmental agreement as described below) to comply with certain information reporting and other requirements. Compliance with FATCA will in certain cases require a mutual fund to obtain certain information from certain investors (including information regarding their identity, tax residency and citizenship) and (where applicable) their beneficial owners and to report such information, including account balances to Canada Revenue Agency (the "**CRA**").

Under the terms of the intergovernmental agreement between Canada and the U.S. to provide for the implementation of FATCA (the "**Canada-U.S. IGA**"), and its implementing provisions under the Tax Act, the Fund is treated as complying with FATCA and not subject to the 30% withholding tax if the Fund complies with the terms of the Canada-U.S. IGA. Under the terms of the Canada-U.S. IGA, the Fund will not have to enter into an individual FATCA agreement with the IRS but the Fund is required to register with the IRS and to report certain information on accounts held by U.S. Persons owning, directly or indirectly, an interest in the Fund, or held by certain other persons or entities. In addition, the Fund is required to report certain information on accounts held by investors that did not provide, through the dealer to the Fund, the required residency and identity information if indicia of U.S. status are present. The Fund will not have to provide information directly to the IRS but instead will report information to the CRA. The CRA will in turn exchange information with the IRS under the existing provisions of the Canada-U.S. Income Tax Convention. The Canada-U.S. IGA sets out specific accounts that are exempt from being reported, including certain tax deferred plans. By investing in the Fund, the investor is deemed to consent to the Fund disclosing such information to the CRA. If the Fund is unable to comply with any of its obligations under the Canada-U.S. IGA, the imposition of the 30% U.S. withholding tax may affect the Net Asset Value of the Fund and may result in reduced investment returns to unitholders. It is possible that the administrative costs arising from compliance with FATCA and/or the Canada-U.S. IGA and future guidance may also cause an increase in the operating expenses of the Fund.

Withholdable payments include certain U.S. source income (such as interest, dividends and other passive income) and are subject to withholding tax on or after July 1, 2014. The IRS may, at a future date, impose a 30% withholding tax on "foreign passthru payments" but these regulations have yet to be determined.

The foregoing rules and requirements may be modified by future amendments of the Canada-U.S. IGA and its implementation provisions under the Tax Act, future U.S. Treasury regulations, and other guidance.

Organization and Management of the Fund

MANAGER

1832 ASSET MANAGEMENT L.P.
DYNAMIC FUNDS TOWER
1 ADELAIDE STREET EAST, 28TH FLOOR
TORONTO, ONTARIO M5C 2V9

TOLL FREE TEL.: 1-800-268-8186
TOLL FREE FAX: 1-800-361-4768

WEBSITE: WWW.DYNAMIC.CA
E-MAIL: INVEST@DYNAMIC.CA

The Manager manages the overall business of the Fund, including providing fund accounting and administration services and promoting the sales of the units of the Fund.

The general partner of the Manager, 1832 Asset Management G.P. Inc., is wholly-owned by The Bank of Nova Scotia. The Bank of Nova Scotia also owns, directly or indirectly, 100% of Scotia Securities Inc. and Tangerine Investment Funds Limited, each a mutual fund dealer, MD Management Limited and Scotia Capital Inc., each an investment dealer. Each of the above dealers may sell units of the Funds.

INDEPENDENT REVIEW COMMITTEE

The Manager has established an independent review committee ("**IRC**") in accordance with National Instrument 81-107 - *Independent Review Committee for Investment Funds* ("**NI 81-107**") with a mandate to review and provide recommendations or approval, as required, on conflict of interest matters referred to it by the Manager on behalf of the Fund. The IRC is responsible for overseeing the Manager's decisions in situations where the Manager is faced with any present or perceived conflicts of interest, all in accordance with NI 81-107. The IRC may also approve certain mergers between the Fund and other funds, and any change of the auditor of the Fund. Subject to any corporate and securities law requirements, no unitholder approval will be obtained in such circumstances, but you will be sent a written notice at least 60 days before the effective date of any such transaction or change of auditor. In certain circumstances, unitholder approval may be required to approve certain mergers.

The IRC currently has five members, each of whom is independent of the Manager.

The IRC prepares and files a report to the unitholders each fiscal year that describes the IRC and its activities for unitholders as well as contains a complete list of the standing instructions. These standing instructions enable the Manager to act in a particular conflict of interest matter on a continuing basis provided the Manager complies with its policies and procedures established to address that conflict of interest matter and reports periodically to the IRC on the matter. This report to unitholders is available on the Manager's website at www.dynamic.ca or, at no cost, by contacting the Manager at invest@dynamic.ca.

Additional information about the IRC, including the names of its members, is available in the Annual Information Form.

TRUSTEE

1832 ASSET MANAGEMENT L.P.
TORONTO, ONTARIO

The trustee holds title to the assets owned by the Fund on behalf of unitholders.

PORTFOLIO ADVISOR

1832 ASSET MANAGEMENT L.P.
TORONTO, ONTARIO

The portfolio advisor and/or portfolio sub-advisor carries out research and selects, purchases and sells portfolio securities for the Fund.

PORTFOLIO SUB-ADVISORS

We have the authority to retain portfolio sub-advisors. See the Fund's profile for details on the portfolio advisor and/or portfolio sub-advisor for the Fund. We are responsible for the advice given by the portfolio sub-advisors to the Fund.

PRINCIPAL DISTRIBUTOR

1832 ASSET MANAGEMENT L.P.
TORONTO, ONTARIO

As principal distributor, we market the units of the Fund to the public through authorized distributors and dealers.

CUSTODIAN

STATE STREET TRUST COMPANY
CANADA
TORONTO, ONTARIO

The custodian holds units and other portfolio assets, including cash on deposit with financial institutions, on behalf of the Fund. The custodian is independent of us.

REGISTRAR

1832 ASSET MANAGEMENT L.P.
TORONTO, ONTARIO

The registrar keeps track of the owners of units of the Fund, processes purchase, transfer and redemption orders, issues investor account statements and issues annual tax reporting information.

AUDITOR

PRICEWATERHOUSECOOPERS LLP
TORONTO, ONTARIO

The auditor audits the annual financial statements of the Fund and provides an opinion as to whether the financial statements present fairly in all material respects the financial position, financial performance and cash flows of the Fund in accordance with International Financial Reporting Standards ("**IFRS**"). PricewaterhouseCoopers LLP is an independent chartered professional accounting firm.

SECURITIES LENDING AGENT

STATE STREET BANK AND TRUST
COMPANY
BOSTON, MASSACHUSETTS

In the event the Fund engages in a Lending and Repurchase Transaction, State Street Bank and Trust Company will be appointed as the Fund's securities lending agent. The securities lending agent will act on behalf of the Fund in administering Lending and Repurchase Transactions entered into by the Fund. State Street Bank and Trust Company is independent of us.

Underlying Funds

The Fund may invest all or a portion of their assets indirectly in equity securities and/or debt securities by investing in underlying funds that are managed by us, by our affiliates or associates and/or by third party investment managers. The proportions and types of underlying funds held by the Fund will vary according to the risk and investment objectives of the Fund. You may obtain a copy of the simplified prospectus of an underlying fund that is managed by

us, at your request and at no cost, by calling toll free 1-800-268-8186, by emailing invest@dynamic.ca or from your dealer.

Pursuant to the requirements of securities legislation, the Fund will not vote any of the securities it holds in an underlying fund managed by us or any of our affiliates and associates. However, we may, in our sole discretion, arrange for you to vote your share of those securities of the underlying fund.

PURCHASES, SWITCHES AND REDEMPTIONS

Description of Units

The Fund offers one or more series of units. Each series of units of the Fund is intended for different kinds of investors. If you cease to satisfy criteria for holding any series of units of the Fund, the Manager may switch such series into another series of units of the same Fund as appropriate. Further, the Manager may reclassify the units you hold in one series into the units of another series of the same Fund provided your pecuniary interest is not adversely affected by such reclassification.

For details of the series of units offered by the Fund, please see the front cover of this Simplified Prospectus. We may offer a new series of units of the Fund at any time.

Series A: Available to all investors.

Series F: Generally only available to investors who participate in an eligible fee-based or wrap program with their registered dealer and who are subject to a periodic asset-based fee rather than commissions on each transaction. We are able to reduce our management fee rate on Series F units because our costs are lower and because investors who purchase Series F units will usually have entered into a separate agreement to pay account fees to their registered dealer for their individual investment program.

In certain circumstances, investors who purchase Series F units must enter into an agreement with their dealer which identifies an annual account fee (a "**Fee-Based Account Fee**") negotiated with their financial advisor and payable to their dealer. Investors may only purchase Series F units through a financial advisor who is registered with a dealer that has signed an agreement with us. This Fee-Based Account Fee is in addition to the management fee payable by the Fund for Series F units.

No sales commissions or trailing commissions are payable by us to a dealer for investments in Series F units on this basis.

Series FT: Generally only available to investors who participate in an eligible fee based or wrap program with their registered dealer and who are subject to a periodic asset-based fee rather than commissions on each transaction. Series FT units are intended for investors seeking stable monthly distributions. We are able to reduce our management fee rate on Series FT units because our costs are lower and because investors who purchase Series FT units will usually have entered into a separate agreement to pay account fees to their registered dealer for their individual investment program.

In certain circumstances, investors who purchase Series FT units must enter into an agreement with their dealer which identifies a Fee-Based Account Fee negotiated with their financial advisor and payable to their dealer. Investors may only purchase Series FT units through a financial advisor who is registered with a dealer that has signed an agreement with us. This Fee-Based Account Fee is in addition to the management fee payable by the Fund for Series FT units. No sales commissions or trailing commissions are payable by us to a dealer for investments in Series FT units.

Monthly distributions on Series FT units of the Fund will consist of net income and/or net realized capital gains and/or, in certain circumstances, a return of capital. Any net income and net realized capital gains in excess of the monthly distributions will be

distributed by December 31 of each year or at such other times as may be determined by the Manager.

Series I: Generally only available for certain individual investors who make large investments in the Fund. The management fees for Series I units are paid directly by Series I unitholders, not by the Fund. Investors may only purchase Series I units through a financial advisor who is registered with a dealer that has signed an agreement with us. In addition, Series I unitholders may pay an annual dealer fee (a "**Dealer Fee**") which is payable to their dealer. See "Fees and Expenses Payable Directly by You – Other Fees and Expenses – Dealer Fee". This Dealer Fee is in addition to the management fee payable directly to us by investors who purchase Series I units. Series I units are also available for certain investors who are clients of the Manager's private client division, named 1832 Asset Management. Such investors who purchase Series I units must enter into an agreement with us which identifies the management fee negotiated with the investor and payable by the investor directly to us. No sales commissions or trailing commissions are payable by us to a dealer for investments in Series I units.

Series O: Generally only available for certain investors who make large investments in the Fund. Investors who purchase Series O units must enter into an agreement with us which identifies the management fee negotiated with the investor and payable by the investor directly to us. The Series O management fee will in no circumstances be higher than the management fee payable on Series A securities of the Fund. No sales commissions or trailing commissions are payable by us to a dealer for investments in Series O units.

Series T: Available to all investors.

Series T units are intended for investors seeking stable monthly distributions.

Monthly distributions on Series T units of the Fund will consist of net income and/or net realized capital gains and/or, in certain circumstances, a return of capital. Any net income and net realized capital gains, in respect of each taxation year, in excess of the monthly distributions will be distributed by December 31 of each year or at such other times as may be determined by the Manager.

The fees and expenses for the Fund may differ from series to series. Please see "Fees and Expenses" later in this document for a description of the fees and expenses that you may have to pay if you invest in any of the above units of the Fund.

Please see "Fees and Expenses" later in this document for a description of Management Fee Distributions and Management Fee Rebates (each as defined later in this document) which may effectively reduce the management fee for clients who invest large amounts in the Fund.

Calculation of Net Asset Value

How much the Fund or one of its units is worth is called its "net asset value". The net asset value per unit of each series of the Fund is very important because it is the basis upon which units of the Fund are purchased and redeemed. The net asset value per unit of each series of the Fund varies from day to day.

The net asset value per unit of the Fund is the price you pay per unit when you purchase units of the Fund and is the price you receive when you redeem units of the Fund. You may purchase or redeem units of any series of the Fund on any Valuation Date at the net asset value per unit of each series of the Fund calculated at the close of trading, generally 4:00 p.m. (Toronto time) on the Toronto Stock Exchange on that Valuation Date. Every day that the Toronto Stock Exchange is open for business is a "Valuation Date". Units will be purchased or redeemed at the net asset value per unit determined after the receipt by the Fund of the purchase or redemption order.

We calculate a separate net asset value per unit of each series of the Fund by:

- adding up the fair value of the assets of the Fund and determining the proportionate share of the series;

- subtracting the liabilities of the Fund allocated to that series; and
- dividing the remaining value by the total number of outstanding units of that series.

For U.S. dollar pricing, net asset values are calculated by converting the Canadian dollar net asset value per unit or share to the U.S. dollar equivalent using the then current rate of exchange. The exchange rate used for such conversion is the rate of exchange established at noon on each Valuation Date. Under the Fund's fair pricing policy, when the rate of exchange established at 3:00 p.m. (Toronto time) is materially different from the noon exchange rate on a given Valuation Date, the net asset value per unit or share denominated in Canadian dollars will be translated into the U.S. dollar equivalent at the 3:00 p.m. (Toronto time) exchange rate for that Valuation Date. For the purposes of all such conversions to U.S. currency, the rate of exchange as determined by customary banking sources will be used.

The trading hours for foreign securities that trade in foreign markets may end prior to 4:00 p.m. (Toronto time) and therefore not take into account, among other things, events that occur after the close of the foreign market. In these circumstances, we may determine a fair value for the foreign securities which may differ from that security's most recent closing market price. These adjustments are intended to minimize the potential for market timing strategies which are largely focused on mutual funds with significant holdings in foreign securities.

For more information on how we calculate the net asset value of the Fund, please refer to "Net Asset Value" in the Annual Information Form.

Purchases

You can purchase units of any series of the Fund through financial advisors, planners, registered brokers and dealers who will send your order to us. See "Description of Units" earlier in this document for a description of each series of units offered by the Fund. The issue price of units is based on the net asset value per unit for that particular series.

All series of units of the Fund are qualified for distribution in all Canadian provinces and territories pursuant to this Simplified Prospectus. Units of each series of the Fund will be issued at the net asset value per unit for that series next determined after the receipt by the Fund of the purchase order. Purchase orders received by the Manager by the close of trading of the Toronto Stock Exchange, generally 4:00 p.m. (Toronto time), on a Valuation Date will be effective on that day. Orders received after that time will be effective on the next Valuation Date. We may reject a purchase order but may only do so within one business day of receipt of the rejected order. Any monies received with the rejected order will be immediately refunded.

When you purchase Series A or Series T units of the Fund, you may pay a front-end sales charge negotiated between you and your dealer to a maximum of 5%.

Please see "Switches and Reclassifications" and "Redemptions" for short-term trading fees that may be applicable to units of any series of the Fund. Please see "Fees and Expenses" for a description of Management Fee Distributions and Management Fee Rebates which may effectively reduce the management fee for clients who invest large amounts in the Fund.

Subscriptions and payments received by registered brokers and dealers are required by applicable securities regulations and policies to be forwarded on the day of receipt to the Manager by courier, priority post, telephone or electronic means without charge to you. A Pre-Authorized Chequing Plan as described later in this Simplified Prospectus is available whereby units of the Fund may be acquired at regular intervals.

For Series A, Series F, Series FT and Series T units of the Fund the minimum initial investment amount in the Fund is \$500 and the minimum amount for each subsequent investment is \$100. For Series I units of the Fund, the minimum initial investment amount is \$10,000 and the minimum amount for each subsequent investment is \$1,000. If you choose to use a Pre-Authorized Chequing Plan, the minimum amount for the initial investment must be maintained and each subsequent investment must be a minimum of \$100 per transaction, or in the case of Series I units, \$1,000 per transaction

We further reserve the right to change or waive the minimum investment amounts and subsequent investment amounts in a series of the Fund at any time, from time to time and on a case by case basis, subject to applicable securities

legislation. See "Purchases, Switches and Redemptions – Redemptions" later in this document for additional information.

Series A and Series F units of the Fund can also be purchased using the Dynamic Dollar-Cost Averaging Fund, another fund managed by the Manager. Due to its dollar-cost averaging feature, every investment in the Dynamic Dollar-Cost Averaging Fund must be at least \$1,000. Please refer to the prospectus for Dynamic Dollar-Cost Averaging Fund for further information concerning that Fund. You can get a copy of the prospectus for Dynamic Dollar-Cost Averaging Fund from your dealer or financial advisor or, at your request, and at no cost, by calling 1-800-268-8186. This prospectus is also available on our internet site at www.dynamic.ca or can be obtained by e-mailing us at invest@dynamic.ca.

If we receive from your dealer within two business days of the Valuation Date on which your purchase order became effective a payment in full of the purchase price but the necessary documentation in respect of your purchase remains incomplete, you have not specified the fund you wish to invest in or you have not met the minimum investment requirement for the Fund, we may invest your money, as appropriate, into Series A or Series F units of Dynamic Money Market Fund. An investment in Dynamic Money Market Fund may earn you interest until we receive complete instructions regarding which fund(s) you have selected and all necessary documentation in respect of your purchase is received by us and is in good order. Your total investment, including interest, will then be switched into the fund(s) you have chosen under the purchase option that you have selected at the respective net asset value per security of the selected series of the fund(s) on that switch date.

If the Fund has not received from your dealer within two business days of the Valuation Date on which your purchase order became effective, payment in full of the purchase price for your order, together with all necessary documentation, then under applicable securities regulations and policies, the Fund will be deemed to have received from you and accepted on the next Valuation Date a redemption order for the same number of units of the Fund. If the amount of the redemption proceeds exceeds the purchase price of the units that were redeemed, the surplus will be paid to the Fund. If the redemption proceeds are less than the purchase price of the units that were redeemed, your dealer is required to pay to the Fund the amount of the deficiency. Your dealer may make provisions in its arrangements with you that your dealer will be entitled to reimbursement from you of that amount together with any additional costs and expenses of collection or for any losses suffered by your dealer in connection with a failed settlement of a purchase of units of the Fund caused by you.

The Fund is valued and, other than Series A and Series F, units may be bought only in Canadian dollars. Series A and Series F units of the Fund may be bought in Canadian or U.S. dollars.

U.S. Dollar Option

A U.S. dollar purchase option is provided as a convenience for purchasing, transferring and redeeming certain series of securities in the Fund with U.S. dollar denomination and is not a means to effect currency arbitrage. When these securities are purchased in U.S. dollars, the value of the investment will not be affected by changes in U.S. currency relative to the Canadian currency. **The performance of a series of securities of the Fund purchased in U.S. dollars may differ from the performance of that same series of the Fund purchased in Canadian dollars due to fluctuations in the Canadian dollar and U.S. dollar exchange rate, and as such purchasing a series of the Fund in U.S. dollars will not shield you from, or act as a hedge against, such currency fluctuations.**

Switches and Reclassifications

General

You can at any time, provided you meet the criteria established by the Trustee and/or the Manager: (a) switch, which is switching all or part of your investment in the Fund to a different mutual fund managed by the Manager provided that the series of units you wish to switch to is offered by the mutual fund you are switching to and is offered in the same currency; or (b) reclassify, which is switching all or part of your investment between series of the same Fund if the series of units you wish to reclassify to is offered by the Fund and is offered in the same currency. In order to effect a reclassification between series of the Fund that are offered in different currencies your financial advisor may recommend that you temporarily switch into another Fund or another mutual fund managed by the Manager (a "**Transition Fund**"). While invested in a Transition Fund for such temporary period, you will be exposed to any fluctuations in the value of, and subject to the fees applicable to, such Transition Fund. A switch from a series of units

of the Fund to a series of units of a Transition Fund will be considered a disposition for tax purposes and, accordingly, you may realize a capital gain or capital loss.

If you are eligible to make such switches or reclassifications of a series of units of the Fund, you may do so by contacting your registered broker or dealer.

The different types of switches and reclassifications that are available to you are described below. The timing and processing rules applicable to purchases and redemptions also apply to switches and reclassifications.

When you switch units of any series of the Fund, your registered dealer may charge you a switch fee of up to 2% of the net asset value of the units switched. This fee is negotiated with and paid to your dealer.

In addition, if you switch your units of any series of the Fund within a 30 calendar day period, we may, on behalf of the Fund, in our sole discretion, charge a short-term trading fee of 1% of the net asset value of the units switched. See "Purchases, Switches and Redemptions – Short-Term Trading" and "Fees and Expenses – Fees and Expenses Payable Directly by You – Short-Term Trading Fees" for additional information.

Upon a switch or reclassification of your series of units, the number of units you hold will change since each series of units of a mutual fund involved in the switch or reclassification has a different series net asset value.

If certificates were issued to you representing units of the Fund you are switching from, they must also be returned, duly signed with your signature properly endorsed by a Canadian chartered bank, trust company, an investment dealer or a mutual fund dealer acceptable to us.

Switching From One Trust Fund to Another Trust Fund:

A switch from a series of units of a Trust Fund to the same or a different series of units of another Trust Fund (including a temporary switch into a Transition Fund) or another mutual fund that is a trust fund managed by the Manager will be considered a disposition for tax purposes and accordingly, you may realize a capital gain or capital loss. The tax consequences are discussed under "Income Tax Considerations for Investors" later in this document.

Switching From a Trust Fund to a Corporate Fund:

You can also at any time switch units of any series you purchased of a Trust Fund for shares of the same or a different series of a Corporate Fund. This type of switch will be considered a disposition for tax purposes and accordingly, you may realize a capital gain or capital loss. The tax consequences are discussed under "Income Tax Considerations for Investors" later in this document.

Reclassifying Between Series of Units of a Trust Fund:

If you cease to satisfy the criteria for holding a series of units of a Trust Fund, the Manager may redeem your units of the Trust Fund in your account with 30 days' notice. Alternatively, if you satisfy the relevant criteria for another series of units once such series of units have begun to be offered, you may request that your original series of units be reclassified to such other series of units instead.

A reclassification between series of units of the same Trust Fund will generally not be considered a disposition for tax purposes and accordingly, you will not realize a capital gain or capital loss, provided that the two series derive their value in the same proportion from the same property or group of properties (which will not be the case if the two series differ as to whether or how they use hedging instruments). The tax consequences are discussed under "Income Tax Considerations for Investors" later in this document.

Redemptions

You may redeem your units of the Fund by delivering to your dealer a request in writing that a specified dollar amount or number of units of the relevant series of the Fund be redeemed. In addition, certificates, if issued, representing the units of the Fund to be redeemed must be delivered to your dealer. Such certificates must be properly endorsed with signatures conforming to the name of the registered unitholder of the units of the Fund and guaranteed by a Canadian chartered bank, a trust company, an investment dealer or a mutual fund dealer acceptable to us. Under applicable

securities regulations, securities dealers that receive redemption requests are required to forward them on the day of receipt to us by courier, priority post or by electronic means without charge to you. Units will be redeemed at the net asset value per security of the applicable series next determined after the receipt by the Fund of the redemption order. Redemption requests received by the Manager prior to the close of trading of the Toronto Stock Exchange (generally 4:00 p.m. Toronto time) on a Valuation Date will be effective on that day. Redemption requests received after that time will be effective on the next Valuation Date. The redemption price will be paid in the currency in which you bought the units. If that currency is Canadian dollars, then you will be paid either by cheque, or if you provide the necessary information, electronically, to your bank account.

If we determine that we have not received all necessary documentation from you, we will notify your dealer within one business day of the receipt of your redemption request that such request was incomplete. If all necessary documentation is not received by the Manager within ten business days of the receipt of your redemption request, under applicable securities regulations and policies, the Manager will be deemed to have received and accepted, as at the tenth business day, an order for purchase of an equal number of units of the relevant series of the Fund and the redemption amount will be applied to reduce the purchase price of the units of the relevant series of the Fund purchased. In these circumstances, the Fund will be entitled to retain any excess and your dealer placing the order will be required to pay to the Fund the amount of any deficiency. Your dealer may make provisions in its arrangements with you that you will be liable to reimburse your dealer for any losses suffered by the dealer in connection with your failure to satisfy the requirements of the Fund or securities legislation for redemption of units of the Fund.

The Manager reviews, at the time an order is received and processed for an account, redemptions (including switches) of the Fund to determine whether one or more redemptions and/or switches are made within a 30 calendar day period. The short-term trading fee will be deducted from the redemption amount of the series of units of the Fund being redeemed and will be retained by the Fund. Units redeemed under an existing SWIP (as defined below) are not subject to the short-term trading fee. See "Purchases, Switches and Redemptions – Short-Term Trading" and "Fees and Expenses – Fees and Expenses Payable Directly by You – Short-Term Trading Fees" for additional information. A redemption will be considered a disposition for tax purposes and accordingly, you may realize a capital gain or a capital loss. The tax consequences are discussed under "Income Tax Considerations for Investors" later in this document.

If the value of your units in your account for the Fund is less than the required minimum investment amount or you do not meet any of the exceptions to investing the minimum investment amount as described below and under "Purchases, Switches and Redemptions - Purchases" earlier in this document, the Manager may redeem your units of the Fund in your account. In that case, the Manager will provide you with 30 days' notice so that you can make an additional investment to exceed the minimum requirement should you wish to keep your securities. This minimum balance does not apply to accounts with an active Pre-Authorized Chequing Plan.

Unless redemptions have been suspended (which may only occur in circumstances set out below), or you have not yet paid for the units, payment of the redemption amount for units tendered for redemption will be made by the Manager in the currency of the units you are redeeming either by cheque or, if you provide the necessary information, electronically to your bank account within two business days of the determination of the net asset value per security of the units redeemed.

The Fund may, with the prior written consent of a redeeming unitholder, pay for all or any redeemed units by making good delivery to such unitholder of portfolio securities, provided that such portfolio securities are valued at an amount equal to the amount at which such portfolio securities were valued for the purpose of determining the net asset value per security of the Fund for the purpose of determining the redemption price.

The Fund reserves the right to suspend the right of redemption or to postpone the date of payment of redeemed units: (a) for any period during which normal trading is suspended on any stock exchange, options exchange or futures exchange within or outside Canada on which securities are listed and traded, or on which specified derivatives are traded, which represent more than 50% by value or underlying market exposure of the total assets of the Fund without allowance for liabilities if those securities or specified derivatives are not traded on any other exchange that represents a reasonably practicable alternative for the Fund; or (b) subject to the consent of the Canadian securities regulators having jurisdiction, for any period during which the Manager determines that conditions exist as a result of which disposal of the assets owned by the Fund is not reasonably practical. In case of suspension of the right of redemption, you may either withdraw your redemption request or receive payment based on the net asset value per security next determined after the termination of the suspension. The right to redeem units of the Fund may be suspended whenever

the right to redeem units is suspended for any underlying fund in which the Fund invests all of its assets directly or indirectly.

Short-Term Trading

Short-term trading activities in the Fund may adversely affect unitholders. Short-term trading has the potential to increase costs associated with the administration of the Fund and potentially poses challenges to portfolio managers in generating optimum returns through long-term portfolio investments.

The Manager has in place procedures to detect, identify and deter inappropriate short-term trading and may alter them from time to time, without notice. In addition, if you switch your units of any series of the Fund within a 30 calendar day period, we may, on behalf of the Fund, in our sole discretion, charge a short-term trading fee of 1% of the net asset value of the units switched.

The Manager will take such action as it considers appropriate to deter excessive or inappropriate short-term trading activities. Such action may, in the Manager's sole discretion, include the issuance of a warning letter, the charging of a short-term trading fee on behalf of the Fund of 1% of the net asset value of the units redeemed or switched and/or the rejection of future purchase or switch orders where multiple or frequent short-term trading activity is detected in an account or group of accounts, as appropriate.

Any short-term trading fee is in addition to any other trading fees to which you would otherwise be subject under this Simplified Prospectus. See "Fees and Expenses – Fees and Expenses Payable Directly by You – Short-Term Trading Fees" for more information.

The short-term trading fee will not be applied in circumstances which do not involve inappropriate trading activity, including redemptions, switches or reclassifications:

- from Dynamic Dollar-Cost Averaging Fund
- from units of the Fund under a SWIP; or
- that are automatic reinvestments of distributions or dividends.

Please refer to "Purchases, Switches and Redemptions – Redemptions" and "Fees and Expenses – Fees and Expenses Payable Directly by You – Short-Term Trading Fees" later in this document for more information.

OPTIONAL SERVICES

Registered Plans

We and our affiliates sponsor registered retirement savings plans ("**RRSPs**"), Dynamic Group RRSPs, registered retirement income funds ("**RRIFs**"), registered education savings plans ("**RESPs**"), locked-in retirement accounts, life income funds, deferred profit sharing plans, locked-in retirement income funds, tax-free savings accounts ("**TFSAs**") and registered disability savings plans ("**RDSPs**") (collectively, "**Registered Plans**"). Ask your dealer for an application to open a Registered Plan.

If you participate as a member of a defined contribution pension plan, you should be aware that although the inclusion of the Fund on the list of available investment opportunities may have been your employer's decision, your employer may disclaim any responsibility with respect to the performance of the Fund and will not monitor the performance of the Fund on an on-going basis. The decision to purchase and to keep or redeem units of the Fund is your decision alone. There may be other investment alternatives available and you should evaluate each investment alternative with a financial advisor.

Pre-Authorized Chequing Plan

By using a Pre-Authorized Chequing Plan you can make regular investments in the Fund of at least \$100, or in the case of Series I units at least \$1,000, per transaction. We reserve the right to change the criteria, or to eliminate, this waiver at any time. You can choose to invest weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annually or annually. Please note that Pre-Authorized Chequing Plans are not available for U.S. dollar accounts.

Establishing a Pre-Authorized Chequing Plan or making any changes to an existing Pre-Authorized Chequing Plan requires the unitholder to give notice to the Manager at least five business days prior to the next scheduled debit date.

To ensure that payment of the purchase price for units of the Fund is confirmed by your bank (i.e., the cheque clears), we may withhold an amount, equal to 100% of the Pre-Authorized Chequing Plan amount, for a period of ten business days after your Pre-Authorized Chequing Plan purchase from any redemption of units of the Fund. Following confirmation from your bank, the Pre-Authorized Chequing Plan amount withheld from any redemption of units will be released to you.

You may terminate your participation in a Pre-Authorized Chequing Plan at any time before a scheduled investment date in accordance with our policies. Unless you request it at the time you enrol in the Pre-Authorized Chequing Plan or at any other time from your dealer, you will not receive additional copies of the then current Fund Facts or future Fund Facts of the Fund, in connection with your purchases of units under this plan. These documents instead can be found at either www.dynamic.ca or www.sedar.com. Your rights to withdraw from an agreement to purchase units of the Fund within two business days of receiving the Fund Facts, or to cancel your purchase within forty-eight hours of receiving confirmation of your order, will apply to your first purchase of units of the Fund under the Pre-Authorized Chequing Plan but not to subsequent purchases. Your rights to cancel your purchase or make a claim for damages if there is any misrepresentation in the Fund Facts (or the documents incorporated by reference into the Simplified Prospectus) apply to both your initial and subsequent purchases under the Pre-Authorized Chequing Plan, even if you do not request copies of future Fund Facts of the Fund. You will be reminded annually in writing in an account statement sent by your dealer or otherwise how you may request copies of the Fund Facts of the Fund and of your rights described above.

Systematic Withdrawal Investment Plans

If the value of your investments in the Fund is at least \$5,000, you may open a systematic withdrawal investment plan ("SWIP") under which you can pre-arrange to automatically redeem a specified dollar amount or number of units (minimum \$100) monthly, quarterly, semi-annually or annually.

Please note that if the amount of your withdrawals exceeds the amount of the reinvested dividends or distributions and net capital appreciation you are receiving on units of the Fund, the withdrawals will encroach on and possibly exhaust your original investment in the Fund. The Manager must receive notice of a unitholder's intention to open a SWIP at least five business days prior to the first scheduled redemption date. In addition, any changes to an existing SWIP must be received by the Manager at least five business days prior to the next scheduled redemption date in order to be accommodated.

FEES AND EXPENSES

The following sections list the fees and expenses that you may have to pay if you invest in the Fund. You may have to pay some of these fees and expenses directly. The Fund may have to pay some of these fees and expenses, which will therefore reduce the value of your investment in the Fund. Your financial advisor will assist you in choosing the appropriate purchase option for you. Some of these fees and expenses are subject to Goods and Services Tax ("GST") and may be subject to Harmonized Sales Tax ("HST"), including management fees, Administration Fees (as defined below) and Fund Costs (as defined below). Interest and sales charges, if any, are not currently subject to GST or HST.

The Fund is required to pay GST or HST on management fees payable to the Manager in respect of each series, Administration Fees payable to the Manager in respect of each series and on Fund Costs attributed to each series, based on the residence for tax purposes of the unitholders of the particular series. GST is currently charged at a rate of 5% and HST is currently charged at a rate of between 13% and 15% depending on the province.

Generally, (i) any changes to the basis of calculation of a fee or expense that is charged to the Fund or directly to its unitholders by that Fund or the Manager in connection with holding of units of the Fund or (ii) the introduction of a new fee or expense that could, in either case, result in an increase in those charges is subject to unitholder approval except that, subject to applicable securities law requirements:

- (a) no unitholder approval will be required if the Fund is at arm's length to the person or company charging the fee or expense to the Fund and if written notice is sent to all unitholders at least 60 days before the effective date of the change that could result in an increase in charges to the Fund; and

- (b) no unitholder approval will be required for units that are purchased on a no load basis, if written notice is sent to all unitholders of such units at least 60 days before the effective date of the change that could result in an increase in charges to the applicable Fund.

Fees and Expenses Payable by the Fund

Management Fees

The Fund pays management fees for some series of units. Management fees for other series of units are paid directly by you (see "Fees and Expenses Payable Directly by You – Management Fees" later in this document).

The management fees cover the costs of managing the Fund, arranging for investment analysis, recommendations and investment decision making for the Fund, arranging for distribution of the Fund, marketing and promotion of the Fund and providing or arranging for other services.

The management fees paid by the Fund are accrued daily and calculated and paid monthly. The management fee rate for each series of units for which the Fund pay a management fee is as follows:

	Serie s A (%)	Serie s F ¹ (%)	Serie s FT ¹ (%)	Serie s T (%)
Dynamic International Discovery Fund ^o	1.90	0.90	0.90	1.90

- Notes:
- 1 Series F and Series FT units are generally only available to investors who participate in an eligible fee-based or wrap program with their registered dealer and who are subject to a periodic asset-based fee rather than commissions on each transaction.

In certain circumstances, investors who purchase Series F or Series FT units must enter into an agreement with their dealer which identifies a Fee-Based Account Fee negotiated with their financial advisor and payable to their dealer. Investors may only purchase Series F or Series FT units through a financial advisor who is registered with a dealer that has signed an agreement with us. This Fee-Based Account Fee is in addition to the management fee payable by the Fund for Series F or Series FT units. No sales commissions or trailing commissions are payable by us to a dealer for investments in Series F or Series FT units. See "Purchases, Switches and Redemptions – Description of Units" earlier in this document for additional information.
 - ✓ There is no management fee payable by the Fund for Series I units. The management fees for Series I units are paid directly by Series I unitholders, not by the Fund. See "Fees and Expenses Payable Directly by You – Management Fees". Investors may only purchase Series I units through a financial advisor who is registered with a dealer that has signed an agreement with us. In addition, Series I unitholders may pay a Dealer Fee which is payable to their dealer. See "Fees and Expenses Payable Directly by You – Other Fees and Expenses – Dealer Fee". This Dealer Fee is in addition to the management fee payable directly to us by investors who purchase Series I units. Series I units are also available for certain investors who are clients of the Manager's private client division, named 1832 Asset Management. Such investors who purchase Series I units must enter into an agreement with us which identifies the management fee negotiated with the investor and payable by the investor directly to us. No sales commissions or trailing commissions are payable by us to a dealer for investments in Series I units. See "Purchases, Switches and Redemptions – Description of Securities" earlier in this document for additional information.
 - ^o There is no management fee payable by the Fund for Series O units. Investors who purchase Series O units must enter into an agreement with us which identifies the management fee negotiated with the investor and payable by the investor directly to us. The Series O management fee for the Fund will in no circumstances be higher than the

management fee payable on Series A units of the Fund. No sales commissions or trailing commissions are payable by us to a dealer for investments in Series O units. See "Purchases, Switches and Redemptions – Description of Securities" and "Fees and Expenses Payable Directly by You – Management Fees on Series O units".

In order to encourage very large investments in the Fund and to achieve effective management fees that are competitive for these large investments, the Manager may agree to waive a portion of the management fee that it would otherwise be entitled to receive from the Fund or a unitholder with respect to a unitholder's investment in the Fund. An amount equal to the amount so waived may be distributed to such unitholder by the Fund or the Manager, as applicable, (called a "**Management Fee Distribution**"). This way, the costs of Management Fee Distributions are effectively borne by the Manager, not the Fund or the unitholders, as the Fund or unitholders, as applicable, are paying a discounted management fee. Management Fee Distributions are calculated and credited to the relevant unitholder on each business day and distributed on a monthly basis, first out of net income and net realized capital gains of the Fund and thereafter out of capital. All Management Fee Distributions are automatically reinvested in additional units of the relevant series of the Fund. The payment of Management Fee Distributions by the Fund or the Manager, as applicable, to a unitholder in respect of a large investment is fully negotiable between the Manager, as agent for the Fund, and the unitholder's financial advisor and/or dealer, and is primarily based on the size of the investment in the Fund. The Manager will confirm in writing to the unitholder's financial advisor and/or dealer the details of any Management Fee Distribution arrangement.

As a result of a discounted management fee being paid to the Manager in connection with a Management Fee Distribution, there will be fewer expenses to offset income from the Fund. The excess amount of income will be distributed solely to the particular unitholder and other unitholders will not be affected.

The tax consequences of receiving a Management Fee Distribution are discussed under "Income Tax Considerations For Investors" in the Annual Information Form.

Please also refer to "Fees" in the Annual Information Form of the Fund for additional information. 1832 L.P., in its capacity as manager of the Fund, is responsible for paying portfolio management fees to the portfolio advisors and/or portfolio sub-advisors, where applicable.

Operating Expenses

The Manager pays the operating expenses of the Fund, other than Fund Costs (as defined below), (the "**Operating Expenses**") in exchange for the payment by the Fund of a fixed rate administration fee (the "**Administration Fee**") to the Manager with respect to each series of the Fund. The Administration Fee paid to the Manager by the Fund in respect of a series may, in any particular period, be less than or exceed the Operating Expenses that the Manager incurs for the series. The Operating Expenses include, but are not limited to, audit fees, fund accounting costs, transfer agency and recordkeeping costs, custodian costs, administration costs and trustee services relating to registered tax plans, costs of printing and disseminating prospectuses, annual information forms, Fund Facts and continuous disclosure materials, legal fees, bank charges, investor communication costs and regulatory filing fees. 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 "**Fund Costs**", which are payable by the Fund, are fees, costs and expenses associated with all taxes, borrowing and interest, directors fees of the Corporation, securityholder meeting fees, the IRC of the Fund or other advisory committee, compliance with any governmental and regulatory requirements imposed commencing after May 30, 2012 (including relating to (i) the Operating Expenses (ii) compliance with IFRS, (iii) compliance with Canadian OTC Derivatives Trade Reporting Rules, and (iv) compliance with the "Volcker Rule" under the *Dodd-Frank Wall Street Reform and Consumer Protection Act* and other applicable U.S. regulations, and any new types of costs, expenses or fees not incurred prior to May 30, 2012, including arising from new government or regulatory requirements relating to the Operating Expenses or related to external services that were not commonly charged in the Canadian mutual fund industry as of May 30, 2012.

The Manager may, in some years and in certain cases, absorb a portion of a series' management fees, Administration Fee or Fund Costs. The decision to absorb the management fees, Administration Fee or Fund Costs, or a portion thereof, is reviewed annually and determined at the discretion of the Manager, without notice to unitholders.

Each series of the Fund is responsible for its proportionate share of common Fund Costs of the Fund in addition to expenses it incurs alone

The Administration Fee is equal to a specified percentage of the net asset value of a series, calculated and paid in the same manner as the management fees for the Fund. The rate of the annual Administration Fee for each series is set out below.

Fund	Series A	Series F	Series FT	Series I	Series O	Series T
Dynamic International Discovery Fund	0.08%	0.08%	0.08%	0.08%	0.04%	0.08%

IRC and Trustee

The compensation and other reasonable expenses of the IRC will be paid out of the assets of the Fund, as well as out of the assets of the other investment funds for which the IRC may act as the independent review committee. The main components of compensation are an annual retainer and a fee for each committee meeting attended. The chair of the IRC is entitled to an additional fee. Expenses of the IRC include premiums for insurance coverage, travel expenses and reasonable out-of-pocket expenses.

The Trustee of the Fund has not received any remuneration in its capacity as such.

As at the date of this Simplified Prospectus, each member of the IRC receives an annual retainer of \$50,000 (\$65,000 for the Chair) and \$2,000 for each meeting of the IRC (includes meetings by conference call) that the member attends, plus expenses for each meeting. The fees and expenses, plus associated legal costs, are allocated among all of the funds managed by the Manager for which the IRC acts as the independent review committee in a manner that is considered by the Manager to be fair and reasonable.

Portfolio Transaction Costs

The Fund pays its portfolio transaction costs, which include costs associated with the purchase and sale of securities and other property, such as brokerage fees, commissions, service charges and research and execution costs.

Derivatives Transaction Costs

The Fund may use a variety of derivatives, including options, forward contracts and swaps to hedge against foreign currency risk among other things. The Fund is responsible for paying the transaction costs associated with these derivative contracts.

Underlying Fund Fees and Expenses

There are fees and expenses payable by the underlying funds whose securities are held by the Fund, in addition to the fees and expenses directly payable by the Fund. The Fund indirectly bears its share of such fees and expenses. The fees and expenses of the underlying funds may be higher than the fees and expenses payable by the Fund. However, neither management fees nor performance fees will be paid to the Manager of an underlying fund by the Fund which, to a reasonable investor, would duplicate a fee payable by the underlying fund for the same service. No sales charges or redemption fees are payable by the Fund in relation to its purchases or redemptions of securities of the underlying funds that are managed by us or any of our affiliates or associates or that, to a reasonable person, would duplicate a fee payable by unitholders of the Fund.

Management Expense Ratio

The Fund pays the following expenses relating to its operation and the carrying on of its activities: (a) management fees paid to the Manager for professional management services and distribution costs; (b) the Administration Fee paid to the Manager; and (c) Fund Costs (which include taxes).

The expenses outlined in the previous paragraph are expressed annually by each series of the Fund as its annual management expense ratio ("**MER**"), which are the total expenses of each series of the Fund (including, where

applicable, such series' share of the underlying funds' fees and expenses indirectly borne by the Fund) for the year expressed as a percentage of the series of the Fund's average daily net asset value during the year, calculated in accordance with applicable securities legislation. Portfolio transaction costs, derivatives transaction costs and income taxes are not included in the MER.

Fees and Expenses Payable Directly by You

The tables below list the fees and expenses that you may have to pay directly if you invest in the Fund.

Series I Management Fees

Management fees for Series I units are paid directly by Series I unitholders, respectively, not by the Fund, based on a management fee schedule as set out in the table below. The total value of a unitholder's holdings in the applicable series of the Fund will determine the management fee rate applicable with respect to all units held by the unitholder in such series of the Fund.

In addition, Series I unitholders may pay a Dealer Fee which is payable to their dealer. See "Fees and Expenses Payable Directly by You – Other Fees and Expenses – Dealer Fee". This Dealer Fee is in addition to the management fee payable directly to us by investors who purchase Series I units.

In cases where such units were purchased by investors who are clients of the Manager's private client division, named 1832 Asset Management, the management fees are those set out in the agreement with such investor. The agreement identifies the management fee negotiated with the investor and payable directly by the investor to us and the management fee in such case will not be higher than the management fee for Series A units of the Fund.

In addition, management fees on Series I units are subject to GST, HST or any other applicable taxes.

The management fees, together with the Dealer Fee, paid by Series I unitholders of the Fund are accrued and calculated daily based on the aggregate daily net asset value of the Series I units of the Fund held by you at the end of each business day and paid by you to the Manager, plus applicable tax, quarterly through the automatic redemption by the Manager of the applicable series of units of the Fund held by you. The redemption proceeds therefrom will be applied by the Manager to the payment of the management fees, Dealer Fee and applicable taxes. The redemption of units of the Fund held by you to pay such management fees or Dealer Fee may result in taxes payable. See "Income Tax Considerations for Investors".

Series I units of the Fund will also pay an Administration Fee and may also incur certain Fund Costs. See "Fees and Expenses Payable by the Fund – Operating Expenses".

If you are considering an investment in Series I units, you should consult your independent tax advisor about the tax treatment to you of paying the management fees directly.

Series I Management Fees				
	For account holdings up to \$250,000	For account holdings with no less than \$250,000 and up to \$1 million	For account holdings with no less than \$1 million and up to \$5 million	For account holdings with no less than \$5 million and greater
Dynamic International Discovery Fund	0.900%	0.800%	0.725%	0.675%

Series O Management Fees

The management fees for Series O units are paid directly by Series O unitholders, rather than by the Fund. Investors who purchase Series O units must enter into an agreement with us which identifies the management fee payable by the investor directly to us. If you are considering an investment in Series O units, you should consult your independent tax advisor about the tax treatment to you of paying the management fees directly. The management fees for Series O units will not be higher than the management fees for Series A units of the same Fund.

Sales Charges

When you purchase Series A or Series T units of the Fund, you may pay a front-end sales charge negotiated with and paid to your dealer to a maximum of 5%.

No sales charges are applicable to Series F, Series FT, Series I and Series O units of the Fund.

Switch and Reclassification Fees

This fee is negotiated with and paid to your dealer to a maximum of 2%.

There is no fee for switching Series A, Series F, Series FT, or Series T units of the Fund under a SMART Investment Program or for switching Series A or Series F units of the Fund using the Dynamic Dollar-Cost Averaging Fund.

Short-term trading fees may apply. See below for additional information.

Short-Term Trading Fees

If you redeem or switch units of any series of the Fund within a 30 calendar day period, we may, on behalf of the Fund, in our sole discretion, charge a short-term trading fee of 1% of the net asset value of the units redeemed or switched. This fee is paid to the Fund and is in addition to any switch fee that is payable by you to us. In addition, we monitor trading activity for up to 90 days to identify patterns of excessive trading. Excessive trading is determined by the number of redemptions and/or switches of the Fund within 90 days of a purchase or switch into the Fund. Generally, two redemptions and/or switches may be considered excessive trading in this period. We consider this on a case by case basis with a view to deterring activity that is not in the Fund's interests. If we identify such activity within 90 days, we may charge 1% of the net asset value of the units you redeem and/or switch.

Other Fees and Expenses

Fee-Based Account Fee:

If you purchase Series F or Series FT units of the Fund, you may pay a Fee-Based Account Fee. Please refer to "Purchases, Switches and Redemptions – Purchases" earlier in this document and "Dealer Compensation – Fee-Based Account Fee" later in this document for more information. In the case of purchases of Series F or Series FT units of the Fund, the Fee-Based Account Fee is negotiated with your financial advisor and paid to your dealer.

Dishonoured Cheque or Electronic Transfer Fee:

There may be a \$25.00 fee per dishonoured cheque or electronic transfer.

IMPACT OF SALES CHARGES

The following table shows the amount of fees that you would have to pay if you acquired Series A or Series T units of the Fund under the different purchase options available to you if you made an investment of \$1,000 in the Fund if you held that investment for one, three, five or ten years and redeemed immediately before the end of that period:

	AT TIME OF PURCHASE	1 YEAR	3 YEARS	5 YEARS	10 YEARS
FRONT-END SALES CHARGE OPTION¹	\$50.00	-	-	-	-

Notes:

1. *These calculations assume that you will pay the maximum front-end sales charge of 5% for Series A and Series T units. The actual amount of the front-end sales charge is to be negotiated between you and your dealer.*

DEALER COMPENSATION

You Pay:

Front-end Sales Charges – You pay this commission to your dealer at the time of purchase of units of the Fund. Please refer to "Purchases, Switches and Redemptions – Purchases" earlier in this document for further information.

Switch Fees – You pay this fee to your dealer when a switch takes place. Please refer to "Purchases, Switches and Redemptions – Switches and Reclassifications" for further information.

Fee-Based Account Fee – You may pay this fee to your dealer if you purchase Series F or Series FT units of the Fund. Please refer to "Fees and Expenses – Fees and Expenses Payable Directly by You" in this document for further information.

Dealer Fee - You may pay this fee to your dealer if you purchase Series I units of the Fund. This fee is negotiated between you and your financial advisor when you purchase Series I units.

We Pay:

We may pay quarterly or monthly, as we may from time to time advise, in arrears, a trailing commission of up to 1%, which is negotiated between us and your dealer, to your dealer for its financial advisors in respect of the assets of their clients invested in units of the Fund. We may change or cancel the terms of the trailing commissions in our discretion and without advance notice.

Generally, no trailing commissions are paid by us in respect of Series F, Series FT, Series I and Series O units of the Fund.

When you purchase Series A units of the Fund using the Dynamic Dollar-Cost Averaging Fund, we may pay your dealer a trailing commission at the rate applicable to the series of units of the Fund into which the initial investment in Dynamic Dollar-Cost Averaging Fund will be switched, up to a maximum rate of 1%.

We may also pay trailing commissions to dealers for securities you purchase or hold through your order-execution only accounts (discount brokers).

We may provide a broad range of marketing support programs to dealers which include:

- research materials on the Fund;
- marketing materials describing the benefits of mutual fund investing;

- pre-approved advertising copy relating to the Fund; and
- an extensive support program for national media advertising.

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

It is important for you to know that all of the amounts described above are paid by us, not the Fund, and only in accordance with the rules established by the Canadian securities regulators for mutual fund sales practices.

INCOME TAX CONSIDERATIONS FOR INVESTORS

This section is a general summary of how Canadian federal income taxes affect your investment in the Fund. It assumes that you:

- are an individual (other than a trust);
- are a Canadian resident;
- deal with the Fund at arm's length; and
- hold your securities as capital property.

This summary assumes the Fund will qualify as a "mutual fund trust" within the meaning of the Tax Act, at all material times. This section is not exhaustive and your situation may be different. ***You should consult a tax advisor about your own situation.***

Funds Held in a Non-Registered Account

You must include in your income each year the net income and the taxable portion of any capital gains of the Fund paid or payable to you in the year by the Fund (including Management Fee Distributions), whether you receive these amounts in cash or in additional units of the Fund. These amounts are taxed as if you earned them directly and you can claim any tax credits that apply to that income. Returns of capital are not taxable to you and generally will reduce the adjusted cost base of your units of the Fund. Distributions from Series FT and Series T units are more likely than other series to include returns of capital.

The price of a unit of the Fund may include income and/or capital gains that the Fund has earned, but not yet realized and/or distributed. If you buy units of the Fund before it makes a distribution, the distribution you receive may be taxable to you even though the Fund earned the amount before you invested in the Fund. For example, the Fund may make its only, or most significant, distribution of capital gains in December. If you purchase units late in the year, you may have to pay tax on your proportionate share of the income and capital gains earned by the Fund for the whole year, even though you were not invested in the Fund during the whole year.

If the Fund's portfolio has a high turnover rate, the Fund will recognize gains and losses for tax purposes more frequently than the Fund with a lower turnover rate.

When you dispose of a unit of the Fund, including a redemption or a switch of units of the Fund for units of another Fund you may realize a capital gain or loss. Your capital gain or capital loss will be equal to the difference between the proceeds of disposition (generally, the value received on the disposition less any reasonable disposition costs) and your adjusted cost base of the unit. The reclassification of units of one series of the Fund as units of a different series of the same Fund will generally not be considered a disposition for tax purposes and, in that case, you will realize neither a gain nor a loss as a result of the reclassification, provided that the two series of units derive their value in the same proportion from the same property or group of properties (which will not be the case if the two series differ as to whether or how they use hedging instruments). If you reclassify units of the Fund and the reclassification is not considered a disposition for tax purposes, the cost of the series of units of the Fund acquired on the reclassification

will be the same as the adjusted cost base of the reclassified units, as determined immediately before the reclassification. If the reclassification is considered a disposition for tax purposes, the cost of the series of units of the Fund acquired on the reclassification will be equal to the value of such units when they are acquired. The cost of a series of units of the Fund acquired on a reclassification will be averaged with the adjusted cost base of other units of such series held or subsequently acquired by you.

You must calculate the adjusted cost base of your units separately for each series of units of the Fund that you own. In general, the aggregate adjusted cost base of your units of a series of the Fund is:

- the total amount paid for all your units of that series of the Fund (including any sales charges paid);
- plus distributions reinvested (including Management Fee Distributions) in additional units of that series of the Fund;
- minus the return of capital component of distributions in respect of units of that series of the Fund; and
- minus the adjusted cost base of any units of that series you have previously redeemed or otherwise disposed of.

The adjusted cost base of each of your units of a series of the Fund will generally be equal to the aggregate adjusted cost base of all units of that series of the Fund held by you at the time of the disposition divided by the total number of units of that series of the Fund held by you. To the extent that the adjusted cost base of your units of a series of the Fund would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by you in the year and your adjusted cost base of such unit will be increased by the amount of such deemed capital gain. You should keep detailed records of the purchase cost of your units and distributions you receive so you can calculate the adjusted cost base of your units.

Generally, one-half of a capital gain is included in computing income as a taxable capital gain and one-half of a capital loss is an allowable capital loss which may be deducted against your taxable capital gains for the year. Generally, any excess of your allowable capital loss over your taxable capital gains for the year may be carried back up to three taxation years or forward indefinitely and deducted against taxable capital gains in other years.

If you dispose of units of the Fund and you, or your spouse or another person affiliated with you (including a corporation controlled by you) has acquired units of the same Fund within 30 days before or after you dispose of the units (such newly acquired units being considered "substituted property"), your capital loss may be deemed to be a "superficial loss". If so, your loss will be deemed to be nil and the amount of your loss will instead be added to the adjusted cost base of the units which are "substituted property".

Prior to March 15th in each year, we will issue to you a tax slip that shows you how much of each type of income and returns of capital the Fund has distributed to you. You may be able to claim any tax credits that apply to that income.

Funds Held in a Registered Plan

Provided the Fund is a "mutual fund trust" or a "registered investment" for purposes of the Tax Act at all material times, units of the Fund will be "qualified investments" for Registered Plans.

Provided that the annuitant or holder of a RRSP, RRIF, TFSA, RESP, or RDSP (i) deals at arm's length with the Fund and (ii) does not hold a "significant interest" (as defined in the Tax Act) in the Fund, the units of the Fund will not be a prohibited investment for a trust governed by a RRSP, RRIF, TFSA, RESP, or RDSP.

Investors should consult with their tax advisors regarding whether an investment in the Fund will be a prohibited investment for their RRSP, RRIF, TFSA, RESP or RDSP.

Where you hold units of the Fund in a Registered Plan, you do not pay any tax on distributions or dividends paid or payable from the Fund or on any capital gains realized from redeeming or switching units or shares held inside the plan. Withdrawals from Registered Plans (other than TFSAs) may be subject to tax.

Please see the Annual Information Form of the Fund for additional tax information.

WHAT ARE YOUR LEGAL RIGHTS?

Securities legislation in some provinces and territories gives you the right to withdraw from an agreement to buy securities of a mutual fund within two business days of receiving the simplified prospectus or Fund Facts, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy securities of a mutual fund and get your money back, or to make a claim for damages, if the simplified prospectus, annual information form, Fund Facts or financial statements misrepresent any facts about the mutual fund. These rights usually must be exercised within certain time limits.

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

ADDITIONAL INFORMATION

The Fund has received certain exemptive relief, including those obtained for derivatives, which are described below. In addition, restrictions on Lending and Repurchase Transactions, short selling and types of derivatives are also described below.

Investments in Closed-End Funds

The Fund has obtained exemptive relief from the Canadian securities regulatory authorities to invest in non-redeemable (or closed-end) investment funds ("**Closed-End Funds**") that are traded on a stock exchange in the United States provided that certain conditions are met, including that immediately after each such investment no more than 10% of the net asset value of the Fund is invested in Closed-End Funds.

Inter-Fund Trades

The Fund has obtained exemptive relief from the Canadian securities regulatory authorities to engage in inter-fund trading, which would otherwise be prohibited under applicable securities legislation. Inter-fund trading permits related investment funds and managed accounts to trade portfolio securities held by one of them with the others. Under the exemptive relief, the Fund may engage in inter-fund trading of debt securities and exchange traded securities on certain conditions aimed at ensuring that the trade is made at the market price at the time of the trade and that no additional commissions are paid. The IRC for the Fund and other investment funds managed by the Manager must approve the inter-fund trades in accordance with the approval requirements of NI 81-107.

Offerings Involving A Related Underwriter

The Fund is considered dealer managed investment fund and follow the dealer manager provisions prescribed by NI 81-102.

The Fund cannot knowingly make an investment during, or for 60 days after, the distribution period (the "**Prohibition Period**") in which an affiliate or associate of the Manager, such as Scotia Capital Inc., acts as an underwriter or agent in an offering of equity securities, unless the offering is being made under a prospectus and such purchases are made in compliance with the approval requirements of NI 81-107.

The Fund, along with other mutual funds managed by the Manager, can rely on exemptive relief from the Canadian securities regulatory authorities to invest in private placement offerings of equity securities of an issuer during the Prohibition Period even if Scotia Capital Inc., an affiliate of the Manager, acts as underwriter in offerings of securities of the same class, provided the issuer is at the time a reporting issuer in at least one province of Canada and the IRC of the Fund approves of the investment in accordance with the approval requirements of NI 81-107.

The Fund, along with the other mutual funds managed by the Manager, have obtained exemptive relief from the Canadian securities regulatory authorities to purchase debt securities of an issuer that does not have an approved credit rating from an approved credit rating organization in a distribution for which a dealer related to the Manager, such as

Scotia Capital Inc., acts as an underwriter or agent, provided such purchases are made in compliance with the approval requirements of NI 81-107 and certain other conditions.

The Fund, along with other mutual funds managed by the Manager, have obtained exemptive relief from the Canadian securities regulatory authorities that permits the Fund to invest in equity securities of an issuer that is not a reporting issuer in Canada during the Prohibition Period, whether relating to a private placement of the issuer in Canada or the United States or a prospectus offering of the issuer in the United States of securities of the same class even if an affiliate of the Manager acts as underwriter in the private placement or prospectus offering, provided the issuer is at the time a registrant in the United States and the IRC of the Fund approves of the investment in accordance with certain other conditions.

In addition to the above exemptive relief, the Fund may from time to time be granted exemptions from NI 81-102 to permit them to invest during the Prohibition Period in securities of an issuer, in which an affiliate or associate of the Manager, such as Scotia Capital Inc., acts as an underwriter or agent in the issuer's distribution of securities of the same class, where the Fund is not able to do so in accordance with NI 81-107 or the exemptive relief described above.

Transactions with Related Parties

The Fund, along with other mutual funds managed by the Manager, have obtained exemptive relief from the Canadian securities regulatory authorities to purchase long-term debt securities issued by The Bank of Nova Scotia, an affiliate of the Manager, and other related issuers in the primary and secondary markets, provided such purchases are made in compliance with the approval requirements of NI 81-107 and certain other conditions.

The Fund, along with the other mutual funds managed by the Manager, have also obtained exemptive relief to purchase exchange and non-exchange traded debt securities from, or sell to, the account of an affiliate or associate of the Manager, such as Scotia Capital Inc., that is a principal dealer in the Canadian debt securities market, provided such trades are made in compliance with the approval requirements of NI 81-107 and certain other conditions.

Derivatives

The Fund may use derivatives as part of their investment strategies. Please refer to "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund – What Do Mutual Funds Invest In – Derivatives" earlier in this document for more information.

There are several risks associated with the Fund's use of derivatives which are described earlier in this document under "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?" The Fund will comply with all applicable requirements of securities and tax legislation with respect to the use of derivatives. The Fund may use derivatives to hedge their investments against losses from factors like currency fluctuations, stock market risks and interest rate changes, or to invest indirectly in securities or financial markets, provided the investment is consistent with the Fund's investment objective. If permitted by applicable securities legislation, the Fund may enter into over-the-counter bilateral derivative transactions with counterparties that are related to the Manager.

Exchange-Traded Funds

The Fund has obtained exemptive relief to invest in certain ETFs created and managed by BlackRock Asset Management Canada Limited, which invest in underlying funds managed by the Manager, provided: (i) the Fund does not short sell securities of the ETF; (ii) the ETF is not a commodity pool; and (iii) the ETF is not relying on relief regarding the purchase of physical commodities, the purchase, sale or use of specified derivatives or with respect to the use of leverage.

Securities Lending, Repurchase and Reverse Repurchase Transactions

The Fund may enter into Lending and Repurchase Transactions consistent with its investment objectives and as permitted by applicable securities and tax legislation. A securities lending transaction is where the Fund lends certain qualified securities to a borrower in exchange for a negotiated fee without realizing a disposition of the securities for tax purposes. A repurchase transaction is where the Fund sells a security at one price and agrees to buy it back from the same party at a specified price on a specified date. A reverse repurchase transaction is where the Fund buys

securities for cash at one price and agrees to sell them back to the same party at a specified price on a specified date. These transactions involve certain risks. If the other party to these transactions goes bankrupt or is for any reason unable to fulfil its obligations under the agreement, the Fund may experience difficulties or delays in receiving payment. To address these risks, any such transactions entered into by the Fund will comply with applicable securities legislation, including the requirement that each agreement be, at a minimum, fully collateralized by investment grade securities or cash with a value of at least 102% of the market value of the securities subject to the transaction. The Fund will enter into such transactions only with parties that we believe, through conducting credit evaluations, have adequate resources and financial ability to meet their obligations under such agreements ("**qualified borrowers**"). In the case of a securities lending transaction and a repurchase transaction, the aggregate market value of all securities loaned pursuant to securities lending transactions, together with securities sold pursuant to repurchase transactions, by the Fund will not exceed 50% of the net asset value of the Fund immediately after the Fund enters into the transaction.

Lending and Repurchase Transactions involve certain risks which are described earlier in this document under "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?".

Short Selling

The Fund may engage in short selling. A short sale by the Fund is where the Fund borrows securities from a lender which are then sold in the open market (or "sold short"). At a later date, the same number of securities are repurchased by the Fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the Fund pays interest to the lender. If the value of the securities declines between the time that the Fund borrows the securities and the time it repurchases and returns the securities, the Fund makes a profit for the difference (less any interest the Fund is required to pay to the lender). In this way, the Fund has more opportunities for gains when markets are generally volatile or declining.

Other Relief

The Manager has received exemptive relief from securities regulatory authorities from certain requirements in National Instrument 81-105 – *Mutual Fund Sales Practices*, prohibiting sales representatives of affiliated dealers from effecting rebates of redemption fees in respect of the Fund, subject to the conditions of an exemption order dated April 28, 2000.

PART B: SPECIFIC INFORMATION ABOUT EACH OF THE FUND DESCRIBED IN THIS DOCUMENT

The following profile for the Fund provides you with specific information about the Fund. You should refer to this section when reading the Fund profile to ensure you have complete information about the Fund.

Fund Details

This section gives you information such as type of Fund, the Fund's start-up date, the nature of the series of units offered by the Fund, the Fund's eligibility for Registered Plans and the name of the portfolio advisor and/or sub-advisor for the Fund.

Management Expense Ratio

The Fund pays the following expenses relating to its operation and the carrying on of its activities: (a) management fees paid to the Manager for professional management services and distribution costs; (b) the Administration Fee paid to the Manager; and (c) Fund Costs (which includes taxes). The expenses outlined in the previous sentence are expressed annually by each series of the Fund as its annual management expense ratio ("**MER**") which are the total expenses of each series of the Fund (including, where applicable, such series' share of the underlying funds' fees and expenses indirectly borne by the Fund) for the year expressed as a percentage of the series of the Fund's average daily net asset value during the year, calculated in accordance with applicable securities legislation. Portfolio transaction costs, derivatives transaction costs and income taxes are not included in the MER.

What Does the Fund Invest In?

This section includes the Fund's fundamental investment objectives, including information that describes the fundamental nature of the Fund, the nature of unitholder approval required in order to change the fundamental investment objectives of the Fund and restrictions on investments adopted by the Fund. This section also discloses the principal investment strategies that the Fund intends to use in achieving its investment objectives, including the process by which the Fund's portfolio advisor selects securities for the Fund 's portfolios.

What are the Risks of Investing in the Fund?

This section shows the specific risks associated with the Fund's investment strategy. The risks may be associated with either investments made directly by the Fund and/or investments held in an underlying fund in which the Fund makes an investment. For an explanation of these risks, see "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?" in this document.

Investment Risk Classification Methodology

As required by applicable securities legislation, we determine the investment risk level of the Fund in accordance with a standardized risk classification methodology that is based on the Fund's historical volatility as measured by the 10-year standard deviation of the returns of the Fund. Standard deviation is a statistical tool used to measure the historical variability of the Fund's returns relative to the Fund's average return. The higher the standard deviation of the Fund, the greater the range of returns it has experienced in the past. A mutual fund with a higher standard deviation will be classified as more risky.

Where the Fund has offered securities to the public for less than 10 years, the standardized methodology requires the use of the standard deviation of a reference mutual fund or reference index that reasonably approximates or, for a newly established fund, is reasonably expected to approximate, the standard deviation of the Fund. The reference mutual fund or the reference index used to determine the risk rating of the Fund is specified in Part B for such Fund, under the heading "Who Should Invest in this Fund? ".

Using this methodology, the Fund will have a risk rating in one of the following categories: low, low to medium, medium, medium to high and high.

We will review the investment risk rating of the Fund at least annually as well as if there is a material change in the Fund's investment objectives or investment strategies.

Historical performance may not be indicative of future returns and the Fund's historical volatility may not be indicative of its future volatility. There may be times when we believe the standardized methodology produces a result that does not reflect the Fund's risk based on other qualitative factors. As a result, we may assign a higher risk rating to the Fund if we determine it is reasonable to do so in the circumstances.

The methodology that the Manager uses to identify the investment risk level of the Fund is available on request, at no cost, by calling us at 1-800-268-8186, by emailing us at invest@dynamic.ca or by writing to us at the address on the back cover of this Simplified Prospectus.

Who Should Invest in this Fund?

This section tells you the type of investment portfolio the Fund may be suitable for. This is meant as a general guide only. For advice about your investment portfolio and whether the Fund may be suitable for you, you should consider the criteria described under "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?" earlier in this document and consult with your dealer.

Distribution Policy

The Fund generally distributes to its unitholders in each taxation year sufficient net income and net realized capital gains with a view to reducing its income tax liability to nil. If the aggregate amount of distributions made to unitholders of the Fund in a year exceeds the amount of net income and net realized capital gains of the Fund in such year, such excess is not taxable but generally will reduce the adjusted cost base to unitholders of their units of the Fund.

The following information applies to all series of units of the Fund, as applicable:

- The record date for a dividend or distribution is the Valuation Date prior to the payment date.
- All distributions by the Fund to its unitholders will be automatically reinvested in additional units of the same series of the Fund. You may, by written request, elect to receive cash payment by electronic transfer to your bank account, however the Manager may, in respect of certain distributions and/or dividends, cause any such cash payment to be automatically reinvested in additional units of the same series of the Fund. Cash distributions are not available for Registered Plans.
- Units acquired through the reinvestment of dividends or distributions are not subject to any sales charges.
- As the Fund may dispose of some of its portfolio each year, the amount of dividends or distributions may be material.

For more information about distributions and dividends, see "Income Tax Considerations for Investors" earlier in this document.

Fund Expenses Indirectly Borne by Investors

This information is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. While you do not pay these costs directly, they have the effect of reducing the Fund's returns. The information is based on an initial investment of \$1,000 and a total annual return of 5% and assumes that the MER of the Fund was the same throughout each period shown as it was during the last completed financial year. For additional information refer to "Fees and Expenses" earlier in this document. Information is shown only for series of securities of the Fund that were outstanding and operational at the end of the last completed financial year.

DYNAMIC INTERNATIONAL DISCOVERY FUND

Fund Details

Type of Fund:	International Equity
Nature of Securities Offered:	Series A, Series F, Series FT, Series I, Series O and Series T units of a mutual fund trust
Series A Start-up Date:	February 3, 2021
Series F Start-up Date:	February 3, 2021
Series FT Start-up Date:	February 3, 2021
Series I Start-up Date:	February 3, 2021
Series O Start-up Date:	February 3, 2021
Series T Start-up Date:	February 3, 2021
Registered Plan Eligible:	Yes
Portfolio Advisor:	The Manager

What Does the Fund Invest In?

Investment Objectives

Dynamic International Discovery Fund seeks to provide long-term capital growth through investment in a broadly diversified portfolio consisting primarily of equity securities of businesses based outside of the United States of America and Canada.

Before a fundamental change is made to the investment objective of the Fund, the prior approval of unitholders is required. This approval must be given by a resolution passed by a majority of the votes cast at a meeting of unitholders.

Investment Strategies

The Fund may invest in a wide range of equity securities of businesses based outside of the United States of America and Canada, without restriction to country, sector, or market capitalization.

The Fund may invest in all types of securities. The Fund will invest primarily in equity securities, including common shares and preferred shares and, to a lesser extent, in other kinds of securities, including: convertible bonds, payment-in-kind bonds, warrants, discounted debt instruments, restructured debt securities, loan assignments, loan participations and high yield, lower rated debt securities, as well as the securities of companies in reorganization and government securities of emerging market countries or other countries.

Investment analysis for this Fund follows a bottom-up approach, which emphasizes careful company specific analysis. Using a value investment approach, this Fund invests in companies that represent good value based on current stock price relative to the company's intrinsic value.

Techniques such as fundamental analysis may be used to assess growth and value potential. This means evaluating the financial condition and management of each company, its industry and the overall economy. As part of this evaluation, the portfolio advisor may:

- analyze financial data and other information sources;
- assess the quality of management; and
- conduct company interviews, where possible.

The portfolio advisor may choose to:

- invest up to 100% of its assets in foreign securities;
- use warrants and derivatives such as options, forward contracts, futures contracts and swaps to:

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- hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies; and/or
- gain exposure to individual securities and markets instead of buying the securities directly; and/or
- generate income; and
- hold cash or cash equivalents for strategic reasons.

The Fund will only use derivatives as permitted by securities regulations. The Fund may use derivatives as part of its investment strategies. A derivative is generally a contract between two parties to buy or sell an asset at a later time. The value of the contract is based on or derived from an underlying asset such as a stock, a market index, a currency, a commodity or a basket of securities. It is not a direct investment in the underlying asset itself. Derivatives may be traded on a stock exchange or in the over-the-counter market. For a description of the different types of derivatives and the risks associated, please see "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund? – What do Mutual Funds Invest In? – Derivatives".

There are several risks associated with the Fund's use of derivatives which are described earlier in this document under "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?". The Fund will comply with all applicable requirements of securities and tax legislation with respect to the use of derivatives. The Fund may use derivatives to hedge its investments against losses from factors like currency fluctuations, stock market risks and interest rate changes, or to invest indirectly in securities or financial markets, provided the investment is consistent with the Fund's investment objectives. If the Fund uses derivatives for purposes other than hedging, it will do so within the limits of applicable securities regulations.

Lending and Repurchase Transactions will be used in conjunction with the Fund's other investment strategies in a manner considered most appropriate by the portfolio advisor to achieve the Fund's investment objectives and to enhance the Fund's returns. For a description of Lending and Repurchase Transactions and the limits placed on the Fund entering into these transactions, please refer to "Additional Information – Securities Lending, Repurchase and Reverse Repurchase Transactions" earlier in this document. We will try to minimize the risk of loss to the Fund by requiring that each securities loan be, at a minimum, fully collateralized by investment grade securities or cash with a value of at least 102% of the market value of the securities subject to the transaction. The amount of collateral is adjusted daily to ensure this collateral coverage is maintained at all times. The Fund will enter Lending and Repurchase Transactions only with parties that we believe, through conducting credit evaluations, have adequate resources and financial ability to meet their obligations under such agreements. In addition, the aggregate market value of all securities lent and sold by the Fund through securities lending transactions and repurchase transactions will not exceed 50% of the net asset value of the Fund immediately after the Fund enters into the transaction. The Fund will comply with all other applicable requirements of securities and tax legislation with respect to Lending and Repurchase Transactions.

The Fund also may engage in short selling. In determining whether securities of a particular issuer should be sold short, the portfolio advisor utilizes the same analysis that is described above for deciding whether to purchase the securities. Where the analysis generally produces a favourable outlook, the issuer is a candidate for purchase. Where the analysis produces an unfavourable outlook, the issuer is a candidate for a short sale.

The Fund will engage in short selling as a complement to the Fund's current primary discipline of buying securities with the expectation that they will appreciate in market value. For a more detailed description of short selling and the limits within which the Fund may engage in short selling, please refer to "Additional Information – Short Selling" earlier in this document.

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The Fund may invest in precious metals when deemed appropriate by the portfolio advisor. The Fund may invest up to 5% of its net assets, taken at the market value thereof at the time of investment, in each of silver and platinum (or the equivalent in certificates or specified derivatives of which the underlying interest is silver or platinum) and up to 10% of its net assets, taken at the market value thereof at the time of investment, in gold, including Gold ETFs.

The Fund may invest in securities of underlying funds (including underlying funds managed by the Manager or an affiliate or associate of the Manager). The proportions and types of underlying funds held by the Fund will be selected with consideration for the underlying fund's investment objectives and strategies, past performance and volatility among other

The Fund may be subject to the following risks:

- Commodity Risk
- Concentration Risk
- Credit Risk
- Currency Risk
- Cyber Security Risk
- Derivatives Risk
- Equity Risk
- Foreign Investment Risk
- Fund on Fund Risk
- Inflation Risk
- Interest Rate Risk
- Large Redemption Risk (As at February 3, 2021, one investor held approximately 100% of the outstanding units of the Fund.)
- Liquidity Risk
- Market Disruption Risk
- Securities Lending Risk
- Series Risk
- Short Selling Risk
- Small Capitalization Risk
- Underlying ETFs Risk
- U.S. Withholding Tax Risk

These risks are explained in detail under "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund? – Risk Factors" earlier in this document.

Who Should Invest in this Fund?

As currently required by Canadian securities legislation, we make the very general statement that this Fund may be suitable for investors with a medium tolerance for risk. As the Fund has less than 10 years of performance history, the Fund's risk classification is based on the Fund's returns and the returns of the following reference index:

Reference Index	Description
MSCI EAFE Index (C\$)	The MSCI EAFE Index (C\$) captures large and mid-cap representation across developed markets around the world, excluding the U.S. and Canada.

For additional information on the investment risk classification methodology used by the Fund, including the use of a reference index to determine the Fund's investment risk level, see "Investment Risk Classification Methodology" earlier in the document.

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In addition, we make a very general statement in the Fund Facts regarding investment horizon. However, the level of risk and the investment horizon associated with any particular investment depends largely on your own personal circumstances. You should consult your personal investment profile, consult your financial advisor and read the more detailed explanation of risk under the heading "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?" earlier in this document before making a decision whether this Fund is suitable for you.

Certain series of securities of this Fund may be bought in Canadian and U.S. dollars. To determine which currency option is most appropriate for you, please see "Purchases, Switches and Redemptions – U.S. Dollar Option".

Distribution Policy

The Fund expects to distribute (other than for Series T and FT), in respect of each taxation year, any net income and any net realized capital gains by December 31 of each year, or at such other times as may be determined by the Manager, with a view to reducing its income tax liability to nil.

Holders of Series T and FT units of the Fund will receive monthly distributions at a fixed rate. These distributions are not guaranteed and may change at any time at our discretion. The Fund will also distribute, any net income and net realized capital gains in excess of the monthly distributions by December 31 of each year, or at such other times as may be determined by the Manager. A portion of the Fund's distributions to unitholders may represent return of capital.

A return of capital made to you is not taxable, but generally will reduce the adjusted cost base of your units for tax purposes. However, if the distributions are reinvested in additional units of the Fund, the adjusted cost base will increase by the amount reinvested. Where net reductions to the adjusted cost base of your units would result in the adjusted cost base becoming a negative amount, such amount will be treated as a capital gain realized by you and the adjusted cost base of your related units will then be nil. Any further net reductions to the adjusted cost base will similarly be treated as realized capital gains.

For additional information refer to "Specific Information About Each of the Mutual Funds Described in This Document" earlier in this document.

Fund Expenses Indirectly Borne by Investors

No information is available for any units of the Fund since this is a new fund. For additional information refer to "Fees and Expenses" earlier in this document.

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

You can get a copy of these documents at your request and at no cost, by calling 1-800-268-8186 or from your dealer or by e-mail at invest@dynamic.ca. These documents and other information about the Fund, such as information circulars and material contracts, are also available on our website at www.dynamic.ca or at www.sedar.com.

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