

VERTEX ARBITRAGE FUND PLUS

VERTEX ONE
Asset Management Inc.

Absolutely Alternative

Low Volatility

Absolute Returns

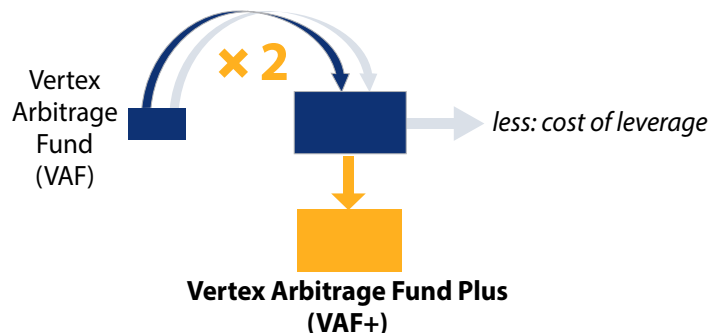
Tax Efficient

Investment Objective & Strategy

The principal investment objective is to generate consistent, positive returns, with low volatility and low correlation to equity markets. With the majority of the return in the form of capital gains the fund will be a tax efficient investment vehicle.

“Merger Arbitrage” is the predominant strategy of the fund; this involves capturing a profit from the discount between the market price and the “deal” price for a target company in an announced, legally-binding, merger situation. There are two main types of corporate mergers: cash and stock mergers. In stock mergers, the fund hedges market risk by selling short the acquiring company shares, while simultaneously buying the target company shares. In cash mergers, there is no need to hedge with the acquirer’s stock. In both situations the resulting portfolio is market-neutral. **This fund utilizes leverage to enhance returns.**

Performance Explained



- Both VAF and VAF+ invest in the same portfolio of deals.
- VAF targets returns of 4-6% over short-term interest rates.
- VAF+ uses leverage to target returns approximately double those of VAF, less the cost of leverage.
- The cost of leverage is currently near 1% and varies with short-term interest rates in Canada and the United States.
- VAF targets NAV-at-risk on a deal break of 1-2%.
- VAF+ targets NAV-at-risk on a deal break of 2-4%.

Class F Returns (Net of fees)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2017			0.43%	1.28%	0.91%	0.99%	0.47%	0.51%	0.58%	0.40%	-2.30%		3.27%

Management Team

Craig Chilton and Tom Savage are the portfolio managers of the Vertex Arbitrage Fund Plus. Both joined Vertex One in 2010 from CIBC’s highly successful, proprietary trading group. Mr. Chilton ran arbitrage strategies for 15 years at CIBC; Mr. Savage rejoined CIBC after completing an MBA at Harvard Business School, following several years on an arbitrage desk at CIBC and several years in private equity and long-only investing.

Portfolio Details

Average Market Cap	# of Deals	# of SPACs
\$15 Billion	27	28

Exposure

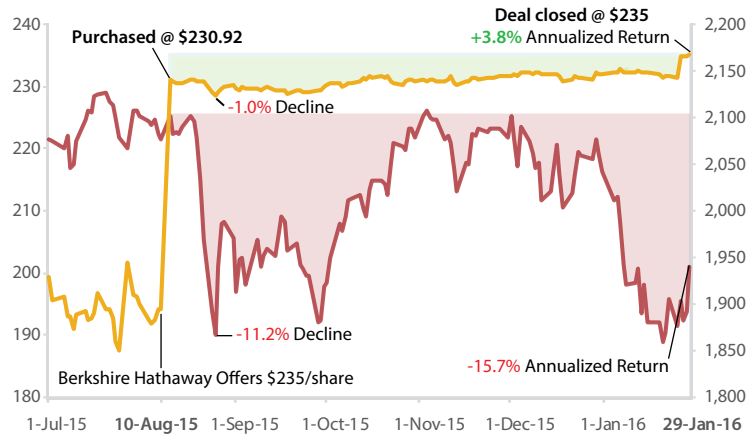
%Long	%Short	%Net
128.3%	-30.0%	98.3%

Long exposure is limited to 260% of NAV or 1.6x Leverage.

Firm Assets	\$1.33 Billion
Fund Assets	\$84 Million
Type of Fund	Market Neutral
RSP Eligible	Yes
Pricing Schedule	Monthly
Offer Document	Offering Memorandum
Lock up	No
Purchase Minimum	\$25,000 (initial) \$10,000 (subsequent)
High water mark	Yes
Performance Fee	15% of the amount above the high water mark
Management Fee	F Class: 1% B Class: 2%
Fund Codes	VRT 991 (F) VRT 992 (B)
Administration/Trustee	CIBC Mellon
Prime Broker	TD Securities Inc.
Auditor	PriceWaterhouseCoopers
Inception Date	February 28, 2017
Class F NAV	\$10.3269
Class B NAV	\$10.2916

Example of Merger Arbitrage

Illustrated below, is the all-cash acquisition of Precision Castparts by Berkshire Hathaway with a comparison to US stock market over the same time period. A profit was made from the closing of the spread between the market price and deal price, which occurred independent of the market's return.



Corporate Profile

We are an independent investment firm that seeks to offer investors a different approach to fund management, one based on capital preservation in both good and bad markets. Through seven funds we offer investors a full spectrum of risk and return profiles, actively managed by asset class and strategy exposure. Vertex employees are collectively the largest investors across its funds.

Vertex One Head Office:

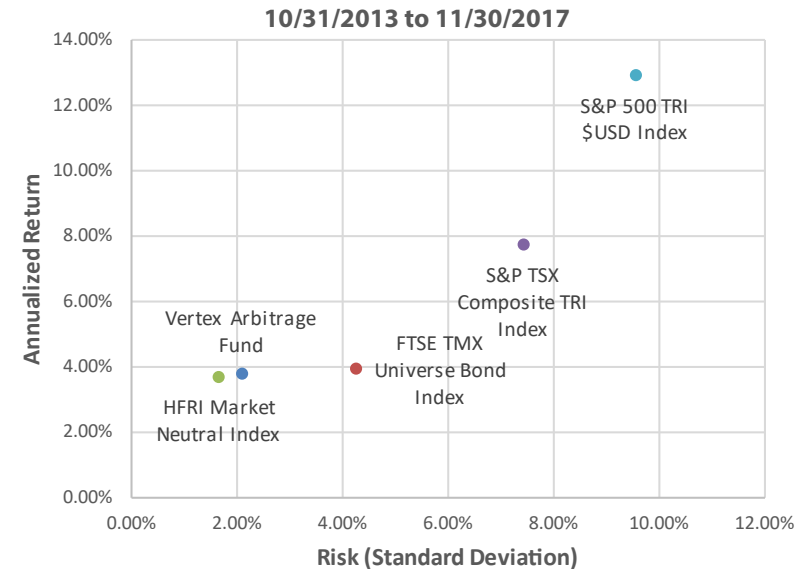
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Important information about the Fund is contained in the Offering Memorandum which should be read carefully before investing. You can obtain an offering memorandum from Vertex One Asset Management Inc. (V1). The Offering Memorandum for Vertex One investment funds does not constitute an offer or solicitation to anyone in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. The fund has been established with the objective of achieving "low volatility", "absolute returns" and "tax efficiency". The funds are not guaranteed; their values change frequently and past performance may not be repeated. Investors should seek independent tax counsel before investing. Returns are net of all fees, include reinvested distributions and represent Class F shares. Vertex Arbitrage Fund returns are provided for reference purposes only. Returns of the Vertex Arbitrage Fund Plus will differ from the methodology used to provide an estimate.

Risk vs Return Comparison



Periods Of Market Volatility

