SIMPLIFIED PROSPECTUS

June 29, 2018

OFFERING OF CLASS B AND CLASS F UNITS OF:

VERTEX VALUE FUND
VERTEX ENHANCED INCOME FUND
VERTEX GROWTH FUND

No securities regulatory authority has expressed an opinion about these units. It is an offence to claim otherwise. None of the securities described in this document nor the Funds are registered with the United States Securities and Exchange Commission.

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INTRODUCTION

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

Throughout this simplified prospectus:

- ***We***, ***us***, ***our*** and ***Manager*** refers to Vertex One Asset Management Inc. ("**Vertex One**");
- ***Fund*** or ***Funds*** refers to one or more of the Vertex investment funds listed on the front cover of this document;
- ***You*** and ***your*** refers to everyone who invests in the Funds;
- ***Unit*** or ***Units*** refer to a unit or units of the Funds;
- ***Unitholders*** refers to owners of units of the Funds;
- ***Class*** or ***Classes*** refers to one or more classes of units of the Funds;
- ***Dealer*** refers to the company where your registered representative works;
- ***Registered representative*** refers to the representative registered in your province or territory who advises you on your investments;
- ***Trustee*** refers to the trustee of the Funds, being CIBC Mellon Trust Company; and
- ***Agent Lender*** refers to the agent lender of the Funds, being CIBC Mellon Trust Company.

This document is divided into two parts. The first part, from pages 1 to 26, contains general information applicable to all of the Funds. The second part, from pages 26 to 40, contains specific information about each of the Funds described in this document.

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

- The annual information form;
- The most recently filed fund facts document;
- The most recently filed annual financial statements;
- Any interim financial report filed after those annual financial statements;
- The most recently filed annual management report of fund performance ("**MRFP**"); and
- Any interim MRFP filed after the annual MRFP.

These documents are incorporated by reference into this document, which means that they legally form part of this document just as if they were printed as part of this document. You can get a copy of these documents, at your request, and at no cost, by calling toll free at 1-866-681-5787 or by contacting your registered representative.

These documents are also available on the Vertex One website at www.vertexone.com or by contacting us by e-mail at invest@vertexone.com. These documents and other information about the Funds are also available at www.sedar. com.

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

What is a mutual fund?

When you invest in a mutual fund, you pool your cash to make investments with many other people. On behalf of everyone who contributes, professional money managers use the cash to buy many different securities. These securities form the mutual fund's investment portfolio.

Mutual funds own different types of investments, depending on their investment objectives. The value of these investments will change from day to day, reflecting changes in interest rates, economic conditions and market and company news. As a result, the value of a mutual fund's units may go up and down, and the value of your investment in a mutual fund may be more or less when you redeem it than when you purchased it.

The cash you contribute to a mutual fund buys you a number of units in the mutual fund and everyone who contributes to a mutual fund is called a unitholder. You share the mutual fund's income, expenses and capital gains or losses in proportion to the number of units you own, except with respect to class specific expenses.

A mutual fund may issue units in one or more classes. A class of units may be viewed as a subdivision of the mutual fund for certain purposes (eg, calculation of management fees), but for other purposes (eg, investment activity and common expenses) the mutual fund remains undivided. See page 13, *Purchases, Switches and Redemptions – Classes of Units,* for more information.

In Canada, a mutual fund can be established either as a mutual fund trust or as a mutual fund corporation. Each Fund described in this simplified prospectus is established as a trust.

What are the advantages of investing in a mutual fund?

Investing in a mutual fund has several advantages over investing on your own in individual stocks, bonds and money market instruments:

- *Professional money management* – professional advisors have the skills, tools and the time to perform research and to make decisions about which investments to buy, hold or sell.

- *Diversification* – Investment values are always changing. Owning several investments can improve long-term results as the ones that increase in value can compensate for those that do not.

- *Liquidity* – Units may be redeemed at any time. In some cases this may result in a short-term trading fee.

- *Record-keeping and reporting* – Records of your interest are kept and you are sent financial statements, tax slips and receipts when required by applicable law.

What are the general risks of investing in a mutual fund?

Risk is the chance that your investment may not perform over a certain time period. There are different degrees and types of risks however, in general, the more risk you are willing to accept as an investor, the higher the potential returns and the greater the potential losses.

Units of the mutual funds are purchased and sold at the relevant class net asset value ("**NAV**") per unit. The NAV of the Funds, and the price of the Units, will fluctuate on a daily basis with changes in the market value of the particular Fund's investments. The values may change for a variety of reasons, including, but not limited to, changes in interest rates, economic conditions, market activity and company news. As a result, the value of your investment in a Fund may be more or less when you redeem it than when you purchased it.

Your investment is not guaranteed – The full amount of your investment in the Funds is not guaranteed. Unlike bank accounts or guaranteed investment certificates, mutual fund units are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

To withdraw your investment, you simply redeem your Units at the prevailing class NAV per Unit. Under exceptional circumstances, a mutual fund may not allow you to redeem your units. See *Purchases, Switches and Redemptions – How to Redeem Units of the Funds – Redemption suspensions* on page 16 for details.

What are the specific risks of investing in a mutual fund?

In addition to the general risks of mutual fund investing, each mutual fund carries specific risks depending on its particular investments and strategies. Below, we describe the specific risks that can affect the value of your investment in the Funds.

Each investor has a different tolerance for risk. Some investors are significantly more conservative than others when making their investment decisions. It is important to take into account your own comfort with risk as well as the amount of risk suitable for your financial goals.

Investment in the Funds is speculative due to the nature of the Funds' business and involves certain risk factors. There is no guarantee that an investment in the Funds will earn any positive return in the short or long term and investors must be able to bear the risk of a complete loss of their investment. The following risks should be carefully evaluated by prospective investors.

Commodity Risk

If any of the Funds invest in natural resource companies or in income or royalty trusts based on commodities, such as oil and gas, it will be affected by changes in commodity prices. Commodity prices tend to be cyclical and can move dramatically in short periods of time. In addition, new discoveries or changes in government regulations can affect the price of commodities.

Concentration Risk

Each Fund may concentrate its investments in a relatively small number of securities, certain sectors or specific regions or countries. This may result in higher volatility, as the value of the fund will vary more in response to changes in the market value of these securities, sectors, regions or countries. Each of the Funds is subject to certain standard investment restrictions and practices contained in securities legislation, including National Instrument 81-102.

Credit Risk

Credit risk is comprised of default risk, credit spread risk, downgrade risk and collateral risk. Each can have a negative impact on the value of a debt security.

- **Default risk** is the risk that the issuer will not be able to pay the obligation, either on time or at all. Generally, lower quality debt securities involve a greater risk of default on interest and/or principal payments.

- **Credit spread risk** is the risk that there will be an increase in the difference between the interest rate of an issuer's bond and the interest rate of a bond that is considered to have little associated risk (such as a government guaranteed bond or treasury bill). The difference between these interest rates is called a "credit spread". Credit spreads are based on macroeconomic events in the domestic or global financial markets. An increase in credit spread will decrease the value of debt securities.

- **Downgrade risk** is the risk that a specialized credit rating agency, such as DBRS (Dominion Bond Rating Services), Standard & Poor's or Moody's Investors Services, will reduce the credit rating of an issuer's securities. Downgrades in credit rating will decrease the value of those debt securities.

- **Collateral risk** is the risk that the value of any assets securing an issuer's obligation may be deficient or difficult to liquidate. As a result, the value of those debt securities may decline significantly in value.

Currency Risk

The Funds' assets and liabilities are valued in Canadian dollars. When a Fund buys foreign securities, however, they are purchased with foreign currency. The U.S. dollar and the Euro, for example, both fluctuate in value against the Canadian dollar. An unfavourable move in the exchange rate for either currency may reduce, or even eliminate, any return on an investment priced in that currency. The opposite can also be true, as a Fund can benefit from changes in exchange rates.

The Funds will own securities denominated in foreign currencies. Vertex One will have the discretion to decide the extent to which the currency risk may be hedged back to the Canadian dollar. See *Derivative Risk* below.

In addition to the exchange rate risk, there is also a risk that certain foreign governments may restrict the ability to exchange currencies. Our ability to make distributions or process redemptions assumes the continuing free exchange of the currencies in which the Fund is invested.

Cybersecurity Risk

As the use of technology has become more prevalent in the course of business, the Funds have become potentially more susceptible to operational risks through breaches in cyber security. A breach in cyber security refers to both intentional and unintentional events that may cause a Fund to lose proprietary information or other information subject to privacy laws, suffer data corruption, or lose operational capacity. This in turn could cause a Fund to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures, and/or financial loss. Cyber security breaches may involve unauthorized access to a Fund's digital information systems (e.g., through "hacking" or malicious software coding), but may also result from outside attacks such as denial-of-service attacks (i.e., efforts to make network services unavailable to intended users). In addition, cyber security breaches of a Fund's third party service providers (e.g., administrators, transfer agents, custodians and sub-advisers) or of issuers that a Fund invests in can also subject a Fund to many of the same risks associated with direct cyber security breaches. Like with operational risk in general, the Funds have established risk management systems designed to reduce the risks associated with cyber security. However, there is no guarantee that such efforts will succeed, especially since the Funds do not directly control the cyber security systems of issuers or third party service providers.

Derivative Risk

Derivatives may be used to limit or hedge potential losses associated with currencies, stock markets and interest rates. Derivatives may also be used for non-hedging purposes: to reduce transaction costs, achieve greater liquidity, create effective exposure to financial markets or increase speed and flexibility in making portfolio changes. Any use of derivatives has risks, including:

- The hedging strategy may not be effective.
- There is no guarantee a liquid market will exist when a Fund wants to buy or sell the derivative contract.
- A large percentage of the assets of a fund may be placed on deposit with one or more counterparties as margin, which exposes the underlying fund to the credit risk of those counterparties.
- There is no guarantee that an acceptable counterparty will be willing to enter into the derivative contracts.
- The counterparty to the derivative contract may not be able to meet its obligations.
- The exchanges on which the derivative contracts are traded may set daily trading limits, preventing the Fund from closing out a particular contract.
- If an exchange halts trading in any particular derivative contract, a fund may not be able to close out its position in that contract.
- The price of a derivative may not accurately reflect the value of the underlying security or index.

Equity Risk

Companies issue equities, or stocks, to help finance their operations and future growth. Mutual funds that purchase equities become part owners in these companies. The price of a stock is influenced by the company's performance outlook, market activity and the larger economic picture. When the economy is expanding, the outlook for many companies will generally be good and the value of their stocks should rise. The opposite may also be true. Usually, the greater the potential reward, the greater the risk.

For small companies, start-ups, resource companies and companies in emerging sectors, the risks and potential rewards are usually greater. The share price of such companies is often more volatile than the share price of larger, more established companies. Some of the products and services offered by technology companies, for example, can become obsolete as science and technology advance.

Certain convertible securities may also be subject to interest rate risk.

Foreign Market Risk

The Funds may invest in securities sold outside Canada and the U.S. The value of foreign securities, and the NAV of a particular Fund, may fluctuate more than Canadian and U.S. investments because:

- Companies outside Canada and the U.S. may not be subject to the same regulations, standards, reporting practices and disclosure requirements that apply in Canada and the U.S.
- Some foreign markets may not be as well regulated as Canadian and U.S. markets and their laws might make it difficult to protect investor rights.
- Political instability, social unrest, diplomatic developments or political corruption in foreign countries could affect securities held by a fund.
- There is a chance that foreign securities may be highly taxed or that government-imposed exchange controls may prevent a fund from taking money out of the country.
- In addition, changes to foreign currency exchange rates will affect the value of securities held by a fund. See *Currency Risk* above.

Government Regulation Risk

Government policies or regulations are more prevalent in some sectors, such as health sciences or telecommunications, than in others, and if a fund invests in these sectors, it may be affected when these regulations or policies change.

Income Trust and REIT Risk

An income trust generally holds debt and/or equity securities of an underlying active business or is entitled to receive a royalty on revenues generated by such business. Distributions and returns on income trusts are neither fixed nor guaranteed. In addition, funds that invest in income trusts such as oil, gas and other commodity-based royalty trusts, real estate investment trusts and pipeline and power trusts will have other varying degrees of risk depending on its sector and the underlying asset or business. These may include business developments such as a decision to expand into a new type of business, the entering into of an unfavourable supply contract, the cancellation by a major customer of its contract or significant litigation.

Many of the income trusts, including real estate investment trusts (REITs) are governed by laws of a province of Canada or of a state of the United States which limit the liability of unitholders of the income trust from a particular date. A Fund may also invest in income trusts, including REITs, in Canada, the U.S. and other countries that aren't governed by similar laws. There is a risk that unitholders of an income trust, including the Funds, could be held liable for any claims against the income trust that aren't covered under these laws. This could reduce the value of a Fund. Income trusts generally try to minimize this risk by including provisions in their agreements that their obligations won't be personally binding on unitholders. However, the income trust still has exposure to damage claims not arising from contracts, such as personal injury and environmental claims in the case of REITs.

Interest Rate Risk

Fixed-income securities, which include bonds, treasury bills and commercial paper, pay a fixed rate of interest. Each Fund may have an allocation to fixed income securities and the value of the fixed income securities will rise and fall as interest rates change. This will impact the NAV of the particular Fund. Fixed income securities generally pay interest based on the level of rates at the time the securities were issued.

Subsequent changes to the level of interest rates will then impact the price of those previously issued securities. For example, when interest rates fall, the value of an existing bond will rise because the coupon rate on that bond is greater than prevailing interest rates. Conversely, if interest rates rise, the value of an existing bond will fall. The value of debt securities that pay a floating or variable rate of interest are generally less price sensitive to interest rate changes.

Large Transaction Risk

Any large transaction made by an institutional or individual investor could significantly impact a fund's cash flow. If the investor buys large amounts of units of a particular fund, the fund could temporarily have a high cash balance. Conversely, if the investor redeems large amounts of units of a particular fund, the fund may be required to fund the redemption by selling securities at an inopportune time. This unexpected sale may have a negative impact on the performance of your investment.

Liquidity Risk

Liquidity risk is the possibility that investments in a Fund cannot be readily converted into cash when required. Vertex One may invest in small and medium sized companies whose shares typically trade in much lower volumes than larger companies. In such cases, if Vertex One needs or wants to sell such securities promptly, Vertex One may not be able to on a timely basis. As a result, in order to sell this type of holding, a Fund may need to discount the securities from recent prices or dispose of the securities over a long period of time. Accordingly, the value of such securities is subject to greater fluctuation since they may not regularly trade.

By comparison, an illiquid asset is more difficult to convert in this manner. There can be a number of reasons that an asset or a security is not liquid. For example, some issuers may be less well known or have fewer securities outstanding. A security or asset can also be considered to be illiquid because the pool of potential buyers is smaller. Sometimes securities are restricted in the sense that resales are prohibited by a promise or agreement made by the holder of the securities.

Liquidity risk refers to the possibility that an asset is not able to be sold on an organized market for a price that approximates the amount at which we value the same asset for purposes of calculating the NAV per unit of each fund. If that were to occur, then the NAV of the units you would redeem may be lower than reasonably anticipated.

Prepayment Risk

Many types of debt securities, including some mortgage backed securities and floating rate debt instruments, allow the issuer to prepay principal prior to maturity. Debt securities subject to prepayment risk can offer less income and/or potential for capital gains.

Repurchase and Reverse Repurchase Transactions and Securities Lending Risk

Sometimes a Fund may enter into what are called repurchase transactions, reverse repurchase transactions and securities lending agreements. In a repurchase transaction, the Fund sells a security at one price to a third party for cash and agrees to buy the same security back from the same party for cash at a set price at a set future date. It is a way for the fund to borrow short-term cash and earn fees. In a reverse repurchase transaction, the Fund buys a security at one price from a third party and agrees to sell the same security back to the same party at a higher price later on. It is a way for the Fund to earn a profit (or interest) and for the other party to borrow some short-term cash. A securities lending agreement is similar to a repurchase agreement, except that instead of selling the security and agreeing to buy it back later, the Fund loans the security to a third party for a fee and can demand the return of the security at any time. While the securities are on loan, the borrower provides the Fund with collateral consisting of a combination of cash and securities.

The risks with these types of transactions are that the other party may default under the agreement or go bankrupt. In a reverse repurchase transaction, the Fund may be left holding the security and may not be able to sell it at the same price it paid for it, plus interest, if the market value of the security has dropped. In the case of a repurchase or a securities lending transaction, the Fund could incur a loss if the value of the security sold or loaned has increased more than the value of the cash or collateral held.

Business Risk

While Vertex One believes that each of the Funds' investment policies will be successful over the long term, there can be no guarantee against losses resulting from an investment in units of the Funds and there can be no assurance that the Funds' investment approach will be successful or that its investment objectives will be attained. It is possible that each Fund could realize substantial losses, rather than gains, from some or all of the investments described herein.

Taxation Risk

The value of investments and the proceeds from investments are affected significantly by the taxation laws and policies applicable to the investment. Taxation laws are set by government, are subject to change from time to time without notice and such changes are beyond the control of the Manager. There can be no assurance that income tax laws and the treatment of mutual fund trusts will not be changed in a manner which adversely affects Unitholders.

If a Fund experiences a "loss restriction event" (i) the Fund will be deemed to have a year-end for tax purposes (which could result in the Fund being subject to tax unless it distributes its income and capital gains prior to such year-end), and (ii) the Fund will become subject to the loss restriction rules generally applicable to corporations that experience an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on their ability to carry forward losses. Generally, a Fund will be subject to a loss restriction event when a person becomes a "majority-interest beneficiary" of the Fund, or a group of persons becomes a "majority-interest group of beneficiaries" of the Fund, as those terms are defined in the affiliated persons rules contained in the *Income Tax Act* (Canada) (the "**Tax Act**"), with appropriate modifications. Generally, a majority-interest beneficiary of a Fund will be a beneficiary who, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, has a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, respectively, in the Fund. Generally, a person is deemed not to become a majority interest beneficiary, and a group of persons is deemed not to become a majority interest group of beneficiaries, of a Fund if the Fund qualifies as an "investment fund" under the rules including that it meets certain investment requirements.

Net Asset Value

The NAV of each class of units that comprise a particular Fund will fluctuate with changes in the market value of the investments attributable to that class. Such changes in market value may occur as a result of various factors, including those factors identified above with respect to international investments and emerging market securities and material changes in the intrinsic value of an issuer whose securities are held by the particular Fund.

Concentration Risk

There are risks associated with any mutual fund that concentrates its investments in a particular company or a few companies. Concentrating investments allows the Funds to focus on a particular company's potential, but it also means that the value of the fund tends to be more volatile than the value of a more diversified fund because a concentrated fund's value is affected more by the performance of the companies in which it has concentrated its investments.

Portfolio Turnover

The operation of a Fund may result in a high annual portfolio turnover rate. Other than a limit that the portfolio rate of Vertex Value Fund will not exceed 70%, portfolio securities may be sold without regard to the time they have been held when, in the opinion of Vertex One, investment considerations warrant such action. A high rate of portfolio turnover involves correspondingly greater expenses than a lower rate of turnover (e.g., greater transaction costs such as brokerage fees). A portfolio rate of 100% is equivalent to a fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the chance that a distribution from the funds must be included in computing your income for tax purposes for that year.

Conflicts of Interest

Each Fund may be subject to various conflicts of interest due to the fact that Vertex One is engaged in a wide variety of management, advisory and other business activities. Vertex One's investment decisions for each Fund will be made independently of those made for the other Funds and other clients of Vertex One and independently of its own investments. However, on occasion, Vertex One may make the same investment for a Fund and one or more of the other Funds or its other clients. Where the particular Fund and one or more of the other Funds or clients of Vertex One are engaged in the purchase or sale of the same security, the transaction will be effected on an equitable basis. Vertex One will allocate opportunities to make and dispose of investments equitably among clients with similar investment objectives having regard to whether the security is currently held in any of the relevant investment portfolios, the relative size and rate of growth of the particular Fund and the other Funds or clients under common management and such other factors as Vertex One considers relevant in the circumstances.

Involvement in Other and Competing Activities

Vertex One, its officers, directors, employees, or shareholders and their respective affiliates and associates are not limited or affected in their ability to carry on other business ventures for their own account, or for the account of others, and may be engaged in the development of, investment in, or management of businesses that may compete with the business of the Funds. Investment in a Fund will not carry with it the right of the Fund or of any Unitholder to invest in any other venture of Vertex One or its affiliates or associates or to any profit therefrom or to any interest therein. Vertex One may have a conflict of interest in carrying out its obligations to each Fund as a result of its involvement in competing activities.

Competition for Services

Each Fund will not have independent management and will rely upon Vertex One to manage the business of the particular Fund and to provide managerial skill. The directors and officers of Vertex One may have a conflict of interest in allocating their time between the business of Vertex One and each Fund, and other businesses or projects in which they may become involved. The directors and officers of Vertex One have, however, agreed to devote as much time to each Fund as is required for the effective management of each Fund.

Reliance on Management

The success of each Fund will be entirely dependent upon the efforts of Vertex One.

No Assurance of Return

Although Vertex One will use its best efforts to achieve superior rates of return for each Fund, no assurance can be given in this regard. An investment in units should be considered as speculative and investors must be able to bear the risk of a complete loss of their investment.

Lack of Separate Counsel

Counsel for the Funds in connection with this offering is also counsel to Vertex One. The Unitholders, as a group, have not been represented by separate counsel and counsel for the Funds and Vertex One does not purport to have acted for the Unitholders or to have conducted any investigation or review on their behalf.

Limited Resources of Manager

Vertex One has no obligation to fund any operating deficits resulting from the business of each Fund or to advance funds to continue the business operations of each Fund. Even if Vertex One should elect to do so voluntarily or be held individually accountable by Fund creditors, its available assets will likely not be adequate to satisfy the capital needs of continuing business operations. Vertex One has no equity and, consequently no capital resources. If a particular Fund's revenues are insufficient to pay the Fund's expenses after expending the funds obtained from this Offering and if Vertex One does not advance such additional funds as may be needed by the particular Fund, the particular Fund may not be able to continue its business operations in the absence of an alternative source of financing, and there can be no assurance that such financing will be available to the particular Fund.

ORGANIZATION AND MANAGEMENT OF THE FUNDS

The table below identifies and describes the companies that are involved in managing or providing services to the Funds:

Manager	
VERTEX ONE ASSET MANAGEMENT INC. 3200-1021 West Hastings Street, Vancouver, British Columbia V6E 0C3	Vertex One is the Manager of the Funds and is responsible for managing the business and affairs of the Funds including providing all necessary investment management, clerical, administrative and operational services. For further information on the services we provide to the Funds in our role as Manager of the Funds, see *Fees and Expenses – Fees and Expenses Payable by the Fund – Management Fees* on page 18.

Trustee

CIBC MELLON TRUST COMPANY
Toronto, Ontario

When you purchase Units in a Fund, you are buying units of a trust. The Trustee holds title to the securities owned by the Funds and may provide other services to the Funds, including portfolio valuation and trust accounting. The Trustee has a fiduciary responsibility to act in the best interests of the Unitholders.

Portfolio Adviser

VERTEX ONE ASSET MANAGEMENT INC.
Vancouver, British Columbia

As portfolio adviser, Vertex One manages the investment portfolios of the Funds, provides analysis and makes decisions relating to the investment of the assets of the Funds.

Custodian

CIBC MELLON TRUST COMPANY
Toronto, Ontario

The custodian ensures that the assets of the Funds are safely held.

Record-Keeper

CIBC MELLON GLOBAL SECURITIES SERVICES COMPANY
Toronto, Ontario

The record-keeper keeps a record of all Unitholders of each of the Funds, processes all of the purchases and redemptions of the Funds and issues investor statements and annual tax slips for investors. The record-keeper and fund administrator provides financial data to assist in the completion of audited financial statements. The record-keeper and fund administrator also produces and maintains complete and accurate records as a basis for the calculation of NAV of the Funds.

Securities Agent Lender

CIBC MELLON TRUST COMPANY
Toronto, Ontario

The Agent Lender may, pursuant to the securities lending authorization agreement between the Manager, and the Agent Lender, participate in a securities lending program sponsored and administered by the Agent Lender, which shall qualify as a "securities lending arrangement" as defined in the Tax Act and, in connection therewith, the Trustee is authorized to release and deliver securities and return collateral received for loaned securities in accordance with the provisions of such securities lending program.

Auditor

PRICEWATERHOUSECOOPERS LLP
Toronto, Ontario

The auditor conducts an audit of the annual financial statements of each Fund in accordance with Canadian auditing standards.

Independent Review Committee

In accordance with National Instrument 81-107, we have appointed an independent review committee for each of the Funds ("**IRC**"). The IRC will review and provide recommendations on conflict of interest matters related to the operations of the Funds and, in some cases, approve conflict of interest matters. The IRC is composed of persons who are independent of us, the Funds and our related entities.

The IRC will prepare, at least annually, a report of its activities for Unitholders, which will be available at www.vertexone.com or at a Unitholder's request, at no cost, by contacting us at invest@vertexone.com.

Additional information about the IRC, including the names of its members is available in the annual information form for the Funds.

Under applicable securities laws, certain merger transactions involving the Funds may be completed without the approval of the Unitholders provided that, among other things, the transaction is approved by the IRC and we provide you with at least 60 days' notice of the proposed merger.

PURCHASES, SWITCHES AND REDEMPTIONS

Classes of Units

Each Fund may have an unlimited number of classes of Units and may issue an unlimited number of Units of each class. You may buy, switch, redeem or hold units of the Funds through a registered representative or through any other distributor approved by us. In addition, in certain circumstances, you may buy, switch or redeem units directly through us. Each Fund is currently offering the following classes of Units under this simplified prospectus.

Class B: Class B Units are available to all investors. When you invest in Class B Units of a Fund, you may choose the initial sales charge or low-load sales charge option. Your dealer can help you decide which option is right for you. If you choose the initial sales charge option, your registered representative may charge you a front-end sales charge, which may be negotiated between you and your dealer, in the range of 0% to 2% of the amount you are investing. If you choose the low-load sales charge option, you do not pay a commission on the purchase of a Class B Unit. However, if you sell your Class B Units within three years of purchase, Vertex One will deduct the sales charge from your redemption proceeds

(3% if redeemed within the first 18 months of purchase or 2% if redeemed during the second 18 months of purchase).

Class F: Class F Units have lower fees than Class B Units and are generally available only to investors who have fee-based accounts with dealers who have been approved by us to sell Class F Units. We do not pay trailer fees to dealers who sell Class F Units, which means we can charge a lower management fee. Your dealer is responsible for determining whether you are eligible to buy and continue to hold Class F Units. If you are no longer eligible to hold Class F Units, your dealer is responsible for telling us to change your units to Class B Units of the same funds or to redeem them.

The minimum purchase amount for all classes of Units is $500 or such lesser amount as Vertex One in its sole discretion may accept.

The money that you and other investors pay to purchase Units of any class is tracked in the particular Fund's administration records. However, all contributions to the particular Fund are combined in a single pool to create one portfolio for investment purposes.

How to buy Units of the Funds

You can buy Class B Units and Class F Units of the Funds through a registered representative registered with the securities regulator in your province or territory, or through any other distributor approved by Vertex One. You must have reached the age of majority in your province or territory to buy units in a mutual fund. You may hold units in trust for a minor. Payment for units must be made within three business days of the date of your request (or before such other deadline as we may establish from time to time in accordance with applicable securities laws).

Purchase price – When you buy Units in the Funds, you buy them at the NAV of the Units of the class of the particular Fund calculated as of the business day on which your purchase is made, as long as your purchase order is received on or before 4 p.m. Eastern Time on that day (or the next business day, as applicable).

The price per Unit of the Funds will be the NAV per Unit of that class of Units. CIBC Mellon Global Securities Services Company, as record-keeper and fund administrator calculates a separate NAV for each class of Units of the particular Fund in Canadian dollars. Generally speaking, the NAV per Unit of each class is calculated by:

- adding up the assets of the particular Fund and determining the share of the class,
- subtracting the proportionate share of the class of the aggregate amount of expenses common to all classes,
- subtracting the expenses of the particular Fund that are specific to the class, and
- dividing by the number of Units of the class held by Unitholders.

Class B Units sales charges – For Class B Units, the sales charges your investment professional receives depends on how you invest in the Funds. The sales charge compensates your registered representative for the advice and service your registered representative provides to you.

Initial sales charge option

Initial sales charges are negotiable between you and your registered representative. The maximum initial sales charge is 2% of the total amount invested. For investors who purchase Class B Units for which an initial sales charge is applicable, the amount of the initial sales charge will be deducted from the amount of your subscription and paid to your registered representative. The remaining amount is divided by the NAV per Unit for the Class B Units subscribed for to determine the number of Class B Units purchased. No sales charge applies to additional Class B Units issued through the automatic reinvestment of distributions.

Low-load sales charge option

If you choose the low-load sales charge option, you do not pay a commission when you purchase Class B Units of a Fund. The entire amount of your purchase goes toward your investment and we pay your dealer a commission directly. See *Dealer Compensation* on page 22 for details.

If you sell your Class B Units within three years of buying them, Vertex One will deduct the sales charge from your redemption proceeds as a percentage of the cost of your Class B Units**.**

However, you will not pay a low-load sales charge on:

- units you hold for three years or more,
- cash distributions, or
- units received from reinvested distributions.

See *Redemption fees – Low-load sales charge option* on page 16 for details of the low-load sales charge schedule.

How we process your order – You and your registered representative, or other approved distributor, are responsible for the completeness and accuracy of your purchase order.

The Trustee must receive full and proper payment within two business days of processing your order (or before such other deadline as we may establish from time to time in accordance with applicable securities laws). If full and proper payment is not received within that time, or if the payment is returned or dishonoured, your Units will be redeemed on the next valuation day. If the proceeds are greater than the amount you owe, the particular Fund keeps the difference. If the proceeds are less than the amount you owe, your dealer will pay the difference to the Fund and you may be responsible to reimburse your dealer depending upon your arrangements with your dealer.

We have the right to accept or reject your order within one business day of receiving it. We reserve the right to reject any purchase order. If we accept your order, you will receive a written confirmation from your dealer or other distributor through whom you purchased your Units. If we reject your order, the Trustee will return any money you have sent without interest.

The minimum initial investment in each Fund is $500. We may waive the minimum initial investment amount in certain circumstances, such as related party accounts. Generally, each additional investment must be at least $50, save for certain circumstances in our discretion.

Registration of Units – Units may be registered with the record-keeper either directly in your name or in a nominee name, including the name of your dealer.

Certificates – No certificates will be issued.

How to redeem Units of the Funds

To redeem Units, contact your registered representative or other approved distributor through whom you purchased your Units, who may ask you to complete a redemption request form.

You redeem Units at the current NAV per Unit of the Class. If your redemption request is received on or before 4 p.m. Eastern Time on a day on which the Toronto Stock Exchange is open for business or before the Toronto Stock Exchange closes for the day, whichever is earlier, the redemption value will be calculated as of that day. If your redemption request is received after that time, the redemption value will be calculated as of the next day on which the Toronto Stock Exchange is open for business.

How we process your redemption request – How we process a redemption request from you will depend on whether you hold Units directly with us or whether you hold your Units through a dealer.

If you hold your Units directly with us, provided all necessary documentation has been submitted, CIBC Mellon Trust Company will pay you the proceeds of a redemption request within two business days after the next occurring valuation date after receiving your redemption request. CIBC Mellon Trust Company will mail you a cheque unless you choose to have the proceeds delivered:

- By wire to your bank account (you may have to pay a fee to your bank or financial institution) or
- By electronic funds transfer ("**EFT**") into your bank account

If you choose payment by EFT, you need to accompany your redemption request with an imprinted void cheque so we may deposit the funds directly into your bank account.

If you hold your Units through a dealer, upon receipt of all necessary documentation, CIBC Mellon Trust Company will send the proceeds to your dealer to allocate the proceeds payment to you accordingly.

Redemption fees – You pay no sales charge when you redeem Series F Units of a Fund. Vertex One may charge a short-term trading fee if you redeem or switch your Units within 30 days of buying them. Please see *Short-term trading* and *Switch fees* on page 17 of this simplified prospectus.

Low-load sales charge option

You will pay a sales charge if you choose to buy Class B Units under the low-load sales charge option and you redeem your Class B Units within three years of buying them. The charge is based on the original cost of your units and how long you held them. Vertex One deducts the charge from the value of the units you redeem.

The table below shows the low-load sales charge schedule:

	Low-load sales charge option
If you redeem:	**You pay:**
During the first 18 months	3.0%
During the second 18 months	2.0%
Thereafter	nil

Redemption suspensions – Canadian securities regulators allow us to suspend your right to redeem:

- If normal trading is suspended in any market where portfolio securities or specified derivatives are traded which represent more than 50% of the particular Fund's total asset value if those portfolio securities or specified derivatives are not traded on another market or exchange that represents a reasonable and practical alternative.

- In other circumstances with the consent of the Canadian securities regulators.

If we suspend redemption rights before the redemption proceeds have been determined, you may either withdraw your redemption request or redeem your Units at the NAV next determined after the suspension has been lifted. During any period of suspension of redemption rights, we will not accept orders for Units.

Short-term trading – The interests of Fund investors and the ability of each of the Funds to manage its investments may be adversely affected by inappropriate or excessive short-term trading because, among other things, these types of trading activities can dilute the value of Fund securities, can interfere with the efficient management of the Funds' portfolios and can result in increased brokerage and administrative costs.

If you redeem your Units within 30 days of purchase, you will pay a short-term trading fee of 2.0% of the NAV of the Units being redeemed. This amount is charged on behalf of, and is paid to, the relevant Fund. See *Fees and Expenses* below.

How to switch your Units

In our discretion, you can switch from Class B and Class F Units of a Fund to the same class of Units of another Fund or between different classes of Units of a particular Fund. Switching between classes of a particular Fund is called a reclassification. Your dealer may switch your Class B Units purchased under the low-load sales charge option into Class B Units under the initial sales charge option. However, we do not initiate any such switches.

Tax consequences of switching – If you switch between Funds, you will realize a capital gain or loss. A reclassification of your Units between classes of a Fund is not a disposition for tax purposes. See *Income Tax Considerations for Investors* on page 23 for more details.

Switch fees – We do not charge switch fees. When you switch Units of a Fund, your dealer may charge you a fee. However, if you switch between Funds within 30 days of purchase, you will pay a short-term trading fee of 2.0% of the NAV of the Units being switched. This amount is charged on behalf of, and is paid to, the relevant Fund. See *Fees and Expenses* below.

FEES AND EXPENSES

The following describes the fees and expenses you may have to pay if you invest in a Fund. You may have to pay some of these fees and expenses directly. The particular Fund may pay some of these fees and expenses, which will therefore reduce the value of your investment in the Fund.

Typically, a class of a Fund that pays more compensation to a dealer has a higher management fee than a class of a Fund which pays less compensation to your dealer.

It is up to you and your registered representative, or other approved distributor through whom you purchase your Units, to decide on an appropriate class. The class chosen will determine the amount of compensation paid to your dealer. If you purchase through a dealer, you should understand that not all dealers, including your registered representative's sponsoring dealer, make all classes available. See *Dealer Compensation* on page 22.

The consent of the Unitholders of a Fund will be obtained if any change is made in the basis of the calculation of a fee or expense charged to such Fund or a class of Units of such Fund, or directly to you by such Fund in connection with the holding of Units of the Fund, in a way that could result in an increase in charges to a Fund or a class of Units of a Fund or to you, unless applicable securities laws do not require the consent of the Unitholders of a Fund to be obtained. If consent is not required to be obtained, we will send you a notice at least 60 days before the effective date of the change.

Fees and Expenses Payable by the Fund

Management Fees	Vertex One is the Manager of the Funds and is responsible for managing the business and affairs of the Funds including providing all necessary investment management, clerical, administrative and operational services. In this role, Vertex One's duties include: (i) investment management, including portfolio security selection and investment; (ii) determination of investment policies, practices, objectives and investment strategies applicable to the Funds, including restrictions on investments; (iii) administrative and other services required by the Funds in relation to subscriptions and notices of redemption or transfer; (iv) the offering of Units of the Funds for sale to prospective purchasers including the authority to enter into arrangements regarding the distribution and sale of Units; (v) appointment of Fund service providers including auditors, bankers, valuation service providers, recordkeeping service providers and custodians; (vi) establishment of general matters of policy; (vii) authorization, negotiation and execution of contractual arrangements, including without limitation any loan agreements and supporting documentation relating to the Funds; and (viii) establishment and maintenance of registers and related ledgers, records and information relative to the Units of the Funds held by all Unitholders. As consideration for the services provided by Vertex One, each Fund pays Vertex One a management fee, monthly in arrears, and calculated daily, on each business day, as a percentage of the NAV of each class of Units that comprise a Fund. The management fee may vary from class to class and will be deducted as an expense of each Fund in the calculation of the net profits of such Fund. The management fee for each of the existing classes of Units is set out below. The costs of providing certain of these services are regarded as operating expenses of the Funds and are paid by the Funds in addition to the management fee paid by the Funds to Vertex One. For further information, see below under "Operating Expenses". The remaining expenses relating to the services provided by Vertex One to the Funds are paid by Vertex

One from the management fee Vertex One receives from the Funds.

Vertex Value Fund

Class B: 1/365 of 2% (2% per annum) of the NAV of the Class B Units on the preceding business day.

Class F: 1/365 of 1% (1% per annum) of the NAV of the Class F Units on the preceding business day.

Vertex Enhanced Income Fund

Class B: 1/365 of 1.5% (1.5% per annum) of the NAV of the Class B Units on the preceding business day.

Class F: 1/365 of 0.75% (0.75% per annum) of the NAV of the Class F Units on the preceding business day.

Vertex Growth Fund

Class B: 1/365 of 2% (2% per annum) of the NAV of the Class B Units on the preceding business day.

Class F: 1/365 of 1% (1% per annum) of the NAV of the Class F Units on the preceding business day.

Management fees are subject to applicable taxes; including HST/GST.

Performance Fees

Each Fund will pay to Vertex One a performance fee in relation to each class of Units that is equal to 20% of the amount by which the total return of the class of Units exceeds the total percentage increase or decrease of the Fund's benchmark, for the period since the performance fee was last paid, subject to a relative high water mark (as described below).

The Funds' benchmarks are composites having the following components:

Vertex Value Fund and Vertex Growth Fund:

- 50% weighting - S&P 500 Total Return Index (or its successor indices, as applicable)
- 50% weighting - S&P/TSX Composite Total Return Index (or its successor indices, as applicable)

Vertex Enhanced Income Fund:

- 20% weighting - S&P/TSX Preferred Share Total Return Index (or its successor indices, as applicable)
- 20% weighting - S&P/TSX Composite Total Return Index (or its successor indices, as applicable)

- 60% weighting – DEX Mid Term Total Return Bond Index (formerly, the Scotia McLeod Mid Term Bond Index) (or its successor indices, as applicable)

The benchmarks were selected because we believe that they best reflect the investment objectives of the Funds and provide for the fairest measurement possible.

Any day a performance fee is paid for a Fund, a relative high water mark is set. Deficiencies to the relative high water mark accrue for each day a Fund underperforms its benchmark and performance fees will not be accrued until the performance of the Fund relative to its benchmark has exceeded the accrued deficiencies from the relative high water mark. Where the relative high water mark has been met for a Fund, it is possible that a performance fee could be payable even where the Fund's portfolio has fallen in value if the Fund's performance exceeds the performance of the benchmark.

Performance fees will be calculated and accrued (and become payable) daily, and such accrued fees will be paid by the Fund quarterly such that, to the extent possible, the Unit price each day will reflect any performance fees payable at the end of such day.

Vertex One has reserved the right to change the period for which any performance fee may be paid by a Fund to Vertex One.

Performance fees are subject to applicable taxes; including HST/GST.

Operating Expenses

Each Fund is responsible for the payment of all fees and expenses relating to its operation, including registrar and transfer agent fees and expenses, audit, accounting, administration (other than advertising and promotional expenses which are paid for by Vertex One), record keeping and legal fees and expenses, custody and safekeeping charges, all costs and expenses associated with the qualification for sale of Units (except for formation and organization costs and costs associated with the preparation and filing of this simplified prospectus and the annual information form), providing financial and other reports to Unitholders and convening and conducting meetings of unitholders, all taxes, assessments or other governmental charges levied against each Fund, interest, all brokerage and other fees relating to the purchase and sale of the assets of each Fund, and the fees and expenses of the IRC. The fees and expenses of the IRC include annual fees payable to each member of the IRC ($12,000 per year payable to Lawrence A. Ward, $9,000 per year payable to Marie C. Rounding and $9,000 per year payable to Kevin W. Drynan) as well as a secretarial fee in the amount of $21,000 per year paid to Independent Review Inc., the entity that provides independent review services to the Funds. Vertex One will pay for all expenses associated with the identification and management of each Fund's investments (other than direct expenses such as interest charges on margin borrowings and brokerage fees, which are the responsibility of the particular Fund).

Fees and Expenses Payable Directly by You

Sales Charges

You do not pay any sales charges for purchases of Class F Units. Your registered dealer, or other approved distributor, may charge you a commission.

If you purchase Class B Units, you may choose the initial sales charge or low-load sales charge option. If you choose the initial sales charge option, you may pay a sales charge to your registered dealer, or other approved distributor, which is negotiated between you and your dealer or other approved distributor, to a maximum amount of 2% of the total amount invested. Any initial sales charges payable will be deducted from the amount of your subscription. If you choose the low-load sales charge option, you do not pay a commission on the purchase of a Class B Unit. However, if you sell your Class B Units within 3 years of purchase, Vertex One will deduct the sales charge from your redemption proceeds (3% of the original amount invested if redeemed within the first 18 months of purchase or 2% if redeemed during the second 18 months of purchase).

Switch Fees

You do not pay any fees for switches between Units of the same class in one Fund to another Fund or between classes of Units in a particular Fund.

Short-Term Trading Fees

If you redeem or switch your Units within 30 days of purchase, you will pay a fee equal to 2% of the NAV of the Units being redeemed or switched.

Other Fees and Expenses

There are no other fees or expenses payable in connection with an investment in units of a Fund.

Impact of Sales Charges

The following table shows the amount of fees that you would have to pay under the different purchase options available to you if you made an investment of $1,000 in a Fund, if you held that investment for one year, eighteen months, three years, five years or ten years and redeemed immediately before the end of that period.

	At Time of Purchase	**1 Year**	**18 Months**	**3 Years**	**5 Years**	**10 Years**
Initial Sales Charge Option (1) (Class B Units)	$0-20	-	-	-	-	-
Low-load Sales Charge Option (2) (Class B Units)	-	$30	$30	$20	-	-

	At Time of Purchase	1 Year	18 Months	3 Years	5 Years	10 Years
No Load Option [3] (Class F Units)	-	-	-	-	-	-

Notes:

(1) If at the time of purchase of Class B Units you select the initial sales charge option, you will be charged the initial sales charge. The amount of the initial sales charge is negotiable between you and your registered dealer. The maximum initial sales charge for a Fund is 2% of the total amount invested.

(2) If at the time of purchase of Class B Units you select the low-load sales charge option and you sell your Class B Units within 3 years, Vertex One will deduct the low-load sales charge from your redemption proceeds. You will pay 3% of the total amount originally invested if your Class B Units are redeemed within the first 18 months and 2% of the total amount invested if redeemed during the second 18 month period.

(3) You do not pay any sales charges for purchases of Class F Units. Your registered dealer may charge you a commission.

DEALER COMPENSATION

Dealer Compensation

Class B Units Sales Charge – If you purchase Class B Units under the front end sales charge method, a sales charge, in an amount equal to up to 2% of the total amount invested to purchase Class B Units, may be negotiated between you and your registered representative or other approved distributor. Any sales charges will be deducted from the gross investment amount you pay and paid to your registered representative, or other approved distributor, and the remainder will be used to purchase Units at the applicable NAV per Unit. If you purchase Class B Units under the low-load sales charge option, you do not pay a commission on the purchase of a Class B Unit, however you will pay a sales charge if you redeem your Class B Units within three years of buying them. The charge is based on the original cost of your units and how long you held them. Vertex One deducts the charge from the value of the units you redeem.

Trailing Commissions we pay to your dealer – Part of the management fees that each Fund pays is used to compensate dealers or other approved distributors for the services provided in connection with your investment in units and is payable as a trailing commission in compliance with National Instrument 81-105 *Mutual Fund Sales Practices*. Trailing commission payments (sometimes known as a “trailer fee”) are made quarterly and are calculated as a percentage of the value of the Units as set forth in the paragraph below. We also pay trailing commissions to discount brokers for securities you purchase through your discount brokerage account. No trailing commission is paid in respect of the Class F Units.

The annual trailing commission payable on the Class B Units of the Vertex Value Fund and the Vertex Growth Fund is equal to 1.25% of the average value of the Class B Units of such Funds held through that dealer for the period. The trailer for the low-load option commences at the beginning of year two.

The annual trailing commission payable on the Class B Units of the Vertex Enhanced Income Fund is equal to 0.75% of the average value of the Class B Units of such Fund held through that dealer for the period. The trailer for the low-load option commences at the beginning of year two.

Other Kinds of Dealer Compensation – Vertex One may, in compliance with National Instrument 81-105 – *Mutual Fund Sales Practices*, do any or all of the following:

- assist Dealers with certain of their direct costs associated with marketing the Funds and providing educational investor conferences and seminars about the Funds

- provide Dealers non-monetary benefits of a promotional nature and of minimal value and may engage in business promotion under these programs on an individual basis

- pay Dealers a portion of the costs of educational conferences, seminars or courses that provide information about financial planning, investing in securities, mutual fund industry matters or mutual funds generally**.**

Dealer Compensation from Management Fees

During 2017, approximately 46.90% of the management fees paid to Vertex One by the Funds were used to fund the payment of trailer fees and the costs of marketing, promotional or educational activities in connection with the Funds.

INCOME TAX CONSIDERATIONS FOR INVESTORS

This information is a general summary of tax rules and is not intended to be legal or tax advice. For this discussion, we assume that you are a Canadian resident individual (other than a trust) and hold your units as capital property.

We have tried to make this discussion easy to understand. As a result, we cannot be technically precise or cover all the tax consequences that may apply. We suggest you consult your tax advisor for details about your individual situation.

Taxation of Your Earnings from the Funds

Mutual funds can make money in a number of ways on your behalf. They can earn income in the form of dividends, interest or other types of returns from the investments they make. A fund may also realize a capital gain if it sells an investment for more than its cost. On the other hand, a fund may realize a capital loss if it sells an investment for less than its cost. A fund may experience gains or losses from derivative activities and, depending on the nature of the activities, these are treated as either income gains or losses (i.e., like interest) or capital gains or losses.

Every year the Fund in which you have invested distributes to you enough of its net income and net realized capital gains to ensure that such Fund does not have to pay tax on its income. In effect, the Fund generally flows all of its taxable income to you. This flow-through is called a distribution. The size of the distribution you receive on a class of Units of the Fund is generally in proportion to the number of Units of that class that you own.

When you buy Units of a Fund just before a distribution date, you will receive the entire distribution even though the particular Fund may have earned the income or realized the gains relating to the distributions before you owned the Units. If your Units are held in a non-registered plan, the distribution will be taxable to you.

A Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to a Fund buying and selling all of the securities in its portfolio once in the course of a year. The higher a Fund's turnover rate in a year, the greater the chance that you will receive a distribution that must be included in your income for tax purposes for that year. Any gains realized would be offset by any losses realized on portfolio transactions. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

Some Tax Considerations for Non-registered Accounts

Distributions – If you hold your Units in a non-registered account, distributions of a Fund's net income and taxable capital gains that are paid or made payable to you by a Fund (calculated in Canadian dollars) must be factored into your computation of income for tax purposes, even though the distributions may be reinvested in additional Units. The amount of reinvested distributions is added to the aggregate adjusted cost base ("**ACB**") of your Units (determined separately for each class of Units that you own) to reduce your capital gain or increase your capital loss when you later redeem or otherwise dispose of your Units, thereby ensuring you do not pay tax on this amount again.

A Fund may also distribute returns of capital. A return of capital is a distribution in excess of a Fund's distributed net income and capital gains. A return of capital will not be included in the computation of your income, but will reduce the ACB of your Units, which will increase your capital gain or reduce your capital loss if you later redeem or otherwise dispose of your Units.

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

Redeeming your Units – Redeeming Units of a Fund held in a non-registered account may affect the taxes you pay if you have a capital gain or a capital loss on your investment. If you redeem Units with a NAV that is greater than the ACB, you have a capital gain. If you redeem Units with a NAV that is less than the ACB, you have a capital loss. You may deduct any expenses of redemption, in calculating your capital gains or losses. All amounts are to be calculated in Canadian dollars for tax purposes.

Current income tax rules generally require you to include one-half of capital gains realized in your income for tax purposes as taxable capital gains and, in general, one-half of your capital losses (either realized in the current year or prior years subject to the specific rules in the Tax Act) may be deducted from your taxable capital gains.

You are responsible for keeping a record of the ACB of your investment. The aggregate ACB of your Units is generally made up of the amounts you paid to purchase your investment in cash, including any upfront sales commissions, plus the amount of any distributions you received from a Fund and reinvested in more Units; minus the return of capital component (if any) of distributions and by the ACB of any Units you have previously redeemed. This record will enable you to calculate any capital gains or capital losses realized when you redeem (or otherwise dispose of) your Units. You must compute the aggregate ACB of each class of Units of a Fund you own separately.

Switching between Classes – For tax purposes, switching Units of one class of a Fund to Units of another class of the same Fund is not a disposition for tax purposes and no capital gain or loss will be realized. The cost of the Units received on a switch between classes will be equal to the ACB of the Units that were switched.

Tax Statements

You will receive a T3 tax slip for each year showing the amount and type of distributions allocated to you during the previous year. Keep detailed records of the purchase cost, sales charges and distributions related to your investments so you can calculate your ACB or cost amount. We suggest you consult a tax advisor to help you with these calculations.

Some Tax Considerations for Registered Plans

Distributions – You generally do not pay tax on distributions you receive in a registered plan as long as you do not make a withdrawal from the plan.

Distributions on Units of the Vertex Value Fund and Vertex Growth Fund in registered plans are automatically reinvested in additional Units and distributions on the Units of the Vertex Enhanced Income Fund may be reinvested in additional Units at the option of the holder.

Redeeming your Units – When you redeem your Units and leave the proceeds in the registered plan, you generally do not pay any tax on the proceeds. If you withdraw Units or the proceeds of their redemption from your registered plan, you will generally pay tax on the amount withdrawn at your marginal tax rate (special rules apply with respect to registered education savings plans). Proceeds from tax free savings accounts withdrawals are not taxable when withdrawn from the plan. The amount you receive on withdrawal will be net of any redemption fees on the redemption and any applicable withholding taxes.

Contributions – You should be careful not to contribute more to your registered plan than allowed under the Tax Act or you may have to pay a penalty tax. You should consult with your own tax advisor as to whether Units of the Funds would be a "prohibited investment" under the Tax Act, in your particular circumstances.

Tax Information Reporting

Pursuant to the Intergovernmental Agreement for the Enhanced Exchange of Tax Information under the Canada-U.S. Tax Convention entered into between Canada and the U.S. on February 5, 2014 (the "**IGA**"), and related Canadian legislation, the Funds and/or registered dealers are required to report certain information with respect to Unitholders who are U.S. residents and US citizens (including U.S. citizens who are residents or citizens of Canada), and certain other "U.S. Persons" as defined under the IGA (excluding registered plans such as RRSPs), to the Canada Revenue Agency ("**CRA**"). The CRA will then exchange the information with the U.S. Internal Revenue Service. In addition, to meet the objectives of the Organization for Economic Co-operation and Development Common Reporting Standard (the "**CRS**"), the Funds and/or registered dealers are required under Canadian legislation to identify and report to the CRA certain information relating to certain unitholders in the Fund (excluding registered plans such as RRSPs) who are residents in a country outside of Canada and the U.S. The CRA is expected to provide that information to the tax authorities of the relevant jurisdiction that has adopted the CRS.

WHAT ARE YOUR LEGAL RIGHTS?

Securities legislation in some provinces and territories gives you the right to withdraw from an agreement to buy mutual funds 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 mutual fund units 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 a Fund. These rights must usually be exercised within certain time limits.

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

SPECIFIC INFORMATION ABOUT EACH OF THE FUNDS DESCRIBED IN THIS DOCUMENT

Organization and Management of the Funds

For information concerning the trustee, custodian, auditors and record-keeper of the Funds, see *Organization and Management of the Funds* on page 11 for more details.

Investment Risk Classification Methodology

A risk classification rating is assigned to each Fund to provide you with information to help you determine whether the Fund is appropriate for you. We assign fund risk ratings to each Fund as an additional guide to help you decide whether a Fund is right for you. Our determination of the risk rating for each Fund is guided by the methodology recommended by the Fund Risk Classification Task Force of The Investment Funds Institute of Canada (the "**Task Force**"). The Task Force concluded that the most comprehensive, easily understood form of risk is the historical volatility of a fund as measured by the standard deviation of its performance.

As part of our review of the investment risk rating of each Fund, we consider the historical volatility risk as measured by the standard deviation of fund performance. However, you should be aware that other types of risk, both measurable and non-measurable, may exist. Additionally, just as historical performance may not be indicative of future returns, a fund's historical volatility may not be indicative of its future volatility. The Task Force guidelines suggest that managers refer to standard deviation bands associated with fund categories as a point of reference where historical performance does not exist. Consistent with the Task Force guidelines, the Manager also considers qualitative factors before making a final determination of the appropriate risk ratings. Using this methodology, we assign a risk rating to each Fund as either low, low to medium, medium, medium to high, or high risk. We review the investment risk level of the Fund on an annual basis.

You may obtain a copy of the methodology at no cost by calling toll free at 1-866-688-6757 or by emailing Vertex One at invest@vertexone.com.

VERTEX VALUE FUND

Fund Details

Type of fund	North American equity
Date started	Class B – September 21, 2009 Class F – September 21, 2009
Type of securities	Class B and Class F trust units
Qualified investment for registered plans?	Yes
Management fee	Class B: 2% Class F: 1%
Performance fee	20% of the amount by which the Fund outperforms its benchmark (50% S&P 500 Total Return Index and 50% S&P/TSX Composite Total Return Index) (Refer to the more detailed description of the performance fee on pages 19-20).

What Does The Vertex Value Fund Invest In?

Investment Objectives

The fundamental investment objective of the Vertex Value Fund is to provide long term capital growth by investing primarily in equity securities of Canadian and United States companies.

The fundamental investment objective of the Vertex Value Fund may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Vertex Value Fund's investment strategies described below at our discretion.

Investment Strategies

Our investment process involves seeking out primarily equity securities of companies that we determine to be priced at attractive levels relative to the market, their competitors and their growth rates. Our process involves a detailed analysis of the financial and business strengths of individual firms, their competitors and management. Furthermore characteristics of an industry in which a firm participates are researched to determine the overall industry growth. This often leads us to purchasing companies that are currently out of favour.

Companies with annuity like cash flows, strong balance sheets and high dividend yields will be given the greatest weighting. We will place emphasis on long term factors as it is our opinion that long term rather than short term factors will result in more attractive buying opportunities. Holding periods will tend to be long and thus portfolio turnover will be low. Equities will be concentrated on average in 20 to 35 different companies. The Vertex Value Fund will not be concentrated in securities of companies in any one industry or index.

Although the Vertex Value Fund will focus on North American equities, we may from time to time invest outside of North America if opportunities arise elsewhere.

In addition to investing in equities, the Vertex Value Fund may:

- Write covered call options when premiums are attractive.
- Sell put options when premiums are attractive.
- Invest in securities convertible into equity securities.

The investments of the Vertex Value Fund are subject to the following restrictions:

- Options will only be used on a non-leveraged basis.
- Non-marketable securities will be limited to 10% of the NAV of the Vertex Value Fund.
- No single equity will represent more than 10% of the market value (calculated according to generally accepted accounting principles) of the Vertex Value Fund.
- The Vertex Value Fund will hold a minimum of 20 equity securities.
- There will be no short selling.

Covered call writing consists of the sale of a call option while simultaneously owning the underlying security. The objective of writing calls against a stock held is to increase income and decrease volatility within the portfolio. Returns come from both collection of option premiums and increases in the underlying stock held. Downside protection is equal to the amount of the option premium collected.

Put options may be sold on assets trading at a discount. If the asset price is above the exercise price at expiration, the option is not exercised and the premium is collected. If the asset price is below the exercise price at expiration the asset is purchased at the exercise price discounted by the option premium collected.

The Vertex Value Fund may invest in derivative instruments to (i) reduce transaction costs, (ii) increase liquidity and efficiency of trading, (iii) gain exposure to equity markets in a more efficient manner, (iv) reduce risk, (v) generate yield and (vi) hedge currency exposure. In addition to derivatives, exchange traded funds may also be used to hedge currency exposure. The Vertex Value Fund will only use derivatives as permitted by securities regulators.

Securities Lending, Repurchase and Reverse Repurchase Transaction Risk – The Vertex Value Fund is authorized to enter into securities lending, repurchase and reverse purchase transactions in accordance with National Instrument 81-102 of the Canadian Securities Administrators. In a securities lending transaction, the Vertex Value Fund lends its portfolio securities through an authorized agent to another party (often called a “counterparty”) in exchange for a fee and a form of acceptable collateral. In a repurchase transaction, the Vertex Value Fund sells its portfolio securities for cash through an authorized agent while at the same time assuming an obligation to repurchase the same securities for cash (usually at a lower price) at a later date. In a reverse repurchase transaction, the Vertex Value Fund buys portfolio securities for cash while at the same time agreeing to resell the same securities for cash (usually at a higher price) at a later date. The following are some examples of the risks associated with securities lending, repurchase and reverse repurchase transactions:

- When entering into securities lending, repurchase and reverse repurchase transactions, the Vertex Value Fund is subject to the credit risk that the counterparty may default under the agreement and the Vertex Value Fund would be forced to make a claim in order to recover its investment.

- When recovering its investment on default, the Vertex Value Fund could incur a loss if the value of the portfolio securities loaned (in a securities lending transaction) or sold (in a repurchase transaction) has increased in value relative to the value of the collateral held by the Vertex Value Fund.

- Similarly, the Vertex Value Fund could incur a loss if the value of the portfolio securities it has purchased (in a reverse repurchase transaction) decreases below the amount of cash paid by the Vertex Value Fund to the counterparty.

What are the Characteristics of the Indices Comprising the Benchmark

S&P 500 Total Return Index

This index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. The S&P 500 focuses on the large cap segment of the market and has approximately 75% coverage of U.S. equities, it is also an ideal proxy for the total market. The index is maintained by the S&P Index Committee comprised of a team of Standard & Poor's economists and index analysts whose goal is to ensure that the S&P 500 remains a leading indicator of US equities reflecting the risk and return characteristics of the broader large cap universe. The index is a "total return" index, meaning that the index reflects distributions paid by the companies comprising the index.

S&P/TSX Composite Total Return Index

This index is maintained by the S&P Canadian Index committee, the members of which include representatives from both Standard & Poor's and the Toronto Stock Exchange (the "**TSX**"). It is the principal broad market measure for Canadian Equity markets. The index is market capitalization-weighted and designed to measure market activity of stocks listed on the TSX. The index is a "total return" index, meaning that the index reflects distributions paid by the companies comprising the index.

What are the Risks of Investing in the Vertex Value Fund?

An investment in the Vertex Value Fund is subject to the general risks associated with mutual fund investing. In addition, an investment in the Vertex Value Fund will also be subject to the general risks inherent in equity investments, as well as the following specific risks described under the heading "Risks Related to the Investments of the Funds" in the section *What are the Specific Risks of Investing in a Mutual Fund?* on page 4:

- Currency Risk

- Equity Risk

- Derivative Risk

Large Transaction Risk – In addition to the risks above, the Vertex Value Fund is also subject to Large Transaction Risk, described under the heading "Risks Related to the Investments of the Funds" in the section *What are the Specific Risks of Investing in a Mutual Fund?* on page 4, as Rocky Mountain

Investment Management Ltd. holds 16.60% of the issued and outstanding Class F Units of the Vertex Value Fund.

Who Should Invest in the Vertex Value Fund?

The Vertex Value Fund is suitable for investors who are seeking capital gains over the long term, with a medium tolerance for risk. The Vertex Value Fund is not appropriate for an investor with a short-term investment horizon.

Refer to *Investment Risk Classification Methodology* on page 26 for details on how we establish the classification of risk associated with investing in this Fund.

Distribution Policy

The Vertex Value Fund distributes its net income and net realized capital gains annually in December. Distributions are automatically reinvested in additional Units of the Vertex Value Fund.

Fund Expenses Indirectly Borne by Investors

Mutual funds pay for expenses out of a fund's assets. This means that investors in a mutual fund indirectly pay these expenses through lower returns.

The table below is intended to help an investor compare the costs of investing in the Vertex Value Fund with the cost of investing in other mutual funds and shows the fees and expenses paid by the Vertex Value Fund that are indirectly borne by an investor. It shows the cumulative expenses you would have paid over various time periods if you invested $1,000 in the Fund, each year the Fund earned a constant net annual return of 5% and the Fund's MER remained at 3.45% for Class B Units and 2.40% for Class F Units. The Fund's MER is based on total expenses for the financial year and is expressed as an annualized percentage of the daily average net assets during the year.

Although your expenses may be higher or lower, based on these assumptions, your expenses would be:

Class	MER	One Year	Three Years	Five Years	Ten Years
B	3.45%	$35.36	$111.52	$195.55	$445.57
F	2.40%	$24.60	$77.58	$136.04	$309.96

VERTEX ENHANCED INCOME FUND

Fund Details

Type of fund	North American income
Date started	Class B – September 21, 2009 Class F – September 21, 2009
Type of securities	Class B and Class F trust units
Qualified investment for registered plans?	Yes
Management fee	Class B: 1.5% Class F: 0.75%
Performance fee	20% of the amount by which the Fund outperforms its benchmark (20% S&P/TSX Preferred Share Total Return Index, 20% S&P/TSX Composite Total Return Index and 60% DEX Mid Term Total Return Bond Index) (Refer to the more detailed description of the performance fee on pages 19-20).

What Does The Vertex Enhanced Income Fund Invest In?

Investment Objectives

The fundamental investment objective of the Vertex Enhanced Income Fund is to provide preservation of capital while providing high income by investing primarily in Canadian and United States bonds and debentures. The Vertex Enhanced Income Fund's secondary objective is to provide capital growth.

The fundamental investment objective of the Vertex Enhanced Income Fund may only be changed with the approval of a majority of Unitholders at a meeting called for that purpose. However, we may change the Vertex Enhanced Income Fund's investment strategies described below at our discretion.

Investment Strategies

To achieve its investment objectives, the Vertex Enhanced Income Fund will invest in government bonds in Canada and the United States at the federal, provincial, state and municipal level, as well as corporate securities including high yield and convertible bonds, preferred shares and high dividend yielding equities. The Vertex Enhanced Income Fund will seek opportunities to invest in income securities that we believe are undervalued or mispriced. In addition, the Vertex Enhanced Income Fund may write covered call options and sell put options, when premiums are attractive. The Vertex Enhanced Income Fund will not be limited in the type of income securities in which it may invest.

The investments of the Vertex Enhanced Income Fund are subject to the following restrictions:

- No more than 50% of the Vertex Enhanced Income Fund will be exposed to foreign currencies.

- No more than 25% will be invested in common high yield equities.
- Non-marketable securities will be limited to 10% of the NAV of the Vertex Enhanced Income Fund.
- The Vertex Enhanced Income Fund will hold a minimum of 25 securities.
- There will be no short selling.
- The Vertex Enhanced Income Fund will not invest more than 25% of the market value of its net assets in common equities.
- The Vertex Enhanced Income Fund will not invest more than 25% of the market value of its net assets in preferred shares.

Covered call writing consists of the sale of a call option while simultaneously owning the underlying security. The objective of writing calls against a stock held is to increase income and decrease volatility within the portfolio. Returns come from both collection of option premiums and increases in the underlying stock held. Downside protection is equal to the amount of the option premium collected.

Put options may be sold on assets trading at a discount. If the asset price is above the exercise price at expiration, the option is not exercised and the premium is collected. If the asset price is below the exercise price at expiration the asset is purchased at the exercise price discounted by the option premium collected.

Securities Lending, Repurchase and Reverse Repurchase Transaction Risk – The Vertex Enhanced Income Fund is authorized to enter into securities lending, repurchase and reverse purchase transactions in accordance with National Instrument 81-102 of the Canadian Securities Administrators. In a securities lending transaction, the Vertex Enhanced Income Fund lends its portfolio securities through an authorized agent to another party (often called a “counterparty”) in exchange for a fee and a form of acceptable collateral. In a repurchase transaction, the Vertex Enhanced Income Fund sells its portfolio securities for cash through an authorized agent while at the same time assuming an obligation to repurchase the same securities for cash (usually at a lower price) at a later date. In a reverse repurchase transaction, the Vertex Enhanced Income Fund buys portfolio securities for cash while at the same time agreeing to resell the same securities for cash (usually at a higher price) at a later date. The following are some examples of the risks associated with securities lending, repurchase and reverse repurchase transactions:

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

What are the Characteristics of the Indices Comprising the Benchmark

<u>S&P/TSX Preferred Share Total Return Index</u>

This index represents the Canadian preferred stock market and is comprised of preferred stocks trading on the Toronto Stock Exchange that meet criteria relating to minimum size, liquidity, issuer rating, and exchange listing. The index is based on a market capitalization weighted scheme and calculated by the divisor methodology used in Standard & Poor's equity indices. The S&P/TSX Index Committee maintains the S&P/TSX Preferred Share Index. The index is a "total return" index, which assumes that dividends are reinvested in the index after the close on the ex-date.

<u>S&P/TSX Composite Total Return Index</u>

This index is maintained by the S&P Canadian Index committee, the members of which include representatives from both Standard & Poor's and the Toronto Stock Exchange. It is the principal broad market measure for Canadian Equity markets. The index is market capitalization-weighted and designed to measure market activity of stocks listed on the TSX. The index is a "total return" index, meaning that the index reflects distributions paid by the companies comprising the index.

<u>DEX Mid Term Total Return Bond Index</u>

This index is used to measure the performance in the Canadian domestic bond market and covers bonds with a term to maturity of 5-10 years. Bonds are weighted on a market value basis including accrued interest, and emulate "real world" bond portfolios. The index includes approximately 300 marketable Canadian bonds with an average term of 7.5 years and average duration of 5.8 years.

What are the Risks of Investing in the Vertex Enhanced Income Fund?

An investment in the Vertex Enhanced Income Fund is subject to the general risks associated with mutual fund investing. In addition, an investment in the Vertex Enhanced Income Fund will also be subject to the general risks inherent in equity investments, as well as the following specific risks described under the heading "Risks Related to the Investments of the Funds" in the section *What are the Specific Risks of Investing in a Mutual Fund?* on page 4:

- Credit Risk
- Interest Rate Risk
- Equity Risk
- Portfolio Turnover

Who Should Invest in the Vertex Enhanced Income Fund?

The Vertex Enhanced Income Fund is suitable for investors who are seeking interest income from an investment that will also provide moderate capital growth, are investing for the long term and have a low to medium tolerance for risk.

Refer to *Investment Risk Classification Methodology* on page 26 for details on how we establish the classification of risk associated with investing in this Fund.

Distribution Policy

The Vertex Enhanced Income Fund distributes its net income monthly and its net realized capital gains at year end. The Manager intends to pay income from the Fund in the amount of 5% of the NAV of the Fund annually. Investors may choose to receive distributions in cash or have them re-invested in additional Units.

Fund Expenses indirectly Borne by Investors

Mutual funds pay for expenses out of a fund's assets. This means that investors in a mutual fund indirectly pay these expenses through lower returns.

The table below is intended to help an investor compare the costs of investing in the Vertex Enhanced Income Fund with the cost of investing in other mutual funds and shows the fees and expenses paid by the Vertex Enhanced Income Fund that are indirectly borne by an investor. It shows the cumulative expenses you would have paid over various time periods if you invested $1,000 in the Fund, each year the Fund earned a constant net annual return of 5% and the Fund's MER remained at 2.07% for Class B Units and 1.26% for Class F Units. The Fund's MER is based on total expenses for the financial year and is expressed as an annualized percentage of daily average net assets during the year.

Although your expenses may be higher or lower, based on these assumptions, your expenses would be:

Class	MER	One Year	Three Years	Five Years	Ten Years
B	2.07%	$21.22	$66.91	$117.33	$267.34
F	1.26%	$12.92	$40.73	$71.42	$162.73

VERTEX GROWTH FUND

Fund Details

Type of fund	North American growth
Date started	Class B – September 21, 2009 Class F – September 21, 2009
Type of securities	Class B and Class F trust units
Qualified investment for registered plans?	Yes
Management fee	Class B: 2% Class F: 1%
Performance fee	20% of the amount by which the Fund outperforms its benchmark (50% S&P 500 Total Return Index and 50% S&P/TSX Composite Total Return Index) (Refer to the more detailed description of the performance fee on pages 19-20).

What Does The Vertex Growth Fund Invest In?

Investment Objectives

The Vertex Growth Fund's primary objective is to achieve long-term capital growth by investing in growth-oriented equities. The Vertex Growth Fund invests primarily in equity and equity-related securities of North American companies. The Vertex Growth Fund may also invest in international companies. Investment may focus on assets in specific industry sectors and asset classes based on analysis of business cycles, industry sectors and market outlook.

The fundamental investment objective of the Vertex Growth Fund may only be changed with the approval of a majority of Unitholders at a meeting called for that purpose. However, we may change the Vertex Growth Fund's investment strategies described below at our discretion.

Investment Strategies

To achieve the above objectives, fundamental analysis will be used to identify superior investment opportunities with the potential for above average capital appreciation over the long term. Vertex One will seek inefficiently priced companies backed by strong management teams with solid business models that have the potential to benefit from both industry and macro-economic trends. Situations where value is believed to have been created in the absence of the broader market's recognition of this value will be of interest – situations where Vertex One believes intrinsic value is not being recognized in the stock price. The portfolio will be positioned in accordance with Vertex One's market view and primarily in North American equities and equity-related securities. That being said, geographic allocation is a dynamic process and capital will be deployed based on the risk/return characteristics of the investment rather than geographic location. Geographic and sector allocations will vary over time.

Under normal market conditions, the Vertex Growth Fund will seek to be fully invested in long or short equity positions. There may however, be certain periods where the Vertex Growth Fund may hold cash for strategic reasons.

Use of Derivatives – The Vertex Growth Fund may invest in derivative instruments to (i) reduce transaction costs, (ii) increase liquidity and efficiency of trading, (iii) gain exposure to equity markets in a more efficient manner, (iv) reduce risk, (v) generate yield and (vi) hedge currency exposure. In addition to derivatives, exchange traded funds may also be used to hedge currency exposure. The Vertex Growth Fund will only use derivatives as permitted by securities regulators.

Investing in Undervalued Securities – The Vertex Growth Fund will make investments in securities which it believes are undervalued based on its traditional fundamental research and analysis of such securities. These will include, in particular, securities of issuers with improving fundamentals such as growing revenues and earnings, strong balance sheets and solid management, capital structure and business franchises.

Trading in Securities of Distressed Issuers – The Vertex Growth Fund may trade in securities of issuers that are in distress situations, including issuers that are involved in bankruptcy, insolvency or similar proceedings. This may include short selling securities of issuers that are in early stages of such proceedings. The Vertex Growth Fund may use different strategies in dealing with such securities, such as short selling equity securities of an issuer while purchasing its senior debt. In the event of default or bankruptcy, the equity securities would typically have nominal value, while the debt would typically be restructured or secured against assets.

Special Warrant Arbitrage – The Vertex Growth Fund may participate in special warrant arbitrage situations by purchasing special warrant securities of an issuer while selling short the securities which underlie the special warrants. In so doing, the Vertex Growth Fund will attempt to take advantage of a spread between the price of the special warrant securities and the price of the underlying securities.

Merger Arbitrage – The Vertex Growth Fund may participate in merger arbitrage situations by purchasing securities of an issuer that is the target in a proposed merger and selling short the securities of the acquirer. Where the consideration offered to the securityholders of the target includes securities of the acquirer, the Vertex Growth Fund may be able to take advantage of instances where the target's securities trade below the announced offer price, reflecting the time value of money and the possibility that the transaction may not be completed.

Convertible Arbitrage – The Vertex Growth Fund may participate in convertible arbitrage situations by purchasing convertible securities of an issuer while short selling the underlying securities into which such convertible securities may be converted. In doing so, The Vertex Growth Fund will attempt to take advantage of mispricing between the market price of the convertible securities and the underlying securities.

Participating in Restructuring Situations – The Vertex Growth Fund may trade in securities of issuers that may be involved in a restructuring or a business unit spin-off in order to take advantage of the differences in the market value of the securities of the original issuer versus those of the spun-off entities.

Leverage – Leverage will only be used in accordance with the requirements of National Instrument 81-102 of the Canadian Securities Administrators.

Other Investments – The Vertex Growth Fund may invest in fixed income securities including preferred, convertibles, corporate and sovereign debt securities.

Short Selling – One of the investment strategies of the Vertex Growth Fund will be short selling of securities which the Vertex One believes to have deteriorating fundamentals and weak balance sheets. Short selling will be used in merger arbitrage situations to minimize market exposure. Short selling is to be used by the Vertex Growth Fund only as a complement to the Vertex Growth Fund's current primary discipline of buying securities with the expectation that they will appreciate in market value. In order to short sell, the Vertex Growth Fund will borrow the securities it is selling short and will be under an obligation to return the borrowed securities to the lender at a future date. These same securities will be purchased at a later date and delivery of these will cover the original borrow. A gain will generally result on the short sale if the price of the securities has declined by the date at which the securities are purchased. The Vertex Growth Fund has received exemptive relief from Canadian securities regulatory authorities in order to engage in short selling, subject to certain limitations and conditions as set forth therein.

All short sales are effected only through market facilities through which those securities normally are bought and sold and the Vertex Growth Fund will short sell a security only if: (i) it is listed and posted for trading on a stock exchange and either the issuer of the security has a market capitalization of not less than $100 million at the time the short sale is made or the Vertex Growth Fund has pre-arranged to borrow for the purposes of such short sale; or (ii) the securities sold short are bonds, debentures or other evidences of indebtedness of or guaranteed by the Government of Canada of any other province or territory of Canada or the Government of the United States of America. As well, at the time the securities of a particular issuer are sold short by the Vertex Growth Fund, the aggregate market value of all securities of that issuer sold short by the Vertex Growth Fund cannot exceed 5% of the total net assets of the Vertex Growth Fund. The Vertex Growth Fund also must place a "stop-loss" order (effectively a standing instruction) with a dealer to immediately repurchase the securities sold short if the trading price of the securities exceeds 120% (or such lesser percentage as determined by Vertex One) of the price at which the securities were sold short. The aggregate market value of all securities sold short by the Vertex Growth Fund does not exceed 20% of its total net assets on a daily marked-to market basis. The Vertex Growth Fund may deposit assets with lenders in accordance with industry practice in relation to its obligations arising under short sale transactions. The Vertex Growth Fund also holds cash cover in an amount, including the Vertex Growth Fund's assets deposited with lenders, that is at least 150% of the aggregate market value of all securities it has sold short on a daily marked-to-market basis. No proceeds from short sales are used by the Vertex Growth Fund to purchase long positions other than cash cover. Where a short sale is effected in Canada, every dealer that holds Vertex Growth Fund assets as security in connection with a short sale must be a registered dealer and a member of a self-regulatory organization that is a participating member of the Canadian Investor Protection Fund. Where a short sale is effected outside Canada, every dealer that holds Vertex Growth Fund assets as security in connection with a short sale must be a member of a stock exchange (and, as a result, be subject to regulatory audit) and have a net worth in excess of the equivalent of $50 million determined from its most recent audited financial statements. The aggregate assets deposited by the Vertex Growth Fund with any single dealer as security in connection with short sales will not exceed 10% of the Vertex Growth Fund's total net assets, taken at market value as at the time of the deposit. The security interest provided by the Vertex Growth Fund over any of its assets that is required to enable the Vertex Growth Fund to effect short sale transactions must be made in accordance with industry practice for that type of transaction and relates only to obligations arising under such short sale transactions.

The Vertex Growth Fund must maintain appropriate internal controls regarding its short sales, including written policies and procedures, risk management controls and proper books and records. Any short sale by the Vertex Growth Fund is subject to compliance with the investment objectives of the Vertex Growth Fund. The Vertex Growth Fund has written policies and procedures in place that set out the objectives and goals for short selling and the risk management procedures applicable to short selling. The Board of Directors of Vertex One is responsible for setting and reviewing the policies and procedures annually. Vertex One will review open short positions not less than once every week. The Trustee is not involved in the risk management process. Short selling will be used by the Vertex Growth Fund only as a complement to the Vertex Growth Fund's current primary discipline of buying securities with the expectation that they will appreciate in market value. The Board of Directors of Vertex One, either through standing instructions or specific instructions, is responsible for authorizing the trading and placing of limits or other controls on short selling. There are no independent individuals or groups that monitor the short selling risks. Vertex One is responsible for performing short sale risk measurement procedures for the Vertex Growth Fund in order to test the portfolio under stress conditions.

Securities Lending, Repurchase and Reverse Repurchase Transaction Risk – The Vertex Growth Fund is authorized to enter into securities lending, repurchase and reverse purchase transactions in accordance with National Instrument 81-102 of the Canadian Securities Administrators. In a securities lending transaction, the Vertex Growth Fund lends its portfolio securities through an authorized agent to another party (often called a "counterparty") in exchange for a fee and a form of acceptable collateral. In a repurchase transaction, the Vertex Growth Fund sells its portfolio securities for cash through an authorized agent while at the same time assuming an obligation to repurchase the same securities for cash (usually at a lower price) at a later date. In a reverse repurchase transaction, the Vertex Growth Fund buys portfolio securities for cash while at the same time agreeing to resell the same securities for cash (usually at a higher price) at a later date. The following are some examples of the risks associated with securities lending, repurchase and reverse repurchase transactions:

- When entering into securities lending, repurchase and reverse repurchase transactions, the Vertex Growth Fund is subject to the credit risk that the counterparty may default under the agreement and the Vertex Growth Fund would be forced to make a claim in order to recover its investment.

- When recovering its investment on default, the Vertex Growth Fund could incur a loss if the value of the portfolio securities loaned (in a securities lending transaction) or sold (in a repurchase transaction) has increased in value relative to the value of the collateral held by the Vertex Growth Fund.

- Similarly, the Vertex Growth Fund could incur a loss if the value of the portfolio securities it has purchased (in a reverse repurchase transaction) decreases below the amount of cash paid by the Vertex Growth Fund to the counterparty.

What are the Characteristics of the Indices Comprising the Benchmark

<u>S&P 500 Total Return Index</u>

This index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. The S&P 500 focuses on the large cap segment of the market and has approximately 75% coverage of U.S. equities, it is also an ideal proxy for the total market. The index is maintained by the S&P Index Committee comprised of a team of Standard & Poor's economists and index analysts whose goal is to ensure that the S&P 500 remains a leading indicator of US equities reflecting the risk and return characteristics of the broader large cap universe. The index is a "total return" index, meaning that the index reflects distributions paid by the companies comprising the index.

<u>S&P/TSX Composite Total Return Index</u>

This index is maintained by the S&P Canadian Index committee, the members of which include representatives from both Standard & Poor's and the Toronto Stock Exchange. It is the principal broad market measure for Canadian Equity markets. The index is market capitalization-weighted and designed to measure market activity of stocks listed on the TSX. The index is a "total return" index, meaning that the index reflects distributions paid by the companies comprising the index.

What are the Risks of Investing in the Vertex Growth Fund?

An investment in the Vertex Growth Fund is subject to the general risks associated with mutual fund investing. In addition, an investment in the Vertex Growth Fund will also be subject to the general risks inherent in equity investments, as well as the following specific risks described under the heading "Risks Related to the Investments of the Funds" in the section *What are the Specific Risks of Investing in a Mutual Fund?* on page 4:

- Currency Risk
- Equity Risk
- Derivative Risk
- Portfolio Turnover

Large Transaction Risk – The Vertex Growth Fund is also subject to Large Transaction Risk, described under the heading "Risks Related to the Investments of the Funds" in the section *What are the Specific Risks of Investing in a Mutual Fund?* on page 4, as 589321 B.C. Ltd. holds 10.98% of the issued and outstanding Class F Units of the Vertex Growth Fund.

Short Selling Risk – In addition to the risks above, the Vertex Growth Fund is also subject to short selling risk. A short sale by a mutual fund involves borrowing securities from a lender which are then sold in the open market. At a future date, the securities are repurchased by the mutual fund and returned to the lender. While the securities are borrowed, the proceeds from the 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 to the lender, the mutual fund makes a profit on the difference (less any interest the mutual fund is required to pay the lender). Short selling involves risk. There is no assurance that securities will decline in value during the period of the short sale and make a profit for a mutual fund. Securities sold short may instead appreciate in value creating a loss for a mutual fund. Unlike a purchase of a share where the maximum amount of the loss is the amount invested, the size of the loss in respect of a short sale is not limited as there is no limit on the amount a security sold short may increase in value. A mutual fund may experience difficulties repurchasing and returning the borrowed securities if a liquid market for the securities does not exist. The lender may also recall borrowed securities at any time. The lender from whom a mutual fund has borrowed securities may go bankrupt and a mutual fund may lose the collateral it has deposited with the lender. The Vertex Growth Fund will adhere to controls and limits that are intended to offset these risks by short selling only liquid securities, by limiting the amount of exposure for short sales and by placing a "stop-loss" order at the time of any short sale instructing the dealer to immediately repurchase for the Vertex Growth Fund the securities sold short if the trading price of the security exceeds 120% of the price at which the securities were sold short. The Vertex Growth Fund will also deposit collateral only with Canadian lenders that are regulated financial institutions or regulated dealers and only up to certain limits.

Who Should Invest in the Vertex Growth Fund?

The Vertex Growth Fund is suitable for investors who are seeking capital gains over the long term, with a medium tolerance for risk. The Vertex Growth Fund is not appropriate for an investor with a short-term investment horizon.

Refer to *Investment Risk Classification Methodology* on page 26 for details on how we establish the classification of risk associated with investing in this Fund.

Distribution Policy

The Vertex Growth Fund distributes its net income and net realized capital gains annually in December. Distributions are automatically reinvested in additional Units of the Vertex Growth Fund.

Fund Expenses indirectly Borne by Investors

Mutual funds pay for expenses out of a fund's assets. This means that investors in a mutual fund indirectly pay these expenses through lower returns.

The table below is intended to help an investor compare the costs of investing in the Vertex Growth Fund with the cost of investing in other mutual funds and shows the fees and expenses paid by the Vertex Growth Fund that are indirectly borne by an investor. It shows the cumulative expenses you would have paid over various time periods if you invested $1,000 in the Fund, each year the Fund earned a constant net annual return of 5% and the Fund's MER remained at 2.58% for Class B Units and 1.47% for Class F Units. The Fund's MER is based on total expenses for the financial year and is expressed as an annualized percentage of daily average net assets during the year.

Although your expenses may be higher or lower, based on these assumptions, your expenses would be:

Class	MER	One Year	Three Years	Five Years	Ten Years
B	2.58%	$26.45	$83.40	$146.24	$333.21
F	1.47%	$15.07	$47.52	$83.32	$189.85

Simplified Prospectus

Vertex Value Fund
Vertex Enhanced Income Fund
Vertex Growth Fund

Additional information about the Funds is available in the Funds' 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 they legally form part of this simplified prospectus just as if they were printed as a part of this document. You can get a copy of these documents at your request and at no cost, by calling toll free at 1-866-688-6757, or from your dealer, or by email at invest@vertexone.com. You may also find these documents and other information about each Fund at www.vertexone.com or at www.sedar.com.

Manager of the Funds
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