LYSANDER-CANSO CREDIT INCOME *ACTIV*ETF

(an alternative mutual fund)

SIMPLIFIED PROSPECTUS

July 16, 2026

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Introduction

This Simplified Prospectus contains selected important information to help you make an informed investment decision and understand your rights as an investor. This Simplified Prospectus is divided into two parts. The first part, from pages 1 through 27, contains general information applicable to Lysander-Canso Credit Income *Activ*ETF. The second part, from pages 29 through 45, contains specific information about Lysander-Canso Credit Income *Activ*ETF.

Lysander-Canso Credit Income *Activ*ETF was originally established as a closed-end investment fund under the laws of the province of Ontario on June 28, 2010 as Canso Credit Income Fund ("**CCIF**"). At a special meeting of CCIF held on June 4, 2026, unitholders of CCIF approved a resolution to change the structure of the fund from a closed-end fund into an exchange-traded alternative mutual fund under the laws of the province of Ontario effective on or about July 28, 2026 (the "**Conversion**"). References in this prospectus to Lysander-Canso Credit Income *Activ*ETF and Lysander *Activ*ETF refer to the fund following the Conversion.

Throughout this Simplified Prospectus:

- *we, us, Lysander* or *the Manager* means Lysander Funds Limited, the trustee and investment fund manager of the Lysander *Activ*ETF.

- *you* means each person who invests in the Lysander *Activ*ETF.

- *dealer* means the company that sold you the Units of the Lysander *Activ*ETF and the individual who sold them to you.

- *Basket of Securities* means a group of securities selected by the portfolio manager of the Lysander *Activ*ETF from time to time that collectively reflect the constituents of the portfolio of the Lysander *Activ*ETF.

- *CDS* means CDS Clearing and Depository Services Inc.

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

- *Continuous Dealer* means a registered dealer (that may or may not be a Designated Broker) that has entered into a continuous distribution dealer agreement with the Manager, on behalf of the Lysander *Activ*ETF, and that subscribes for and purchases Units from the Lysander *Activ*ETF as described under *Purchases, switches and redemptions – How to purchase Units of the Lysander Activ*ETF.

- *CRS* means The Organization for Economic Co-operation and Development's (OECD) Common Reporting Standard as implemented in Canada by Part XIX of the Tax Act.

- *custodian* means CIBC Mellon Trust Company.

- *Cut Off Time* means, in relation to each issuance and exchange of Units of the Lysander *Activ*ETF, 2:00 p.m. (Toronto time) on a Trading Day (or such later time on such Trading Day as the Manager may permit).

- *Designated Broker* means a registered dealer that has entered into a designated broker agreement with us, on behalf of the Lysander *Activ*ETF, pursuant to which the Designated Broker agrees to perform certain duties in relation to the Lysander *Activ*ETF.

- *ETF* means exchange-traded fund.

- *FATCA* means the *Foreign Account Tax Compliance Act* as implemented in Canada by the Canada-United States Enhanced Tax Information Exchange Agreement and Part XVIII of the Tax Act.

- *HST* means the Harmonized Sales Tax.

- *intermediary* means a third party that you or your dealer may use to administer your accounts.

- *IRC* means the independent review committee of the Lysander *Activ*ETF established pursuant to NI 81-107.

- the *Lysander ActivETF* means Lysander-Canso Credit Income *Activ*ETF.

- the *Lysander-Canso Funds* means the Lysander *Activ*ETF and any other investment funds managed by the Manager for which Canso Investment Counsel Ltd. acts as portfolio manager.

- *NAV* means net asset value.

- *NAV per Unit* means the net asset value per Unit of the Lysander *Activ*ETF.

- *NI 81-102* means National Instrument 81-102 *Investment Funds*.

- *NI 81-107* means National Instrument 81-107 *Independent Review Committee for Investment Funds.*

- *Plan Agent* means TSX Trust Company or its successor, as the plan agent under the Reinvestment Plan.

- *Plan Units* means additional Units of the Lysander *Activ*ETF acquired in the market by the Plan Agent under any Reinvestment Plan.

- *Prescribed Number of Units* means the number of Units determined by the Manager from time to time for the purpose of subscription orders, exchanges, redemptions or for other purposes.

- *Registered Plans* means trusts governed by registered retirement savings plans (including group registered retirement savings plans, locked in retirement savings plans and locked in retirement accounts), registered retirement income funds (including life income funds, locked in retirement income funds and prescribed retirement income funds), deferred profit sharing plans, registered disability savings plans, registered education savings plans, tax free savings accounts and first home savings accounts.

- *Reinvestment Plan* means any distribution reinvestment plan offered by the Manager for the Lysander *Activ*ETF.

- *Simplified Prospectus* means this simplified prospectus of the Lysander *Activ*ETF.

- *Tax Act* means the *Income Tax Act* (Canada) and the regulations thereunder, as the same may be amended from time to time.

- *Trading Day* means, unless otherwise agreed by the Manager, a day on which: (i) a session of the TSX is held; and (ii) the primary market or exchange for the securities held by the Lysander *Activ*ETF is open for trading.

- *underlying fund* means any investment fund in which the Lysander *Activ*ETF invests.

- *Unit* means a unit of the Lysander *Activ*ETF.

- *Unitholder* means a holder of Units.

For more information

You can find more information about the Lysander *Activ*ETF in each of the following documents:

- the Lysander *Activ*ETF's most recently filed ETF Facts documents (**ETF Facts**);
- the Lysander *Activ*ETF's most recently filed annual financial statements;
- any interim financial report filed after those annual financial statements;
- the Lysander *Activ*ETF's most recently-filed annual management report of fund performance (**MRFP**); and
- any interim MRFP filed after that annual MRFP.

These documents are incorporated by reference into this Simplified Prospectus, which means that they legally form part of this document just as if they were printed as part of this document. You can get a copy of these documents, at your request, and at no cost, by calling toll free at 1-877-308-6979, or from your dealer.

These documents are also available at the Lysander *Activ*ETF's designated website at **www.lysanderfunds.com** and at **www.sedarplus.ca.**

Responsibility for Mutual Fund Administration

The Manager

Lysander Funds Limited is the investment fund manager (the "**Manager**") of the Lysander *Activ*ETF. The head office of the Manager is located at 3080 Yonge Street, Suite 4000, Toronto, Ontario M4N 3N1. The phone number for the Manager is 1-877-308-6979, the email address is manager@lysanderfunds.com and the website address is www.lysanderfunds.com. As Manager, we are responsible for the day-to-day operations and affairs of the Lysander *Activ*ETF and provide marketing and administrative services to the Lysander *Activ*ETF. We also furnish the office space and facilities and provide clerical help, bookkeeping and the internal accounting services required by the Lysander *Activ*ETF. All Unitholder reporting and servicing requirements are also furnished by us or on our behalf.

The Manager has retained CIBC Mellon Trust Company to carry out the administrative services of fund accounting, valuation, processing of subscriptions and redemptions and calculating and processing all income and capital gains distributions for the Lysander *Activ*ETF.

The names and municipalities of residence of the directors and executive officers of the Manager, their respective positions and offices with the Manager are as follows:

Name and Municipality of Residence	Position with the Manager
Paul Adair Toronto, Ontario	Chief Investment Officer and Chief Operating Officer
Rachael Carswell Toronto, Ontario	Director
Timothy Hicks Peterborough, Ontario	Director
Ruth Liu Vaughan, Ontario	General Counsel, Chief Compliance Officer and Corporate Secretary
Heather Mason-Wood Richmond Hill, Ontario	Director
Patrick McCalmont Toronto, Ontario	Director
B. Richard Usher-Jones Toronto, Ontario	President, Chief Executive Officer, Ultimate Designated Person and Director
David Steele Toronto, Ontario	Chief Financial Officer and Director
Shirley Sumsion Markham, Ontario	Director

We act as Manager of the Lysander *Activ*ETF pursuant to an amended and restated management agreement dated November 26, 2025, as amended on July 16, 2026 (the "**Management Agreement**"). The Management Agreement may be terminated by us or the Lysander *Activ*ETF on 60 days' prior written notice. Any change in the investment fund manager of the Lysander *Activ*ETF (other than to one of our affiliates) may be made only with the approval of the Unitholders of the Lysander *Activ*ETF and, where applicable, in accordance with securities legislation.

Fund of funds

The Lysander *Activ*ETF (referred to in this context as "**top fund**") may buy securities of other investment funds including other mutual funds, exchange-traded funds and non-redeemable investment funds (referred to in this context as "**underlying funds**"). Where we are the investment fund manager of both a top fund and an underlying fund, we will not vote the securities of the underlying fund that are held by the top fund. However, in our discretion, we may decide to flow those voting rights to investors in the top fund.

Portfolio manager

Canso Investment Counsel Ltd. ("**Canso**"), located in Richmond Hill, Ontario, is the portfolio manager of the Lysander *Activ*ETF, pursuant to an amended and restated investment management agreement dated July 29, 2022 between us and Canso, as amended on July 16, 2026 (the "**Canso IMA**"). Lysander and Canso are affiliates.

The investment management agreement between the Manager and the portfolio manager requires the portfolio manager to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Lysander *Activ*ETF and, in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances. The investment management agreement provides that the portfolio manager will not be liable in any way for any loss arising solely from the portfolio manager's compliance with the Lysander *Activ*ETF's investment policy statement or any act or failure to act by any broker or person with whom the portfolio manager has been specifically directed to deal by the Manager in connection with the Lysander *Activ*ETF.

The investment management agreement may be terminated immediately by either party to the agreement if either party's registration, license or other authorization required by it to perform the services under the investment management agreement has been revoked by the applicable securities regulatory authority, if either party is unable to meet its obligations under the investment management agreement, or if either party is in material breach of the investment management agreement and such breach has not been cured within 30 days of receipt of written notice of such breach.

In its role as portfolio manager, Canso is responsible for the management of the investment portfolio, the establishment of investment policies and guidelines and the provision of investment analysis relating to the assets of the Lysander *Activ*ETF. In carrying out these responsibilities, Canso may retain the services of other portfolio managers as sub-advisors for the Lysander *Activ*ETF.

Investment decisions for the Lysander *Activ*ETF are made by a team of individual portfolio managers employed by Canso and are not subject to the approval of any committee. The individuals who make up the portfolio management team at Canso and their roles in the investment decision making process are as set forth in the tables below.

Canso

Name and Title	Role in Investment Decision-Making Process
Jeff Carter, CFA Portfolio Manager, Deputy Chief Investment Officer	Member of the portfolio management team making investment decisions subject to the oversight of the Chief Investment Officer and the compliance department at Canso.
Jason Davis, CFA Portfolio Manager	Member of the portfolio management team making investment decisions subject to the oversight of the Chief Investment Officer and the compliance department at Canso.
Nicolas Desjardins, CFA Portfolio Manager	Member of the portfolio management team making investment decisions subject to the oversight of the Chief Investment Officer and the compliance department at Canso.

Name and Title	Role in Investment Decision-Making Process
John Laing, CFA Portfolio Manager	Member of the portfolio management team making investment decisions subject to the oversight of the Chief Investment Officer and the compliance department at Canso.
Faye Lee, CFA Portfolio Manager, Vice President Investment Research	Member of the portfolio management team making investment decisions subject to the oversight of the Chief Investment Officer and the compliance department at Canso.
Vivek Verma, CFA Portfolio Manager, Deputy Chief Investment Officer	Member of the portfolio management team making investment decisions subject to the oversight of the Chief Investment Officer and the compliance department at Canso.

Brokerage arrangements

Decisions as to the purchase and sale of portfolio securities and decisions as to the execution of all portfolio transactions, including selection of market, dealer or broker, and the negotiation, where applicable, of commissions are made by the portfolio manager.

In selecting brokers, various factors will be considered in the context of a particular trade and in regard to the portfolio manager's overall responsibilities with respect to the Lysander *Activ*ETF and to other investment accounts the portfolio manager manages. Factors deemed relevant may include the following: (i) price; (ii) size and type of the transaction; (iii) reasonableness of compensation to be paid; (iv) speed and certainty of trade executions, including the broker's willingness to commit capital; (v) nature of markets on which the security is to be purchased or sold; (vi) the availability of liquidity in the security; (vii) reliability of a market center or broker; (viii) overall trading relationship with the broker; (ix) assessment of whether and how closely the broker will likely follow instructions; (x) degree of anonymity that a particular broker or market can provide; (xi) the potential for avoiding market impact; (xii) the execution services rendered on a continuing basis; (xiii) the execution efficiency, settlement capability and financial condition of the firm; and (xiv) the provision of additional brokerage and research products and services, if applicable.

Portfolio transactions may be executed with brokers who provide research services to assist the portfolio manager with its investment management responsibilities ("**Research Goods and Services**"). Such services include reports and analysis which are used to assist with investment decisions; quotation services; data, information and other services; analytical computer software and services; and investment recommendations. Canso does not engage in "soft dollar arrangements" for such services in respect of their client accounts, including the account of the Lysander *Activ*ETF.

Trustee

We act as trustee of the Lysander *Activ*ETF under a master declaration of trust dated July 28, 2015, as amended and restated on July 24, 2017 and July 16, 2026 (the "**Declaration of Trust**"), which establishes the fundamental operating structure for the Lysander *Activ*ETF. In our capacity as trustee, we have ultimate responsibility for the undertaking of the Lysander *Activ*ETF and must carry out the terms of the Declaration of Trust.

We may resign as trustee of the Lysander *Activ*ETF by giving 90 days' prior written notice to Unitholders. If a successor trustee can be found and agrees to accept the appointment, such successor trustee will assume the duties and obligations of the incumbent trustee within the notice period. If a successor trustee cannot be found or is not appointed by Unitholders in accordance with the provisions of the Declaration of Trust, then the Lysander *Activ*ETF will be terminated at the expiry of the notice period.

Custodian

The portfolio assets of the Lysander *Activ*ETF are held under the principal custodianship of CIBC Mellon Trust Company, located in Toronto, Ontario, pursuant to a custodial services agreement made as of July 16, 2010, as amended and restated on June 30, 2015, as the same may be amended from time to time (the "**Custodian Agreement**"). As custodian, CIBC Mellon Trust Company holds the cash and securities of the Lysander *Activ*ETF.

Any party to the Custodian Agreement may terminate it at any time upon 90 days' written notice or immediately, if any party becomes insolvent, or makes an assignment for the benefit of creditors, or a petition in bankruptcy is filed by or against that party and is not discharged within 30 days, or proceedings for the appointment of a receiver for that party are commenced and not discontinued within 30 days. The principal custodian has a qualified foreign sub-custodian in each jurisdiction in which the Lysander *Activ*ETF invests in securities. The agreements between CIBC Mellon Trust Company and such sub-custodians are consistent with the provisions of the Custodian Agreement, provide that the Lysander *Activ*ETF may enforce its rights in respect of its assets held in accordance with their provisions and otherwise comply with the relevant provisions of NI 81-102. CIBC Mellon Trust Company is not an affiliate of the Manager.

Auditor

Deloitte LLP of Toronto, Ontario is the auditor of the Lysander *Activ*ETF. Deloitte LLP is not an affiliate of the Manager.

Registrar and transfer agent

TSX Trust Company acts as the registrar and transfer agent for the Lysander *Activ*ETF, from its principal office in Toronto, Ontario, pursuant to an amended and restated service agreement dated November 26, 2025, as the same may be amended from time to time. TSX Trust Company is not an affiliate of the Manager.

Securities lending agent

In the event that the Lysander *Activ*ETF engages in securities lending or repurchase or reverse repurchase transactions, CIBC Mellon Trust Company of Toronto, Ontario will be appointed as the Lysander *Activ*ETF's securities lending agent. The securities lending agent is not an affiliate of the Manager.

Cash lender

The Manager, on behalf of the Lysander *Activ*ETF, has entered into a prime brokerage agreement among BNY Trust Company of Canada, as trustee of Canso Credit Income Fund, Scotia Capital Inc., and The Bank of Nova Scotia dated June 22, 2015, as the same may be amended from time to time (the "**Prime Brokerage Agreement**"). Pursuant to the terms of the Prime Brokerage Agreement, the Lysander *Activ*ETF may borrow money for investment purposes in accordance with its investment objectives and strategies and in compliance with applicable law. The prime broker is not an affiliate of the Manager.

Independent review committee and fund governance

General fund governance

The Manager, as the trustee and the investment fund manager of the Lysander *Activ*ETF, has the ultimate authority to manage and direct the operations and affairs of the Lysander *Activ*ETF, subject to applicable law and the Declaration of Trust. The Manager has established policies and procedures to enable and protect the proper functioning of the Manager and operations of the Lysander *Activ*ETF. Such policies and procedures cover areas such as business or operations continuity, cybersecurity, confidentiality, sales and marketing activities and management of conflicts of interest. In addition, the Manager has implemented various measures to assess risk, including daily market security valuation, exposure reporting and reconciliation of portfolio investments and cash positions. For more information on the policies and practices of the Manager, please see *Responsibility for Mutual Fund Administration – Polices and practices* on page 5.

Canso is responsible for managing the investment portfolio of the Lysander *Activ*ETF. Risk management is part of Canso's security selection, which is supported by a research process and decision-making process. Based on the portfolio manager's assessment of risks, Canso manages risks in the Lysander *Activ*ETF's portfolio through diversification and making decisions on the amount of exposure accordingly.

Independent Review Committee

In accordance with NI 81-107, an IRC has been established for all of the investment funds managed by the Manager, including the Lysander *Activ*ETF. The IRC is composed of 4 individuals, each of whom is independent of the Lysander *Activ*ETF, the Manager and its affiliates. The current members of the IRC are Donna Peters-Imbrogno as Chair, Ruth Gould, Mary Anne Wiley and Amber Choudhry.

The IRC has adopted a written charter that includes its mandate, responsibilities and functions and the policies and procedures that it follows when performing its functions.

In accordance with NI 81-107, the mandate of the IRC is to consider and provide recommendations to us on conflicts of interest to which we are subject when managing the Lysander *Activ*ETF. We are required under NI 81-107 to identify conflicts of interest inherent in our management of the Lysander *Activ*ETF and to request input from the IRC on how we manage those conflicts of interest, as well as on our written policies and procedures outlining our management of those conflicts of interest. We must refer our proposed course of action in respect of any such conflict of interest matter to the IRC for its review. Certain matters require the IRC's prior approval. Other matters require the IRC's recommendation as to whether or not, in the opinion of the IRC, our proposed action will provide a fair and reasonable result for the Lysander *Activ*ETF. For recurring conflict of interest matters, the IRC can provide us with standing instructions.

The IRC may also approve any change of the auditor of the Lysander *Activ*ETF and, in certain circumstances, approve a fund merger. Investor approval will not be obtained in these circumstances, but you will be sent a written notice at least 60 days before the effective date of any such change of auditor or merger.

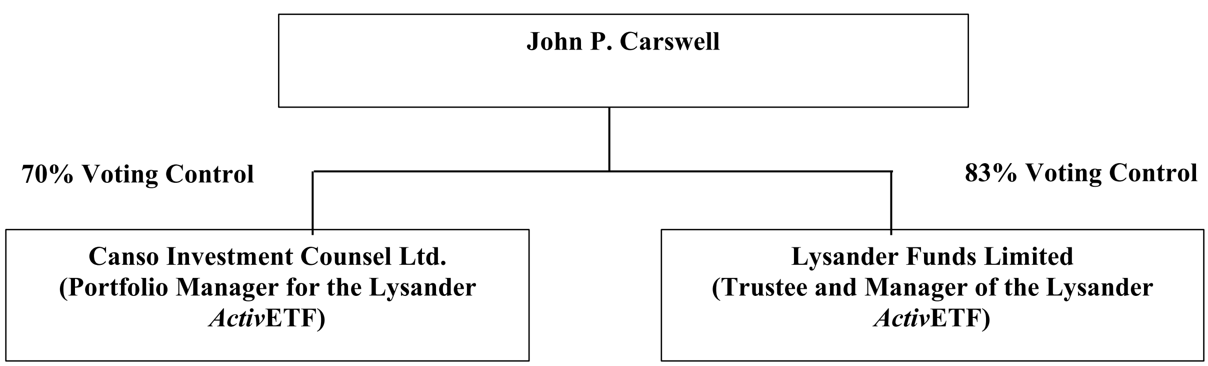
The IRC prepares, at least annually, a report of its activities for Unitholders. Such reports are available on the Lysander *Activ*ETF's designated website at www.lysanderfunds.com, or at the Unitholder's request and at no cost, by contacting the Manager at manager@lysanderfunds.com.

The annual report of the IRC will be available on or about March 31 in each year.

Each member of the IRC receives a quarterly retainer, and will be reimbursed for reasonable expenses incurred. For more information on the compensation received by each member of the IRC, please see *Responsibility for Mutual Fund Administration - Remuneration of trustee, directors and officers – Independent Review Committee compensation* on page 8.

Affiliated entities

The following diagram shows the respective relationship between the Manager and any affiliated entity that provides services to the Lysander *Activ*ETF and/or to the Manager with regard to the Lysander *Activ*ETF:



Amounts material to the Lysander *Activ*ETF paid by the Manager to an affiliated entity for services provided to the Lysander *Activ*ETF will be reported in the audited financial statements of the Lysander *Activ*ETF.

Policies and practices

General policies

In managing the day-to-day operations of the Lysander *Activ*ETF, we have adopted certain policies as standard practice to comply with applicable legislation and regulations, including NI 81-102 and National Instrument 81-105 *Mutual*

Fund Sales Practices ("**NI 81-105**"), relating to permitted compensation and trailing commissions, internal dealer incentive practices, marketing and education practices, sales disclosure and portfolio transactions. In addition, we have developed and adopted a formal compliance manual that governs all of our employees. The compliance manual includes policies on conflicts of interest, client confidentiality, acceptable outside activities, personal investments and requirements of our portfolio managers. The compliance manual also includes provisions and/or policies regarding recordkeeping, risk management and general compliance with regulatory and corporate responsibilities.

Use of derivatives

The Lysander *Activ*ETF may use derivatives as described under *What does the fund invest in? – Investment strategies* on page 31. The Lysander *Activ*ETF's investment policies also describe the Lysander *Activ*ETF's use of derivatives, if any. In addition to the disclosure in the Simplified Prospectus and the description in the investment policies, the Lysander *Activ*ETF must comply with the investment restrictions and practices in NI 81-102, subject to any exemptions received from securities regulators in connection with its use of derivatives for hedging and, where applicable, non-hedging, purposes. The decision as to the use of derivatives, if any, is made by Canso. Canso is responsible for establishing trading limits and other controls on derivative trading. The chief compliance officer of Canso is responsible for ensuring the Lysander *Activ*ETF's use of derivatives is within the limits in NI 81-102. The Manager obtains confirmation from Canso on the Lysander *Activ*ETF's compliance with NI 81-102 as part of the Manager's oversight.

Short selling

The Lysander *Activ*ETF may engage in short selling. A short sale by the Lysander *Activ*ETF involves borrowing securities from a lender which are then sold in the open market. At a future date, the securities are repurchased by the Lysander *Activ*ETF and returned to the lender. While the securities are borrowed, the proceeds from the sale are deposited with the lender and the Lysander *Activ*ETF pays interest to the lender. If the value of the securities declines between the time that the Lysander *Activ*ETF borrows the securities and the time it repurchases and returns the securities to the lender, the Lysander *Activ*ETF makes a profit on the difference (less any interest the Lysander *Activ*ETF 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 the Lysander *Activ*ETF. Securities sold short may instead appreciate in value creating a loss for the Lysander *Activ*ETF. The Lysander *Activ*ETF 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 the Lysander *Activ*ETF has borrowed securities may go bankrupt and the Lysander *Activ*ETF may lose the collateral it has deposited with the lender.

Should the Lysander *Activ*ETF engage in short selling, the Lysander *Activ*ETF will have policies and practices to manage the risks associated with short selling. The Lysander *Activ*ETF will adhere to controls and limits that are intended to mitigate these risks by short selling only liquid securities and by limiting the amount of exposure for short sales to the total market value of all securities of an issuer of the securities sold short by the Lysander *Activ*ETF to 50% of the NAV (300% of the NAV of the Lysander *Activ*ETF in respect of "government securities" pursuant to exemptive relief the Lysander *Activ*ETF has obtained from applicable securities regulatory authorities). Canso does not currently conduct risk measurements or simulations to test the Lysander *Activ*ETF's portfolio under stress conditions in connection with short selling.

Securities lending, repurchase or reverse repurchase transactions

The Lysander *Activ*ETF may engage in securities lending, repurchase and reverse repurchase transactions to the extent permitted by the Canadian securities regulators. Prior to engaging in such transactions, the Lysander *Activ*ETF will implement policies and practices to manage the risks associated with these types of transactions, and which will be reviewed at least annually by the Manager's Chief Compliance Officer.

Specifically, where the Lysander *Activ*ETF engages in such investments, it will:

- require that the other party to the transaction deliver collateral equal to a minimum of 102% of the market value of the securities loaned (for securities lending transactions) or sold (for repurchase transactions), or 102% of the cash paid for the securities (for reverse repurchase transactions), as the case may be;

- hold collateral consisting only of cash, qualified securities or securities that can be immediately converted into securities identical to those that are on loan. The collateral is marked to market daily;

- adjust the amount of collateral each business day to ensure the collateral's value relative to the market value of the securities loaned remains within the 102% limit; and

- limit the aggregate value of all securities loaned or sold through securities lending and repurchase transactions, as the case may be, to under 50% of the NAV of the Lysander *Activ*ETF (not including the collateral held by the Lysander *Activ*ETF).

The Manager has given notice to investors that it intends to commence the use of repurchase and reverse repurchase transactions effective on or about August 18, 2026. Prior to engaging in such transactions, the Lysander *Activ*ETF will appoint an agent pursuant to a written agreement in order to administer any securities lending, repurchase and reverse repurchase transactions for the Lysander *Activ*ETF. Under the provisions of this agreement, the agent shall be required to:

- assess the creditworthiness of potential counterparties to these transactions (typically, registered brokers and/or dealers);

- negotiate the actual securities lending, repurchase and reverse repurchase agreements with such counterparties;

- collect lending fees and provide such fees to us;

- monitor (daily) the market value of the securities sold, loaned or purchased and the collateral and ensure that the Lysander *Activ*ETF holds collateral equal to at least 102% of the market value of the securities sold, loaned or purchased; and

- ensure that the market value of securities loaned or sold, as the case may be, by the Lysander *Activ*ETF through lending and repurchase transactions does not exceed 50% of the NAV of the Lysander *Activ*ETF (not including the collateral held by the Lysander *Activ*ETF).

Prior to engaging in such transactions, we will establish written policies and procedures that set out the objectives and goals for these particular types of investments. There are no limits or controls restricting these transactions and risk measurements or simulations are not used to test the portfolio under stress conditions. We are responsible for reviewing these investments on an as needed basis and such review will be independent of the agent. Each securities lending transaction, repurchase agreement and reverse repurchase agreement must qualify as a "securities lending arrangement" under section 260 of the Tax Act.

Proxy Voting Policies and Procedures

The Manager's proxy voting policy requires the Lysander *Activ*ETF's portfolio manager to vote proxies in the best interests of the Lysander *Activ*ETF, and adopt proxy voting policies that are in line with the requirements in Part 10 of National Instrument 81-106 *Investment Fund Continuous Disclosure*.

The portfolio manager has adopted a proxy voting policy that would require it to vote proxies in the best interest of the Lysander *Activ*ETF. The portfolio manager generally would vote in accordance with the recommendations of the issuers' management for routine matters, and would consider non-routine matters on a case-by-case basis.

The Lysander *Activ*ETF is considered to have received a solicitation at the time it or the portfolio manager has received notice at its offices. In the event that the portfolio manager does not receive a solicitation within sufficient time to execute a vote or the proxy is not submitted to the issuer in the time required, the Lysander *Activ*ETF will not be able to vote on the matters solicited.

A copy of the complete proxy voting policies and procedures of the Manager and the portfolio manager is available to you on request, free of charge, by calling us toll free at 1-877-308-6979, by sending an e-mail to manager@lysanderfunds.com or by mailing to Lysander Funds Limited at 3080 Yonge Street, Suite 4000, Toronto, Ontario M4N 3N1.

The voting record, if any, for the previous year ended June 30 will be available free of charge to any Unitholder of the Lysander *Activ*ETF upon request at any time after August 31 of that year and will be made available on the Lysander *Activ*ETF's designated website at www.lysanderfunds.com.

Remuneration of trustee, directors and officers

Trustee compensation
We do not receive any additional fees for acting as trustee of Lysander *Activ*ETF.

Employee compensation
The management functions of the Lysander *Activ*ETF are carried out by employees of the Manager. The Lysander *Activ*ETF does not have employees.

Independent Review Committee compensation
Each member of the IRC is paid an annual retainer of $15,000 (except for Donna Peters-Imbrogno, who is paid $19,000 as chair) in aggregate by all the investment funds managed by the Manager (including its open-ended and closed-end funds). Additionally, IRC members are reimbursed for reasonable expenses related to each IRC meeting, such as meals, travel and accommodation. Other fees and expenses payable in connection with the IRC include insurance, legal fees and fees associated with IRC members' continuing education paid for that calendar year.

For the financial years ended December 31, 2024 and December 31, 2025, the aggregate amount of fees paid and expenses reimbursed to members of the IRC by all the investment funds managed by the Manager was $108,800. In addition, $5,377.04 was incurred to pay for items such as insurance cost, legal fees, statutory benefits, administrative processing and fees related to continuing education of IRC members. Each of the investment funds managed by the Manager, including the Lysander *Activ*ETF, pays its share of the fees and expenses paid to the IRC on a proportionate basis based on the NAV of each fund managed by the Manager, which amount is reflected in the relevant fund's financial statements.

Material contracts

The material contracts that have been entered into by or on behalf of the Lysander *Activ*ETF are as follows:

- the Declaration of Trust, as it may be amended or restated from time to time, by the Manager, in its capacity as trustee, as described under *Responsibility for Mutual Fund Administration – Trustee*;

- the Management Agreement between the Manager and the Lysander *Activ*ETF, as it may be amended or restated from time to time, as described under *Responsibility for Mutual Fund Administration – The Manager*;

- the Custodian Agreement between the Lysander *Activ*ETF, the Manager and CIBC Mellon Trust Company, as custodian, as it may be amended or restated from time to time, as described under *Responsibility for Mutual Fund Administration – Custodian*;

- the Canso IMA between the Manager and Canso, as portfolio manager to the Lysander *Activ*ETF, as described under *Responsibility for Mutual Fund Administration – Portfolio manager*;

Copies of the foregoing may be inspected during ordinary business hours on any business day at the situs of administration for the Lysander *Activ*ETF, which is the head office of the Manager.

Legal proceedings

The Manager is not aware of any material legal proceedings, either pending or ongoing, which would affect the Lysander *Activ*ETF.

Designated website

A mutual fund is required to post certain regulatory disclosure documents on a designated website. The designated website of the Lysander *Activ*ETF can be found at www.lysanderfunds.com.

Valuation of portfolio securities

Assets

In determining the fair value of the assets of the Lysander *Activ*ETF the following rules apply:

- the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, cash dividends and other distributions declared and interest, declared or accrued and not yet received, shall be deemed to be the full amount thereof, unless the Manager has determined that any such asset is not worth the full amount thereof, in which event the value thereof shall be deemed to be such value as the Manager determines to be the reasonable value thereof; short term investments including notes and money market instruments are valued at cost plus accrued interest or at current market value;

- the value of any share, subscription right or other equity security which is listed or dealt in upon a stock exchange shall be determined by taking the latest available sale price or closing price (or lacking any sales or any record thereof, a price not higher than the latest available asked price and not lower than the latest available bid price therefor as the Manager may from time to time determine) on the day as of which the NAV or NAV per Unit is being determined, as reported by any means in common use. The value of any bond or other debt security shall be determined by using prices supplied by the Lysander *Activ*ETF's pricing agents which reflect broker/dealer supplied valuations and electronic data processing techniques. If it is not possible to value a particular debt security pursuant to these valuation methods, then the value of such security shall be the most recent bid quotation supplied by a bona fide market-maker. The value of interlisted securities shall be computed in a manner which in the opinion of the Manager most accurately reflects their fair value. If, in the opinion of the Manager, the above valuations do not properly reflect the prices which would be received by the Lysander *Activ*ETF upon the disposal of shares or securities necessary to effect any redemption or redemptions, the Manager may place such value upon such shares or securities as appears to it to most closely reflect the fair value of such shares or securities;

- the value of any bond, time note, share, subscription right, debenture and other debt security or other security or other property which is not listed or dealt in on a stock exchange shall be determined on the basis of such price quotations which in the opinion of the Manager best reflect its fair value;

- investments in investment funds that do not trade on an exchange are valued at the end of day net asset value per security;

- any security purchased, the purchase price of which has not been paid, shall be included for valuation purposes as a security held, and the purchase price, including brokers' commissions and other expenses, shall be treated as a liability of the Lysander *Activ*ETF;

- any security sold but not delivered, pending receipt of the proceeds, shall be valued at the net sale price;

- the value of any restricted security, as defined in NI 81-102, shall be such value which in the opinion of the Manager best reflects its fair value;

- long positions in clearing corporation options, options on futures, over the counter options, debt like securities and listed warrants shall be valued at the current market value thereof;

- any premium received by the Lysander *Activ*ETF for a written covered clearing corporation option, option on futures or over the counter option shall be reflected as a deferred credit which shall be valued at an amount equal to the current market value of the clearing corporation option, option on futures or over the counter option that would have the effect of closing the position. The deferred credit shall be deducted in arriving at the NAV of the Lysander *Activ*ETF. The securities, if any, which are the subject of a written clearing corporation option or over the counter option shall be valued in accordance with the provisions of this paragraph;

- futures contracts and forward contracts shall be valued according to the gain or loss with respect thereto that would be realized if, on the Valuation Date (as defined under *Calculation of net asset value*), the position in the futures contract or forward contract, as the case may be, were to be closed out unless daily limits are in effect, in which case fair value shall be based on the current market value of the underlying interest;

- margin paid or deposited in respect of futures contracts and forward contracts shall be reflected as an account receivable and margin consisting of assets other than cash shall be noted as held as margin;

- swaps shall be valued using an independent pricing vendor's model, which may include end of day net present values, company specific credit spreads, credit ratings, industry and company performance, total return of reference assets, default rates and estimated recovery rates. If values are not readily available through an independent pricing vendor, swaps shall be valued at the Manager's best estimate of fair value;

- all assets of the Lysander *Activ*ETF valued in terms of foreign currency, funds on deposit, contractual obligations payable to the Lysander *Activ*ETF in foreign currency and liabilities payable by the Lysander *Activ*ETF in foreign currency shall be determined at the current rate of exchange at, or as nearly as practicable to, the time as of which the NAV is computed. Foreign currency for the purpose of this section is currency other than Canadian currency, and

- the value of any bond, time note, share, subscription right or other security or other property for which none of the above valuation procedures is applicable shall be the fair value thereof as determined from time to time in such manner as the Manager may determine.

Each portfolio transaction by the Lysander *Activ*ETF will be reflected in the next calculation of NAV per Unit made after the date on which the transaction becomes binding. A unit of the Lysander *Activ*ETF being issued shall be deemed to become outstanding immediately following the calculation of the applicable NAV per Unit that is the issue price per Unit. After that Unit is deemed to become outstanding, the amount payable in connection with the issuance shall then be deemed to be an asset of the Lysander *Activ*ETF. A Unit of the Lysander *Activ*ETF being exchanged or redeemed, as applicable, shall be deemed to remain outstanding until immediately following the calculation of the applicable NAV per Unit that is the exchange or redemption price; thereafter, until payment has been made for such exchanged or redeemed Unit, the exchange or redemption price, as the case may be, shall be deemed to be a liability of the Lysander *Activ*ETF. Accordingly, the issue of Units and the exchange or redemption of Units will be reflected in the next calculation of NAV per Unit made after the date a subscription order or an exchange or redemption request, as the case may be, is accepted and becomes binding.

The NAV per Unit of the Lysander *Activ*ETF, for all purposes other than financial statements, is calculated using the valuation principles set out above. For financial reporting purposes, the Lysander *Activ*ETF applies International Financial Reporting Standards as issued by the International Accounting Standards Board ("**IFRS**") to prepare its annual and interim financial statements. The valuation principles used to determine the NAV for purchases and redemptions by Unitholders may differ in some respects from the requirements of IFRS. As a result, the NAV per Unit presented in the financial statements may differ from the NAV per Unit for the purpose of purchases and redemptions of Units of the Lysander *Activ*ETF.

The Manager may authorize other parties (including affiliates) to perform some of the valuation functions and references to the Manager in the above valuation principles may, to the extent the Manager authorizes such parties to perform these functions, include these third parties.

The Manager has the discretion noted above to deviate from the Lysander *Activ*ETF's valuation principles set out above. We have not exercised such discretion in the past three years.

Liabilities
The liabilities of the Lysander *Activ*ETF shall be deemed to include:

- all bills and accounts payable;
- all fees and expenses payable by the Lysander *Activ*ETF and/or accrued, which shall be accrued daily or as available;
- all contractual obligations for the payment of money or property, including the amount of any declared but unpaid distributions;
- all allowances authorized or approved by the Manager for taxes or contingencies; and
- all other liabilities of the Lysander *Activ*ETF of whatsoever kind and nature, except liabilities represented by outstanding Units.

Fair value pricing
If a security's market price is not readily available or does not otherwise accurately reflect the fair value of the security, the security will be valued by another method that the Manager or a person authorized by the Manager believes will better reflect fair value. The Lysander *Activ*ETF may use fair value pricing in a variety of circumstances, including but not limited to, situations when the value of a security in the Lysander *Activ*ETF's portfolio has been materially affected by events occurring after the close of the market on which the security is principally traded (such as a corporate action or other news that may materially affect the price of a security) or trading in a security has been suspended or halted.

We employ fair value pricing for two purposes. Firstly, it increases the likelihood that the Lysander *Activ*ETF's NAV truly reflects the value of the Lysander *Activ*ETF's holdings at the time the NAV is determined. Secondly, it acts to deter market timing activity by decreasing the likelihood that a Unitholder is able to take inappropriate advantage of market developments that occur following the foreign market close and prior to 4:00 p.m. (Eastern Time). Our fair value pricing techniques involve assigning values to the Lysander *Activ*ETF's portfolio holdings that may differ from the closing prices on the foreign securities exchanges. We do this in circumstances where we have in good faith determined that to do so better reflects the market values of the securities in question.

Calculation of net asset value

As at 4:00 p.m. (Eastern Time) on each day that the Toronto Stock Exchange ("**TSX**") is open for business (a "**Valuation Date**"), the NAV per Unit is calculated for the Lysander *Activ*ETF in Canadian dollars.

The NAV per Unit is obtained by dividing the NAV of the Lysander *Activ*ETF on such day by the applicable number of Units of the Lysander *Activ*ETF then outstanding. The NAV per Unit is the basis for all purchases, exchanges and redemptions and for reinvestment of distributions. However, the trading of Units of the Lysander *Activ*ETF on the TSX is based on the market price of the Units, as further described below.

The Manager will make available the NAV per Unit for the Lysander *Activ*ETF on the Lysander *Activ*ETF's designated website at www.lysanderfunds.com. Such information will also be available on request, free of charge, by calling the Manager toll free at 1-877-308-6979, by sending an email to manager@lysanderfunds.com or by mailing the Manager at 3080 Yonge Street, Suite 4000, Toronto, Ontario M4N 3N1.

Purchases, switches and redemptions

The Lysander *Activ*ETF is authorized to issue an unlimited number of Units. Units of the Lysander *Activ*ETF are offered on a continuous basis.

The outstanding units of Canso Credit Income Fund ("**CCIF**") will be redesignated as Units of the Lysander *Activ*ETF in connection with the Conversion (as defined under *Introduction*) and, subject to the satisfaction of certain requirements of the TSX, will continue to be listed for trading on the TSX. An investor will be able to buy or sell Units on the TSX through registered brokers and dealers in the province or territory where the investor resides.

Investors may incur customary brokerage commissions in buying or selling Units of the Lysander *Activ*ETF. No fees are paid by a Unitholder to the Manager or the Lysander *Activ*ETF in connection with the buying or selling of Units of the Lysander *Activ*ETF on the designated exchange or another exchange or marketplace, as applicable.

The following table indicates the ticker symbol for the Units of the Lysander *Activ*ETF before and after the Conversion:

Ticker Symbol (Before Conversion)	**Ticker Symbol (After Conversion)**
PBY.UN	PBY

How to purchase Units of the Lysander *Activ*ETF

Designated Broker
The Manager, on behalf of the Lysander *Activ*ETF, has entered into a designated broker agreement with a Designated Broker pursuant to which the Designated Broker has agreed to perform certain duties relating to the Lysander *Activ*ETF including, without limitation: (i) to subscribe for Units when cash redemptions of Units occur as described under *Purchases, switches and redemptions – How to redeem your Lysander Activ*ETF *Units*; and (ii) to post a liquid two-way market for the trading of Units on the TSX.

The Manager may from time to time and, in any event, not more than once quarterly, require the Designated Broker to subscribe for Units of the Lysander *Activ*ETF for cash. The number of Units issued will be the subscription amount divided by the NAV per Unit next determined following the delivery by the Manager of a subscription notice to the Designated Broker. Payment for the Units must be made by the Designated Broker by no later than the first Trading Day after the subscription notice has been delivered.

Issuance of Units
To the Designated Broker and Continuous Dealers

Generally, all orders to purchase Units directly from the Lysander *Activ*ETF must be placed by the Designated Broker or Continuous Dealers. The Lysander *Activ*ETF reserves the absolute right to reject any subscription order placed by the Designated Broker or a Continuous Dealer. No fees will be payable by the Lysander *Activ*ETF to the Designated Broker or a Continuous Dealer in connection with the issuance of Units. On the issuance of Units, an amount may be charged to the Designated Broker or a Continuous Dealer to offset the expenses incurred in issuing the Units.

After the initial issuance of Units of the Lysander *Activ*ETF to the Designated Broker to satisfy the TSX's original listing requirements, on any Trading Day, a Continuous Dealer (who may also be the Designated Broker) may place a subscription order for the minimum of a Prescribed Number of Units (and any additional multiple thereof) of the Lysander *Activ*ETF. If a subscription order is received by the Lysander *Activ*ETF by the applicable Cut Off Time on a Trading Day, the Lysander *Activ*ETF will issue to the Continuous Dealer a minimum of a Prescribed Number of Units (and any additional multiple thereof) based on the NAV per Unit determined on such Trading Day. If a subscription order is not received by the applicable Cut Off Time on a Trading Day, subject to the discretion of the

Manager, the subscription order will be deemed to be received only on the next Trading Day. The Cut Off Time for the Lysander *Activ*ETF for subscriptions and exchanges is 2:00 p.m. (Toronto time) on a Trading Day (or such later time on such Trading Day as the Manager may permit).

For each Prescribed Number of Units issued, a Continuous Dealer must deliver payment consisting of, in the portfolio manager's discretion, (i) one Basket of Securities and cash in an amount sufficient so that the value of the securities and the cash received is equal to the aggregate NAV per Unit of the Prescribed Number of Units next determined following the receipt of the subscription order; (ii) cash in an amount equal to the aggregate NAV per Unit of the Prescribed Number of Units next determined following the receipt of the subscription order; or (iii) a combination of securities and cash, as determined by the Manager, in an amount sufficient so that the value of the securities and cash received is equal to the aggregate NAV per Unit of the Prescribed Number of Units next determined following the receipt of the subscription order.

The Manager will make available to the Designated Broker and the Continuous Dealers information as to the Prescribed Number of Units and the Basket of Securities for the Lysander *Activ*ETF for each Trading Day. The Manager may, in its discretion, increase or decrease the Prescribed Number of Units from time to time.

To the Designated Broker in Special Circumstances

Units may also be issued by the Lysander *Activ*ETF to the Designated Broker in certain special circumstances, including when cash redemptions of Units occur as described under *Purchases, switches and redemptions – How to redeem your Lysander Activ*ETF *Units* on page 15.

To Unitholders

Units may be issued by the Lysander *Activ*ETF to Unitholders on the automatic reinvestment of certain distributions as described under *Distribution policy* in the description of the Lysander *Activ*ETF.

Buying and Selling Units of Lysander *Activ*ETF

An investor will be able to buy or sell Units on the TSX through registered brokers and dealers in the province or territory where the investor resides.

Investors may incur customary brokerage commissions in buying or selling Units. Investors may trade Units in the same way as other securities listed on the TSX, including by using market orders and limit orders. Unitholders may redeem Units in any number for cash, for a redemption price equal to the lesser of (i) 95% of the closing price on the TSX for the Units on the effective day of the redemption and (ii) the NAV per Unit on the effective day of the redemption, or may exchange a minimum of a Prescribed Number of Units (and any additional multiple thereof) for securities and cash or, in certain circumstances, for cash. See *Purchases, switches and redemptions – How to redeem your Lysander Activ*ETF *Units* on page 15.

The Lysander *Activ*ETF will issue Units directly to the Designated Brokers and Continuous Dealers.

From time to time, as may be agreed by a prospective purchaser and a Designated Broker or Continuous Dealer, the Designated Broker or Continuous Dealer may agree to accept securities as payment for Units from a prospective purchaser.

Special Considerations for Unitholders

The provisions of the so-called "early warning" reporting requirements in Canadian securities legislation do not apply in connection with the acquisition of Units of the Lysander *Activ*ETF. The Lysander *Activ*ETF has obtained exemptive relief from the securities regulatory authorities to permit Unitholders to acquire more than 20% of the Units of the Lysander *Activ*ETF without regard to the takeover bid requirements of applicable Canadian securities legislation.

Non-Resident Unitholders

At no time may (i) non-residents of Canada, (ii) partnerships that are not Canadian partnerships or (iii) a combination of non-residents of Canada and such partnerships (all as defined in the Tax Act) be the beneficial owners of a majority of the Units of the Lysander *Activ*ETF at any time during which more than 10% of the property of the Lysander *Activ*ETF consists of certain "taxable Canadian property" (as defined in the Tax Act). The Manager shall inform the registrar and transfer agent of the Lysander *Activ*ETF of this restriction. The Manager may require declarations as to the jurisdictions in which a beneficial owner of Units is resident and, if a partnership, its status as a Canadian partnership. If the Manager becomes aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that the beneficial owners of 40% of the Units of the Lysander *Activ*ETF then outstanding are, or may be, non residents and/or partnerships that are not Canadian partnerships, or that such a situation is imminent, the Manager may make a public announcement thereof. If the Manager determines that more than 40% of such Units are beneficially held by non-residents and/or partnerships that are not Canadian partnerships, the Manager may send a notice to such non resident Unitholders and partnerships, chosen in inverse order to the order of acquisition or in such manner as the Manager may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 30 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Manager with satisfactory evidence that they are not non residents or partnerships other than Canadian partnerships within such period, the Manager may, on behalf of such Unitholders, sell such Units and, in the interim, shall suspend the voting and distribution rights attached to such Units. Upon such sale, the affected holders shall cease to be beneficial holders of Units and their rights shall be limited to receiving the net proceeds of sale of such Units.

Notwithstanding the foregoing, the Manager may determine not to take any of the actions described above if the Manager reasonably determines that the failure to take any such action would not adversely impact the status of the Lysander *Activ*ETF as a mutual fund trust for purposes of the Tax Act or, alternatively, may take such other action or actions as may be necessary to maintain the status of the Lysander *Activ*ETF as a mutual fund trust for purposes of the Tax Act. Such action may include, without limitation, causing the Lysander *Activ*ETF to redeem the Units of that Unitholder for a redemption price equal to their NAV per Unit on the redemption date.

Registration and Transfer through CDS

Registration of interests in, and transfers of, the Units will be made only through the book entry only system of CDS. Units must be purchased, transferred and surrendered for exchange or redemption only through a CDS Participant. All rights of an owner of Units must be exercised through, and all payments or other property to which such owner is entitled will be made or delivered by, CDS or the CDS Participant through which the owner holds such Units. Upon purchase of any Units, the owner will receive only the customary confirmation. All distributions and redemption proceeds in respect of Units will be made or paid initially to CDS, which payments will be forwarded by CDS to the CDS Participants and, thereafter, by such CDS Participants to the applicable Unitholders. References in this Simplified Prospectus to a holder of Units of the Lysander *Activ*ETF means, unless the context otherwise requires, the owner of the beneficial interest in such Units.

Neither the Lysander *Activ*ETF nor the Manager will have any liability for (i) any aspect of the records maintained by CDS relating to the beneficial interests in the Units or the book entry accounts maintained by CDS; (ii) maintaining, supervising or reviewing any records relating to such beneficial ownership interests; or (iii) any advice or representation made or given by CDS, whether contained in this Simplified Prospectus or otherwise, or made or given with respect to the rules and regulations of CDS or any action taken by CDS or at the direction of the CDS Participants. The rules governing CDS provide that it acts as the agent and depository for the CDS Participants. As a result, CDS Participants must look solely to CDS and persons, other than CDS Participants, having an interest in the Units must look solely to CDS Participants for payment made by the Lysander *Activ*ETF to CDS.

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

The Lysander *Activ*ETF has the option to terminate registration of the Units through the book entry only system, in which case certificates for Units in fully registered form will be issued to beneficial owners of such Units or to their nominees.

How to redeem your Lysander *Activ*ETF Units

Redemption of Units in any Number for Cash

On any Trading Day, Unitholders may redeem Units of the Lysander *Activ*ETF in any number for cash at a redemption price per Unit equal to the lesser of (i) 95% of the closing price for the Units on the TSX on the effective day of the redemption, and (ii) the NAV per Unit on the effective day of the redemption. Because Unitholders will generally be able to sell Units at the market price on the TSX through a registered broker or dealer subject only to customary brokerage commissions, Unitholders are advised to consult their brokers, dealers or investment advisers before redeeming their Units for cash.

For such a cash redemption to be effective on a Trading Day, a cash redemption request in the form prescribed by the Manager from time to time must be delivered through a CDS Participant by 9:00 a.m. (Toronto time) on that day to the Lysander *Activ*ETF at its situs of administration (which is the head office of the Manager) or as the Manager may otherwise direct. If a cash redemption request is received after 9:00 a.m. (Toronto time) on a Trading Day, the cash redemption request will be effective only on the next Trading Day. Payment of the redemption price will be made by no later than the first Trading Day after the effective day of the redemption. The cash redemption request forms may be obtained from the Manager.

Units of the Lysander *Activ*ETF trade on an ex-dividend basis commencing at the opening of trading on the applicable distribution record date. A Unitholder that exercises this cash redemption right in respect of Units on or after the applicable distribution record date will be entitled to receive the applicable distribution in respect of those Units.

In connection with the redemption of Units, the Lysander *Activ*ETF will generally dispose of securities or other assets in order to fund the required redemption proceeds. The redemption price paid to a Unitholder may include capital gains realized by the Lysander *Activ*ETF. The remaining portion of the exchange or redemption price will be proceeds of redemption.

The Manager reserves the right to cause the Lysander *Activ*ETF to redeem the Units held by a Unitholder at a price equal to the NAV per Unit on the effective date of such redemption if the Manager believes it is in the best interests of the Lysander *Activ*ETF to do so.

Exchange of Prescribed Number of Units

On any Trading Day, Unitholders may exchange a minimum of a Prescribed Number of Units (and any additional multiple thereof) for Baskets of Securities and cash. To effect an exchange of Units, a Unitholder must submit an exchange request in the form prescribed by the Manager from time to time to the Lysander *Activ*ETF at its situs of administration (which is the head office of the Manager) or as the Manager may otherwise direct by the applicable Cut Off Time on a Trading Day. The exchange price will be equal to the aggregate NAV per Unit of the Prescribed Number of Units on the effective day of the exchange request, payable by delivery of Baskets of Securities (constituted prior to the receipt of the exchange request) and cash. In certain circumstances and only with the consent of the Manager, the exchange price may be paid fully in cash. In this case, the Manager may, in its discretion, require the Unitholder to pay or reimburse the Lysander *Activ*ETF for the trading expenses incurred or expected to be incurred by the Lysander *Activ*ETF in connection with the sale by the Lysander *Activ*ETF of securities in order to obtain the necessary cash to fund the exchange price. On an exchange, the applicable Units will be redeemed.

If an exchange request is not received by the applicable Cut Off Time on a Trading Day, subject to the discretion of the Manager, the exchange order will be effective only on the next Trading Day. Settlement of exchanges for Baskets of Securities and/or cash, as the case may be, will be made by no later than the first Trading Day after the effective day of the exchange request.

The Manager will make available to the Designated Broker and the Dealers information as to the Prescribed Number of Units and the Basket of Securities for the Lysander *Activ*ETF for each Trading Day. The Manager may, in its discretion, increase or decrease the Prescribed Number of Units from time to time.

Units of the Lysander *Activ*ETF trade on an ex-dividend basis commencing at the opening of trading on the applicable distribution record date. A Unitholder that exchanges or redeems Units on or after the applicable distribution record date will be entitled to receive the applicable distribution in respect of those Units.

If securities held in the portfolio of the Lysander *Activ*ETF are cease traded at any time by order of a securities regulatory authority or other relevant regulator or stock exchange, the delivery of such securities to a Unitholder on an exchange may be postponed until such time as the transfer of the securities is permitted by law.

Characterization of Redemption or Exchange Amount
The exchange or redemption price paid to a Unitholder may include capital gains realized by the Lysander *Activ*ETF. The remaining portion of the exchange or redemption price will be proceeds of disposition.

Costs Associated with Exchanges and Redemptions
The Manager or the Lysander *Activ*ETF may charge the Designated Broker and/or Continuous Dealers a fee to offset certain transaction costs associated with an exchange or redemption of Units of the Lysander *Activ*ETF to or by such Designated Broker and/or Continuous Dealer.

Unitholders who buy and sell their Units through the facilities of the TSX do not pay a fee directly to the Manager or the Lysander *Activ*ETF in respect of those purchases and sales.

Exchange and Redemption of Units through CDS Participants
The exchange and redemption rights described above must be exercised through the CDS Participant through which the owner holds Units. Beneficial owners of Units should ensure that they provide exchange and/or redemption instructions to the CDS Participants through which they hold Units sufficiently in advance of the cut off times set by CDS Participants to allow such CDS Participants to notify the Manager or as the Manager may direct prior to the relevant cut off time.

Short-term trading of Units of the Lysander *Activ*ETF
The Manager does not believe that it is necessary to impose any short-term trading restrictions on the Lysander *Activ*ETF at this time, as the Lysander *Activ*ETF is an exchange traded fund that is primarily traded in the secondary market.

Suspending your right to redeem the Lysander *Activ*ETF Units
Your right to exchange or redeem Units of the Lysander *Activ*ETF may be suspended for all or part of a period ("**redemption suspension period**"): (i) when normal trading is suspended on a stock, options or futures exchange in Canada or outside Canada upon which securities or derivatives that make up more than 50% of the value or underlying exposure of the Lysander *Activ*ETF's total assets are traded (and those securities or derivatives are not traded on any other exchange that represents a reasonable alternative for the Lysander *Activ*ETF); or (ii) with the consent of any securities commission or regulatory body having jurisdiction. The suspension shall apply to all requests for redemption and/or exchange received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. During any redemption suspension period, no calculations of NAV per Unit will be made and the Lysander *Activ*ETF will not be permitted to issue further Units or redeem any Units previously issued.

The calculation of NAV per Unit will resume when trading resumes on the exchange or with the permission of any securities commission or regulatory body having jurisdiction.

If you make a redemption request during a redemption suspension period, your Units will be redeemed by the Lysander *Activ*ETF in accordance with the redemption request at the applicable redemption price first calculated following the end of the redemption suspension period.

Optional Services Provided by the Mutual Fund Organization

Reinvestment Plan for Units of the Lysander *Activ*ETF

The Manager may implement a Reinvestment Plan under which cash distributions are used to purchase Plan Units in the market and are credited to the Plan Participant through CDS. Following implementation of the Reinvestment Plan, a Unitholder who wishes to enrol in the Reinvestment Plan as of a particular distribution record date should notify his, her or its CDS Participant sufficiently in advance of that distribution record date to allow the CDS Participant to notify CDS no later than 3:00 p.m. (Toronto time) on that distribution record date.

Fractional Units

No fractional Plan Units will be delivered under the Reinvestment Plan. Payment in cash for any remaining uninvested funds may be made in lieu of delivering fractional Plan Units by the Plan Agent to CDS or a CDS Participant, on a monthly basis. Where applicable, CDS will, in turn, credit the Plan Participant, via the applicable CDS Participant.

Amendments, Suspension or Termination of the Reinvestment Plan

Plan Participants will be able to terminate their participation in the Reinvestment Plan as of a particular distribution record date by notifying their CDS Participant no later than 4:00 p.m. (Toronto time) at least two business days prior to the applicable distribution record date. Beginning on the first distribution payment date after such notice is delivered, distributions to such Unitholders will be in cash. The form of termination notice will be available from CDS Participants, and any expenses associated with the preparation and delivery of such termination notice will be for the account of the Plan Participant exercising its rights to terminate participation in the Reinvestment Plan.

The Manager is permitted to terminate the Reinvestment Plan, in its sole discretion, upon not less than 30 days' notice to the Plan Participants and the Plan Agent, subject to any required regulatory approval. The Manager is also permitted to amend, modify or suspend the Reinvestment Plan at any time, in its sole discretion, provided that it complies with certain requirements, and gives notice of such amendment, modification or suspension to the Plan Participants and the Plan Agent, subject to any required regulatory approval, which notice may be given by issuing a press release containing a summary description of the amendment or in any other manner that the Manager determines to be appropriate.

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

Other Provisions

Participation in the Reinvestment Plan is restricted to Unitholders who are residents of Canada for the purposes of the Tax Act or "Canadian partnerships" as defined in the Tax Act. Immediately upon becoming a non-resident of Canada or ceasing to be a Canadian partnership, a Plan Participant is required to notify his, her or its CDS Participant and terminate participation in the Reinvestment Plan.

The automatic reinvestment of distributions under the Reinvestment Plan does not relieve Plan Participants of any income tax applicable to the distributions. See *Income tax considerations*.

Fees and expenses

The following tables show the fees and expenses you may have to pay if you invest in the Lysander *Activ*ETF. You will pay some of these fees and expenses directly. The Lysander *Activ*ETF may pay some of these fees and expenses, which therefore reduces the value of an investment in the Lysander *Activ*ETF.

The consent of Unitholders will be obtained if: (i) the basis of the calculation of a fee or expense that is charged to the Lysander *Activ*ETF, or directly to its Unitholders by the Lysander *Activ*ETF or us in connection with the holding of Units of the Lysander *Activ*ETF, is changed in a way that could result in an increase in charges to the Lysander *Activ*ETF or Unitholders; or (ii) a fee or expense to be charged to the Lysander *Activ*ETF, or directly to its Unitholders by the Lysander *Activ*ETF or us in connection with the holding of Units of the Lysander *Activ*ETF that could result in an increase in charges to the Lysander *Activ*ETF or to Unitholders, is introduced. In either case, Unitholder consent will not be required if the change or new fee or expense is a result of a change made by a third party at arm's length to the Lysander *Activ*ETF or is not required under securities regulation. Instead, if required under applicable securities laws, we will send you a written notice at least 60 days before the effective date of the change.

Fees and expenses payable by the Lysander *Activ*ETF

Management fees	As investment fund manager, the Manager is responsible for the day-to-day operations and affairs of the Lysander *Activ*ETF and provides marketing and administrative services to the Lysander *Activ*ETF, including office space and facilities, clerical help, bookkeeping, internal accounting services, and Unitholder reporting and servicing requirements. The Lysander *Activ*ETF pays the Manager a management fee for day-to-day management and administration services (the "**Management Fee**"). The management fee is calculated by multiplying the Lysander *Activ*ETF's NAV by an annual management fee rate. The Management Fee is calculated and accrued daily and paid monthly. The Management Fee for the Lysander *Activ*ETF is shown in the description of the Lysander *Activ*ETF, starting on page 31. The Management Fee is subject to HST and other applicable taxes.
Performance fees	Subject to certain terms and conditions more fully described below, the Manager is entitled to receive, in respect of the Lysander *Activ*ETF, a performance fee equal to 20% of the outperformance of the Benchmark Index (defined below), after fees and expenses. The performance fee will only be paid if the NAV per Unit exceeds the highest level previously reached for calculation of the performance fee (taking into account distributions paid) and the NAV per Unit exceeds the cumulative performance of the Benchmark Index during the same period of time, all as more fully described below. The Manager may, in its discretion, waive all or a portion of the performance fee from time to time. The Manager may cease such waiver at any time without notice. For the Lysander *Activ*ETF, the performance fee is calculated and accrued on each Valuation Date. The amount of the performance fee payable, if any, is determined annually as of the last Valuation Date in each calendar year. The performance fee for a given Relevant Period (defined below) will be an amount for each Unit then outstanding equal to **20% of A x B**, where: **A** = The amount by which the Performance (as defined below) exceeds the greater of

	(i) the Index Performance (as defined below) during the Relevant Period (as defined below), and (ii) zero; and **B** = The NAV per Unit at the Determination Date (defined below); provided that no performance fee is payable if: (i) the Performance is negative during the Relevant Period or during the calendar year ending on the Determination Date; or (ii) after the payment of the performance fee, in any calendar year, the return to a Unitholder will be negative. For purposes of calculating the performance fee: "**Benchmark Index**" means FTSE Canada All Corporate Bond Index (or its successor index). The FTSE Canada All Corporate Bond Index measures the performance of the Canadian corporate bond sector. It is comprised primarily of semi-annual pay fixed rate corporate bonds issued domestically in Canada. "**Determination Date**" means each Valuation Date. "**High Watermark Date**" means the date on which the most recent performance fee was payable. Where the High Watermark Date occurred prior to the Conversion, the NAV per Unit is the NAV per Unit of the Class A Units of CCIF. "**Index Performance**" means a percentage, the numerator of which is (i) the level of the Benchmark Index as at the Determination Date, less (ii) the level of the Benchmark Index as at the High Watermark Date, and the denominator of which is the level of the Benchmark Index as at the High Watermark Date. "**Performance**" means a percentage, the numerator of which is: (i) the NAV per Unit (calculated without taking into account the performance fee) as at the Determination Date, plus (ii) the distributions paid on such Unit since the High Watermark Date as determined by the Manager, less (iii) the NAV per Unit as at the High Watermark Date, and the denominator of which is the NAV per Unit as at the High Watermark Date. "**Relevant Period**" means the period from but excluding the High Watermark Date to and including the Determination Date. ***Performance fee on redemptions*** Where Units of the Lysander *Activ*ETF are redeemed or exchanged on a date that is not the last Valuation Date in the calendar year, the Lysander *Activ*ETF will pay to the Manager a performance fee in respect of any redeemed Units determined for the period from the relevant High Watermark Date to the date on which such Units were redeemed or exchanged.
Other operating expenses	The Lysander *Activ*ETF is responsible for paying its own operating expenses, including brokerage commissions and fees on portfolio transactions, interest expenses, operating, administrative and systems costs (which could include overhead expenses of the Manager that are related to daily fund operating functions such as employee salaries, rent and utilities), custodian fees, regulatory fees (e.g. capital markets participation fees), costs and expenses related to the IRC, audit and legal fees, insurance, trustee fees, directors' or advisory committee's fees (if any), registrar's fees, distribution costs, the cost of servicing Unitholders and reporting to Unitholders (including proxy solicitation material), the cost of qualifying and maintaining the qualification for sale of the Units, listing and annual stock exchange fees; CDS fees; expenses related to the Reinvestment Plan including the fees of the Plan Agent; any other fees that become

	commonly charged in the Canadian mutual fund and exchange-traded fund industry, and taxes payable on any of these expenses, including HST. In their discretion, the Manager or the portfolio manager may pay certain of the expenses of the Lysander *Activ*ETF but any such payments shall not oblige the Manager or the portfolio manager to make similar future payments, and such payments may be stopped without notice to you.
Underlying funds	The Lysander *Activ*ETF may, in accordance with applicable securities laws, invest in other investment funds managed by the Manager or its affiliates (including another mutual fund, another exchange-traded fund or a non-redeemable investment fund) and other investment funds managed by third parties. With respect to such investments, no management or incentive fees are payable by the Lysander *Activ*ETF that, to a reasonable person, would duplicate a fee payable by the other investment funds for the same service. Where the Lysander *Activ*ETF invests in another investment fund that is not managed by the Manager or its affiliate, the fees and expenses payable in connection with the management of that investment fund, including management and incentive fees, are not duplicative and are in addition to those payable by the Lysander *Activ*ETF. No sales or redemption fees are payable by the Lysander *Activ*ETF in relation to any purchase or redemption of the securities of such investment funds. Commissions may apply to the purchase or sale of exchange-traded fund securities.

Fees and expenses payable directly by you

Issue, exchange or redemption fees for Units of the Lysander *Activ*ETF	The Manager or the Lysander *Activ*ETF may charge the Designated Broker and/or Continuous Dealers a fee to offset certain transaction costs associated with an issue, exchange or redemption of Units of the Lysander *Activ*ETF to or by such Designated Broker and/or Dealer. See *How to purchase Units of the Lysander ActivETF* on page 12 and *How to redeem your Lysander ActivETF Units* on page 15.
Brokerage commissions for buying or selling of Units of the Lysander *Activ*ETF	Investors may incur customary brokerage commissions in buying or selling Units of the Lysander *Activ*ETF on the TSX through a registered broker or dealer.
Short-term trading fee	We do not believe it is necessary to impose any short-term trading fees on Units of the Lysander *Activ*ETF, as the Lysander *Activ*ETF is an exchange-traded fund that is primarily traded in the secondary market.

Income tax considerations

The following summary fairly presents the principal Canadian federal income tax considerations under the Tax Act, as of the date hereof, for the Lysander *Activ*ETF and for investors who are individuals (other than trusts) who, for the purposes of the Tax Act, are resident in Canada and hold Units of the Lysander *Activ*ETF directly or in a Registered Plan as capital property. This summary is based upon the current provisions of the Tax Act, all specific proposals to amend the Tax Act publicly announced by the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and the current published administrative practices and assessing policies of the Canada Revenue Agency ("**CRA**"). There can be no assurance that the Tax Proposals will become law as proposed or at all. Except for the Tax Proposals, this summary does not take into account or anticipate any change in law, whether by legislative, regulatory, administrative or judicial action. Furthermore, this summary does not take into account provincial or foreign income tax legislation or considerations.

This summary is of a general nature only, is not exhaustive of all possible income tax considerations and is not intended to be legal or tax advice. We do not describe the tax rules in detail or cover all the tax consequences that may apply. We recommend you consult your tax advisor for advice about your individual situation.

This summary is based on the following assumptions: (i) none of the issuers of securities held by the Lysander *Activ*ETF will at any time be treated as a "foreign affiliate" or a "controlled foreign affiliate" within the meaning of the Tax Act of the Lysander *Activ*ETF or any Unitholder; (ii) none of the securities held by the Lysander *Activ*ETF will be an "offshore investment fund property" as defined in section 94.1 of the Tax Act; (iii) the Lysander *Activ*ETF will not be a "SIFT trust" as defined in the Tax Act; (iv) none of the securities held by the Lysander *Activ*ETF will be a "tax shelter investment" within the meaning of section 143.2 of the Tax Act; (v) the Lysander *Activ*ETF will not enter into any arrangement where the result is a "dividend rental arrangement" for the purposes of the Tax Act; and (vi) not more than 50% of the Units of the Lysander *Activ*ETF that does not qualify as a "mutual fund trust" under the Tax Act will be held by one or more "financial institutions" as defined under section 142.2 of the Tax Act.

Status of the Lysander *Activ*ETF

The Lysander *Activ*ETF currently qualifies as a "mutual fund trust" under the Tax Act and is expected to continue to so qualify at all material times. See below and "*What are the general risks of investing in a mutual fund? – Tax Risk"* for some of the tax consequences associated with the Lysander *Activ*ETF failing to or ceasing to meet mutual fund trust status.

The Lysander *Activ*ETF is also subject to, and substantially complies with, the requirements of NI 81-102.

Taxation of the Lysander *Activ*ETF

The Lysander *Activ*ETF is subject to tax under Part I of the Tax Act on its net income, including net taxable capital gains, as calculated under the Tax Act for a taxation year (after deducting available loss carryforwards) to the extent that it is not paid or payable to Unitholders. The Lysander *Activ*ETF, due to its "mutual fund trust" status under the Tax Act throughout a taxation year, will be entitled to a refund (the "**Capital Gains Refund**") of its tax liability on its net realized capital gains equal to an amount determined by formula under the Tax Act based on the redemption of Units during the year and accrued gains on the Lysander *Activ*ETF's assets. The Capital Gains Refund for a particular taxation year may not completely offset the tax liabilities of the Lysander *Activ*ETF with respect to capital gains for such taxation year, which may arise upon the sale or other disposition of securities in connection with the redemption of Units. The Declaration of Trust requires the Lysander *Activ*ETF to distribute a sufficient amount of its net income and net realized capital gains, if any, for each taxation year to Unitholders so that the Lysander *Activ*ETF is not liable in any taxation year for income tax under Part I of the Tax Act after taking into account any applicable losses of the Lysander *Activ*ETF and the Capital Gains Refund to which the Lysander *Activ*ETF may be entitled.

In computing its income under the Tax Act, the Lysander *Activ*ETF may deduct reasonable administrative and other expenses incurred to earn income, in accordance with the rules in the Tax Act.

The Lysander *Activ*ETF is required to compute its net income and net realized capital gains in Canadian dollars for the purposes of the Tax Act and may, as a consequence, realize income or capital gains by virtue of changes in the value of the U.S. dollar, or other relevant currency, relative to the Canadian dollar. The Lysander *Activ*ETF is generally required to include in the calculation of its income interest as it accrues and capital gains and losses when they are realized. The Lysander *Activ*ETF is required to include in computing its income for each taxation year dividends received (or deemed to be received) by it in such taxation year on a security held in its portfolio. Distributions of business income and non-portfolio earnings by a Canadian resident, publicly-traded trust that is a "SIFT trust" under the Tax Act are treated as taxable dividends received from a Canadian resident corporation. Generally, income that is paid or becomes payable by a trust that is not a SIFT trust under the Tax Act (including a real estate investment trust that is not a SIFT trust under the Tax Act) to the Lysander *Activ*ETF in a calendar year is included in the Lysander *Activ*ETF's income for the taxation year that ends in the calendar year. Amounts paid or payable by a Canadian resident trust that is not a SIFT trust may have the character of ordinary property income, dividends received from a taxable Canadian corporation, capital gains or non-taxable capital.

Gains or losses realized by the Lysander *Activ*ETF on the disposition of securities held by it constitute capital gains or capital losses unless the Lysander *Activ*ETF is considered to be trading or dealing in securities, or otherwise carrying on a business of buying and selling securities, or has acquired the securities in a transaction or transactions considered to be an adventure in the nature of trade. The Manager has advised counsel that the Lysander *Activ*ETF purchases securities (other than derivative instruments) with the objective of earning income thereon and takes the position that gains and losses realized on the disposition of its securities (other than gains and losses on certain derivative instruments) are capital gains and capital losses. In certain circumstances, losses realized by the Lysander *Activ*ETF may be suspended or restricted under the Tax Act and therefore would be unavailable to shelter capital gains or income.

Generally, the Lysander *Activ*ETF will include gains and deduct losses on income account in connection with investments made through certain derivatives, such as cash-settled options, futures contracts, forward contracts, total return swaps and other derivative instruments, except where such derivatives are used to hedge investments of the Lysander *Activ*ETF's capital property and there is sufficient linkage. The Lysander *Activ*ETF will generally recognize gains or losses under a derivative contract when it is realized by the Lysander *Activ*ETF or upon partial settlement or upon maturity. This may result in significant gains being realized by the Lysander *Activ*ETF at such times and such gains may be taxed as ordinary income. In general, a gain or loss from short selling is treated as income rather than as a capital gain or loss; however, a gain or loss from short selling "Canadian securities" as defined in the Tax Act will be treated as a capital gain or loss for the Lysander *Activ*ETF if it has made an election under subsection 39(4) of the Tax Act.

The Lysander *Activ*ETF will be able to designate capital gains to Unitholders on an exchange or redemption of Units. The Manager does not intend to allocate capital gains to exchanging or redeeming Unitholders in a manner that would result in the allocated amounts being non-deductible under the Tax Act. See *What are the general risks of investing in a mutual fund? – Tax Risk* for more details.

Net capital losses and non-capital losses of the Lysander *Activ*ETF for a taxation year cannot be allocated to Unitholders but generally can be carried forward to be used to shelter income and capital gains of the Lysander *Activ*ETF in future taxation years in accordance with the Tax Act.

Taxation of investors

How your investment can generate income
Your investment in the Lysander *Activ*ETF can generate income for tax purposes in two ways:

- **Distributions**. When the Lysander *Activ*ETF earns net income from its investments or realizes a net capital gain by selling securities, it may pass these amounts on to you as a distribution.

- **Capital gains (or losses)**. You will realize a capital gain (or loss) when you sell or exchange your Units of the Lysander *Activ*ETF for more (or less) than you paid for them.

The tax you pay on your mutual fund investment depends on whether you hold your Units in a non-registered account or in a Registered Plan.

Non-registered accounts

Distributions
Generally, you must include in the calculation of your income for tax purposes, the amount of any income and the taxable portion of any capital gains of the Lysander *Activ*ETF that is paid or payable to you in the year (including by way of distributions of capital gains on redemptions or exchanges of Units), whether or not such amounts are paid in cash or reinvested in additional Units. The amount of any reinvested distributions is added to your adjusted cost base ("**ACB**") and thus reduces your capital gain or increases your capital loss when you redeem those Units, so that you do not pay tax twice on the same amount. The non-taxable portion of any capital gains that is paid or payable to you in the year is not included in your income and, provided the Lysander *Activ*ETF makes the appropriate designation in its tax return, does not reduce the ACB of your Units of the Lysander *Activ*ETF. Distributions from the Lysander *Activ*ETF may include a return of capital. A distribution to you will generally be treated as a return of capital if

distributions to you in the year exceed your share of the Lysander *Activ*ETF's net income and net realized capital gains. A return of capital distribution is not included in your income for tax purposes but will reduce the ACB of your Units on which it was paid. Where net reductions to the ACB of Units would result in an ACB becoming a negative amount, such amount will be treated as a capital gain realized by you and the ACB of your Units will then be adjusted to nil.

The Lysander *Activ*ETF will take steps so that capital gains, Canadian dividends and foreign source income will retain their character when paid to you. Canadian dividends so designated will be subject to the gross-up and dividend tax credit rules in the Tax Act, including the enhanced gross-up and dividend tax credit rules in respect of eligible dividends paid by taxable Canadian corporations. In addition, the Lysander *Activ*ETF may make designations in respect of its foreign source income, if any, so that Unitholders may be able to claim a foreign tax credit (in accordance with and subject to the general limitations under the Tax Act) for foreign taxes paid and not deducted by the Lysander *Activ*ETF.

A consolidation of Units following a distribution which is reinvested in Units will not be regarded as a disposition of Units.

If a Unitholder participates in the Reinvestment Plan and acquires a Unit from the Lysander *Activ*ETF at a price that is less than fair market value of the Unit, it is the administrative position of the CRA that the Unitholder must include the difference in income and that the cost of the Unit will be correspondingly increased.

We provide you with T3 tax slips showing the amount and type of distributions (ordinary income, Canadian dividends, returns of capital, foreign income and/or capital gains) you received from the Lysander *Activ*ETF.

Disposition of Units

Generally, if you dispose of your Units of the Lysander *Activ*ETF, including on a sale or redemption, you will realize a capital gain (or capital loss), to the extent that your proceeds of disposition (excluding any amount payable by the Lysander *Activ*ETF that represents an amount that must otherwise be included in your income as described below) net of any reasonable disposition costs exceed (or are exceeded by) the ACB of the Units at that time. See *Calculating the ACB of your investment* below for more details.

Generally, you will be required to include one-half of any such capital gain (a "**taxable capital gain**") in your income and deduct one-half of any such capital loss (an "**allowable capital loss**") against your taxable capital gains in the year. Allowable capital losses in excess of taxable capital gains for the year may generally be carried back up to three (3) years or forward indefinitely and deducted against taxable capital gains in those other years to the extent and under the circumstances provided for in the Tax Act.

If the Lysander *Activ*ETF realizes capital gains as a result of a transfer or disposition of its property undertaken to permit an exchange or redemption of Units, a portion of the amount you receive on the exchange or redemption, as the case may be, may be allocated and designated for income tax purposes as a distribution to you of capital gains rather than being treated as proceeds of disposition of the Units. Any capital gains so allocated and designated, which amount will be restricted by the ATR Rule in the manner described under "*What are the general risks of investing in a mutual fund? – Tax Risk*", must be included in the calculation of your income in the manner described above and will reduce your proceeds of disposition.

If you exchange or redeem Units of the Lysander *Activ*ETF for a Basket of Securities, your proceeds of disposition will be equal to the fair market value of the Baskets of Securities so received, plus the amount of any cash received on the exchange or redemption, and less any capital gains realized by the Lysander *Activ*ETF as a result of the transfer of those securities which has been allocated and designated to you by the Lysander *Activ*ETF. The cost of any securities you acquire from the Lysander *Activ*ETF on the redemption or exchange of Units will generally be the fair market value of the securities at that time. Investors are advised to confirm with the Manager the details of any distributions paid at the time of redemption and the fair market value of any securities received from the Lysander *Activ*ETF. Investors are also encouraged to consult with their own tax advisors.

In certain situations, if you dispose of Units of the Lysander *Activ*ETF and would otherwise realize a capital loss, the loss will be denied. This may occur if you or your spouse or a person with whom you are affiliated (including a corporation you control) has acquired Units of the Lysander *Activ*ETF within 30 days before or after the original Unitholder disposed of the Units, which are considered to be "substituted property" (as defined in the Tax Act). In these circumstances, the capital loss may be determined to be a "superficial loss" for the purposes of the Tax Act and denied. The amount of the denied capital loss will be added to the ACB of the Units which are substituted property.

Alternative Minimum Tax
Individuals and certain trusts may be subject to an alternative minimum tax in respect of taxable dividends (including eligible dividends) received or considered to be received from taxable Canadian corporations and realized capital gains.

Buying Units before a distribution date
At the time you acquire Units of the Lysander *Activ*ETF, the NAV per Unit will reflect any income and/or capital gains that has accrued, earned or realized, but has not been made payable. If you purchase a Unit on or before the date a distribution is made, you will be taxed on that distribution even though the Lysander *Activ*ETF may have earned the income or realized the gain giving rise to the distribution before you purchased the Unit and the amount of the income or gain may have been reflected in the price you paid for the Unit. That means you may have to pay tax on your proportionate share of the net income or net realized capital gains earned by the Lysander *Activ*ETF for the whole year, even though you were not invested in the Lysander *Activ*ETF during the whole year.

Portfolio turnover rate
The portfolio turnover rate is how often the portfolio manager or portfolio management team buys and sells securities for the Lysander *Activ*ETF. A portfolio turnover rate of 100% is equivalent to the Lysander *Activ*ETF buying and selling all of the securities in its portfolio one time in the course of a year. The higher the Lysander *Activ*ETF's portfolio turnover rate, the greater the trading costs payable by the Lysander *Activ*ETF in a year and the greater the chance that the Lysander *Activ*ETF will have realized gains on the sale of investments, and therefore that you will receive a distribution of capital gains. Any gains realized by the Lysander *Activ*ETF would be offset by any losses realized on its portfolio transactions. There is not necessarily a relationship between a high portfolio turnover rate and the performance of the Lysander *Activ*ETF.

Calculating the ACB of your investment
The aggregate ACB of your Units of Lysander *Activ*ETF is made up of:

- The amount you paid for your Units, including sales commissions, plus
- Any reinvested distributions, minus
- Any return of capital distributions, minus
- The ACB of any Units already redeemed or sold.

The ACB of a Unit is simply the ACB of your total investment in Units of Lysander *Activ*ETF divided by the total number of such Units held by you. Your tax advisor can help you with these calculations.

Registered plans

Generally, neither you nor your Registered Plan are subject to tax on distributions paid on Units held in your Registered Plan or on capital gains realized when those Units are redeemed or otherwise disposed of provided the proceeds of disposition remain in the Registered Plan. However, most withdrawals from such Registered Plans (other than a withdrawal from a tax-free savings account and certain permitted withdrawals from registered education savings plans, registered disability savings plans and first home savings accounts) are generally taxable. In which case, you will generally pay tax on the amount you withdraw at your marginal tax rate. The foregoing assumes the Units are a "qualified investment" and not a "prohibited investment" under the Tax Act for your Registered Plan.

Units will be a qualified investment under the Tax Act for Registered Plans at any time that the Lysander *Activ*ETF is (or is deemed to be) a "mutual fund trust" for the purposes of the Tax Act. In accordance with recently announced Tax Proposals, Units will also be a qualified investment for Registered Plans as of November 4, 2025, at any time that the Lysander *Activ*ETF is subject to, and substantially complies with, the requirements of NI 81-102. However, even when Units are a qualified investment, you may be subject to tax if a Unit held in your Registered Plan (other than a deferred profit-sharing plan) is a prohibited investment for your Registered Plan.

Units of the Lysander *Activ*ETF should not be a prohibited investment for your Registered Plan if you and persons with whom you do not deal at arm's length, and any trusts or partnerships in which you or persons with whom you do not deal at arm's length have an interest, do not, in total, own 10% or more of the Units of the Lysander *Activ*ETF. Units of the Lysander *Activ*ETF are also not a prohibited investment for your Registered Plan if they are "excluded property" under the Tax Act.

In the case of a disposition of Units of the Lysander *Activ*ETF by a Registered Plan in exchange for a Basket of Securities or a distribution *in specie* on the termination of the Lysander *Activ*ETF, the Registered Plan will receive securities. The securities so received may or may not be qualified investments for the Registered Plan and may or may not be prohibited investments for the Registered Plan.

Investors should consult their own tax advisor for advice regarding the implications of acquiring, holding or disposing of any Units of the Lysander *Activ*ETF in their Registered Plan, including whether or not the Units or any securities received on the exchange or redemption of the Units are at risk of being or becoming a prohibited investment under the Tax Act for their Registered Plans.

Tax information reporting

Generally, Unitholders (or in the case of certain Unitholders that are entities, the "controlling persons" thereof) will be required by law to provide their advisor or dealer with information related to their citizenship and tax residence, including their foreign taxpayer identification number, if applicable. If a Unitholder (or, if applicable, any of its controlling persons) (i) is identified as a "specified U.S. person" for FATCA purposes (including a U.S. resident or a U.S. citizen residing in Canada or another non-U.S. country); (ii) is identified as a tax resident of a country other than Canada or the U.S.; or (iii) does not provide the required information and indicia of U.S. or non-Canadian status is present, information about the Unitholder (or, if applicable, its controlling persons) and their investment in the Lysander *Activ*ETF will generally be reported to the CRA unless the Units are held within a Registered Plan. The CRA will provide that information to U.S. Internal Revenue Service (the "**IRS**") in the case of "specified U.S. persons" or persons who have not provided the required information and for whom indicia of U.S. status is present, and, in all other cases, the relevant tax authority of any country that is a signatory of the *Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information* or that has otherwise agreed to a bilateral information exchange with Canada under CRS.

Investment income received by the Lysander *Activ*ETF from sources within foreign countries may be subject to foreign income tax withheld at the source. Canada has entered into tax treaties with certain foreign countries which may entitle the Lysander *Activ*ETF to a reduced rate of tax on such income. Some countries require the filing of tax reclaim or other forms, which could include requests for information about the Unitholders, to receive the benefit of the reduced tax rate. Subject to compliance with applicable laws, the Lysander *Activ*ETF may provide the required information about its Unitholders to foreign tax authorities in order to reclaim such foreign income tax.

What are your legal rights?

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities of exchange-traded funds within 48 hours after receipt of a confirmation of a purchase of such securities. In several of the provinces and territories of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages, if the prospectus or any amendment contains a misrepresentation or in the case of non-delivery of the ETF

Facts, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory.

The Manager has obtained exemptive relief from the requirement in securities legislation to include an underwriter's certificate in the prospectus under a decision pursuant to National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions*. As such, purchasers of Units of the Lysander *Activ*ETF will not be able to rely on the inclusion of an underwriter's certificate in the prospectus or any amendment for the statutory rights and remedies that would otherwise have been available against an underwriter that would have been required to sign an underwriter's certificate.

Purchasers should refer to the applicable provisions of the securities legislation and the decision referred to above for the particulars of their rights or consult with a legal adviser.

Exemptions and Approvals

Canso inter-fund trade relief

The Lysander *Activ*ETF has obtained exemptive relief from applicable securities regulatory authorities such that the Lysander *Activ*ETF may purchase portfolio securities from, or sell portfolio securities to (in each instance, an "**Inter-fund Trade**"): (i) any Lysander-Canso Fund and the price at which the securities are purchased or sold at could be at the "last sale price"; (ii) any fund where Canso acts as portfolio manager that is not subject to NI 81-102 (a "pooled fund"); or (iii) an account managed by Canso where it has discretionary authority (a "managed account"), subject to certain conditions, including that the Inter-fund Trade has received the approval of the independent review committee of the applicable fund. In addition, the Lysander *Activ*ETF has obtained exemptive relief from applicable securities regulatory authorities to engage in in specie transactions with a pooled fund or a managed account, subject to certain conditions.

Short selling relief

The Lysander *Activ*ETF may, from time to time, short sell government securities concurrently with investing in long positions in corporate fixed income securities. The Lysander *Activ*ETF has obtained exemptive relief from the Canadian securities regulatory authorities from the provisions in NI 81-102 applicable to alternative mutual funds: (i) restricting the the Lysander *Activ*ETF's ability to sell a security short, if, at the time, the aggregate market value of the securities sold short by the the Lysander *Activ*ETF exceeds 50% of the Lysander *Activ*ETF's NAV; and (ii) limiting the Lysander *Activ*ETF's ability to borrow cash or sell a security short if, immediately after entering into the cash borrowing or short selling transaction, the aggregate value of cash borrowed combined with the aggregate market value of securities sold short by the Lysander *Activ*ETF would exceed 50% of the Lysander *Activ*ETF's NAV. The relief permits the Lysander *Activ*ETF to short sell "government securities" (as defined in NI 81-102) in excess of 50% of the Lysander *Activ*ETF's NAV provided that the Lysander *Activ*ETF's aggregate exposure to short selling, cash borrowing and specified derivatives transactions remains within the 300% of the Lysander *Activ*ETF's NAV limit prescribed by NI 81-102.

Short selling collateral limit relief

The Lysander *Activ*ETF has obtained exemptive relief from the Canadian securities regulatory authorities from the provisions in NI 81-102 requiring all portfolio assets of an investment fund to be held under the custodianship of one custodian except as provided in NI 81-102. In connection with a short sale of securities, the relief permits an alternative mutual fund to deposit with a borrowing agent who is not its custodian or sub-custodian portfolio assets having an aggregate market value of up to 25% of the NAV of the alternative mutual fund at the time of deposit, excluding the aggregate market value of the proceeds from outstanding short sales of securities held by the borrowing agent.

Rule 144A securities relief

The Lysander *Activ*ETF has obtained relief from certain provisions relating to purchasing and holding illiquid assets under NI 81-102 with respect to fixed income securities that qualify for, and may be traded pursuant to, the exemption from the registration requirements of the Securities Act of 1933, as amended (the "**US Securities Act**"), as set out in Rule 144A of the US Securities Act for resales of certain fixed income securities to "qualified institutional buyers" (as defined in the US Securities Act). To permit the Lysander *Activ*ETF to rely on this relief, certain conditions must be met including: (i) that the Lysander *Activ*ETF qualifies as a "qualified institutional buyer" at the time of purchase, (ii) the securities are not illiquid assets under part (a) of the section 1.1 definition of an "illiquid asset" in NI 81-102 and (iii) the securities are traded on a mature and liquid market.

Prospectus consolidation relief

The Lysander *Activ*ETF has obtained exemptive relief from the form prescribed by Form 41-101F2 *Information Required in an Investment Fund Prospectus* so long as the Lysander *Activ*ETF files: (i) a prospectus in accordance with the provisions of NI 81-101, other than the requirements pertaining to the filing of a fund facts document; and (ii) an ETF facts document in accordance with Part 3B of National Instrument 41-101 *General Prospectus Requirements*.

FundGrade and Lipper awards and ratings relief

The Manager has obtained exemptive relief from the Canadian securities regulatory authorities to permit the reference to the FundGrade A+ Awards, FundGrade Ratings, Lipper Awards and Lipper Leader Ratings in sales communications relating to the investment funds subject to NI 81-102 for which the Manager, or an affiliate of the Manager, acts as the investment fund manager, which includes the Lysander *Activ*ETF.

Exchange-traded funds-specific relief

The Lysander *Activ*ETF has obtained exemptive relief from the Canadian securities regulatory authorities to permit the following practices: (i) the purchase by a Unitholder of more than 20% of the Units of the Lysander *Activ*ETF without regard to the takeover bid requirements of applicable Canadian securities legislation; and (ii) to relieve the Lysander *Activ*ETF from the requirement to include in the prospectus a certificate of an underwriter.

Certificate of the Lysander *Activ*ETF, the Manager and the Promoter

Lysander-Canso Credit Income *Activ*ETF

(the "**Lysander *Activ*ETF**")

This simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of each province and territory of Canada and do not contain any misrepresentations.

DATED the 16th day of July 2026.

(signed) "B. Richard Usher-Jones"	*(signed) "David Steele"*
B. Richard Usher-Jones	David Steele
Chief Executive Officer	Chief Financial Officer

On behalf of the Board of Directors of Lysander Funds Limited,
the trustee, manager and promoter of the Lysander *Activ*ETF

(signed) "Heather Mason-Wood"	*(signed) "Patrick McCalmont"*
Heather Mason-Wood	Patrick McCalmont
Director	Director

Specific information about Lysander-Canso Credit Income *Activ*ETF

What is a mutual fund and what are the risks of investing in a mutual fund?

What is a mutual fund?

The Lysander *Activ*ETF is a mutual fund. The Lysander *Activ*ETF is sometimes referred to as an "exchange-traded fund" or "ETF". A mutual fund is a way of making collective investments. When you invest in a mutual fund, you contribute your cash to a pool of investments along with many other people. Professional money managers use the cash to buy securities on behalf of all the contributors to a particular mutual fund.

A mutual fund invests in different kinds of securities based on its investment objectives. For example, a global equity fund buys mainly shares of global corporations, while a global balanced fund buys a mix of global equities and bonds. In each case, these securities form the mutual fund's investment portfolio. The value of these securities changes from day to day, reflecting changes in economic and market conditions, interest rates and company news. See *Price fluctuation* below for details.

What do you own?

You receive units in a mutual fund in exchange for the cash you contribute, and you become a unitholder of the mutual fund. Where a mutual fund issues more than one series, a unitholder shares in the fund's income, expenses and any gains and losses allocated to the unitholder's series, generally in proportion to the units of the series he or she owns.

Structure of the Lysander *Activ*ETF

The Lysander *Activ*ETF is an open-end unit trust governed by a master declaration of trust under Ontario laws. Lysander, as trustee for the Lysander *Activ*ETF, holds the property and investments of the Lysander *Activ*ETF in trust for the Unitholders and arranges for a professional custodian to hold the investments in safekeeping.

You can buy an unlimited number of Units of the Lysander *Activ*ETF. An investor would typically buy them on the TSX through registered brokers or dealers in the province or territory in which the investor resides.

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

Risk is the chance that your investment may not perform as expected. There are different degrees and types of risk but, in general, the more investment risk you are willing to accept, the higher your potential returns and the greater your potential losses. Like other securities, the value of a unit of an investment fund can decrease at any time for a number of reasons including those listed below.

The general risks include:

Price fluctuation

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 worth more or less when you redeem it than when you purchased it.

Your investment is not guaranteed

The value of your investment in a mutual fund 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.

Redemptions may be suspended
Under exceptional circumstances, your right to redeem your Units may be suspended. See *Suspending your right to redeem the Lysander ActivETF Units* on page 16 for details.

The use of "alternative" investment strategies
The Lysander *Activ*ETF is considered an "alternative mutual fund" according to NI 81-102, meaning Lysander *Activ*ETF is permitted to use strategies generally prohibited for other types of mutual funds. Absent exemptive relief from applicable securities regulatory authorities, these strategies permit an alternative mutual fund to: invest more than 10% of its NAV in securities of a single issuer; invest up to 100% or more of its NAV in physical commodities either directly or through the use of specified derivatives; borrow, up to 50% of its NAV, in cash to use for investment purposes; sell, up to 50% of its NAV, securities short (the combined level of cash borrowing and short selling is limited to 50% of its NAV in aggregate); and have aggregate exposure to short selling, cash borrowing and specified derivatives of up to 300% of its NAV; among other things.

Fund details

Fund type	Global Fixed Income Alternative
Securities offered	Units of a unit trust
Registered plan eligibility	Qualified investment for registered plans
Management fee	0.75%
Performance fee	Please see "Performance fees" under "Fees and Expenses Payable by the Lysander *Activ*ETF
Portfolio manager	Canso Investment Counsel Ltd. Richmond Hill, Ontario

What does the Fund invest in?

Investment objective

The Lysander *Activ*ETF's objective is 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 Lysander *Activ*ETF will use alternative investment strategies such as engaging in short sales and purchasing securities on margin or with borrowed funds.

The investment objective of the Lysander *Activ*ETF can only be changed with the approval of a majority of the Unitholders at a meeting called for such purpose.

Investment strategies

In order to achieve its investment objective, the Lysander *Activ*ETF will invest primarily in corporate bonds and other income securities.

The Lysander *Activ*ETF may invest in securities of other investment funds, including mutual funds, ETFs and non-redeemable investment funds, as described on page 34.

The Lysander *Activ*ETF may invest up to 100% of its NAV in foreign securities. It may also purchase foreign currencies in the form of bank deposits.

With respect to selecting investments for the Lysander *Activ*ETF, the portfolio manager takes a "bottom up" approach to portfolio construction, focusing on security selection and then adjusting the portfolio to stay within its duration and credit targets. The exposure to credit risk depends on the phase of the credit cycle and the bottom up valuation of individual securities.

The Lysander *Activ*ETF may engage in various other investment strategies including short-selling in an effort to hedge various market risks (such as interest rates, currency exchange rates, and broad or specific equity market movements) or to manage the effective maturity or duration of fixed-income securities or the Lysander *Activ*ETF's exposure to various securities markets (please see *Short selling risk* on page 41 for a description of the short selling process and the strategies used by the Lysander *Activ*ETF to minimize the risks associated with the short sales of securities). A short selling strategy that will be used by the Lysander *Activ*ETF from time to time will be to enter into long positions in corporate bonds while hedging the interest rate risk of those bonds by taking short positions in government bonds including those that meet the definition of "government securities" as defined in NI 81-102.

The Lysander *Activ*ETF may use financial leverage, including a loan facility and margin purchases, up to 30% of the NAV of the Lysander *Activ*ETF by borrowing funds against the assets of the Lysander *Activ*ETF.

Absent exemptive relief, the combined use of short selling and cash borrowing is subject to an overall limit of 50% of the Lysander *Activ*ETF's NAV (collectively, the "**Short Selling Limits**"). The Lysander *Activ*ETF has obtained exemptive relief from the Canadian securities regulatory authorities from the Short Selling Limits to permit the Lysander *Activ*ETF to short sell "government securities" (as defined in NI 81-102) in excess of 50% of the Lysander *Activ*ETF's NAV provided that the Lysander *Activ*ETF's aggregate exposure to short selling, cash borrowing and specified derivatives transactions remains within the 300% of the Lysander *Activ*ETF's NAV limit prescribed by NI 81-102 (and described further below).

The Lysander *Activ*ETF may engage in derivatives transactions for hedging or non-hedging purposes including entering into forward currency contracts and currency and security futures contracts and related options, purchase and sell options (exchange traded or over-the-counter) on currencies, securities, or related futures and enter into repurchase agreements. The Lysander *Activ*ETF may also purchase foreign currencies directly. The Lysander *Activ*ETF will only make these investments in accordance with its investment objective and as permitted by Canadian securities regulatory authorities. For a description of some of the types of derivatives and the risks that may be associated with the use of derivatives, please see the discussion under *Derivatives risk* beginning on page 36.

The Lysander *Activ*ETF's aggregate exposure to short selling, cash borrowing and specified derivatives, calculated as the sum of the following, must not exceed 300% of its NAV: (i) the aggregate market value of securities sold short; (ii) the value of indebtedness under any borrowing arrangements for investment purposes; and (iii) the aggregate notional value of the Lysander *Activ*ETF's specified derivatives positions excluding any specified derivatives used for hedging purposes.

The Lysander *Activ*ETF may hold all or a portion of its assets in cash or cash equivalents or invest in short term bonds or money market instruments in response to adverse market, economic and/or political conditions or for liquidity, defensive or other purposes. As a result, the Lysander *Activ*ETF may not always be fully invested in accordance with its investment objective.

The Lysander *Activ*ETF may enter into securities lending, repurchase and reverse repurchase transactions to seek to earn additional returns, subject, in each case, to limits at least as stringent as those required by Canadian securities regulatory authorities. For a description of these transactions and how the Lysander *Activ*ETF reduces the risks associated with these transactions, please see the discussion under *Repurchase, reverse repurchase and securities lending risk* on page 40.

Investment restrictions and practices

The Lysander *Activ*ETF is subject to certain standard investment restrictions and practices contained in securities legislation, including NI 81-102, that are designed, in part, to ensure that the investments of the Lysander *Activ*ETF are diversified and relatively liquid and to ensure the proper administration of the Lysander *Activ*ETF. The Lysander *Activ*ETF is managed in accordance with these standard investment restrictions and practices. A copy of these investment restrictions and practices may be obtained from the Manager upon request.

The investment objectives of the Lysander *Activ*ETF are set out in this Simplified Prospectus. Any change in the fundamental investment objectives of the Lysander *Activ*ETF requires the approval of a majority of Unitholders at a meeting called for that purpose. We may change the Lysander *Activ*ETF's investment strategies from time to time at our sole discretion.

The Lysander *Activ*ETF follows the standard investment restrictions and practices mandated by Canadian securities regulatory authorities, except to the extent the Lysander *Activ*ETF may have received an exemption therefrom. Please see *Exemptions and Approvals* on page 26 for a description of all approvals obtained the Lysander *Activ*ETF or the Manager and exemptions from NI 41-101, NI 81-101, NI 81-102, NI 81-105 and National Policy Statement 39, as applicable, obtained by the Lysander *Activ*ETF or the Manager that continue to be relied on by the Lysander *Activ*ETF or the Manager.

The Lysander *Activ*ETF may hold all or a portion of its assets in cash, cash equivalents, or fixed income securities issued or guaranteed by the Canadian or U.S. governments, a government agency, or a company in anticipation of, or in response to, a market downturn, for defensive purposes, for cash management, or for the purpose of a merger or other transaction. As a result, the Lysander *Activ*ETF may not be fully invested in accordance with its investment objectives at all times.

The Lysander *Activ*ETF will not engage in any undertaking other than the investment of its funds in property for purposes of the Tax Act. The Lysander *Activ*ETF is also restricted from investing in any property or engaging in any undertaking that would cause the Lysander *Activ*ETF to be a "SIFT trust" as defined in the Tax Act.

Description of units

Units of the Lysander *Activ*ETF represent your ownership in the Lysander *Activ*ETF. Each Unit will entitle an investor to:

- receive a *pro rata* share of all net income and net capital gains distributions made by the Lysander *Activ*ETF (in all cases, except for distributions of capital gains to redeeming Unitholders);
- share *pro rata* in the net assets of the Lysander *Activ*ETF upon the wind-up or termination of the Lysander *Activ*ETF; and
- vote at all meetings of the Lysander *Activ*ETF.

Each Unit will entitle the holder to one vote at all meetings of Unitholders. Units are issued as fully paid and non assessable.

The rights and conditions attaching to the Units may be modified only in accordance with the provisions attaching to such Units and the provisions of the Declaration of Trust. A description of the Units of the Lysander *Activ*ETF and the eligibility requirements attached to such Units is provided under *Purchases, switches and redemptions* on page 12.

Meetings of Unitholders

The Lysander *Activ*ETF does not hold regular meetings. Unitholders are entitled to vote on all matters that require Unitholder approval under NI 81-102 or under the Declaration of Trust. Some of these matters are:

- a change of the Manager, unless the new manager is an affiliate of the Manager;
- a change in the fundamental investment objectives of the Lysander *Activ*ETF;
- a decrease in the frequency of the calculation of the NAV per Unit of the Lysander *Activ*ETF; and
- certain material reorganizations of the Lysander *Activ*ETF.

Approval of these matters requires an affirmative vote of at least a majority of the Unitholders present in person or by proxy at a meeting called to consider these matters.

Distribution policy

The Lysander *Activ*ETF's distribution policy is to pay cash distributions monthly. Distributions may include income, capital gains and/or returns of capital. The Lysander *Activ*ETF may make additional distributions from time to time throughout the year at our discretion. In each taxation year the Lysander *Activ*ETF will distribute to its investors a sufficient amount of the fund's net income and net capital gains as will result in the Lysander *Activ*ETF paying no ordinary income tax under Part I of the Tax Act. To the extent that the Lysander *Activ*ETF has not otherwise distributed a sufficient amount of its net income or net realized capital gains, a distribution will be paid to Unitholders at the end of the year and that distribution will be automatically reinvested in additional Units. Immediately following such reinvestment, the number of Units outstanding will be consolidated so that the NAV per Unit following the distribution and reinvestment is the same as it would have been if the distribution had not been paid. These reinvested distributions may be subject to withholding tax.

Units of the Lysander *Activ*ETF trade on an ex-dividend basis commencing at the opening of trading on the applicable distribution record date. A Unitholder that subscribes for Units on or after the applicable distribution record date will not be entitled to receive the applicable distribution in respect of those Units.

Subject to the limits imposed under the Tax Act, capital gains of the Lysander *Activ*ETF may be distributed to a Unitholder as part of the price paid to the Unitholder on the exchange or redemption of Units.

Name, formation and history of the Lysander *Activ*ETF

The Lysander *Activ*ETF is a unit trust established under the laws of Ontario. The situs of administration for Lysander *Activ*ETF is located at the head office of the Manager, being 3080 Yonge Street, Suite 4000, Toronto, Ontario M4N 3N1.

The Lysander *Activ*ETF is governed by the Declaration of Trust. Prior to the Declaration of Trust, the Lysander *Activ*ETF was originally established as a closed-end investment fund under the laws of province of Ontario on June 28, 2010 as Canso Credit Income Fund (CCIF). At a special meeting of CCIF held on June 4, 2026, unitholders of CCIF approved the Conversion of the fund from a closed-end fund into an exchange-traded alternative mutual fund under the laws of the province of Ontario effective on or about July 28, 2026. Following the Conversion, the name of CCIF will be changed from "Canso Credit Income Fund" to "Lysander-Canso Credit Income *Activ*ETF" and the investment objectives of CCIF will be changed to reflect the Lysander *Activ*ETF's classification as an alternative mutual fund under NI 81-102.

Investment in other funds

The Lysander *Activ*ETF may invest in other investment funds, including mutual funds, exchange-traded funds and non-redeemable investment funds, which may or may not be managed by us or one of our affiliates or associates. The prospectus and other information about the underlying funds are available at www.sedarplus.ca.

In selecting underlying funds, the portfolio manager assesses a variety of criteria, including management style, investment performance and consistency, risk tolerance levels, calibre of reporting procedures and, if the underlying fund is managed by a third party, quality of the underlying fund's investment fund manager and/or portfolio manager.

The portfolio manager reviews and monitors the performance of the underlying funds in which the Lysander *Activ*ETF invests. The review process consists of an assessment of the underlying funds. Factors such as adherence to stated investment mandate, returns, risk-adjusted return measures, assets, investment management process, style, consistency and continued portfolio fit may be considered

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

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

In addition to the above, the following are the risks associated with an investment in the Lysander *Activ*ETF:

Absence of an active public trading market risk
Although the Units of the Lysander *Activ*ETF will (subject to satisfying certain requirements of the TSX) continue to be listed on the TSX following the Conversion, there can be no assurance that an active public market for the Units of the Lysander *Activ*ETF will be sustained.

Active management risk
The Lysander *Activ*ETF is actively managed. The Lysander *Activ*ETF is dependent on its portfolio management team to select individual securities and, therefore, is subject to the risk that unfavourable security selection or market allocation will cause the Lysander *Activ*ETF to underperform relative to other mutual funds with a similar investment objective or relative to its benchmark index. Active management risk may adversely affect the Lysander *Activ*ETF's NAV, return, or its ability to meet its investment objective.

Capital erosion risk
The distribution rates of the Lysander *Activ*ETF are determined and announced a few days in advance of the record date of the distribution. A very large subscription between the date of announcement and the record date may cause the Lysander *Activ*ETF to pay more distribution than it has earned. In situations where the Lysander *Activ*ETF's distribution for a period exceeds the Lysander *Activ*ETF's net income and net realized capital gains for that period, the distribution will constitute, in whole or in part, a return of capital. Returns of capital will reduce the NAV of the Lysander *Activ*ETF, which could diminish the Lysander *Activ*ETF's ability to generate future income.

Cease trading of units risk
Trading of Units of the Lysander *Activ*ETF on the TSX may be halted by the activation of individual or marketwide "circuit breakers" (which halt trading for a specific period of time when the price of a particular security or overall market prices decline by a specified percentage). Trading of Units may also be halted if (i) the Units are delisted from the TSX without first being listed on another exchange; or (ii) TSX officials determine that such action is appropriate in the interest of a fair and orderly market or to protect investors.

Concentration risk
A fund may have investment holdings in a limited number of issuers. Investments in such a fund would involve greater risk and volatility than more broadly-based investment portfolios since the performance of one particular issuer could have a greater impact on the overall performance of the fund's portfolio.

Credit risk
Credit risk can have a negative impact on the value of a debt security, such as a bond. This risk includes:

- Default risk, which is the risk that the issuer of the debt will not be able to pay interest or repay the debt when it is due. Generally, the greater the risk of default, the lower the quality of the debt security.

- Credit spread risk, which is the risk that the difference in interest rates (called **credit spread**) between the issuer's bond and a bond considered to have little associated risk (such as a treasury bill) will increase. An increase in credit spread generally decreases the value of a debt security.

- Downgrade risk, which is the risk that a specialized credit rating agency will reduce the credit rating of an issuer's securities. A downgrade in credit rating generally decreases the value of a debt security.

- Collateral risk, which is the risk that in the event of a default under secured debt instruments, it may be difficult to sell the assets the issuer has given as collateral for the debt or that the assets may be deficient. This difficulty could cause a significant decrease in the value of a debt security.

Currency risk
The assets and liabilities of the Lysander *Activ*ETF are valued in Canadian dollars. If the Lysander *Activ*ETF holds a security denominated in a foreign currency, for the purposes of calculating the NAV of the Lysander *Activ*ETF, we convert, on a daily basis, the value of the security into Canadian dollars. The Lysander *Activ*ETF may also purchase or obtain exposure to foreign currencies as investments. Fluctuations in the value of the Canadian dollar relative to the foreign currency will impact the NAV of the Lysander *Activ*ETF. If the value of the Canadian dollar has increased relative to the foreign currency, the return on the foreign security may be reduced, eliminated or made negative. The opposite can also occur; that is, where the Lysander *Activ*ETF is holding a security denominated in a foreign currency, it may benefit from an increase in the value of the foreign currency relative to the Canadian dollar.

Some foreign governments may restrict currency exchange. If we cannot exchange the currencies in which the Lysander *Activ*ETF is invested, we may be unable to make distributions or process redemptions.

To manage the risk of foreign currency fluctuations and restrictions, the Lysander *Activ*ETF may enter into forward currency hedging contracts with another party. The Lysander *Activ*ETF may also enter into forward currency contracts to increase exposure to a certain currency or to shift exposure to currency fluctuations from one currency to another. The use of forward currency contracts poses the risks set out under *Derivatives risk* below.

Cybersecurity risk
With the increased use of technologies such as the internet to conduct business or operations, the Manager and the Lysander *Activ*ETF have become potentially more susceptible to operational and information security risks through breaches in cybersecurity. In general, a breach in cybersecurity can result from either a deliberate attack or an unintentional event. Cybersecurity breaches may involve, among other things, infection by computer viruses or other malicious software code or unauthorized access to the Manager's or the Lysander *Activ*ETF's digital information systems, networks or devices through "hacking" or other means, in each case for the purpose of misappropriating assets or sensitive information (including, for example, personal Unitholder information), corrupting data or causing operational disruption or failures in the physical infrastructure or operating systems that support the Manager or the Lysander *Activ*ETF. Cybersecurity risks also include the risk of losses of service resulting from external attacks that do not require unauthorized access to the Manager's or the Lysander *Activ*ETF's systems, networks or devices. Any such cybersecurity breaches or losses of service may cause the Manager or the Lysander *Activ*ETF to lose proprietary information, suffer data corruption or lose operational capacity, which, in turn, could cause the Manager or the Lysander *Activ*ETF to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures and/or financial loss. While the Manager and the Lysander *Activ*ETF have established business or operational continuity plans and risk management systems designed to prevent or reduce the impact of cybersecurity attacks, there are inherent limitations in such plans and systems due in part to the ever-changing nature of technology and cybersecurity attack tactics, and there is a possibility that certain risks have not been adequately identified or prepared for.

In addition, cybersecurity failures by or breaches of the Manager's or the Lysander *Activ*ETF's third-party service providers may disrupt the business or operations of the service providers and of the Manager or of the Lysander *Activ*ETF. These disruptions may result in financial losses, the inability of Unitholders to transact with the Lysander *Activ*ETF and inability of the Lysander *Activ*ETF to process transactions, the inability of the Lysander *Activ*ETF to calculate its NAV, violations of applicable privacy and other laws, rules and regulations, regulatory fines, penalties, reputational damage, reimbursement or other compensatory costs and/or additional compliance costs associated with implementation of any corrective measures. Cybersecurity risks may also impact issuers of securities in which the Lysander *Activ*ETF invests, which may cause the Lysander *Activ*ETF's investments in such issuers to lose value.

Debt securities risk
Investments in debt securities are subject to certain general investment risks that are similar to equity investments. In addition to credit risk and interest rate risk, a number of other factors may cause the price of a debt security to decline. In the case of corporate debt, this could include specific developments relating to the company, as well as general financial, political and economic conditions in the country where the company operates. In the case of government debt, this could include general economic, financial and political conditions. The market value of the Lysander *Activ*ETF is affected by changes in the prices of the debt securities that it holds.

Derivatives risk
Derivatives are investments whose value is based on, or derived from, an underlying asset, such as a stock or a market index. Derivatives are not a direct investment in the underlying asset itself. Derivatives are often contracts with another party to buy or sell an asset at a later date. Some common derivatives are: (a) a futures or forward contract, which is an agreement to buy or sell currencies, commodities or securities for a set price at a specified future date; (b) an option, which gives the buyer the right, but not the obligation, to buy or sell currencies, commodities or securities at a set price within a certain time period; and (c) swaps, which allow two parties to exchange the cash flows of a wide range of financial instruments. The Lysander *Activ*ETF may use derivatives to limit potential gains or losses caused by changes in exchange rates, stock prices or interest rates. This is called hedging. The Lysander *Activ*ETF may also use derivatives for non-hedging purposes, such as reducing transaction costs, increasing liquidity, gaining exposure to financial markets or increasing speed and flexibility in making portfolio changes.

The Lysander *Activ*ETF may write covered call options on securities owned by the Lysander *Activ*ETF. The writing of covered call options provides the Lysander *Activ*ETF with a premium and provides the purchaser with the right to exercise the option to acquire the underlying securities at a specified exercise price. If the market price of the security goes above the exercise price, the Lysander *Activ*ETF will likely not receive a gain above the exercise price on a security subject to a call option because the holder of the option will likely exercise the option. The premiums received on writing covered call options may not exceed the returns that would have resulted if the Lysander *Activ*ETF had remained directly invested in the securities subject to call options. The use of options may also limit or reduce the total returns of the Lysander *Activ*ETF if the expectations concerning future events or market conditions prove to be incorrect. The Lysander *Activ*ETF remains subject to the full risk of its investment position if the market price of securities in its portfolio decline. There can be no assurance that a liquid exchange or over-the-counter market will exist to enable the Lysander *Activ*ETF to write covered call options on desired terms or to close out option positions if it wishes to do so. In addition, exchanges may suspend the trading of options in volatile markets. If the Lysander *Activ*ETF is unable to repurchase a call option that is in-the-money, it will be unable to realize its profits or limit its losses until the option it has written becomes exercisable or expires. If the Lysander *Activ*ETF is unable to settle an in-the-money option in cash, it may be forced to deliver the underlying equity securities. This could result in the Lysander *Activ*ETF being forced to dispose of equity securities it would otherwise wish to continue to hold.

In addition to the specific risks outlined above, the use of derivatives has general risks, including:

- a hedging or non-hedging strategy may not be effective and may not achieve the intended effect;
- derivatives may be less liquid than traditional securities and there is no guarantee that a market for a derivative contract will exist when the Lysander *Activ*ETF wants to buy or sell;
- there is no guarantee that the Lysander *Activ*ETF will be able to find an acceptable counterparty willing to enter into a derivative contract;
- the counterparty to a derivative contract may not be able to meet its obligations, which could result in a financial loss for the Lysander *Activ*ETF;
- a large percentage of the assets of the Lysander *Activ*ETF may be placed on deposit with one or more counterparties, which exposes the Lysander *Activ*ETF to the credit risk of those counterparties;
- securities exchanges may set daily trading limits or halt trading, which may prevent the Lysander *Activ*ETF from selling a particular derivative contract;
- the price of derivatives may move in unexpected ways, especially in abnormal market conditions; the price of derivatives based on a stock index could be distorted if some or all of the stocks that make up the index temporarily stop trading;
- derivatives traded on certain foreign markets may be harder to price and/or close out than those traded in Canada;
- the regulation of derivatives is a rapidly changing area of law and is subject to modification by government and judicial action; the effect of any future regulatory changes may make it more difficult, or impossible, for the Lysander *Activ*ETF to use certain derivatives;
- costs relating to entering and maintaining derivatives contracts may reduce the returns of the Lysander *Activ*ETF;
- the use of futures or other derivatives can amplify a gain but can also amplify a loss, which loss can be substantially more than the initial margin or collateral deposited by the Lysander *Activ*ETF;
- the price of a derivative may not accurately reflect the value of the underlying asset; and
- the Tax Act, or its interpretation, may change in respect of the income tax treatment of derivatives.

Environmental risk
Changes in environmental laws, regulations, and the physical impacts of climate change can negatively affect the performance of companies and, by extension, investments in those companies. Sectors particularly exposed include energy, agriculture, and insurance.

Equity risk
Companies issue equities, or stocks, to help finance their operations and future growth. A company's performance outlook, market activity and the larger economic picture influence its stock price. When the economy is expanding, the outlook for many companies will be positive and the value of their stocks should rise. The opposite is also true. The value of the Lysander *Activ*ETF is affected by changes in the prices of the stocks it holds. The risks and potential rewards are usually greater for small companies, start-ups, resource companies and companies in emerging markets. Investments that are convertible into equity may also be subject to equity risk.

Exchange-traded fund risk
The Lysander *Activ*ETF may invest in exchange-traded funds (**ETFs**) that seek to provide returns similar to an underlying benchmark such as particular market indices or industry sector indices. ETFs may not achieve the same return as their benchmark indices due to differences in the actual weightings of securities held in the ETF versus the weightings in the relevant index, and due to the fees and expenses payable by the ETF.

ETFs are traded on an exchange and as a result are subject to the following risks that do not apply to conventional mutual funds: (i) an ETF's securities often trade on the exchange at a premium or discount to the NAV of such securities; (ii) an active trading market for an ETF's securities may not develop or be maintained, and (iii) there is no assurance that the ETF will continue to meet the listing requirements of the exchange.

***Force majeure* risk**
Natural disasters, incidences of war, riot or civil unrest, terrorist attacks, public health crises including epidemics, pandemics or outbreaks of new infectious disease or viruses can materially adversely affect the Lysander *Activ*ETF's financial condition, liquidity or results of operations. A *force majeure* event can have a significant impact on the global economy and commodity and financial markets, resulting in, for example, extreme volatility in financial markets, a slowdown in economic activity, extreme volatility in commodity prices, illiquidity in the trading of securities that otherwise were liquid or even the prospect of a global recession. Such impact can materially adversely affect the operations of third parties in which the Lysander *Activ*ETF has an interest, or the Lysander *Activ*ETF directly.

Foreign investment risk
The Lysander *Activ*ETF may invest in securities issued by corporations in, or governments of, countries other than Canada. Investing in foreign securities can be beneficial in expanding the Lysander *Activ*ETF's investment opportunities and portfolio diversification, but there are risks associated with foreign investments, including:

- companies outside of Canada may be subject to different regulations, standards, reporting practices and disclosure requirements than those that apply in Canada;
- the legal systems of some foreign countries may not adequately protect investor rights;
- political, social or economic instability may affect the value of foreign securities;
- foreign governments may make significant changes to tax policies, which could affect the value of foreign securities; and
- foreign governments may impose currency exchange controls that prevent the Lysander *Activ*ETF from taking money out of the country.

The foreign investment risk associated with securities in developing countries may be higher than the foreign investment risk associated with securities in developed countries, as many developing countries tend to be less stable politically, socially and economically, may be more subject to corruption and may have less market liquidity and lower standards of business practices and regulation.

In addition, investment income received by the Lysander *Activ*ETF from sources within foreign countries may be subject to foreign income tax withheld at the source. Any foreign withholding taxes could reduce the Lysander *Activ*ETF's distributions paid to Unitholders. Canada has entered into tax treaties with certain foreign countries that may entitle mutual funds to a reduced rate of tax on such income. Some countries require the filing of a tax reclaim or other forms to receive the benefit of the reduced tax rate. Whether or not the Lysander *Activ*ETF will receive the tax reclaim is within the control of the particular foreign country. Information required on these forms may not be available (such as Unitholder information); therefore, the Lysander *Activ*ETF may not receive the reduced treaty rates or potential reclaims. Certain countries have conflicting and changing instructions and restrictive timing requirements that may cause the Lysander *Activ*ETF not to receive the reduced treaty rates or potential reclaims. Certain countries may subject capital gains realized by the Lysander *Activ*ETF on the sale or disposition of certain securities to taxation in that country.

The United States House of Representatives recently passed a tax bill that, if enacted into law in its current form, may significantly increase the rate of U.S. withholding taxes borne directly or indirectly by the Lysander *Activ*ETF and Unitholders. There can be no assurance that an increase to the rate of U.S. withholding taxes payable by or on behalf of or designated to a Unitholder will not adversely affect or limit the Unitholder's ability to claim a foreign tax credit in respect of such withholding taxes or otherwise increase the aggregate amount of tax borne by Unitholders. Unitholders should consult their own tax advisors in this regard.

Geopolitical risk
Events such as wars, political unrest, terrorism, tariff changes, import restrictions and sanctions can significantly impact global markets, specific countries, or regions. These events may lead to increased market volatility and can have adverse long term effects on the global economy and markets generally. These events can also affect investor sentiment, economic conditions, and the ability to trade certain securities.

Inflation risk
Mutual funds are investment vehicles which generally have a long-term horizon. Many investors use them for retirement purposes. As a result of the long-term outlook for a mutual fund investment, the effects of inflation could significantly erode the value of any investor's money over time. Managing inflation risks involves a diversified mix of investments with emphasis on equity securities, which have historically outperformed all other types of investments over the long-term.

Interest rate risk
The Lysander *Activ*ETF may hold fixed income securities and, as such, the value of the Lysander *Activ*ETF will rise and fall as interest rates change. When interest rates fall, the value of an existing bond will rise. When interest rates rise, the value of an existing bond will fall. The value of debt securities that pay a variable (or floating) rate of interest is generally less sensitive to interest rate changes. To the extent the Lysander *Activ*ETF holds instruments with a negative yield (e.g., where there are negative interest rates), its value could be impaired.

The Lysander *Activ*ETF may hold fixed-rate reset preferred shares which reset every five years. Large fluctuations in the Canadian 5-year bond yield could affect the expected new dividend rate upon reset. A rise in the Canadian 5-year bond yield will increase the expected new dividend rate, whereas a drop in the Canadian 5-year bond yield will decrease the expected new dividend rate.

Large transaction risk
If an investor in the Lysander *Activ*ETF makes a large transaction, the Lysander *Activ*ETF's cash flow may be affected. For example, if an investor redeems a large number of Units of the Lysander *Activ*ETF, the Lysander *Activ*ETF may be forced to sell securities at unfavourable prices to pay the proceeds of redemption. This unexpected sale may have a negative impact on the value of your investment in the fund. A transaction could also force the Lysander *Activ*ETF to terminate. The Lysander *Activ*ETF may agree with an investor who has submitted a large redemption request to make part of the redemptions in-kind, by transferring assets of an equal value to the large redeeming investor, if assets of the Lysander *Activ*ETF cannot be sold at prices without a significant impact to the value of the asset.

We or others may offer investment products that invest all or a significant portion of their assets in the Lysander *Activ*ETF. These investments may become large and could result in large transactions of Units of the Lysander *Activ*ETF.

Leverage risk
When the Lysander *Activ*ETF makes investments in derivatives, borrows cash for investment purposes or uses physical short sales on equities, fixed-income securities or other portfolio assets, leverage may be introduced into the Lysander

*Activ*ETF. Leverage occurs when the Lysander *Activ*ETF's notional exposure to underlying assets is greater than the amount invested. It is an investment technique that can magnify gains and losses. Consequently, any adverse change in the value or level of the underlying asset, rate or index may amplify losses compared to those that would have been incurred if the underlying asset had been directly held by the Lysander *Activ*ETF and may result in losses greater than the amount invested in the derivative itself. Leverage may increase volatility, may impair the Lysander *Activ*ETF's liquidity and may cause the Lysander *Activ*ETF to liquidate positions at unfavourable times. The Lysander *Activ*ETF is subject to an aggregate exposure limit to short selling, cash borrowing and specified derivatives of no more than 300% of its NAV which is measured on a daily basis and described in further detail under the Investment Strategies section of the Lysander *Activ*ETF beginning on page 31 of this Simplified Prospectus. This will operate to limit the extent to which the Lysander *Activ*ETF is leveraged.

Liquidity risk
A liquid asset trades actively on an organized market, such as a stock exchange, which provides price quotations for the asset. The trading of a security or other asset in an organized active market means that it should be possible to convert the asset to cash at, or close to, the quoted price.

An asset is considered illiquid if it is more difficult to convert it to a liquid investment, such as cash. A company's securities may be illiquid if:

- the company is not well known;
- there are few outstanding shares;
- there are few potential buyers;
- there is not an active market; or
- they cannot be resold because of a promise or an agreement.

In addition, in volatile markets securities that are generally liquid (including high yield bonds, floating rate debt instruments and other fixed income securities) may suddenly become illiquid. Securities in which the Lysander *Activ*ETF invests may be illiquid, become illiquid or cease to be traded after the Lysander *Activ*ETF has invested. In such cases and in the event of extreme market activity, the Lysander *Activ*ETF may not be able to liquidate its investments promptly if the need should arise. In addition, the Lysander *Activ*ETF's sales of thinly traded securities could depress the market value of such securities and thereby reduce the Lysander *Activ*ETF's profitability or increase its losses. Such circumstances or events could affect materially and adversely the amount of gain or loss the Lysander *Activ*ETF may realize.

Performance fee risk
As described in this Simplified Prospectus, the Manager is entitled to receive a performance fee from the Lysander *Activ*ETF. Because the performance fee is calculated on a basis that includes unrealized appreciation of the Lysander *Activ*ETF's assets, it may be greater than if such compensation were based solely on realized gains.

Repurchase, reverse repurchase and securities lending risk
The Lysander *Activ*ETF may engage in securities lending and repurchase and reverse repurchase transactions. Under a repurchase transaction, the Lysander *Activ*ETF agrees to sell securities for cash while, at the same time, assuming an obligation to repurchase the same securities for a set amount of cash at a later date. A reverse repurchase transaction is a transaction pursuant to which the Lysander *Activ*ETF buys 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. Securities lending is an agreement whereby the Lysander *Activ*ETF lends securities through an authorized agent in exchange for a fee and a form of acceptable collateral.

There is the risk that the other party to these types of transactions may default under the agreement or go bankrupt. If that happens in a reverse repurchase transaction and the market value of the security has dropped, the Lysander *Activ*ETF may be unable to sell the security at the price it paid plus interest. If that happens in a repurchase or a securities lending transaction, the Lysander *Activ*ETF may suffer a loss if the value of the security it sold or loaned has increased more than the value of the cash or collateral the Lysander *Activ*ETF holds.

To reduce these risks, the Lysander *Activ*ETF requires the other party to each of these transactions to put up collateral. The value of the collateral must be at least 102% of the market value of the security sold (for a repurchase transaction), bought (for a reverse repurchase transaction) or loaned (for a securities lending transaction). The value of the collateral is checked and reset daily. The market value of securities sold under repurchase transactions and loaned under securities lending agreements must not exceed 50% of the Lysander *Activ*ETF's NAV. This calculation excludes cash held by the Lysander *Activ*ETF for sold securities and collateral held for loaned securities.

Short selling risk
A short sale by the Lysander *Activ*ETF involves borrowing securities from a lender which are then sold in the open market. At a future date, the securities are repurchased by the Lysander *Activ*ETF and returned to the lender. While the securities are borrowed, the proceeds from the sale are deposited with the lender and the Lysander *Activ*ETF pays interest to the lender. If the value of the securities declines between the time that the Lysander *Activ*ETF borrows the securities and the time it repurchases and returns the securities to the lender, the Lysander *Activ*ETF makes a profit on the difference (less any interest the Lysander *Activ*ETF 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 the Lysander *Activ*ETF. Securities sold short may instead appreciate in value creating a loss for the Lysander *Activ*ETF. The Lysander *Activ*ETF 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 the Lysander *Activ*ETF has borrowed securities may go bankrupt and the Lysander *Activ*ETF may lose the collateral it has deposited with the lender. The Lysander *Activ*ETF will adhere to controls and limits that are intended to mitigate these risks by short selling only liquid securities and by limiting the amount of exposure for short sales of a single issuer to 10% of the NAV of the Lysander *Activ*ETF and the total market value of all securities sold short by the Lysander *Activ*ETF to 50% of the NAV of the Lysander *Activ*ETF. The Lysander *Activ*ETF has obtained exemptive relief from applicable securities regulatory authorities to permit the Lysander *Activ*ETF to short sell "government securities" (as defined in NI 81-102) in excess of 50% of the Lysander *Activ*ETF's NAV provided that the Lysander *Activ*ETF's aggregate exposure to short selling, cash borrowing and specified derivatives transactions remains within the 300% of the Lysander *Activ*ETF's NAV limit prescribed by NI 81-102. The Lysander *Activ*ETF will deposit collateral only with Canadian lenders that are regulated financial institutions or regulated dealers and only up to certain limits.

Small company risk
Small companies can be riskier investments than larger companies. For one thing, they are often newer and may not have a track record, extensive financial resources or a well-established market for their securities. They generally do not have as many shares trading in the market, so it could be difficult for the Lysander *Activ*ETF to buy or sell small company stock when it needs to. All of this means their prices can change significantly in a short period of time.

Specialization risk
If the Lysander *Activ*ETF invests primarily in one industry, market capitalization range or specific region or country, it may be more volatile than a less specialized fund and will be strongly affected by the overall economic performance of the area of specialization in which the Lysander *Activ*ETF invests. The Lysander *Activ*ETF must continue to follow its investment objectives regardless of the economic performance of the area of specialization.

Subscription risk
Subscriptions for Units of the Lysander *Activ*ETF by the Designated Broker and Continuous Dealers may impact the market for the securities held by the Lysander *Activ*ETF, as the Designated Broker or Continuous Dealer seeks to buy or to borrow the securities to constitute the Baskets of Securities to be delivered to the Lysander *Activ*ETF as payment for the Units to be issued.

Tax risk
As of the date hereof, the Lysander *Activ*ETF qualifies as a "mutual fund trust" under the Tax Act. It is the Manager's intention in respect of the Lysander *Activ*ETF that the conditions prescribed in the Tax Act for qualification as a mutual fund trust will be satisfied on a continuing basis. If the Lysander *Activ*ETF fails to or ceases to qualify as a mutual fund trust under the Tax Act, the income tax considerations described above under *"Income tax*

considerations" could be materially and adversely different in some respects. For example, if the Lysander *Activ*ETF fails to or ceases to qualify as a mutual fund trust, units of the Lysander *Activ*ETF will no longer be qualified investments for Registered Plans, subject to recently announced Tax Proposals discussed under *"Income Tax Considerations – Registered Plans"*. The Tax Act imposes penalties on the annuitant of a registered retirement savings plan or a registered retirement income fund, the holder of a tax-free savings account, registered disability savings plan or a first home savings account, or the subscriber of a registered education savings plan for the acquisition or holding of non-qualified investments. In addition, if the Lysander *Activ*ETF is not a "mutual fund trust" under the Tax Act throughout a taxation year, it (i) may be liable for alternative minimum tax ("**AMT**") under the Tax Act in such year (unless the Lysander *Activ*ETF qualifies for an exemption from AMT as discussed below), (ii) will not be eligible for the Capital Gains Refund; (iii) may be subject to Part XII.2 tax under the Tax Act and (iv) may be subject to the mark-to-market rules applicable to financial institutions under the Tax Act (as discussed in more detail below).

If the Lysander *Activ*ETF does not qualify as a "mutual fund trust" under the Tax Act it will be treated as a "financial institution" for purposes of certain special mark-to-market rules in the Tax Act if more than 50% of the Units of the Lysander *Activ*ETF are held by one or more Unitholders that are themselves considered to be "financial institutions" under those rules. In such a case, the Lysander *Activ*ETF will be required to recognize on income account any gains and losses accruing on certain types of debt obligations and equity securities that it holds and also will be subject to special rules with respect to income inclusion on these securities. Any income arising from such treatment will be included in the amounts distributed to Unitholders. Each time the Lysander *Activ*ETF becomes or ceases to be a financial institution in accordance with the mark-to-market rules, the tax year of the Lysander *Activ*ETF will be deemed to end immediately before that time, and gains or losses accrued on certain securities before that time will be deemed realized by the Lysander *Activ*ETF and will be distributed to Unitholders. A new taxation year for the Lysander *Activ*ETF will then begin, and for that and subsequent taxation years, for so long as not more than 50% of the Units of the Lysander *Activ*ETF are held by financial institutions, or the Lysander *Activ*ETF is a mutual fund trust for purposes of the Tax Act, the Lysander *Activ*ETF will not be subject to the mark-to-market rules. As Units are sold directly to dealers, and those Units are then traded on an exchange or marketplace, the Lysander *Activ*ETF does not know generally who the owners of its Units are. Accordingly, there will be circumstances in which it will not be possible to control or identify whether the Lysander *Activ*ETF has, or has ceased to become, a financial institution. As a result, there can be no assurance the Lysander *Activ*ETF is not a "financial institution" or will not in the future become, or cease to be, a "financial institution", and no assurance as to when and to whom any distributions arising on the change in "financial institution" status will be made, or that the Lysander *Activ*ETF will not be required to pay tax on any undistributed income or taxable capital gains realized by it on such event.

Exclusions from the AMT regime include an exception for a trust that meets the definition of an "investment fund" for purposes of the loss restriction event rules in the Tax Act (as described in further detail below) and an exception if the total fair market value of the units of the trust that are listed on a designated stock exchange for purposes of the Tax Act (which includes TSX) represents all or substantially all of the total fair market value of all the units of the trust. The Manager has advised that the Lysander *Activ*ETF is expected to qualify for the latter exception at all material times. However, no assurances can be given that the Lysander *Activ*ETF will meet or will continue to meet the "investment fund" definition.

There can be no assurance that the CRA will agree with the tax treatment adopted by the Lysander *Activ*ETF in filing its tax return. The CRA could reassess the Lysander *Activ*ETF on a basis that results in an increase in the taxable component of distributions considered to have been paid to Unitholders. For example, in determining its income for tax purposes, the Lysander *Activ*ETF will treat gains or losses in respect of portfolio securities as capital gains and losses. In addition, gains or losses in respect of foreign currency hedges entered into in respect of amounts invested in the portfolio of the Lysander *Activ*ETF will likely constitute capital gains or capital losses if the portfolio securities are capital property to the Lysander *Activ*ETF and there is sufficient linkage. Designations with respect to the income and capital gains of the Lysander *Activ*ETF will be made and reported to Unitholders on this basis. If the dispositions or transactions of the Lysander *Activ*ETF are determined not to be on capital account, the net income of the Lysander *Activ*ETF for tax purposes and the taxable component of distributions to Unitholders could increase. Any such redetermination by the CRA may result in the Lysander *Activ*ETF being liable for unremitted withholding taxes on prior distributions made to Unitholders who were not resident in Canada for purposes of the Tax Act at the time of the distribution. Such potential liability may reduce the NAV or NAV per Unit.

In addition, the use of derivative strategies may have a tax impact on the Lysander *Activ*ETF. In general, gains and losses realized by the Lysander *Activ*ETF from derivative transactions will be on income account, except where such derivatives are used to hedge portfolio securities held on capital account and provided there is sufficient linkage. The Lysander *Activ*ETF will generally recognize gains or losses under a derivative contract when it is realized by the Lysander *Activ*ETF upon partial settlement or upon maturity. This may result in significant gains being realized the Lysander *Activ*ETF at such times and such gains may be taxed as ordinary income. To the extent such income is not offset by any available deductions, it would be distributed to applicable Unitholders in the taxation year in which it is realized and included in such Unitholder's income for the year. This may be particularly relevant for the Lysander *Activ*ETF as an alternative mutual fund.

The Tax Act contains loss restriction rules that may apply to a trust, including the Lysander *Activ*ETF, in certain circumstances. The loss restriction rules generally apply at any time when a person, partnership or group becomes a majority-interest beneficiary, or a majority interest group of beneficiaries, of the trust (a "loss restriction event"), unless the trust has at all times met the "investment fund" definition for purposes of these rules. An "investment fund" for this purpose includes a trust that meets certain conditions, including satisfying certain of the conditions necessary to qualify as a "mutual fund trust" for purposes of the Tax Act, not using any property in the course of carrying on a business and complying with certain asset diversification requirements. As described above, no assurance can be given that the Lysander *Activ*ETF will meet or will continue to meet the "investment fund" definition. If the Lysander *Activ*ETF is not an "investment fund" and experiences a loss restriction event, the taxation year of the Lysander *Activ*ETF will be deemed to end and an automatic distribution of income and net capital gains may occur under the terms of the Declaration of Trust so that the Lysander *Activ*ETF will not be liable for income tax. Because of the way Units are bought and sold in the case of the Lysander *Activ*ETF, it may not be possible for the Lysander *Activ*ETF to determine if or when a person, partnership or group has become a majority interest beneficiary or a majority interest group of beneficiaries. Therefore, there can be no assurances that the Lysander *Activ*ETF has not or will not in the future be subject to the loss restriction rules and there can be no assurances regarding when or to whom the distributions resulting from a loss restriction event will be made, or that the Lysander *Activ*ETF will not be required to pay tax notwithstanding such distributions.

If the Lysander *Activ*ETF realizes capital gains as a result of a transfer or disposition of its property undertaken to permit an exchange or redemption of Units by a Unitholder, allocation of fund-level capital gains may be permitted pursuant to the Declaration of Trust. Provisions in the Tax Act will deny the Lysander *Activ*ETF a deduction for the portion of the capital gain of the Lysander *Activ*ETF allocated and designated to a Unitholder on an exchange or redemption of Units that is greater than the Unitholder's accrued gain on those Units, where the Unitholder's proceeds of disposition are reduced by the designation. The Lysander *Activ*ETF will also be able to designate capital gains to Unitholders on an exchange or redemption of Units in an amount determined by a formula (the "**Capital Gains Designation Limit**") that is based on (i) the amount of capital gains designated to Unitholders on an exchange or redemption of Units in the taxation year, (ii) the total amount paid for exchanges or redemptions of Units in the taxation year, (iii) the Lysander *Activ*ETF's NAV at the end of the taxation year and the end of the previous taxation year, and (iv) the Lysander *Activ*ETF's net taxable capital gains for the taxation year. In general, the formula contained in the Tax Act is meant to limit the Lysander *Activ*ETF's designation to an amount that does not exceed the portion of the Lysander *Activ*ETF's taxable capital gains considered to be attributable to Unitholders that exchanged or redeemed their Units in the year. The foregoing limitations imposed by the Tax Act are referred to as the ATR Rule.

The Lysander *Activ*ETF will be a "SIFT trust" (as defined in the Tax Act) if it holds a "non-portfolio property" (as defined in the Tax Act), or holds derivative instruments or any other property in its portfolio in the course of carrying on a business in Canada. The Lysander *Activ*ETF intends to take the position that it will not use its portfolio securities or any other property in the course of carrying on a business in Canada and therefore will not be a SIFT trust. If the Lysander *Activ*ETF is a SIFT trust, it will generally be subject to tax at rates applicable to a Canadian corporation on income from a non-portfolio property (other than a taxable dividend) and net taxable capital gains realized on the disposition of a non-portfolio property (generally, "non-portfolio earnings" under the Tax Act). Unitholders who receive distributions from the Lysander *Activ*ETF of this income and gain are deemed to receive an eligible dividend from a Canadian corporation for tax purposes. The total of the tax payable by the Lysander *Activ*ETF on its non-portfolio earnings and the tax payable by a Unitholder on the distribution of those earnings will generally be more than the tax that would have been payable in the absence of the tax rules that apply to a SIFT trust. The Declaration of Trust requires the Lysander *Activ*ETF to restrict its investments and activities so that it will not become a "SIFT trust"; however, no assurance can be given in this regard.

Recent amendments to the Tax Act (the "**EIFEL Rules**") generally limit the deductibility of interest and financing expenses of a Canadian resident corporation or trust that is not an "excluded entity" to a fixed ratio of tax EBITDA (as calculated in accordance with the EIFEL Rules). If the EIFEL Rules apply to the Lysander *Activ*ETF, the amount of interest and other financing expenses otherwise deductible by the Lysander *Activ*ETF may be reduced and the taxable component of distributions by the Lysander *Activ*ETF to its Unitholders may be increased accordingly. The Manager is reviewing the impact, if any, of the EIFEL Rules on the Lysander *Activ*ETF.

The Lysander *Activ*ETF or an underlying fund may be subject to foreign withholding tax on securities of foreign issuers. There is no guarantee that the rate of withholding tax will not increase which may significantly affect returns. Many foreign countries preserve their right under domestic tax laws and applicable tax conventions with respect to taxes on income and on capital ("**Tax Treaties**") to impose tax on dividends and other types of income paid or credited to persons who are not resident in such countries. While the Lysander *Activ*ETF intends to make investments in such a manner as to minimize the amount of foreign taxes incurred under foreign tax laws and subject to any applicable Tax Treaties, investments in global securities may subject the Lysander *Activ*ETF to foreign taxes on income paid or credited to it or any gains realized on the disposition of such securities. Any foreign taxes incurred by the Lysander *Activ*ETF will generally reduce the value of its portfolio. Under certain Tax Treaties, the Lysander *Activ*ETF may be entitled to a reduced rate of tax on such foreign income. Some countries require the filing of a tax reclaim or other forms to receive the benefit of the reduced tax rate. Whether or when the Lysander *Activ*ETF will receive the tax reclaim is within the control of the particular foreign country. Information required on these forms may not be available (such as Unitholder information); therefore, the Lysander *Activ*ETF may not receive the reduced treaty rates or potential reclaims. Certain countries have conflicting and changing instructions and restrictive timing requirements that may cause the Lysander *Activ*ETF not to receive the reduced treaty rates or potential reclaims. If the Lysander *Activ*ETF obtains a refund of foreign taxes, the NAV of the Lysander *Activ*ETF will not be restated, and the amount will remain in the Lysander *Activ*ETF to the benefit of the then-existing unitholders.

Technological risk
New technologies may make a product, service or company obsolete. Companies that fail to innovate or adapt may lose market share or become irrelevant, thus adversely impacting their market value and therefore the value of investments in these companies.

Trading price of units risk
Units of the Lysander *Activ*ETF may trade in the market at a premium or a discount to the NAV per Unit. There can be no assurance that Units will trade at prices that reflect their NAV per Unit. The trading price of the Units of the Lysander *Activ*ETF will fluctuate in accordance with changes in the Lysander *Activ*ETF's NAV, as well as market supply and demand on the TSX. Generally in periods of volatile and abnormal market conditions, larger and more sustained differences between trading prices and NAV per Unit are possible.

Underlying fund risk
If the Lysander *Activ*ETF invests in another investment fund (including an ETF), the risks associated with investing in that investment fund include the risks associated with the securities in which that investment fund invests, along with the other risks of that investment fund. Accordingly, the Lysander *Activ*ETF takes on the risk of any investment fund in which it invests, in proportion to its investment. If the investment fund suspends redemptions, the Lysander *Activ*ETF may be unable to value the portion of its portfolio that is invested in such investment fund.

Investment risk classification methodology
The investment risk level of the Lysander *Activ*ETF is required to be determined in accordance with a standardized risk classification methodology that is based on the Lysander *Activ*ETF's historical volatility as measured by the 10-year annualized standard deviation of the returns of the Lysander *Activ*ETF.

As the Lysander *Activ*ETF does not have a 10-year return history following its reorganization pursuant to the Conversion, we calculate the investment risk level of the Lysander *Activ*ETF by using the return history of one or more reference indices that are expected to reasonably approximate the standard deviation of the Lysander *Activ*ETF. The reference index used for the Lysander *Activ*ETF for this purpose is set out below:

Reference Index	Description

FTSE Canada All Corporate Bond Index	The FTSE Canada All Corporate Bond Index measures the performance of the Canadian corporate bond sector. It is comprised primarily of semi-annual pay fixed rate corporate bonds issued domestically in Canada.

Other types of risk, both measurable and non-measurable, may exist. It is also important to note that the Lysander *Activ*ETF's historical volatility may not be indicative of its future volatility.

Although monitored on an ongoing basis, we review the investment risk level of the Lysander *Activ*ETF on an annual basis and each time a material change is made to the Lysander *Activ*ETF's investment strategies and/or investment objective. We may exercise our discretion and assign the Lysander *Activ*ETF a higher risk classification than indicated by the standardized risk classification methodology if the 10-year annualized standard deviation calculation results in a lower risk level than expected for the Lysander *Activ*ETF, and we determined that it would be appropriate to increase the Lysander *Activ*ETF's risk level to better reflect the features of the Lysander *Activ*ETF based on a review of qualitative and quantitative factors.

The method that we use to identify the investment risk level of the Lysander *Activ*ETF is available on request, at no cost, by calling us at 1-877-308-6979, by sending an email to manager@lysanderfunds.com or by mailing to us at 3080 Yonge Street, Suite 4000, Toronto, Ontario M4N 3N1.

Lysander-Canso Credit Income *Activ*ETF

You can find more information about the Lysander *Activ*ETF in the Lysander *Activ*ETF's ETF Facts, the management report of fund performance and the financial statements. These documents are incorporated by reference into this Simplified Prospectus, which means that they legally form part of this document just as if they were printed as part of it.

For a free copy of these documents, call us toll-free at **1-877-308-6979** or ask your dealer. These documents and other information about the Lysander *Activ*ETF, such as information circulars and material contracts, are also available at **www.lysanderfunds.com** or **www.sedarplus.ca**.