Lysander-Canso Credit Income *Activ*ETF (PBY)

July 16, 2026

This document contains key information you should know about Lysander-Canso Credit Income *Activ*ETF. You can find more details about this exchange-traded fund (ETF) in its prospectus. Ask your representative for a copy, contact Lysander Funds Limited at 1-877-308-6979 or manager@lysanderfunds.com, or visit www.lysanderfunds.com.

Before you invest, consider how the ETF would work with your other investments and your tolerance for risk.

This ETF is an alternative mutual fund. It has the ability to invest in asset classes or use investment strategies that are not permitted for other types of mutual funds. The specific features that differentiate this fund from other types of mutual funds include increased use of derivatives for hedging and non-hedging purposes; increased ability to sell securities short; and the ability to borrow cash to use for investment purposes. While these strategies will be used in accordance with the ETF's investment objectives and strategies, during certain market conditions, they may accelerate the pace at which your investment decreases in value.

The ETF was originally established as a closed-end fund on July 16, 2010, and is expected to convert to an exchange-traded fund on or about July 28, 2026. Data marked with an asterisk (*) in this ETF Facts document reflects the data of Class A units of the closed-end fund.

Quick Facts			
Date ETF Started:	June 28, 2010	**Fund Manager:**	Lysander Funds Limited
Total value on May 31, 2026:	$ 151,595,293	**Portfolio Manager:**	Canso Investment Counsel Ltd.
Management Expense Ratio (MER)*:	0.90%	**Distributions:**	Monthly (any net income and/or return of capital) and in December (any net capital gains)

Trading information (12 months ending May 31, 2026)	
Ticker Symbol:	PBY
Exchange:	Toronto Stock Exchange (TSX)
Currency:	Canadian dollars
Average daily volume*:	10,901 units
Number of days traded*:	248 out of 250 trading days

Pricing information (12 months ending May 31, 2026)	
Market price*:	$15.35 - $16.75
Net asset value (NAV)*:	$15.98 - $16.55
Average bid-ask spread:	This data is not available as the ETF was not previously an exchange-traded fund.

What does the ETF invest in?

This ETF is a fixed income fund that seeks to (i) maximize total returns for unitholders while reducing risk; and (ii) provide unitholders with monthly cash distributions, by taking long and short positions primarily in corporate bonds and other income securities. The ETF uses alternative investment strategies such as short sales and purchasing securities on margin or with borrowed funds. Through the use of cash borrowing, short selling, or specific derivatives, the ETF's aggregate leverage will not exceed 300% of the ETF's net asset value or as otherwise as permitted under applicable securities legislation. The leverage will be calculated in accordance with the methodology prescribed by securities regulations, or any exemptions there from.

The charts below give you a snapshot of the ETF's investments on May 31, 2026. The ETF's investments will change.

Top 10 investments (as of May 31, 2026)	
Canada RRB 4.25% Dec 1, 2026	7.5%
Manulife Financial Corp (AT1) 4.1% Mar 19, 2027/2082	6.1%
Air Canada 4.625% Aug 15, 2029	5.7%
FLINT Corp	4.3%
GE Capital Canada 5.73% Oct 22, 2037	4.0%
Strait Crossing Dev. Inc. (amort) 6.17% Sep 15, 2031 144A	3.8%
Canada RRB 4.0% Dec 1, 2031	3.6%
Hertz 12.625% Jul 15, 2029 144A (USD)	3.5%
RBC Sr. Unsec. 3.572% Dec 9, 2030/31	3.3%
RBC FRN Jun 29, 2085 (SOFR+44.911)(USD)	3.0%
Total percentage of top 10 investments	**44.8%**
Total number of investments	**119**

Investment mix (as of May 31, 2026)	
Canadian Equities	9.8%
Canadian Fixed Income	46.0%
Cash and Equivalents	-0.2%
Foreign Fixed Income	11.7%
Inflation Bonds	12.0%
Mortgage Backed Securities	11.3%
Preferred Shares	4.3%
Private Placements	5.1%

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How risky is it?

The value of the ETF can go down as well as up. You could lose money.

One way to gauge risk is to look at how much an ETF's returns change over time. This is called "volatility".

In general, ETFs with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. ETFs with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

Risk rating

Lysander Funds Limited has rated the volatility of this ETF as **Low-to-Medium**.

This rating is based on how much the ETF's returns have changed from year to year. It doesn't tell you how volatile the ETF will be in the future. The rating can change over time. An ETF with a low risk rating can still lose money.

Low	**Low-to-Medium**	Medium	Medium-to-High	High

For more information about the risk rating and specific risks that can affect the ETF's returns, see the "Risk Factors" section of the ETF's prospectus.

No guarantees

ETFs do not have any guarantees. You may not get back the amount of money you invest.

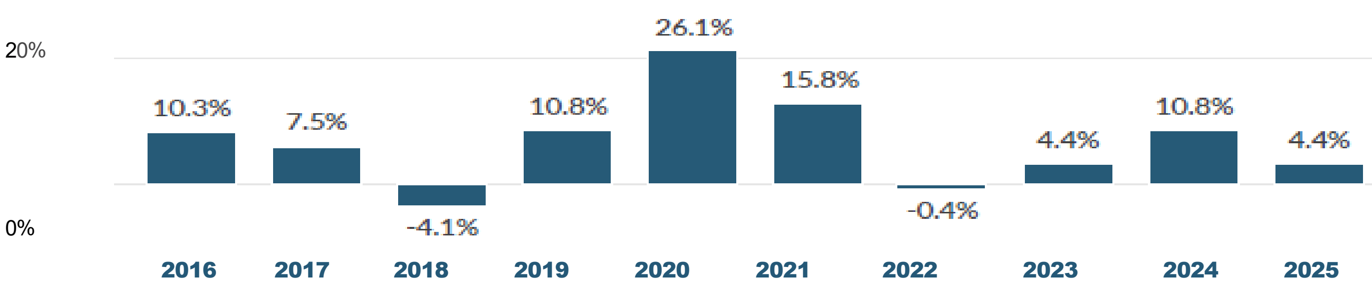
How has the ETF performed?

This section tells you how units of the ETF have performed over the past 10 years. Returns[1] are after expenses have been deducted. These expenses reduce the ETF's returns.

The ETF was originally established as a closed-end fund on July 16, 2010, and is expected to convert to an exchange-traded fund on or about July 28, 2026. Data marked with an asterisk (*) in this ETF Facts document reflects the data of Class A units of the closed-end fund. Prior to July 1, 2020, the ETF paid servicing fees at 0.40% per annum on Class A units. On July 1, 2020, the ETF discontinued the payment of servicing fees. This change could have affected the performance of the ETF had this change been in effect throughout the performance measurement period.

Year-by-year returns*

This chart shows how units of the ETF performed in each of the last 10 years. The ETF dropped in value in 2 of the 10 years. The range of returns and change from year to year can help you assess how risky the ETF has been in the past. It does not tell you how the ETF will perform in the future.



Best and worst 3-month returns*

This table shows the best and worst returns for units of the ETF in a 3-month period over the past 10 years. The best and worst 3-month returns could be higher or lower in the future. Consider how much of a loss you could afford to take in a short period of time.

	Return	3 months ending	If you invested $1,000 at the beginning of the period
Best Return	24.46%	June 30, 2020	Your investment would rise to $1,244.60
Worst Return	(17.50)%	March 31, 2020	Your investment would drop to $825.00

[1] *Returns are calculated using the net asset value (NAV) of Class A units when the ETF was a closed-end fund.*

Average return*

The annual compounded rate of return of the ETF was 8.53% over the past 10 years. A $1,000 investment in the ETF since 10 years ago would have been worth $2,268.26 on May 31, 2026.

Trading ETFs

ETFs hold a basket of investments, like mutual funds, but trade on exchanges like stocks. Here are a few things to keep in mind when trading ETFs:

Pricing

ETFs have two sets of prices: market price and NAV.

Market Price

ETFs are bought and sold on exchanges at the market price. The market price can change throughout the trading day. Factors like supply, demand and changes in the value of an ETF's investments can affect the market price. You can get price quotes any time during the trading day. Quotes have two parts: bid and ask. The bid is the highest price a buyer is willing to pay if you want to sell your ETF units. The ask is the lowest price a seller is willing to accept if you want to buy ETF units. The difference between the two is called the "bid-ask spread". In general, a smaller bid-ask spread means the ETF is more liquid. That means you are more likely to get the price you expect.

Net asset value (NAV)

Like mutual funds, ETFs have a NAV. It is calculated after the close of each trading day and reflects the value of an ETF's investments at that point in time. NAV is used to calculate financial information for reporting purposes – like the returns shown in this document.

Orders

There are two main options for placing trades: market orders and limit orders. A market order lets you buy or sell units at the current market price. A limit order lets you set the price at which you are willing to buy or sell units.

Timing

In general, market prices of ETFs can be more volatile around the start and end of the trading day. Consider using a limit order or placing a trade at another time during the trading day.

Who is the ETF for?

Investors who:

- plan to hold this investment for the medium to long term; and
- want exposure to fixed income securities.

A word about tax

In general, you'll have to pay income tax on any money you make on an ETF. How much you pay depends on the tax laws where you live and whether or not you hold the ETF in a registered plan, such as a Registered Retirement Savings Plan or a Tax-Free Savings Account.

Keep in mind that if you hold your ETF in a non-registered account, distributions from the ETF are included in your taxable income, whether you get them in cash or have them reinvested.

How much does it cost?

This section shows the fees and expenses you could pay to buy, own and sell units of the ETF. Fees and expenses – including trailing commissions – can vary among ETFs. Higher commissions can influence representatives to recommend one investment over another. Ask about other ETFs and investments that may be suitable for you at a lower cost.

Brokerage commissions

You may have to pay a commission every time you buy and sell units of the ETF. Commissions may vary by brokerage firm. Some brokerage firms may offer commission-free ETFs or require a minimum purchase amount.

ETF expenses*

You do not pay these expenses directly. They affect you because they reduce the ETF's returns.

The ETF pays an annual performance fee equal to 20% of the outperformance of the units compared to the total percentage increase or decrease in the FTSE Canada All Corporate Bond Index (TR) since the end of the period for which the last performance fee was paid for the units, plus applicable taxes. Further details on the performance fee are provided in the prospectus.

As at December 31, 2025, the ETF's expenses were 0.95% of its average value. This equates to $9.50 for every $1,000 invested.

	Annual rate (as a % of the ETF's value)
Management expense ratio (MER) – This is the total of the ETF's management fee and operating expenses.	0.90%
Trading expense ratio (TER) – These are the ETF's trading costs.	0.05%
ETF expenses	**0.95%**

Trailing commission

The trailing commission is an ongoing commission. It is paid for as long as you own the ETF. It is for the services and advice that your representative and their firm provide to you. This ETF doesn't have a trailing commission.

What if I change my mind?

Under securities law in some provinces and territories, you have the right to cancel your purchase within 48 hours after you receive confirmation of the purchase. In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the prospectus, ETF Facts or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory. For more information, see the securities law of your province or territory or ask a lawyer.

For more information

Contact Lysander Funds Limited or your representative for the ETF's prospectus and other disclosure documents. These documents and the ETF Facts make up the ETF's legal documents.

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