

Annual Information Form

October 30, 2018

Genus Capital Management Group of Funds

Offering Series F units of the following Genus Capital Management Group of Funds:

- Genus Government Bond Fund
- Genus Short-Term Bond Fund
- Genus Dividend Equity Fund
- Genus Fossil Free Corporate Bond Fund
- Genus Fossil Free Dividend Equity Fund
- Genus Fossil Free CanGlobe Equity Fund
- Genus Fossil Free High Impact Equity Fund

No securities regulatory authority has expressed an opinion about units of these funds and it is an offence to claim otherwise.

GENUS⁷
CAPITAL MANAGEMENT

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INTRODUCTION

This Annual Information Form contains information about the funds and is meant to supplement the information contained in the fund's Simplified Prospectus. Additional information about the funds is available in the funds' Simplified Prospectus, the most recently filed Fund Facts, the most recently filed annual financial statements, any interim financial statements that have been filed since the annual financial statements were filed, and the most recently filed annual management report of fund performance commencing in 2018 and any interim management report of fund performance filed after that annual report of fund performance. You can get a copy of these documents, at your request and at no cost, by calling us toll-free at 1-800-668-7366, by contacting us by e-mail at info@genuscap.com, or from your authorized dealer. You will also find the fund's Simplified Prospectus and financial statements on our website at www.genuscap.com.

These documents and other information about the funds are also available on SEDAR at www.sedar.com.

Certain defined terms

In this Annual Information Form we use the following key terms:

- **"you"** and **"your"** refer to you, the investor
- **"we"**, **"us"** and **"our"** refer to Genus Capital Management Inc., the manager, principal portfolio advisor and promoter of the funds
- **"unit"** or **"units"** refer to the Series F units of one or more of the funds
- **"fund"** or **"funds"** refer to one or more of the Genus Capital Management Group of Funds offered under the Simplified Prospectus

THE GENUS CAPITAL MANAGEMENT GROUP OF FUNDS

Genus Capital Management Inc. is the manager, principal portfolio advisor and promoter of the funds. Our head office is located at 860-980 Howe Street, Vancouver, British Columbia, V6Z 0C8. Additional information regarding the management of the funds is found below in the section called "Management of the funds".

Each fund is an open-end investment fund organized as a trust under the laws of the province of British Columbia pursuant to an amended and restated master trust agreement made as of October 15, 2013, as amended from time to time (the **"Trust Agreement"**) between us, as manager, and RBC Investor Services Trust (defined below as the **"Trustee"**), as trustee, that governs each of the funds. The Trust Agreement has been amended and restated a number of times since the funds were created. A description of the material amendments to the Trust Agreement and the predecessor trust agreements and indentures for the funds is set out below.

- On March 19, 2008, the trust indenture for the funds that existed on that date was amended in the form of the trust agreement to appoint the Trustee, succeeding The Northern Trust Company which was trustee from July 31, 1996 until March 19, 2008.
- On March 26, 2010, the trust agreement for the funds that existed on that date was amended to provide authority to the manager to allow for the termination or dissolution of one or more of the funds by providing written notice to the Trustee and clarify the authority of the manager to direct purchases, redemptions, or the termination or dissolution of one or more of the funds.
- On September 24, 2012, the trust agreement for the funds that existed on that date was amended to modify the right to redeem units to be within three business days following the valuation day for a fund.
- On October 15, 2013, the trust agreement for the funds that existed on that date was amended to provide for the creation and issuance of one or more series of units of the funds and to redesignate the then outstanding units as "Series X units".
- On October 20, 2017, the trust agreement for the funds that existed on that date was amended in connection with the initial public offering of the funds to reflect the creation and management of an independent review committee, certain requirements under securities legislation with respect to the purchase and redemption of units and the suspension of the redemption of units and other amendments related to the initial public offering of the funds, and to redesignate the outstanding "Series X units" as "Series O units".

Name and details of formation

The table below lists the names of the funds and the dates they were established. Prior to October 23, 2017, the funds only existed as non-public mutual funds.

Name	Date established
Genus Government Bond Fund	May 1, 1989
Genus Short-Term Bond Fund	May 1, 1989
Genus Dividend Equity Fund	May 1, 1989
Genus Fossil Free Corporate Bond Fund	July 27, 2000
Genus Fossil Free Dividend Equity Fund	July 27, 2000
Genus Fossil Free CanGlobe Equity Fund	July 27, 2000
Genus Fossil Free High Impact Equity Fund	May 15, 2014

Some of the funds have changed their names in the past. The table below lists the current names of the funds, their previous names within 10 years and the date on which the names changed.

Current name	Previous name(s) and date(s) changed
Genus Government Bond Fund	Genus Government Bond Component (August 19, 2016) and Genus Canadian Bond Component (July 22, 2013)
Genus Short-Term Bond Fund	Genus Short-Term Corporate Bond Fund (May 8, 2017) and Genus Short-Term Corporate Bond Component (August 19, 2016)
Genus Dividend Equity Fund	Genus Dividend Equity Component (August 19, 2016); Genus Tax Efficient Income Fund (Dec 31, 2003); Genus Taxable Income Fund (April 1, 2002); and Genus After-Tax Income Component (Dec 31, 1998)
Genus Fossil Free Corporate Bond Fund	Genus Fossil Free Corporate Bond Component (August 19, 2016); Genus Biosphere Corporate Bond Component (April 1, 2015); and Genus Biosphere Plus Bond Component (July 22, 2013)
Genus Fossil Free Dividend Equity Fund	Genus Fossil Free Dividend Equity Component (August 19, 2016); Genus Biosphere Dividend Equity Component (April 1, 2015); and Genus Biosphere Plus Canadian Equity Component (March 31, 2013)
Genus Fossil Free CanGlobe Equity Fund	Genus Fossil Free CanGlobe Equity Component (August 19, 2016); Genus Biosphere CanGlobe Equity Component (April 1, 2015); and Genus Biosphere Plus Global Equity Component (March 31, 2013)
Genus Fossil Free High Impact Equity Fund	Genus Fossil Free Impact Equity Component (August 19, 2016) and Genus Impact Equity Component (April 1, 2015)

Changes to investment sub-advisors

The changes to the funds' investment sub-advisors which have occurred during the last 10 years are outlined in the table below.

Fund name	Date of change	Previous investment advisor	Current investment advisor
Genus Short-Term Bond Fund	May 15, 2008	Genus Capital Management Inc.	Addenda Capital Inc.
Genus Government Bond Fund	May 15, 2008	Genus Capital Management Inc.	Addenda Capital Inc.
Genus Fossil Free Corporate Bond Fund	May 15, 2008	Genus Capital Management Inc.	Addenda Capital Inc.

Changes to fundamental investment objectives

The table below lists the funds that have had changes to their fundamental investment objectives or material investment strategies over the past 10 years and details of the change.

Fund name	Date of Change	Change in fundamental investment objectives or material investment strategies
Genus Fossil Free Corporate Bond Fund	July 22, 2013	The fund's fundamental investment objective was changed to restrict the selection of investments for the fund's portfolio to issuers that conduct their affairs in a manner that meets the portfolio advisors' screening criteria in relation to specific environmental, social and governance issues.
Genus Fossil Free Dividend Equity Fund	April 9, 2013	The fund's fundamental investment objective was changed to restrict the selection of investments for the fund's portfolio to issuers that conduct their affairs in a manner that meets the portfolio advisors' screening criteria in relation to specific environmental, social and governance issues.
Genus Fossil Free CanGlobe Equity Fund	April 9, 2013	The fund's fundamental investment objective was changed to restrict the selection of investments for the fund's

Fund name	Date of Change	Change in fundamental investment objectives or material investment strategies
Genus Fossil Free High Impact Equity Fund	May 14, 2014	<p>portfolio to issuers that conduct their affairs in a manner that meets the portfolio advisors' screening criteria in relation to specific environmental, social and governance issues.</p> <p>The fund's fundamental investment objective was changed to restrict the selection of investments for the fund's portfolio to issuers that conduct their affairs in a manner that meets the portfolio advisors' screening criteria in relation to specific environmental, social and governance issues.</p>

Investment restrictions

We manage the funds in accordance with the requirements of applicable securities legislation. All of the funds are subject to certain restrictions and practices contained in this legislation, including National Instrument 81-102 *Investment Funds* ("**National Instrument 81-102**"). These restrictions and practices are designed in part to ensure that the investments made for each fund result in the fund remaining diversified and relatively liquid, and to ensure that the funds are properly administered. For more information, please refer to the securities legislation of your province or territory, or consult your lawyer.

The fundamental investment objective of each fund is set out under each fund description in the Simplified Prospectus. The fundamental investment objective of a fund may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, subject to certain restrictions under the Trust Agreement that governs the funds, we may change the investment strategies of a fund described below at our discretion.

Description of units of the funds

When you invest in a fund, you purchase units of that fund. There is no limit to the number of units each fund can issue. However, a fund may be closed to new investors from time to time. When issued, units are fully-paid and non-assessable. Fractions of units may be issued. Fractional units carry the rights and privileges, and are subject to the restrictions and conditions applicable to whole units in the proportions in which they bear to the whole unit. However, the fractional units have no right to vote.

Series of units

Each fund currently has five series of units – Series A, Series C, Series F, Series I and Series O. Only Series F units are offered under the Simplified Prospectus.

Series F units are available to investors who have fee-based accounts with their authorized dealer and whose authorized dealer has signed an agreement with us. Instead of paying sales charges, investors in Series F units pay an annual fee to their authorized dealer for investment advice and other services. We do not pay a service fee to an authorized dealer who sells Series F units which means that we can charge a lower management fee to holders of Series F units.

Rights associated with units

Each unit or series represents an equal undivided share of the fund's net asset value to the share of every other unit of the series. A holder of units is entitled to one vote at any meeting of unitholders of the fund or a meeting of unitholders of that specific series for each whole unit owned on the relevant date. In addition, each unit of a series entitles the holder to:

- share pro-rata in all regular distributions of net income and net realized capital gains of the fund allocated to the series (except for management fee distributions and redemption distributions);
- share pro-rata in with all other units of the series, if the fund is being terminated and wound-up, in the distribution of the series' share of net assets of the fund that remain after the fund's liabilities have been paid; and
- redeem the unit at the applicable series net asset value of the unit.

Units of a series of a fund do not entitle the holder to any conversion rights or preemptive rights, and units are generally not transferrable. There is also no liability to holders of units of a series of a fund for future calls or assessments.

These rights may only be modified by amending the Trust Agreement that establishes each fund. We may amend the Trust Agreement at any time, with the Trustee, in whole or in part, without notice to unitholders, unless such amendment adversely affects the rights of any unitholder or the Trustee under the Trust Agreement or relates to certain matters specified in the Trust Agreement. If a proposed amendment adversely affects the rights of any unitholder or the Trustee or relates to certain matters specified in the Trust Agreement, such amendment will take effect only after we have given not less than 60 days' written notice of such proposed amendment to each unitholder, or in the case of certain matters specified in the Trust Agreement, obtained the consent of unitholders as provided for in the Trust Agreement. We may discontinue the offering of any series of units of a fund at any time at our discretion.

Although the funds do not hold regular meetings, we will hold meetings to obtain your approval on certain matters. Under applicable securities laws, we must obtain the approval of a majority of the votes cast by unitholders of a fund – or for matters that

affect one series differently than others, a majority of votes cast by unitholders of a series of units of a fund – with respect to:

- any change in the way fees or expenses are calculated that could result in an increase in the fees or expenses charged to the fund, or directly to unitholders of the fund by the fund or us, in connection with the holding of units of the fund, unless unitholders are provided with written notice of the increase at least 60 days before the increase becomes effective;
- any introduction of a fee or expense to be charged to the fund, or directly to unitholders of the fund by the fund or us, in connection with the holding of units of the fund, that could result in an increase in charges to the fund or to its unitholders, unless unitholders are provided with written notice of the increase at least 60 days before the increase becomes effective;
- a change of the manager of the fund, unless the new manager is our “affiliate” within the meaning of applicable securities laws;
- except in the circumstances described below, a change of the auditor of the fund;
- a change in the fundamental investment objective of the fund;
- a decrease in the frequency of the calculation of the net asset value per unit of the fund; and
- except in the circumstances described below, certain material reorganizations of the fund.

However, under National Instrument 81-102, each fund has the ability to make the following changes without unitholder approval:

- change the auditor of the fund, provided that the independent review committee for the funds (the “IRC”) has approved the change and unitholders are sent a written notice at least 60 days prior to the change; and
- complete a reorganization of the fund that involves the transfer of its units to another fund (for example, a fund merger) where (i) the fund will cease to continue after the transaction, and (ii) the transaction results in the unitholders of the fund becoming unitholders in the other fund, provided that the IRC has approved the transaction and that unitholders are sent a written notice at least 60 days prior to the completion of the transaction and certain other conditions are met.

In addition, under the Trust Agreement, unitholder approval for amendments to the Trust Agreement is required for any of the following purposes:

- to change the amendment provisions of the Trust Agreement;

- to change, in any way, the basis of the calculation of a fee or expense that is charged to a fund that could result in an increase in charges to that fund;
- to change the manager of a fund, unless the new manager is an affiliate of the current manager;
- to change the fundamental investment objectives or investment restrictions of a fund, except for changes specifically allowed under the Trust Agreement;
- to decrease the frequency of the calculation of a fund's net asset value;
- certain material reorganizations of the fund; and
- to redesignate units of a fund to a different series of the same fund that is a material change or adversely affects the pecuniary value of the unitholders interest or if the redesignation could have an adverse consequence under the Income Tax Act (Canada) (the "Tax Act") for the holders of such units.

Calculating net asset value and valuing portfolio securities

To determine the value of your investment in a fund, we calculate the net asset value for each series of units of the fund. Each fund maintains a separate net asset value for each series of units of the fund, as if the series were a separate fund. However, the assets of the fund constitute a single pool for investment purposes. The net asset value per unit for each series of units of a fund is the basis for calculating the purchase price or redemption price for buying, switching or redeeming units of that series.

The net asset value of each fund is determined at the close of business on each valuation date for the fund, as set out below. The net asset value of a fund is determined in accordance with the provisions of the Trust Agreement by taking the value of the assets of the fund and deducting an amount sufficient to provide for the outstanding liabilities of the fund.

The net asset value for each series of units is calculated by subtracting the liabilities, costs and expenses attributable to the specific series from that series of units' proportionate share of the difference between the value of the assets of the fund and the liabilities, costs and expenses common to all series of units not specifically referable to an individual series of units.

For each fund, a "**valuation date**" is each day the Toronto Stock Exchange is open for business (a "**business day**") and in any event, the last business day of each taxation year for the fund. Currently, the taxation year of each fund is December 31.

The net asset value and net asset value per unit of each fund will be made available at no cost on our website at www.genuscap.com.

Under National Instrument 81-106 *Investment Fund Continuous Disclosure* ("**National Instrument 81-106**"), the net assets of all public investment funds, including the funds, must be calculated in accordance with international financial reporting standards

("IFRS") for the purposes of a fund's financial statements. In accordance with National Instrument 81-106, the fair value of a portfolio security used to determine the unit value of a fund's securities for purchases and redemptions will be based on the valuation principles set out below, which are generally consistent with the valuation principles of IFRS.

To determine the net asset value of each series of units of a fund, we or our agent must calculate the market appreciation or depreciation of the assets held by the fund. We or our agent determine the value of assets for this purpose at the close of trading on each valuation day. The value of a fund's assets is determined by us in accordance with applicable laws and procedures adopted by us, and generally, by applying the following guidelines:

- (a) the value of any cash on hand, on deposit or on call, prepaid expenses, cash dividends declared and interest accrued and not yet received, shall be deemed to be the face amount thereof, unless we determine that any such deposit or call loan is not worth the face amount thereof, in which event the value thereof shall be deemed to be such value as we determines to be the reasonable value thereof;
- (b) the value of any bonds, debentures, and other debt obligations shall be valued by taking the average of the bid and ask prices on a valuation date at such times as we, in our discretion, deem appropriate. Short-term investments including notes and money market instruments shall be valued at cost plus accrued interest;
- (c) the value of any security, index futures or index options thereon which are listed on any recognized exchange shall be determined by the closing sale price at the valuation time or, if there is no closing sale price, the average between the closing bid and the closing ask price on the day on which the net asset value of a fund is being determined, all as reported by any report in common use or authorized as official by a recognized stock exchange; provided that if such stock exchange is not open for trading on that date, then on the last previous date on which such stock exchange was open for trading;
- (d) the value of any security or other asset for which a market quotation is not readily available shall be its fair market value as determined by us;
- (e) the value of any security, the resale of which is restricted or limited, shall be the lesser of the value thereof based on reported quotations in common use and that percentage of the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, undertaking or agreement or by law, equal to the percentage that a fund's acquisition cost was of the market value of such securities at the time of acquisition, provided that a gradual taking into account of the actual value of the securities may be made where the date on which the restriction will be lifted is known;

- (f) purchased or written clearing corporation options, options of futures or over-the-counter options, debt-like securities and listed warrants shall be valued at the current market value thereof;
- (g) where a covered clearing corporation option, option on futures or over-the-counter option is written, the premium received by a fund shall be reflected as a deferred credit which shall be valued at any 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. Any difference resulting from revaluation of such options shall be treated as an unrealized gain or loss on investment. The deferred credit shall be deducted in arriving at the net asset value of a fund. The securities, if any, which are the subject of a written clearing corporation option, or over-the-counter shall be valued at their then current market value;
- (h) the value of a futures contract, or a forward contract, shall be the gain or loss with respect thereto that would be realized if, at the valuation time, the position in the futures contract, or the 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;
- (i) 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;
- (j) all fund property valued in a foreign currency and all liabilities and obligations of a fund payable by a fund in a foreign currency shall be converted into the base currency for the fund by applying the rate of exchange obtained from the best available sources to us, including, but not limited to, the Trustee or any of its affiliates;
- (k) all expenses or liabilities (including fees payable to us) of a fund shall be calculated on an accrual basis; and
- (l) the value of any security or property to which, in our opinion, the above valuation principles cannot be applied (whether because no price or yield equivalent quotations are available as above provided, or for any other reason) shall be the fair value thereof determined in such manner as we from time to time provide.

If in our opinion or that of the funds' valuation agent, (i) the above valuation principles cannot be applied (whether because price or yield equivalent quotations are not available or for any other reason) to determine the value of any security or other property or (ii) the value of any security or other property determined using the above valuation principles does not represent the fair value of the security or other property, we or our agent will determine the fair value of the security or other property in such manner as we or our agent from time to time determine. There have been no such fair

value determinations made by us or the funds' valuation agent in respect of any security or other property of the funds.

The Trust Agreement for the funds outlines the method for determining the value of liabilities to be deducted in determining the net asset value of each fund.

INVESTING IN THE FUNDS

Purchases, switches and redemptions

You may buy, switch and redeem units of the funds through an authorized dealer. The purchase, switch or redemption price of units of a fund is based on the fund's net asset value next determined after the receipt by the fund of a purchase, switch or redemption order. For more information, see the section above called "Calculating net asset value and valuing portfolio securities".

The unit price is determined at the close of trading on each valuation day. For the funds, a valuation day is any day that the Toronto Stock Exchange is open for business. If your written instructions to buy units of a fund are received by 1:00 p.m. (Pacific time) on a valuation day or by the time the Toronto Stock Exchange closes for the day, whichever is earlier, your order will be processed using the price at the close of business on that valuation day. Otherwise, your order will be processed on the next valuation day, using the price at the close of business on that day.

Purchasing units of a fund

The purchase price of units of a fund is based on the fund's net asset value next determined after the receipt of a purchase order by the fund.

We will not charge any sales commission or fee in connection with the purchase of units. Your authorized dealer may charge you a sales commission or fee in respect of your purchase. This commission or fee is negotiated between you and your dealer.

Investors may submit a purchase order to purchase units of any fund through an authorized dealer. All investments are subject to our approval. We reserve the right to reject any initial or additional investment, and to suspend the offering of units of any fund.

Your authorized dealer is required to forward a purchase order to us on the same day on which the completed purchase order is received or, if received by the authorized dealer after normal business hours or on any day that is not a business day, on the next business day. It is the responsibility of each authorized dealer to transmit orders to us in a timely manner. The cost of this transmittal, regardless of its form, must be borne by the dealer.

When you buy units of a fund, you have to include full payment for your units with your order. Your authorized dealer must send us your payment within three business days of the date they send your order to us (or by such other deadline as we may establish

from time to time), and is responsible for sending us your order the same day that they receive it from you.

If we do not receive payment in full within the time limits described above or if a cheque is returned because of insufficient funds, the units that you bought will be redeemed on the next valuation day. If the units are redeemed for more than you paid, the fund keeps the difference. If the units are redeemed for less than you paid, we will charge you, or your dealer for the difference plus any costs. Your dealer may, in turn, charge you for these amounts.

We will not accept orders to buy, switch or redeem units during periods when we have suspended the right to redeem units (in the circumstances described below in the section called "Redeeming units of the funds").

We may refuse any order to buy units within one business day of receiving it. If your order is refused, your money will be returned to you in full.

Switching between funds

You may redeem units of one fund to buy units of another fund. This is called "switching". We may charge a short term trading fee of up to 2% of the value of your units if you switch or redeem units within 30 days of buying units of a fund. To switch units of one fund for units of another fund, you should contact your authorized dealer. The same rules that apply for buying and redeeming units of the funds apply to switches. Once we receive your order to switch, we will redeem your units in the fund from which you are switching and use the proceeds to buy units of the other fund to which you are switching.

Your switching privileges may be suspended or restricted.

Redeeming units of a fund

To redeem units of a fund, you should contact your authorized dealer. Your dealer may charge you a fee for redeeming your units.

The redemption price is based on the fund's net asset value next determined after receipt of the redemption order. When you redeem units of a fund, your money will be sent to you within two business days of the valuation day on which the fund receives your order to sell units (or by such other deadline as we may establish from time to time) if:

- the fund has received the instructions necessary to complete the transaction; and
- any payment for buying the same units that you are redeeming has cleared.

With your approval, a fund may pay the amount owing to you for units of the fund redeemed by you, with securities held by the fund. If a fund does this, the securities you

receive will be equal in value to the money that you would have received on the applicable redemption date.

Your authorized dealer is responsible for sending the fund your order the same day that they receive it from you. The fund will redeem your units on the valuation day it receives the order from your dealer. Once the fund receives the instructions necessary to complete the transaction from your dealer, your money will be released to you. If the fund does not receive these instructions within 10 business days of the redemption, the fund will buy back the units you redeemed on the next valuation day. If the fund buys them back for less than you redeemed them for, the fund keeps the difference. If the fund buys them back for more than you redeemed them for, the fund will charge your dealer for the difference plus any costs. Your dealer may, in turn, charge you for these amounts.

We may redeem your units if the value of units you hold falls below \$500. However, before we redeem your units and send you the proceeds, we will give you written notice of the redemption at least 60 days in advance of the redemption date, during which time you may purchase additional units to bring the value of the units you hold to \$500.

In exceptional circumstances, we may temporarily suspend your right to redeem your units. We will only do this if:

- normal trading is suspended on an exchange where more than half of the fund's total assets by value are traded; or
- we have permission from the applicable securities regulatory authority.

Fees and expenses

The fees and expenses payable by the funds are set out in the Simplified Prospectus under the heading "Fees and expenses".

Management fee reductions

We may reduce the management fee paid by investors who have made substantial investments in the funds. We may do this for a number of reasons, including the size of the investment and our overall relationship with the investor. We do this by reducing the management fee charged to the fund and the fund then pays out an amount equal to the reduction to the particular investors as a distribution. These are called "management fee distributions". The amount of any fee reduction is determined by us, at our discretion.

The management fee becomes a liability of the fund at the time the management fee is charged to the fund. Management fee distributions are paid first out of the fund's income and capital gains, and thereafter out of capital, shortly after we repay or reduce a portion of the management fee to the fund. The investor receives the benefit of the reduction as a distribution of income, capital gains or return of capital, and they can choose to receive it in cash or as additional units of the fund.

The reduction of the management fee does not have any tax consequences for the fund. A taxable investor who receives a distribution of income, capital gains or return of capital as a management fee distribution is subject to tax on it in the same way as they would be for other distributions of the fund's income, capital gains or return of capital. See the section called "Income tax considerations for investors" below.

Income tax considerations for investors

The summary below is general in nature and describes the principal Canadian federal income tax considerations as of the date hereof with respect to the acquisition, ownership and disposition of units of the funds generally applicable to an individual unitholder, other than a trust, who for the purposes of the Tax Act, is resident in Canada, deals at arm's length with the fund and holds units as capital property.

This summary is based on the current provisions of the Tax Act, the regulations thereunder (the "**Regulations**"), proposals for specific amendments to the Tax Act and the Regulations publicly announced by the Minister of Finance (Canada) prior to the date hereof, and our understanding of the current administrative practices and assessing policies of the Canada Revenue Agency. This summary does not take into account or anticipate any other changes in law whether by legislative, regulatory, administrative or judicial action, and does not take into account provincial or foreign income tax legislation or considerations. This summary is based on the assumption that each fund will qualify as a mutual fund trust under the Tax Act effective at all material times. We expect that each fund will so qualify. If a fund does not so qualify as a mutual fund trust under the Tax Act, the income tax consequences would differ materially from those described below.

The following summary is of a general nature only and is not intended to constitute advice to any particular investor. **Each investor should seek independent advice regarding the tax consequences of investing in units of a fund, based upon the investor's own particular circumstances.**

Taxation of the funds

Each fund intends to distribute to its unitholders in each year such amount of its net income and net realized capital gains that it should generally not be liable for tax under Part I of the Tax Act, after taking into account any capital gains refunds. In certain circumstances, losses of the funds may be suspended or restricted, and therefore would be unavailable to shelter capital gains or income.

Generally, gains and losses realized by each fund from the use of derivative securities for hedging purposes will be treated as capital gains and capital losses. Gains and losses realized by each fund from the use of derivatives for speculative purposes and from short sales will generally be treated as ordinary income and losses.

All of a fund's deductible expenses, including expenses common to all series of units of the fund and management fees and other expenses specific to a particular series of

the fund, will be taken into account in determining the income or loss of the fund as a whole.

Taxation of unitholders of the funds

A unitholder will generally be required to include in computing income for a taxation year that portion of the net income and the taxable portion of the net capital gains (computed in Canadian dollars) of a fund as was paid or payable to him or her in the year, whether or not such amount has been reinvested in additional units. This may include a management fee distribution.

Net taxable capital gains and foreign source income of a fund, and taxable dividends received by a fund on shares of taxable Canadian corporations, that are paid or payable to the unitholders (including such amounts reinvested in additional units) may be designated by the fund as taxable capital gains, foreign source income, and taxable dividends earned by the unitholders, respectively. Foreign source income received by a fund will generally be net of any taxes withheld in the foreign jurisdiction. The taxes so withheld will be included in the determination of income under the Tax Act. To the extent that a fund so designates in accordance with the Tax Act, unitholders will, for the purposes of computing foreign tax credits, be entitled to treat their share of such taxes withheld as foreign taxes paid by the unitholders.

If distributions (including management fee distributions) from a fund (other than as proceeds of disposition) are greater than a unitholder's share of the fund's net income and the net realized capital gains allocated by the fund, the excess will not be taxable, but will reduce the adjusted cost base of the unitholders' units of the fund.

The net asset value of a unit may reflect income that has not yet been distributed and capital gains that have not yet been realized or distributed. If a unitholder purchases a unit before a distribution of net income or net realized capital gains, the unitholder will be taxed on such distribution even though the amount of that distribution was reflected in the purchase price of the units.

Upon the disposition or deemed disposition by a unitholder of a unit, whether by redemption, sale or otherwise, a capital gain (or capital loss) will be realized to the extent that the proceeds of disposition (less any associated costs of disposition) exceed (or are less than) the adjusted cost base of the unitholder of the unit. In particular, a disposition of a unit will occur if it is switched for units of another fund. A switch is completed by redeeming the units of a fund and using the proceeds to purchase units of another fund.

Generally, one-half of the capital gain (or capital loss) is included in determining a unitholder's taxable capital gain (or allowable capital loss). Under the alternative minimum tax provisions of the Tax Act, generally, Canadian source dividends, and capital gains realized, by an individual may give rise to a liability for minimum tax.

Unitholders must compute net income and net capital gains in respect of units in Canadian dollars for the purposes of the Tax Act.

Registered plans

Provided that the funds qualify as mutual fund trusts under the Tax Act as described above, units of the funds will be qualified investments under the Tax Act for:

- registered retirement savings plans (“**RRSPs**”), including group RRSPs, locked-in retirement savings plans and locked-in retirement accounts;
- registered retirement income funds (“**RRIFs**”), including life income funds, locked-in retirement income funds, prescribed retirement income funds and restricted life income funds;
- deferred profit sharing plans (“**DPSPs**”);
- registered education savings plans (“**RESPs**”);
- registered disability savings plans (“**RDSPs**”); and
- tax-free savings accounts (“**TFSA**s”).

If units of a fund are held in an RRSP, RRIF, DPSP, RESP, RDSP or TFSA, distributions from the fund and capital gains from a disposition of the units are generally not subject to tax under the Tax Act until withdrawals are made from the plan (withdrawals from a TFSA, and returns of contributions from an RESP, are not subject to tax). Provided that the annuitant of an RRSP or RRIF, the holder of a TFSA or RDSP, or the subscriber of an RESP, deals at arm’s length with the funds, and does not have a “significant interest” (within the meaning of the Tax Act) in a fund, units of the funds will not be prohibited investments under the Tax Act for that RRSP, RRIF, TFSA, RDSP or RESP. Units of a fund will also not be a prohibited investment for an RRSP, RRIF, TFSA, RDSP or RESP if the units are “excluded property” under the Tax Act for that RRSP, RRIF, TFSA, RDSP or RESP. Annuitants of RRSPs and RRIFs, holders of TFSA and RDSPs and subscribers of RESPs should consult with their own tax advisors as to whether units of the funds would be prohibited investments under the Tax Act in their particular circumstances.

MANAGEMENT OF THE FUNDS

Manager

We act as manager of the funds. As manager, we are responsible for the general management and administration of the funds, including providing all necessary investment management, clerical, administrative and operational services required by the funds. Under the terms of the Trust Agreement, we may resign as manager of the funds on six months’ notice.

We can be contacted at the address, telephone number and email address set forth below:

Genus Capital Management Inc.
 860 – 980 Howe Street
 Vancouver, British Columbia, V6Z 0C8
 info@genuscap.com
 604 683 4554

You can also visit our website at www.genuscap.com.

Our directors and executive officers

A list of our directors and executive officers is set out below. We have included their names, their municipalities of residence, the current positions they hold with us and their principal occupations, as well as any other positions they have held within the last five years.

Name and municipality of residence	Position(s) with Genus	Principal occupation and previous positions for the last 5 years
Leslie G. Cliff Vancouver, British Columbia	Chairperson of the Board of Directors and Director, Ultra High Net Worth	Previously, Chairperson of the Board of Directors of Genus and Director of Wealth Management of Genus
Wayne W. Wachell Vancouver, British Columbia	Chief Executive Officer, Chief Investment Officer and Director	Chief Executive Officer and Chief Investment Officer of Genus
John-Paul Harrison North Vancouver, British Columbia	President, Director and Chief Marketing Officer	Previously, President and Director of Genus
Kar Ho Stephen Au Vancouver, British Columbia	Chief Operating Officer and Chief Compliance Officer	Previously, Chief Financial Officer and Chief Compliance Officer of Genus; previously, Director of Finance of Genus

Portfolio advisors

Genus Capital Management Inc.

We act as the principal portfolio advisor for the funds. In that capacity, we are responsible for establishing investment policies, providing investment analysis and

making investment decisions. As portfolio advisor, we may hire sub-advisors, assign them to segments of the portfolios of certain funds, and manage and oversee their performance. The investment decisions made by us are generally made by our Chief Investment Officer in consultation with our Director of Equity Investments but are subject to our general oversight. The investment decisions made our sub-advisors in respect of the funds are not subject to the oversight, approval or ratification of a committee.

The following is a list of our key portfolio management and investment professionals, along with their titles, how long they have been working with us and their investment experience in the last five years:

Name	Title	Length of service	Investment experience for the last five years
Wayne Wachell	Director, President and Chief Executive Officer	29 years	Chief Executive Officer and Chief Investment Officer of Genus
Lisa (Huanyu) Zhang	Director of Equity Investments	11 years	Director of Equity Investments; previously, Senior Quantitative Analyst, Team Lead of Genus
Mike Thiessen	Manager, Sustainable Research	1.5 years	Manager, Sustainable Research; 6 years as a Strategic Consultant in Equity Research

Sub-advisors

As the principal portfolio advisor for all funds, we are responsible for providing investment advice and portfolio management services to the funds. We may hire sub-advisors, to provide investment advice and portfolio management services to the funds. In retaining the services of sub-advisors for the funds, or segments thereof, as well as our selection of non-affiliated sub-advisors, we may consider a number of different factors, including the potential to add value to the investments within the fund, and diversity with respect to the geography of the investments, management style, market sector, asset type, and market capitalization.

Sub-advisors will be paid by us and not the funds. Sub-advisors will have the discretion to purchase and sell portfolio securities for the fund or segment of the fund they manage. Each sub-advisor will also operate within each fund's investment objectives, restrictions and policies, and any other constraints we may impose, including specific investment objectives, the performance constraints and measures and the precise areas of responsibility of the various parties involved in the management of the funds. We will monitor and assess the performance of sub-advisors on an ongoing basis, including by requiring sub-advisors to provide reports describing the securities and investment activities performed by the sub-advisors for each fund. In the event that we

have more than one sub-advisor, we will have the discretion to allocate assets between sub-advisors within a given fund and we may hire or replace sub-advisors at any time.

If you would like a list of current sub-advisors, you can call us toll-free at 1-800-668-7366 or email us at info@genuscap.com. We may provide investment advice and portfolio management services to a fund or segment of a fund, or retain the services of a transition manager, on a transitional basis where there has been a change in sub-advisor, to ensure compliance with applicable laws or regulatory requirements, or where we are the recommended portfolio advisor. In circumstances where we provide such investment advice and portfolio management services to a fund or a segment of a fund, the individuals listed above will be principally responsible for the investment decisions made on behalf of such fund.

We have appointed Addenda Capital Inc. to act as our sub-advisor in relation to the Genus Short-Term Bond Fund, Genus Government Bond Fund, and Genus Fossil Free Corporate Bond Fund. Addenda Capital Inc. is a portfolio manager based in Montreal, Canada. The following is a list of the individuals that are principally responsible for the investment decisions made on behalf of the funds noted above as at the date of this Annual Information Form:

Genus Short-Term Bond Fund

Addenda Capital Inc.
Montreal, Quebec

Name	Title	Length of service	Investment experience for the last five years
Carl Pelland	Senior Portfolio Manager, Fixed Income and Co-Head, Corporate Bonds	11 years	Portfolio Manager, Corporate Bonds
Diane Young	Senior Portfolio Manager, Fixed Income and Co-Head, Corporate Bonds	20 years ⁽¹⁾	Senior Portfolio Manager, Fixed Income and Co-Head, Corporate Bonds; previously, Senior Portfolio Manager, Core Fixed Income, Portfolio Manager, Core Fixed Income
Brian Minns	Manager, Sustainable Investing	6 years	Manager, Sustainable Investing; previously, Specialist, Sustainable Investing

⁽¹⁾ Includes previous experience with the Addenda Capital Inc.'s parent company majority owner.

Genus Fossil Fuel Free Corporate Bond Fund

Addenda Capital Inc.
Montreal, Quebec

Name	Title	Length of service	Investment experience for the last five years
Carl Pelland	Senior Portfolio Manager, Fixed Income and Co-Head, Corporate Bonds	11 years	Portfolio Manager, Corporate Bonds
Diane Young	Senior Portfolio Manager, Fixed Income and Co-Head, Corporate Bonds	20 years ⁽¹⁾	Senior Portfolio Manager, Fixed Income and Co-Head, Corporate Bonds; previously, Senior Portfolio Manager, Core Fixed Income, Portfolio Manager, Core Fixed Income
Brian Minns	Manager, Sustainable Investing	6 years	Manager, Sustainable Investing; previously, Specialist, Sustainable Investing

⁽¹⁾ Includes previous experience with Addenda Capital Inc.'s parent company majority owner.

Genus Government Bond Fund

Addenda Capital Inc.
Montreal, Quebec

Name	Title	Length of service	Investment experience for the last five years
Barbara Lambert	Senior Portfolio Manager, Fixed Income	14 years	Senior Portfolio Manager, Fixed Income; previously, Senior Trader, Credit
Dominic Siciliano	Portfolio Manager, Fixed Income and Director, Trading Desk	9 years	Portfolio Manager, Fixed Income and Director, Trading Desk

Brokerage arrangements

Decisions as to the purchase and sale of securities and as to the execution of portfolio transactions, including the selection of dealers, will be made by the portfolio advisors for each of the funds. In effecting portfolio transactions, the portfolio advisors will seek

to obtain the best execution of trades on behalf of the funds taking into account all factors deemed relevant, including but not limited to, the price of the security, speed of execution, certainty of execution, transaction size, liquidity of the security, market conditions, and commission costs/spreads relative to the transaction. The portfolio advisors will also take into account whether any additional goods and services are provided by dealers or third parties that are included in the brokerage commissions. These additional services, other than order execution services, may include (i) advice as to the value of securities and the advisability of effecting transactions in securities; (ii) analysis and reports concerning securities, portfolio strategy or performance, issuers, industries, or economic or political factors and trends; and (iii) databases or software to the extent they are designed mainly to support the services referred to in (i) and (ii). When selecting dealers for the provision of any order execution goods and services or research goods and services by the dealer or third party, the portfolio advisors will make a good faith determination that the funds receive reasonable benefit, considering both the use of the goods and services and the amount of brokerage commission paid. Specifically, the portfolio advisors monitor the services provided by dealers to ensure that brokerage commissions are only used for goods and services that assist them in the investment decision-making process; that the brokerage commissions paid are reasonable in relation to the research and execution services received; and that, at all times, the portfolio advisors seek the best price and execution for each transaction. The portfolio advisors of the funds are not under any contractual obligation to allocate brokerage business with respect to the funds to any specific dealer.

Where brokerage transactions involving client brokerage commissions of the funds have been or might be directed to a dealer in return for providing any good or service by the dealer or a third party other than order execution, the names of such dealers or third parties will be provided upon request by calling us toll-free at 1-800-668-7366 or by contacting us by email at info@genuscap.com.

Trustee

Under the terms of the Trust Agreement, RBC Investor Services Trust (defined above as the "**Trustee**") acts as the trustee of each of the funds. As trustee, the Trustee holds legal title to the assets of each fund. The head office of the Trustee is in Toronto, Ontario.

The Trust Agreement provides that the funds and we will indemnify the Trustee for all costs, and expenses incurred in connection with carrying out its duties under the Trust Agreement except in cases of negligence or wrongful act or in cases where the Trustee fails to act honestly and in good faith with a view to the best interests of unitholders, or to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in similar circumstances.

We may amend the Trust Agreement at any time, with the Trustee, in whole or in part, without notice to unitholders, unless such amendment adversely affects the rights of any unitholder or the Trustee under the Trust Agreement or relates to certain matters specified in the Trust Agreement. If a proposed amendment adversely affects the rights of any unitholder or the Trustee or relates to certain matters specified in the Trust

Agreement, such amendment will take effect only after we have given not less than 60 days' written notice of such proposed amendment to each unitholder, or in the case of certain matters specified in the Trust Agreement, obtained the consent of unitholders as provided for in the Trust Agreement.

For the year ended December 31, 2017, the Trustee was paid an aggregate amount of \$35,000 on account of its fees and reimbursed in aggregate \$0 on account of expenses incurred by it in its capacity as trustee of the funds.

Each fund pays a fee to the Trustee for its services as trustee. The fees and expenses payable by the funds are set out in the Simplified Prospectus under the heading "Fees and expenses".

Custodian

Under the terms of the Trust Agreement, RBC Investor Services Trust acts as the custodian for the funds at its principal office in Toronto, Canada. As custodian, RBC Investor Services Trust is responsible for the safekeeping of the assets of the funds. The head office of the custodian is in Toronto, Ontario. RBC Investor Services Trust may contract with sub-custodians to hold the assets of the funds. Each fund pays an annual fee to RBC Investor Services Trust for its services as custodian based on the net asset value of the fund.

The Trust Agreement requires that the custodian, in carrying out its duties and obligations, to exercise the degree of care diligence and skill that a reasonable prudent person would exercise in similar circumstances.

Recordkeeper

Pursuant to the terms of a Valuation and Recordkeeping Agreement made as of March 20, 2008, as amended from time to time, RBC Investor Services Trust also acts as recordkeeper for the funds. As recordkeeper, RBC Investor Services Trust processes all the purchases and redemptions of units of the funds, and maintains the registers of unitholders and certain other records of the funds at its office in Toronto, Ontario. Each fund pays a fee to RBC Investor Services Trust for these services.

Auditor

Ernst & Young LLP of Vancouver, British Columbia is the auditor of the funds. As auditor, Ernst & Young LLP is responsible for auditing the annual financial statements of the funds. Each fund pays a fee to Ernst & Young LLP for its services as auditor.

Securities lending agent

As at the date of this Annual Information Form, we are in the process of appointing RBC Investor Services Trust to act as securities lending agent of the funds (the "**Securities Lending Agent**") pursuant to a securities lending agency agreement between us and the Securities Lending Agent. The Securities Lending Agent is independent of us. The head office of the Securities Lending Agent is in Toronto, Ontario. Under the securities

lending agency agreement, we will appoint the Securities Lending Agent to act as agent for securities lending transactions of those funds that engage in securities lending and to execute securities lending agreements with borrowers on behalf of the funds in accordance with National Instrument 81-102. Pursuant to the securities lending agency agreement, the collateral received by a fund in a securities lending transaction will have a market value equal to at least 102% or such greater amount specified by National Instrument 81-102. The Securities Lending Agent will be permitted to retain, as a fee, a percentage of the revenues resulting from securities lending transactions, as set out in the agreement between us and the Securities Lending Agent, and in accordance with policies and guidelines we have adopted. Under the terms of the securities lending agency agreement, the funds will indemnify the Securities Lending Agent and its directors, officers, employees and agents against any loss suffered by such parties as a result of performing its obligations as securities lending agent on behalf of the funds under the agreement except to the extent that such loss is caused by the negligence, fraud or wilful misconduct of such parties. In addition, the Securities Lending Agent will provide an indemnity to the funds in certain circumstances. Either party will be permitted to terminate the securities lending agency agreement by giving the other party written notice and such termination shall be effective upon delivery of such notice.

Independent review committee

In accordance with National Instrument 81-107 Independent Review Committee for Investment Funds ("**National Instrument 81-107**"), we have established an independent review committee for the funds (defined above as the "**IRC**"). The IRC is responsible for providing recommendations or decisions to us, as the manager of the funds, on conflicts of interest matters related to the funds that we refer to it. The IRC is paid \$20,000 annually, which is comprised of payments of \$8,000 to the Chair of the IRC and \$6,000 to each of the other two IRC members. This may increase if there are more than four meetings per year. The aggregate compensation paid to members of the IRC and expenses reimbursed to members of the IRC was \$20,700. For further information about the IRC, see the section below called "Fund governance".

Affiliated entities

No person or company that is an affiliate of us provides services to the funds.

OTHER MATTERS

Fund governance

As the manager of the funds, we have the responsibility for the governance of the funds. Specifically, in discharging our obligations in our capacity as trustee and manager respectively, we are required to:

- (a) act honestly, in good faith and in the best interests of the funds; and
- (b) exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in similar circumstances.

Our Board of Directors is responsible for overseeing our compliance with the above mentioned duty owed to the funds. We currently have four members of our Board of Directors. The names of the directors, their municipalities of residence and their employment history for the past five years are set out in the section called "Management of the funds". The Board of Directors meets when needed to discuss business matters and issues related to the funds.

We also have a Policies and Procedures Manual that contains a code of ethics and conduct and a code of ethics for personal investing, to address potential conflicts of interest between our clients (including the funds) and our directors, officers and employees. These policies are designed to ensure that certain persons act in the interest of the funds, and their unitholders with respect to any personal trading of securities. Under the Policies and Procedures Manual, employees are generally prohibited from knowingly buying or selling securities (except for mutual funds, government securities and money market instruments) which are being purchased, sold or considered for purchase or sale by a fund unless their proposed purchases are approved in advance. The Policies and Procedures Manual also contains certain reporting requirements and securities trading clearance procedures.

We have a Chief Compliance Officer who oversees compliance with all applicable rules and regulations (both external and internal) relating to mutual funds generally and the funds specifically. We have written policies and procedures in place to ensure that we fulfill our statutory duty to the funds, including policies and procedures governing our business practices, sales practices, risk management controls and internal conflicts of interest. These policies and procedures include a Code of Ethics and Conduct, as well as policies and procedures relating to the preparation and distribution of advertising and marketing materials, compliance with anti-money laundering rules and regulations, the valuation of portfolio securities and assets of the funds, conflicts of interest that may arise between us and the funds, the allocation of trades and investment opportunities among the funds, fund operating costs and their allocation, investments in other funds, and the treatment and protection of your personal information. Compliance monitoring with respect to our policies is carried out on an ongoing basis by our Chief Compliance Officer.

We will refer to the IRC all conflict of interest matters related to the funds and any other matters that are required to be reviewed or approved by the IRC under National Instrument 81-107 or National Instrument 81-102. The IRC must provide an impartial and independent recommendation to us as to whether, in its opinion, any action that we propose to take with respect to a conflict of interest matter we refer to the IRC achieves a fair and reasonable result for the funds. In accordance with National Instrument 81-107, we also have established policies and procedures to deal with conflict of interest matters. The IRC must also review and assess, on an annual basis, the adequacy and effectiveness of our policies and procedures relating to conflicts of interest matters and each fund's compliance and our compliance with any term or condition imposed by the IRC in any of its recommendations or approvals.

The IRC is composed of the following members: Kevin Drynan (Chair), Geoff Salmon and Eamonn McConnell. Each of these members was appointed effective August 14,

2017 and is “independent” within the meaning of National Instrument 81-107. The IRC has adopted a written charter and was operational and in compliance with National Instrument 81-107 as of August 14, 2017. The compensation payable to, and the expenses of, the IRC will be paid by the funds to the extent such compensation and expenses are attributable to Series F units.

Proxy voting policies and procedures

We have delegated the authority to vote proxies for the portfolio securities held by the Genus Dividend Equity Fund, the Genus Fossil Free Dividend Equity Fund, the Genus Fossil Free CanGlobe Equity Fund and the Genus Fossil Free High Impact Equity Fund to Shareholder Association for Research and Education (“**SHARE**”). SHARE’s services include research, recommendation and effecting votes on behalf of the funds, and provides reports concerning the proxies voted.

The securities that the Genus Government Bond Fund, the Genus Short-Term Bond Fund and the Genus Fossil Free Corporate Bond Fund invest in are fixed-income securities, which are typically non-voting. In the event of a vote, Addenda Capital Inc., as sub-advisor of those funds, will vote proxies on a case-by-case basis in the best long term interest of the unitholders of the funds.

We have adopted proxy voting guidelines (the “**Proxy Voting Guidelines**”) with respect to the voting of the funds’ proxies. Pursuant to the Proxy Voting Guidelines, proxies are to be voted in the best long term interest of the unitholders of the funds. Our Proxy Voting Guidelines set out the voting procedures to be followed in voting on routine and non-routine matters. The Director of Equity Investments is generally responsible for overseeing the proxy voting process. The Director of Equity Investments may designate one or more other individuals to oversee specific, on-going compliance with respect to the Proxy Voting Guidelines.

We use commercially reasonable efforts to oversee SHARE. In the event that the Proxy Voting Guidelines are not followed with respect to a particular matter because of the actions or omissions of any third party service providers or other agents, or any such persons experience any irregularities (e.g. misvotes or missed votes), such instances will not necessarily be deemed by us to be a breach of the Proxy Voting Guidelines.

We will cause proxies to be voted in a manner consistent with the best interests of the funds. Most proxies that are received will be voted in accordance with the predetermined Proxy Voting Guidelines. Since nearly all proxies are voted in accordance with the Proxy Voting Guidelines, it normally will not be necessary for SHARE to make an actual determination of how to vote a particular proxy, thereby largely eliminating conflicts of interest for us during the proxy voting process. However, the Proxy Voting Guidelines do address the procedures to be followed if a conflict of interest arises between the interests of the funds, and the interests of a sub-advisor or its affiliates.

The Proxy Voting Guidelines summarize our positions on various issues and gives a general indication as to how to vote proxies on each issue. Proxies will generally be

voted in accordance with the Proxy Voting Guidelines. However, SHARE reserves the right to vote certain issues counter to the Proxy Voting Guidelines if, after a review of the matter (which analysis will be documented in writing), SHARE believes that a fund's best interests would be served by such vote. To the extent that the Proxy Voting Guidelines do not address a potential voting issue, SHARE will vote on such issue in a manner that is consistent with the spirit of the Proxy Voting Guidelines and that SHARE believes would be in the best interest of the fund. Pursuant to the Proxy Voting Guidelines, SHARE generally votes for matters such as (i) routine business decisions (such as stock splits, name changes and setting the number of directors), (ii) reverse anti-takeover amendments, (iii) auditors, (iv) directors, (v) proposals establishing or increasing indemnification of directors, (vi) proposals eliminating or reducing directors' liability, (vii) equal access to the proxy, (viii) the right to act by written consent of shareholders and to hold special meetings of shareholders, (ix) the separation of audit and consulting responsibilities, and (x) confidential voting. As provided in the Proxy Voting Guidelines, SHARE generally votes against matters such as (i) anti-takeover measures (such as reincorporation to facilitate a takeover defence, adoption of fair price amendments, institution of classified boards of directors, elimination of cumulative voting and creation of super majority provisions), (ii) the issuance of a new class of stock with unequal voting rights, and (iii) blank check preferred stock proposals. The Proxy Voting Guidelines also provide that SHARE will generally consider on an individual basis such proposals as (i) increasing authorized common stock, (ii) establishing or increasing a stock option plan or other employee compensation plan, (iii) approving a reorganization or merger, (iv) approving a proposal by a dissident shareholder in a proxy battle, and (v) issues related to independent directors.

Under certain circumstances, SHARE may not be able to vote proxies or SHARE may find that the expected economic costs from voting outweigh the benefits associated with voting. Generally, SHARE does not vote proxies on foreign securities due to local restrictions, customs or anticipated expenses.

For the Genus Fossil Free Corporate Bond Fund, the Genus Fossil Free Dividend Equity Fund, the Genus Fossil Free CanGlobe Equity Fund and the Genus Fossil Free High Impact Equity Fund, proxies are also voted in line with the social and environmental criteria that are also used to determine the eligible universe of securities of these funds.

SHARE will handle the voting process for all funds. SHARE will receive ballots, interact with custodians, resolve reconciliation issues, provide processing of vote decisions and maintain records. We receive quarterly reports that show how proxies are voted and the reasons for the votes (the "**Proxy Voting Record**").

A copy of the Proxy Voting Record of a fund for the most recent period ended June 30 of each year is available to any unitholder of that fund upon request, at no cost, at any time after August 31 of that year.

You may obtain a copy of our Proxy Voting Guidelines on proxy voting and, when available, the proxy voting record of a fund, upon request, at no cost, by calling us toll-free at 1-800-668-7366, by contacting us by e-mail at info@genuscap.com or by writing to us at the address on the back cover of this Annual Information Form.

Derivatives

Derivatives may be used in managing the fund. A detailed description of the risks related to the use of derivatives for the fund can be found in the Simplified Prospectus under the heading “What are the risks of investing in a mutual fund?”

Written policies and procedures are in place, setting out the objectives for derivatives trading and related risk management. The objectives are:

- to enhance yields, or returns (or both);
- to isolate and manage risk; and
- to execute new strategies to add value.

Derivatives will not be used to create excess leverage, and will only be used as permitted by National Instrument 81-102 and any applicable regulatory relief. They will be used for hedging purposes – to offset or control risk exposures of the fund. They may also be used for non-hedging purposes. A description of the derivatives used by the fund can be found in the Simplified Prospectus under the heading “What does the fund invest in?”

Derivatives may be used to participate in changes to a particular market or group of securities without purchasing the securities directly.

The Chief Investment Officer is responsible for managing the risks associated with the use of derivatives. We have written guidelines that set out the objectives and goals for derivatives trading, which are established and reviewed periodically by the Chief Investment Officer and the Director of Equity Investments and approved by the board of directors, as required. In addition, we have written control policies and procedures in place that set out the risk management procedures applicable to derivatives trading. These policies and procedures set out specific procedures for the authorization, documentation, reporting, monitoring and review of derivative strategies ensuring that these functions are performed by individuals independent of those who trade. Limits and controls on derivatives trading are part of our compliance regime. As the use of derivatives by the fund is limited, we do not currently conduct simulations to test the portfolio under stress conditions. Derivatives policies and procedures are reviewed by the Chief Investment Officer on an annual basis.

Securities lending, repurchase and reverse purchase transactions

Each of the funds may enter into securities lending transactions. For details about how the funds engage in securities lending transactions, please see the section called “Securities lending transaction risk” in the funds’ Simplified Prospectus. Securities lending transactions are agreements where a fund lends its securities through an agent to another party, like a brokerage firm or other financial institution (each a “**counterparty**”), that agrees to return them to the fund with interest. Repurchase transactions are agreements where a fund sells securities back from a counterparty at a lower price, usually within a few days. A “reverse” repurchase transaction is where a

fund buys securities from a counterparty for cash and agrees to sell the securities back to the counterparty at a later date at a higher price. These transactions can allow the fund to earn a higher return on the securities in its portfolio. The funds may enter into these transactions only as permitted by the Canadian securities regulatory authorities, as described in National Instrument 81-102.

We will manage the risks associated with securities lending transactions in part by requiring the funds' securities lending agent to:

- enter into such transactions with reputable and well established counterparties;
- maintain internal controls, procedures and records, including a list of approved counterparties based on generally accepted diversification standards;
- each business day, determine the market value of both the securities loaned by a fund under a securities lending transaction, and if the cash and/or collateral is less than 102% of the market value of the securities loaned, on the next day the counterparty will be required to provide additional cash or collateral to the fund to cover the shortfall; and
- ensure that the collateral to be delivered to a fund is one or more of cash, qualified securities or securities immediately convertible into, or exchangeable for, securities of the same issuer, class or type, and same term, if applicable, as the securities being loaned by the fund.

We have policies in place that set out the objectives and goals for these particular types of investments. There are no limits or controls restricting these transactions and risk measurement or simulations are not used to test the portfolio under stress conditions. We are responsible for reviewing these matters on an as needed basis and will be independent to the agent.

A member of our senior management is responsible for reviewing and establishing our risk management policies and procedures, and the terms of any agreements. With the agents, we will review, at least annually, these risk management policies and procedures to ensure that the securities lending transactions are being properly managed in conformity with Canadian securities laws and our agreements with each agent.

Short-term trading

Short-term trading in units of the funds can disrupt portfolio management strategies, harm performance and increase fund expenses for all unitholders, including long-term unitholders who do not generate these costs. We have adopted policies and procedures to detect and deter short-term trading. Our Chief Compliance Officer will review these policies and procedures at least annually. We or our agent will monitor selected trades and flows of money in and out of the funds, in particular in relation to unitholders with large holdings in the funds, in an effort to detect short-term trading activities. We may cancel or refuse to process purchases or switches if we believe that you have engaged in short-term trading. In addition, we may in our discretion charge

you a short-term trading fee of up to 2% of the value of your units if you switch or redeem units within 30 days of buying units of a fund. This fee will be paid to the applicable fund. For more information see “Short-term trading” and “Fees and expenses” in the Simplified Prospectus. While these policies and procedures are intended to deter short-term trading, we cannot ensure that such trading will not occur.

Principal holders of securities

Principal holders of units of the funds

Except as described below, as at October 22, 2018, no person or company owned of record or, to our knowledge, beneficially, directly or indirectly, more than 10% of the units of any of the funds.

Name ⁽¹⁾	Fund	Type of Security	No of securities owned	% of ownership
Investor A	Genus Fossil Free Corporate Bond Fund Series O	Series O unit	103,830.40	21.80%
Investor B	Genus Fossil Free Corporate Bond Fund Series O	Series O unit	64,102.92	13.46%
Investor A	Genus Fossil Free Dividend Equity Fund Series O	Series O unit	78,821.00	12.57%
Investor B	Genus Fossil Free Dividend Equity Fund Series O	Series O unit	87,154.38	13.88%
Investor A	Genus Fossil Free CanGlobe Equity Fund Series O	Series O unit	108,556.80	19.06%
Investor A	Genus Fossil Free High Impact Equity Fund Series O	Series O unit	24,189.77	10.63%

⁽¹⁾ To protect the privacy of individual investors, we have omitted the names of the beneficial owners. This information is available on request by contacting us at the telephone number on the back cover of this Annual Information Form.

Principal holders of securities of Genus Capital Management Inc.

Except as stated below, as at October 22, 2018, no person or company owned of record or, to our knowledge, beneficially, directly or indirectly, more than 10% of our outstanding shares.

Name	Type of security	Type of ownership	No of securities owned	% of ownership
Wayne W. Wachell	Class A Shares	Direct and indirect	336,386	37.40%
Leslie G. Cliff	Class A Shares	Direct and indirect	336,386	37.40%

As of October 22, 2018, our directors and senior officers, in aggregate, owned 81.31% of our outstanding voting shares.

As of October 22, 2018, our directors and senior officers, in aggregate, owned less than 10% of the issued and outstanding series of units of any of the funds.

As of October 22, 2018, the members of the IRC and the Trustee, in aggregate, owned none of the funds' or Genus Capital Management Inc.'s outstanding securities.

Material contracts

The material contracts, other than those entered into in the normal course of the funds' business, are described briefly below.

1. Under the terms of an amended and restated trust agreement made as of October 20, 2017, each fund was established, we agreed to act as the manager and portfolio advisor of each fund and the Trustee agreed to act as trustee of each fund. For our services as manager and portfolio advisor of the funds, we receive the management fees described in the Simplified Prospectus under the heading "Fees and expenses". Under the Trust Agreement, the Trustee acts as the custodian for each of the funds. The Trustee receives a fee from the funds for its services as trustee and custodian. The funds may be terminated and dissolved by us upon 30 days' notice, the Trustee may resign as trustee upon 90 days' notice and we may resign as manager upon six months' notice.
2. Under to the terms of a Valuation and Recordkeeping Agreement made as of March 20, 2008, as amended from time to time, RBC Investor Services Trust also acts as recordkeeper for the funds. Each fund pays a fee to RBC Investor Services Trust for these services.

You can review any of these agreements during normal business hours at our office at 860 – 980 Howe Street, Vancouver, British Columbia, V6Z 0C8.

Legal and administrative proceedings

As at the date of this Annual Information Form, the Manager is subject of ongoing enforcement review by the British Columbia Securities Commission in relation to the use of certain client brokerage commissions during the period 2009 to 2016. The Manager is

in ongoing communication with British Columbia Securities Commission staff to resolve the issues raised.

Other than the foregoing, we are not aware of any pending or ongoing legal or administrative proceedings that we believe are material to the funds.

CERTIFICATE OF FUNDS, MANAGER AND PROMOTER

October 30, 2018

This Annual Information Form, together with the 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 of the provinces and territories of Canada, and do not contain any misrepresentations.

Genus Government Bond Fund
Genus Short-Term Bond Fund
Genus Dividend Equity Fund
Genus Fossil Free Corporate Bond Fund
Genus Fossil Free Dividend Equity Fund
Genus Fossil Free CanGlobe Equity Fund
Genus Fossil Free High Impact Equity Fund

Genus Capital Management Inc., on behalf of the funds, and in its capacity as manager and promoter of the funds.

(signed) Wayne W. Wachell
Wayne W. Wachell
Chief Executive Officer

(signed) Kar Ho Stephen Au
Kar Ho Stephen Au
Acting as Chief Financial Officer

On behalf of the Board of Directors of Genus Capital Management Inc., on behalf of the funds and in its capacity as manager and promoter of the funds.

(signed) Leslie G. Cliff
Leslie G. Cliff
Director

(signed) John-Paul Harrison
John-Paul Harrison
Director

Genus Capital Management Group of Funds

Additional information about the funds is available in the funds' Fund Facts, any management reports of fund performance filed and financial statements. You can get a copy of these documents, at your request and at no cost, by calling us toll-free at 1-800-668-7366, by contacting us by e-mail at info@genuscap.com or from your authorized dealer. You will also find the Simplified Prospectus and the funds' financial statements on our website at www.genuscap.com.

These documents and other information about the funds, such as information circulars and material contracts, are also available at www.sedar.com.

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