

# Simplified Prospectus

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.

**GENUS**  
CAPITAL MANAGEMENT



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## INTRODUCTION

This Simplified Prospectus contains selected important information to help you make an informed investment decision and to help you understand your rights as an investor. It is divided into two parts. The first part, from page 1 to page 22, contains general information that applies to all the funds. The second part, from page 23 to page 52, contains specific information about each of the funds described in this document.

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

- the Annual Information Form
- the most recently filed Fund Facts
- the most recently filed annual financial statements
- any interim financial report filed after those annual financial statements
- the annual management report of fund performance
- any interim management report of fund performance filed after that annual report of fund performance

These documents are incorporated by reference into this Simplified Prospectus, which means that they are legally part of this document just as if they were printed as part of it. 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](mailto:info@genuscap.com), or from your dealer. You will also find this Simplified Prospectus and the funds' financial statements on our website at [www.genuscap.com](http://www.genuscap.com).

These documents and other information about the funds are also available on SEDAR at [www.sedar.com](http://www.sedar.com).

### Certain defined terms

In this Simplified Prospectus 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 this Simplified Prospectus

## **GENERAL INFORMATION ABOUT MUTUAL FUNDS AND THE GENUS CAPITAL MANAGEMENT GROUP OF FUNDS**

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

#### ***What is a mutual fund?***

A mutual fund is a pool of money contributed by a group of investors with similar investment objectives. The portfolio advisor of the mutual fund (also sometimes referred to as a portfolio manager) uses this pool of money to buy a variety of investments on behalf of all investors in the fund. The portfolio advisor follows a set of guidelines for each mutual fund referred to as the investment objectives and investment strategies. All investors in a mutual fund share in any profits or losses of the fund.

When you invest in a mutual fund, you purchase units of that fund. Each unit of a fund represents an equal, undivided share of the fund's net assets. 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.

Some mutual funds issue units in more than one class or series. Each class or series may have different management fees or expenses. The funds currently each have five series of units – Series A, Series C, Series F, Series I and Series O. Only Series F units are offered under this Simplified Prospectus. Series A, Series C, Series I and Series O units are offered only on a private placement basis. See the section below called "Purchases, switches and redemptions".

#### ***What are the risks of investing in a mutual fund?***

Mutual funds own different types of investments, depending on their investment objectives and investment strategies. The value of your investment in a mutual fund is directly related to the value of the investments held by the fund. The value of these investments will change from day to day due to general market conditions, changes in interest rates, changes in currency exchange rates, and political and economic developments. As a result, the value of a mutual fund's units will go up and down, and the value of your investment in a fund may be more or less when you redeem it than when you purchased it.

Unlike bank accounts or guaranteed investment certificates, units of mutual funds are not covered by Canada Deposit Insurance Corporation or any other government deposit insurer. Your investment in the funds is not guaranteed.

One risk of investing in a mutual fund is that, in exceptional circumstances, the manager will not accept orders to redeem units of the mutual fund. These circumstances are explained below in the section called "Redeeming units of the funds".

It is very important that you are aware of the risks associated with each fund you invest in. The principal risks that may be associated with investing in mutual funds are

described below. The particular risks associated with each of the funds are set forth in the second part of this Simplified Prospectus under each fund description in the section called "What are the risks of investing in the fund?".

## **General Risks**

### *No assurance*

There is no assurance that a fund will achieve its investment objective.

### *Investment risk*

An investment in the funds may be deemed speculative and is not intended as a complete investment program. A subscription for units should be considered only by persons financially able to maintain their investment and who can bear the risk of loss associated with an investment in the funds. Investors should review closely the investment objective, strategies and restrictions to be utilized by the funds as outlined herein.

### *Reliance on us*

The funds rely upon our knowledge and expertise in providing fund management and portfolio management services to the funds. As unitholders, investors will not be entitled to participate in the management or control of any of the funds or their operations. The loss of our services or our key personnel could adversely affect the performance of the funds.

### *Potential conflicts of interest*

We, our principals or related parties may also act in the same or similar capacities in respect of other entities. In that event, we may have responsibility for the management of the assets of other entities at the same time as we are managing the portfolios of the funds and may use the same or different information and trading strategies obtained, produced or utilized in managing the portfolio. If we make investment decisions for such other entities and for the funds at or about the same time, the funds may be competing with such other entities for the same or similar position. We have in place policies and procedures to address such potential conflicts of interest and to resolve them in a fair and equitable manner.

### *No guaranteed return*

There is no guarantee that an investment in units will earn any positive return in the short or medium term. In fact, an investor could lose its entire investment in the units.

### *Valuation of portfolio securities*

While the funds are independently audited by their auditors on an annual basis in order to ensure as fair and as accurate a pricing as possible, valuation of the securities and other investments held in the portfolio of a fund may involve uncertainties and judgmental determinations and, if such valuations should prove to be incorrect, the net asset value and net asset value per series of the fund could be adversely affected. Independent pricing information may not, at times, be available regarding certain of

the securities and other investments held by a fund. Valuation determinations will be made in good faith in accordance with the Trust Agreement (as defined below).

A fund may, from time to time, have some of its assets in investments, which by their very nature may be extremely difficult to value accurately. To the extent that the value assigned by us to any such investment differs from the actual value, the net asset value per series may be understated or overstated, as the case may be.

#### *Series risk*

Each fund has different series of units. If a fund cannot pay the fees and expenses attributable to one series of units using the proportionate share of the fund's assets attributable to that series, the fund will be required to pay those fees and expenses out of one or more of the other series' proportionate share of the fund's assets. This may reduce the value of your investment in the fund.

#### *Large redemption risk*

Substantial redemptions by unitholders within a short period of time could require a fund to liquidate securities and other positions more rapidly than would otherwise be desirable, possibly reducing the value of its assets and/or disrupting its investment strategy. Further, it may be impossible to liquidate a sufficient amount of securities to meet redemptions because a significant part of the portfolio at any given time may be invested in securities for which the market is or becomes illiquid. Reduction in the size of a fund's assets could make it more difficult to generate a positive return or to recoup losses due to, among other things, reductions in the fund's ability to take advantage of particular investment opportunities or decreases in the ratio of its income to its expenses.

#### *Tax risk*

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



### *Cyber security risk*

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

### *Changes in applicable law*

Legal and other regulatory changes may occur that may adversely affect the funds and its unitholders.

## **Specific Investment Risks**

### *Market risk*

The value of most investments, in particular equity securities, will be affected by changes general market conditions. These fluctuations may result from one or more factors, such as cyclical changes in the economy, interest rate fluctuations, changes in the level of inflation, and geopolitical events. For example, when a recession is forecast, the stock market may decline as investors perceive that companies will suffer from poorer performance in the near term. In such an environment, "long" stock positions (bought, held, and sold in the future) likely would be negatively affected whereas "short" stock positions (borrowed, sold, and repurchased in the future) likely would benefit. Because the value of your investment in a fund will fluctuate, there is a risk that you will lose money.

### *Security risk*

The value of each security held or sold short by a fund may be affected by factors unique to the company issuing that security. These factors include the company's management capability, performance, products, balance sheet quality and cash flow. If a company whose securities are held (sold short) by a particular fund performs poorly (well) in any one or a combination of these areas, then the value of that company's securities, and therefore the value of the fund's assets, will fall. In addition, shares of smaller capitalization companies, without a lengthy operating history, may be less liquid

than those of larger, more established companies. Security risk is one reason that the value of a company's shares may fall, despite a rising market.

The risk to holding a security is bound by its lowest value (zero). However, there is an extra element of risk involved when selling short a security, as technically a security does not have an upper price limit.

This risk is applicable to all funds, but in practice is not a major factor for funds diversified among 30 or more securities or those that are primarily invested in securities guaranteed by the national governments of developed countries.

#### *Credit risk*

When a fund invests in debt securities, such as bonds, it is essentially making a loan to the company or the government issuing the security. The financial condition of an issuer of a debt security may cause it to default or become unable to pay interest or principal due on the security. If an issuer defaults, the affected security could lose all of its value, be renegotiated at a lower interest rate or principal amount, or become illiquid. Furthermore, debt securities are often rated by organizations such as Standard & Poor's, and if a security's rating is downgraded because the rating service feels the issuer may not be able to pay investors back, the value of that investment may fall. Higher yielding debt securities of lower credit quality have greater credit risk than lower yielding securities with higher credit quality.

#### *Foreign market risk*

Investing in foreign markets differs from investing in Canada because reporting requirements in foreign jurisdictions are often not consistent with those in Canada. For example, many foreign countries have different accounting and financial reporting standards, legal systems, securities and stock exchange practices, as well as different cultures and customs.

#### *Currency risk*

Funds that hold investments in foreign currency or have foreign debt or equity instruments in their portfolios are subject to currency risk (i.e. the possibility that foreign currency will fluctuate in value against the Canadian dollar or that a foreign government will convert, or be forced to convert, its currency to another currency, changing its value against the Canadian dollar). Since changes in the exchange rates between Canada and other countries affect the value of securities denominated in foreign currency, when the value of the Canadian dollar falls in relation to foreign currencies, the value of foreign securities in a fund will rise. Conversely, when the value of the Canadian dollar rises, the value of foreign assets will fall.

#### *Interest rate risk*

Funds that invest in fixed income or debt instruments such as bonds, mortgages or debentures are subject to interest rate risk because the value of such instruments is determined to a great extent by changes in interest rates. These instruments have a fixed interest rate resulting in interest income that is paid to investors on a regular (often

quarterly or semi-annual) basis. When interest rates rise, interest income that will be paid by a debt instrument becomes less valuable because new debt instruments being issued will pay a higher rate of interest. Therefore, the price that investors are willing to pay for the old instrument with the lower rate of interest will fall. Conversely, if interest rates fall then the value of an old debt instrument with a higher rate of interest will rise. This risk is particularly applicable to funds with income objectives.

#### *Deflation risk*

Funds that hold investments linked to changes in the broad price level of a country may be subject to deflation risk. For example, the principal value of Government of Canada Real Return Bonds may decline in value should Canada's Consumer Price Index decline. This risk is not applicable to inflation-linked debt issued by governments that provide a provincial guarantee. Related risks include potential changes to the method in which inflation is measured.

#### *Liquidity risk*

The market for some securities in which the funds may invest may be relatively illiquid. Liquidity relates to the ability of the fund to sell an investment in a timely manner. The market for relatively illiquid securities tends to be more volatile than the market for more liquid securities. Investment of a fund's assets in relatively illiquid securities and loans may restrict the ability of the fund to dispose of its investments at a price and time that it wishes to do so. The risk of illiquidity also arises in the case of over-the-counter transactions. There is no regulated market in such contracts, and the bid and offer prices will be established solely by dealers in these contracts.

#### *Income trust risk*

Income trusts commonly hold debt or equity securities in, or are entitled to receive royalties from, an underlying active business. Income trusts generally fall into four sectors: business trusts, utility trusts, resource trusts and real estate investment trusts. The investment returns of an income trust are subject to the risks to which the underlying business is subject, such as industry risks, interest rate fluctuations, commodity prices or other economic factors.

Returns on income trusts are neither fixed nor guaranteed. Income trusts and other securities that are expected to distribute income are more volatile than fixed income securities. The value of income trust units may decline significantly if they are unable to meet their distribution targets. To the extent that claims against an income trust are not satisfied by the trust, investors in the income trust could be held responsible for such obligations. Some, but not all, jurisdictions in Canada have enacted legislation to protect investors from some of this liability.

#### *Concentration risk*

Concentration risk is the risk associated with investments that are concentrated in a particular issuer, sector, country or region of the world. Concentration of investments allows a fund to focus on the potential of a particular issuer, sector, country or region. However, concentration also means that the value of the fund tends to be more

volatile than the value of a more diversified fund because the fund's value is affected more by the performance of that particular issuer, sector, country or region.

#### *Derivatives risk*

Derivatives are instruments whose value is derived from that of other assets, such as a security, a currency, a commodity or a market index. Although there are many types of derivatives, examples include options, futures and forward contracts. These are contracts that give the holder the option or right to buy or sell a security, currency or commodity at an agreed price during a certain period or at a specific time in the future.

The funds may use derivative financial instruments, including, without limitation, credit default swaps, options, futures, forwards, interest rate swaps, and cross-currency swaps and may use derivative techniques for hedging and for trading purposes, including for the purpose of obtaining the economic benefit of an investment in an entity without making a direct investment. The risks posed by such instruments and techniques, which can be extremely complex, include, in addition to the risks outlined above: (i) legal risks (the characterization of a transaction or a party's legal capacity to enter into it could render the financial contract unenforceable, and the insolvency or bankruptcy of a counterparty could pre-empt otherwise enforceable contract rights); (ii) operations risk (inadequate controls, deficient procedures, human error, system failure or fraud); (iii) documentation risk (exposure to losses resulting from inadequate documentation); (iv) liquidity risk (exposure to losses created by inability to prematurely terminate the derivative or a cease trade order being issued in respect of the underlying security); (v) investment risk arising from the disappearance of any conversion premium due to premature redemptions, changes in conversion terms or changes in issuer's dividend policy; and (vi) lack of liquidity during market panics.

Although a derivative hedge reduces risk, it does not eliminate risk entirely and there is no guarantee that the use of derivatives for hedging will be effective. Use of derivatives for hedging purposes involves certain additional risks, including: (i) dependence on the ability to predict movements in the price of the securities hedged; (ii) imperfect correlation between movements in the securities on which the derivative is based and movements in the assets of the underlying portfolio; and (iii) possible impediments to effective portfolio management or the ability to meet short-term obligations because of the percentage of a portfolio's assets segregated to cover its obligations. In addition, by hedging a particular position, any potential gain from an increase in value of such position may be limited.

Derivatives will only be used by a fund in a way that is consistent with the fund's investment objective and as permitted by applicable securities laws.

#### *Securities lending risk*

There are risks associated with securities lending transactions. The value of securities loaned by a fund under a securities lending transaction may exceed the value of the collateral (including the value of investments made with cash collateral) held by the fund. Securities lending involves the risk that the borrower may fail to return the

securities in a timely manner or at all. As a result the fund may lose money and there may be delay in recovering the loaned securities. A fund could lose money if it does not recover the loaned securities and/or the value of the collateral falls, including the value of the investments made with cash collateral. Pursuant to the securities lending arrangements established for the funds, a fund will receive collateral of no less than 102% of the value of the loaned securities (marked to market on a daily basis).

*Regulatory risk*

Some industries are heavily regulated. Certain funds may invest, directly or indirectly, in industries where government funding or regulatory issues may have an effect on the value of these investments.

**Organization and management of the Genus Capital Management Group of Funds**

Role / Provider	Services provided
<p><b>Manager</b></p> <p>Genus Capital Management Inc. 860 – 980 Howe Street Vancouver, British Columbia, V6Z 0C8</p>	<p>As manager of the funds, we manage the overall business and operations of the funds and administer or arrange for the administration of the day-to-day operations of the funds.</p>
<p><b>Trustee</b></p> <p>RBC Investor Services Trust Toronto, Ontario</p>	<p>As trustee, RBC Investor Services Trust holds the legal title to each fund’s investments in trust for unitholders. RBC Investor Services Trust is independent of us.</p>
<p><b>Portfolio Advisor</b></p> <p>Genus Capital Management Inc. Vancouver, British Columbia</p>	<p>As the principal portfolio advisor, we are responsible for managing the investment portfolios of the funds. We may hire sub-advisors, including sub-advisors that are affiliated with us, to manage the investment portfolios of the funds. We may hire or replace sub-advisors at any time. The sub-advisors (if any) for the funds as at the date of this Simplified Prospectus are described in the section called “Fund specific information”.</p> <p>The fees of sub-advisors are paid by us and not the funds. In addition, we are responsible for the advice provided to the funds even if it is provided through a sub-advisor.</p>

Role / Provider	Services provided
<p><b>Custodian</b></p> <p>RBC Investor Services Trust Toronto, Ontario</p>	<p>As custodian, RBC Investor Services Trust (or its sub-custodians) holds the funds' cash and investments in safekeeping on behalf of the funds. RBC Investor Services Trust is independent of us.</p>
<p><b>Recordkeeper</b></p> <p>RBC Investor Services Trust Toronto, Ontario</p>	<p>As recordkeeper, RBC Investor Services Trust keeps a register of the owners of units of each fund, processes orders, and issues account statements to unitholders. RBC Investor Services Trust is independent of us.</p>
<p><b>Auditor</b></p> <p>Ernst &amp; Young LLP, Chartered Professional Accountants Vancouver, British Columbia</p>	<p>Ernst &amp; Young LLP is responsible for auditing the annual financial statements of the funds. The auditors are independent with respect to us within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.</p> <p>Under applicable securities laws, the auditor of the funds may be changed without the approval of unitholders provided that the change is approved by the IRC (defined below) and that we provide you with at least 60 days' notice of the proposed change.</p>
<p><b>Securities Lending Agent</b></p> <p>RBC Investor Services Trust Toronto, Ontario</p>	<p>As securities lending agent, RBC Investor Services Trust administers securities lending arrangements on behalf of the funds. RBC Investor Services Trust is independent of us.</p>
<p><b>Independent Review Committee</b></p>	<p>In accordance with National Instrument 81-107 Independent review committee for investment funds, we have established an independent review committee for the funds (the "IRC"). We will refer to the IRC all conflict of interest matters in respect of the funds for its review or approval. The IRC is currently composed of three members and each member is independent within the meaning of National Instrument 81-107. The IRC will prepare, at least annually, a report of its activities for you, which will be available on our website at <a href="http://www.genuscap.com">www.genuscap.com</a> or at your request and at no cost, by contacting us by e-mail at <a href="mailto:info@genuscap.com">info@genuscap.com</a>. Additional information about the IRC, including the names</p>

Role / Provider	Services provided
	<p>of its members, is available in the funds' Annual Information Form.</p> <p>Under applicable securities laws, certain merger transactions involving the funds may be completed without the approval of unitholders provided that, among other things, the transaction is approved by the IRC and that we provide you with at least 60 days' notice of the proposed transaction; however under the Trust Agreement certain merger transactions specified in the Trust Agreement require unitholder approval.</p>

### **Purchases, switches and redemptions**

You may buy, switch and redeem units of the funds only 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 below called "Purchase and redemption price".

#### ***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 this Simplified Prospectus. Series A, Series C, Series I and Series O units are offered only on a private placement basis.

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

More information regarding the fees and expenses payable by the funds and investors in the funds, and the compensation payable to dealers in connection with the sale of units is set out in the sections below called "Fees and expenses", "Impact of sales charges", "Dealer compensation" and "Dealer compensation from management fees".

#### ***Purchase and redemption price***

Each fund maintains a separate net asset value for each series of units, as if each series were a separate fund. However, the assets of the fund constitute a single pool for investment purposes. The net asset value for a particular series is based on series specific amounts, such as amounts paid on the purchase and redemption of units of

the series and expenses attributable solely to the series, and on the series' share of the fund's investment earnings, market appreciation or depreciation of assets, common expenses and other amounts not attributable to a specific series.

The unit price for each series is the basis for determining the purchase price or redemption price for buying, switching or redeeming units of the funds. After the initial issuance of units of each series of a fund, the unit price for each series is calculated by dividing the net asset value for the series by the number of outstanding units of the series.

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.

The funds 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").

### ***Purchasing units of the funds***

Investors purchasing units of the funds are required to make an initial minimum investment of \$500 in units of each fund in which they invest. It is within our sole discretion to change or waive the initial minimum investment amount at any time and from time to time. There is no minimum amount for an additional investment. We may change or waive the initial minimum investment amount or account size at any time at our sole discretion at any time and from time to time.

Your authorized dealer may charge you a sales commission or fee when you buy units. This commission or fee is negotiated between you and your authorized dealer.

When you buy units of a fund, you have to include full payment for your units with your order. Your dealer must send us your payment within three business days of the date they send your order to us (or by such other deadlines 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 limit 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 your authorized dealer for the difference plus any costs. Your authorized dealer may, in turn, charge you for these amounts.

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 the same series of another fund through your authorized dealer. This is called "switching". The same rules for purchasing and redeeming units of the funds apply to switches. You may be charged a short-term trading fee of up to 2% of the value of your units for switching units of the funds 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.

Your switching privileges may be suspended or restricted.

### ***Redeeming units of the funds***

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

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 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 from your dealer the instructions necessary to complete the transaction, 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.

### ***Short-term trading***

Short-term trading in units of the funds can have an adverse effect on the funds. Such trading 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 intended to detect and deter short-term trading. For example, 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 at our sole 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. More information regarding the fees and expenses payable by the funds and investors in the funds is set out in the section below called "Fees and expenses".

While these policies and procedures are intended to deter short-term trading, we cannot ensure that such trading will not occur.

### **Optional services**

We offer the following services to make it easier for you to buy and sell units of the funds. To sign-up for one of the following services, contact us or your authorized dealer.

#### ***Tax deferred plans and Tax-free plans***

Units of the funds are qualified investments under the Tax Act for RRSPs, RRIFs, RESPs, RDSPs and TFSAs (collectively, "registered plans"). Annuitants of RRSPs and RRIFs, and holders of TFSAs and RDSPs, and subscribers of RESPs, should consult with their own tax advisors as to whether units of the funds would be a prohibited investment under the Tax Act in their particular circumstances.

To establish a tax deferred plan or a tax-free plan, speak to your authorized dealer.

### **Fees and expenses**

A brief description of the fees and expenses that you may have to pay if you invest in the funds is set out below. Most of these fees and expenses are paid by the funds; however, you may have to pay some of these fees and expenses directly. You should be aware that the payment of fees and expenses by the funds will reduce the value of your investment in the funds.

***Fees and expenses that the funds pay***

<p><b>Management fees</b></p>	<p>For our services as manager, each fund pays us an annual management fee in respect of Series F units of the fund. As manager of the funds, we provide or arrange to provide management and administrative services for the funds including: (i) investment management services, including portfolio security selection and investment, execution of portfolio transactions including selection of market, dealer, broker or counterparty, negotiation of brokerage commissions and appointment of investment advisers; (ii) determination of fund investment programs, restrictions and policies and statistical and research services related to the fund portfolios; (iii) office accommodation, facilities and personnel, telephone and other communication services, and office supplies; (iv) co-ordination and supervision of fund service providers; and (v) approval of fund expenses and monitoring of fund agreements. The costs of providing certain of the services above are regarded as operating expenses of the funds. Operating expenses are paid by the funds in addition to the management fees paid by the funds in respect of Series F units. For further information, see below under "Operating expenses and other costs".</p> <p>For Series F units, the management fee paid by each fund is calculated as a percentage of the net asset value of Series F units of the fund on each valuation day and paid monthly. The fee is subject to applicable taxes such as GST/HST. In some cases, we may waive our right to receive a portion of the management fees we are entitled to receive.</p> <p>The annual management fees for Series F units of the funds are set out below.</p> <table data-bbox="459 1339 1411 1785"> <thead> <tr> <th></th> <th style="text-align: right;"><b>Series F management fee</b></th> </tr> </thead> <tbody> <tr> <td>Genus Government Bond Fund</td> <td style="text-align: right;">0.49%</td> </tr> <tr> <td>Genus Short-Term Bond Fund</td> <td style="text-align: right;">0.49%</td> </tr> <tr> <td>Genus Dividend Equity Fund</td> <td style="text-align: right;">0.65%</td> </tr> <tr> <td>Genus Fossil Free Corporate Bond Fund</td> <td style="text-align: right;">0.49%</td> </tr> <tr> <td>Genus Fossil Free Dividend Equity Fund</td> <td style="text-align: right;">0.65%</td> </tr> <tr> <td>Genus Fossil Free CanGlobe Equity Fund</td> <td style="text-align: right;">0.65%</td> </tr> <tr> <td>Genus Fossil Free High Impact Equity Fund</td> <td style="text-align: right;">0.65%</td> </tr> </tbody> </table>		<b>Series F management fee</b>	Genus Government Bond Fund	0.49%	Genus Short-Term Bond Fund	0.49%	Genus Dividend Equity Fund	0.65%	Genus Fossil Free Corporate Bond Fund	0.49%	Genus Fossil Free Dividend Equity Fund	0.65%	Genus Fossil Free CanGlobe Equity Fund	0.65%	Genus Fossil Free High Impact Equity Fund	0.65%
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	<p>We will provide unitholders with notice in accordance with applicable securities legislation of any increase to these fees (or any other fees charged to a fund) at least 60 days before the increase becomes effective.</p>
<p><b>Operating expenses and other costs</b></p>	<p>In addition to the management fee, each fund pays its own operating expenses. These operating expenses include, but are not limited to: audit, accounting and legal fees; custodial, valuation, recordkeeping and bank fees and charges; fees payable to the Trustee, certain proxy voting service costs; compensation and expenses payable to members of the IRC, including their compensation, travel expenses and insurance premiums, fees associated with their continuing education, and other costs and expenses reasonably associated with the IRC; fees payable to provincial securities commissions in connection with the operation of the funds, including all filing fees; applicable taxes; costs associated with the preparation, production and distribution of financial and other reports, including semi-annual and annual reports, statements, communications to unitholders and other regularly required documents; costs associated with the preparation, production and distribution of this Simplified Prospectus, the Annual Information Form, the Fund Facts and other regulatory documents and certain administrative and other services and facilities required by the funds in relation to its unitholders, including the determination of net income and net capital gains of the funds to facilitate distributions and other services relating to the provision of information to unitholders. Brokerage commissions and transaction costs for buying and selling investments for a fund's portfolio and the costs and expenses related to holding any meeting convened by unitholders are paid by the fund.</p> <p>The expenses of each fund are allocated amongst the series of units on a series-by-series basis. Each series bears, as a separate series, any expense that can be specifically attributed to that series. Common expenses such as audit and custody fees are allocated amongst all series on a pro rata basis relative to the net asset value of each series.</p>

	<p>As noted above, the operating expenses of the funds include the compensation and expenses payable to members of the IRC. 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. Each member of the IRC is also reimbursed for his or her expenses incurred in connection with performing his or her duties as a member of the IRC. A secretariat fee in the amount of \$15,000 per annum for four meetings is paid to Independent Review Inc., an entity that provides secretariat services to the funds. In addition, an insurance premium of approximately \$5,600 per year is paid for coverage required by the IRC. After \$1 billion in assets under management, the insurance premium increases.</p> <p>At our sole discretion, we may, but will not be obligated to, reduce or waive our fees due from the funds or pay the operating expenses of the funds to limit the total fees and expenses of the funds to rates determined by us at any time and from time to time. Any such reduction or waiver shall not oblige us to make similar or other future reductions or waivers, and such reductions or waivers may be stopped without notice to you.</p> <p>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, in our sole discretion.</p>
<b>Other fees and expenses</b>	None.

***Fees and expenses that you pay directly***

<b>Sales charges</b>	Your dealer may charge you a sales commission or fee. These charges are negotiated between you and your dealer.
<b>Switch fees</b>	If you switch your units within 30 days of buying them, you may be charged a short-term trading fee (see below).

<b>Redemption fees</b>	If you redeem your units within 30 days of buying them, you may be charged a short-term trading fee (see below).
<b>Short-term trading fee</b>	In order to protect unitholders from the costs associated with investors moving quickly in and out of the funds, at our sole discretion you may be charged 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 regarding the short-term trading fee see the section above called "Short-term trading".
<b>Registered tax plan fees</b>	Your dealer may charge you a fee. These charges are negotiated between you and your dealer.
<b>Other fees and expenses</b>	None

### Impact of sales charges

The table below shows the fee you would have to pay under different purchase options if you made an investment of \$1,000 in units of a fund, if you held that investment for one, three, five or 10 years, and you sold your units immediately before the end of each of these time periods:

	<u>At time of purchase</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>	<u>10 years</u>
Sales charge option <sup>1</sup>	n/a	n/a	n/a	n/a	n/a
Redemption charge option <sup>1</sup>	n/a	n/a	n/a	n/a	n/a
No-load option <sup>2</sup>	\$0	\$0	\$0	\$0	\$0

<sup>1</sup> There is no sales charge option or redemption charge option when you buy units of a fund.

<sup>2</sup> This is the only purchase option when you buy units of a fund.

## **Dealer compensation**

### ***Commissions***

When you purchase units through an authorized dealer, your dealer may charge you a commission or sales charge. These charges are negotiated between you and your dealer.

We may assist dealers with certain of their direct costs associated with marketing mutual funds and with providing educational investor conferences and seminars about mutual funds. We may also pay dealers a portion of the costs of educational conferences, seminars or courses that provide information about financial planning, investing in securities, mutual fund industry matters or mutual funds generally. We may provide dealers with marketing materials about the funds managed by us, other investment literature and permitted network system support. We may provide dealers non-monetary benefits of a promotional nature and of minimal value, and we may engage in business promotion activities that result in dealers receiving non-monetary benefits. We review the assistance we will provide under these programs on an individual basis.

Subject to compliance with securities regulatory authorities' mutual fund sales practices rules, we may change the terms and conditions of any commissions and programs, or may stop them, at any time.

### ***Trailing commissions***

We do not pay trailer fees with respect to Series F units.

### ***Equity interests***

Neither any participating dealer nor any representatives of a participating dealer have any equity interest in us.

## **Dealer compensation from management fees**

No management fees were paid by the funds for the year ended December 31, ~~2016~~ 2017 because no Series F units were outstanding during that period.

## **Income tax considerations for investors**

The following is a brief discussion of a number of tax considerations applicable to investors who are individuals, other than a trust, resident in Canada and who hold their units as "capital property" (for the purposes of the Tax Act). The discussion below is not exhaustive of all tax considerations and is not intended to be legal or tax advice to an investor. We encourage investors to obtain independent advice regarding the tax consequences of investing in units, based on their own particular circumstances. A more detailed discussion of these and other issues are set out in the funds' Annual Information Form.

### ***Units held in a registered plan***

The units of the funds are expected to be, effective at all material times, qualified investments under the Tax Act for registered plans such as:

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

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 a prohibited investment 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 RESP should consult their tax advisors as to whether units of the funds would be a prohibited investment under the Tax Act in their particular circumstances.

If units of a fund are held in a registered plan, 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 TFSA, and refunds of contributions from an RESP, are not subject to tax).

### ***Units held outside a registered plan***

If you hold units of a fund outside of a registered plan, you will be required to include in computing your income for tax purposes the amount of the net income and the taxable portion of the net capital gains paid or payable to you by the fund in the year (including by way of management fee distributions), whether you receive these distributions in cash or they are reinvested in additional units. Management fee distributions are first made out of net income and net capital gains, and then out of capital. If the appropriate designations are made by a fund, distributions of net taxable capital gains, taxable dividends on shares of taxable Canadian corporations and foreign source income of a fund paid or payable to you by the fund will effectively retain their character and be treated as such in your hands. To the extent that the distributions to you by a fund in any year exceed your share of the net income and net



capital gains of the fund allocated to you for that year, those distributions (except to the extent that they are proceeds of disposition) will be a return of capital and will not be taxable to you but will reduce the adjusted cost base of your units of the fund.

In most circumstances, distributions of net income are made quarterly in March, June, September and December, and distributions of net capital gains are made in December. However, distributions can be made at any time in the calendar year at our sole discretion. Management fee distributions are calculated and accrued daily, and are paid out periodically. You will be taxed on distributions of income and capital gains from a fund, even though the income and capital gains accrued to the fund or were realized by the fund before you acquired the units and were reflected in the purchase price of the units. This may be an important consideration if you invest in an equity fund late in the year, or before a quarterly distribution.

A fund's portfolio turnover rate indicates how actively the fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance that you will receive a distribution from the fund that must be included in your income for tax purposes for that year. For more information on portfolio turnover rate see the section called "Portfolio turnover rate".

If you dispose of a unit, whether by switch, redemption or otherwise, a capital gain (or a capital loss) will be realized to the extent that the proceeds of disposition, less any costs of disposition, are greater (or less) than the adjusted cost base 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. Changing units of one series of a fund into units of another series of the same fund will not result in a disposition. One-half of a capital gain (or a capital loss) is generally included in determining your taxable capital gain (or allowable capital loss).

In general, the aggregate adjusted cost base of your units of a series of a fund equals:

- your initial investment in the fund (including any sales charges paid) plus
- the cost of any additional investments in the fund (including any sales charges paid) plus
- reinvestment distributions (including management fee distributions) minus
- the capital returned in any distributions minus
- the adjusted cost base of any previous redemptions.

The adjusted cost base to you of a unit of a series of a fund will generally be determined by reference to the average adjusted cost base of all units of the series of the fund held by you at the time of the disposition.

If you hold units outside of a registered plan, we will issue a tax statement to you each year identifying the taxable portion of your distributions and returns of capital, if any. You should keep detailed records of the purchase cost, sales charges and distributions related to your units as this is the only way to accurately calculate the adjusted cost base of those units.

### ***Tax information reporting***

Pursuant to the Intergovernmental Agreement for the Enhanced Exchange of Tax Information under the Canada-U.S. Tax Convention entered into between Canada and the U.S. (the "**IGA**"), and related Canadian legislation, the funds and/or registered dealers are required to report certain information with respect to unitholders who are U.S. residents and U.S. citizens (including U.S. citizens who are residents or citizens of Canada), and certain other "U.S. Persons" as defined under the IGA (excluding registered plans such as RRSPs), to the Canada Revenue Agency ("**CRA**"). It is expected that the CRA will then exchange the information with the U.S. Internal Revenue Service.

In addition, to meet the objectives of the Organization for Economic Co-operation and Development Common Reporting Standards ("**CRS**"), the funds and/or registered dealers will be required under Canadian legislation to identify and report to the CRA information relating to unitholders in the funds who are resident in a country outside Canada and the U.S. It is expected that the CRA will provide that information to the tax authorities of the relevant jurisdiction that has adopted the CRS.

## **SPECIFIC INFORMATION ABOUT EACH OF THE MUTUAL FUNDS DESCRIBED IN THIS DOCUMENT**

### **Introduction**

This part of the Simplified Prospectus gives you detailed information about each of our funds. It explains the features of each fund, such as its investment objectives and strategies. To avoid repeating information in each fund description, certain information that is common to all funds is set out below.

### **Portfolio turnover rate**

The portfolio turnover rate indicates how actively the fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the fund buying and selling all of the securities in its portfolio once in the course of the year. In any year, the higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year and the larger the capital gains distribution may be. There is not necessarily a relationship between a high portfolio turnover rate and the performance of a fund. For information about the potential tax consequences that a high portfolio turnover rate may have on a fund or on investors, see the section called "Units held in non-registered accounts".

### **Selection of sub-advisors**

As the principal portfolio advisor for the funds, we are responsible for managing the investment portfolios of the funds. We may hire sub-advisors, including sub-advisors that are affiliated with us, to provide investment advice and portfolio management services to the funds. Each selected sub-advisor will have the discretion to purchase and sell portfolio securities for the fund or the portion 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. We will have the discretion to allocate assets between sub-advisors within a given fund. We will monitor and assess the performance of sub-advisors on an ongoing basis, and we may hire or replace sub-advisors at any time. The sub-advisors for the funds as of the date of this Simplified Prospectus are described in the section for each fund called "Fund details".

If you would like a list of current sub-advisors, call us toll-free at 1-800-668-7366, or email us at [info@genuscap.com](mailto:info@genuscap.com).

### **How the funds may use derivatives**

The funds may use derivatives, such as options, forwards and futures contracts, for hedging purposes to seek to protect against losses from currency fluctuations. In addition, the funds may use derivatives, such as options, forwards and futures contracts, for non-hedging purposes as a substitute for direct investment or to adjust market exposure based on actual or expected cash inflows to or outflows from the fund. Options contracts are agreements that give the buyer the right, but not the obligation, to buy or sell certain securities within a certain time period, at a specified price. Futures or forward contracts are agreements made today to buy or sell a particular currency,

security or market index on a specific day in the future at a specified price. The fund may use derivatives as long as the use of derivatives is consistent with the fund's investment objectives and permitted by applicable securities laws. The fund cannot use derivatives for speculative trading or to create a portfolio with excess leverage. If the fund uses derivatives, securities laws require the fund to hold enough assets or cash to cover its commitments under those derivatives.

### **How the funds may engage in securities lending transactions**

The funds may enter into securities lending transactions, as permitted by Canadian securities regulatory authorities, to earn additional income for the funds. A securities lending transaction is where a fund lends portfolio securities that it owns to a creditworthy institutional borrower. The borrower promises to return to the fund, at a later date, an equal number or amount of the same securities and to pay a fee to the fund for borrowing the securities. The fund may recall the securities at any time. Applicable securities laws require a fund to hold collateral consisting of cash and/or approved securities equal to no less than 102% of the market value of the loaned securities measured each business day. Pursuant to the securities lending arrangements established for the funds, a fund will receive collateral of no less than 102% of the market value of the loaned securities. Therefore, the fund retains exposure to changes in the value of the securities loaned while earning additional income. In securities lending transactions, the fund receives any interest or dividend amounts paid by the issuer of the securities while those securities are held by the other party to the transaction.

A fund will not enter into a securities lending transaction if, immediately thereafter, the aggregate market value of all securities loaned by the fund and not yet returned to it would exceed 50% of the total assets of the fund (exclusive of collateral held by the fund for securities lending transactions). See the section above under "What are the risks of investing in a mutual fund?"

### **Departure from fundamental investment objectives**

The portfolio advisor of a fund may depart temporarily from the fund's fundamental investment objective as a result of adverse market, economic, political or other considerations. In these circumstances, as a temporary defensive tactic, the fund may increase its holdings of cash or short-term money market securities. In addition, the fund may engage in cash management practices to earn income on uncommitted cash balances. Generally, cash is uncommitted pending investment in other obligations, payment of redemptions or in other circumstances where the fund's portfolio advisor believes liquidity is necessary or desirable.

### **Investment risk classification and methodology**

The fund risk rating referred to in the section entitled "*Who should invest in this Fund?*" in each fund's profile will help you decide, along with your financial advisor, whether a fund is right for you. This information is only a guide. We determine the risk rating for each fund in accordance with Appendix F *Investment Risk Classification Methodology*

of National Instrument 81-102 Investment Funds ("**NI 81-102**"). The investment risk level of a fund is based on a standardized risk classification methodology that is based on the fund's historical volatility as measured by the 10-year standard deviation of the returns of the mutual fund. Just as historical performance may not be indicative of future returns, a fund's historical volatility may not be indicative of its future volatility. You should be aware that other types of risk, both measurable and non-measurable, also exist.

Standard deviation is a statistical measure used to estimate the dispersion of a set of data around the average value of the data. In the context of investment returns, it measures the amount of variability of returns that has historically occurred relative to the average return. Accordingly, the higher the standard deviation of a fund, the greater the range of returns it has experienced in the past.

Using this methodology, we assign a risk rating to each fund as either low, low to medium, medium, medium to high, or high risk. A fund's risk rating is determined by calculating its standard deviation for the most recent 10 years, calculated monthly and annualized from the inception of the fund with the categories set out above, assuming the reinvestment of all income and capital gains distributions in additional units of the fund. For those funds that do not have at least 10 years of performance history, we use a reference index that reasonably approximates or, for a newly established fund, that is reasonably expected to approximate, the standard deviation of the fund (or in certain cases a highly similar mutual fund managed by us) as a proxy. There may be times when we believe this methodology produces a result that does not reflect a fund's risk based on other qualitative factors. As a result, we may place the fund in a higher risk rating category, as appropriate. For example, when a comparable mandate already exists and the fund's performance history is too short, we may assign a risk rating based on the historical standard deviation of performance of a comparable mandate in making our final determination of the fund's risk rating. We review the risk rating for each fund on an annual basis or if there has been a material change to a fund's investment objectives or investment strategies.

The methodology that we use to identify the investment risk level of the funds is available on request, by calling us toll-free at 1-800-668-7366, by contacting us by email at [info@genuscap.com](mailto:info@genuscap.com), or by writing to us at the address on the back cover of this document.

## Genus Government Bond Fund

### *Fund details*

<b>Fund type</b>	Canadian bond
<b>Securities offered</b>	Series F trust units
<b>Start date</b>	Series F units: October 23, 2017*
<b>Eligibility</b>	Units of the fund are qualified investments for RRSPs (including GRRSPs, LRSPs and LIRAs), RRIFs (including LIFs, LRIFs, PRIFs and RLIFs), DPSPs, RESPs, RDSPs and TFSAs.
<b>Sub-advisor</b>	Addenda Capital Inc.** Montreal, Canada

\* Other series of units of the fund were previously offered on a private placement basis since May 1, 1989.

\*\* We may hire or replace sub-advisors, or change the allocation of assets among sub-advisors, at any time. See the section above called "Selection of sub-advisors".

### ***What does the fund invest in?***

#### *Investment objectives*

The fundamental investment objective of the Genus Government Bond Fund is to preserve capital and to create added value through its fixed income holdings, by primarily investing in Canadian and provincial government bonds, debentures and other instruments.

Under applicable securities laws, the fundamental investment objective of the 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 fund, we may change the investment strategies described below at our discretion.

#### *Investment strategies*

To achieve the fund's investment objective, the portfolio advisor utilizes the following investment strategies. The minimum quality standard for bonds and debentures is an "A Low" credit rating as determined by the Dominion Bond Rating Service or another comparable rating service. It may also include privately placed investments if consistent with the fund's overall investment objective and permitted by applicable laws.

## Genus Government Bond Fund (continued)

The returns of the fund are derived from interest and capital appreciation on the securities held in the fund's portfolio. The portfolio advisor shifts towards either Canadian or provincial bonds based on economic scenario analysis. Average term to maturity is guided by the portfolio advisor's interest rate expectations, and provincial issuer selection is driven by attractiveness of yield for credit quality. The fund's overall term to maturity is plus or minus four years compared to its benchmark, FTSE TMX Canada Universe Government Bond Index.

The fund may directly invest a portion of its net asset value in foreign securities where such an investment is compatible with the investment objective of the fund. Although there is no specific limitation on the percentage of the net asset value of the fund that may be invested in foreign securities, as of the date of this Simplified Prospectus we do not expect that the fund will directly invest more than 20% of its net asset value in foreign securities including Canadian denominated bonds issued by foreign issuers in the Canadian market.

The fund may use derivatives, such as options, forwards and futures contracts, for hedging purposes to seek to protect against losses from currency fluctuations. In addition, the fund may use derivatives, such as options, forwards and futures contracts, for non-hedging purposes as a substitute for direct investment or to adjust market exposure based on actual or expected cash inflows to or outflows from the fund. Options contracts are agreements that give the buyer the right, but not the obligation, to buy or sell certain securities within a certain time period, at a specified price. Futures or forward contracts are agreements made today to buy or sell a particular currency, security or market index on a specific day in the future at a specified price. The fund may use derivatives as long as the use of derivatives is consistent with the fund's investment objective and permitted by applicable securities laws. The fund cannot use derivatives for speculative trading or to create a portfolio with excess leverage. If the fund uses derivatives, securities laws require the fund to hold enough assets or cash to cover its commitments under those derivatives. For further information, see "Derivatives risk" on page 8.

The fund's investment strategies involve active and frequent trading of portfolio securities. For more information about the portfolio turnover rate, please refer to that section on page 23.

The fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the fund. For more information on how the fund could engage in these types of transactions, see "How the funds engage in securities lending transactions" on page 24.

### ***What are the risks of investing in the fund?***

In addition to the general risks outlined in the section above called "What are the risks of investing in a mutual fund?", the additional material investment risks associated with an investment in the fund are as follows:

## Genus Government Bond Fund (continued)

- market risk
- credit risk
- derivatives risk
- deflation risk
- foreign market risk
- liquidity risk
- currency risk
- interest rate risk
- security risk
- concentration risk
- series risk

To the extent the fund engages in securities lending transactions, the fund will also be subject to securities lending risk.

These risks are described in the section above called “What are the risks of investing in a mutual fund?”. The methodology we use to identify the risk level of the fund is described in the section above called “Investment risk classification and methodology” on page 24.

### ***Who should invest in this fund?***

The fund is suitable for investors:

- seeking income from their investment
- with a low tolerance to risk
- who plan to hold their investment for the medium to long-term

Don't buy the fund if you are not willing to accept some fluctuation in the value of your investment.

### ***Distribution policy***

To the extent net income is available for distribution, net income for the fund will be distributed no less frequently than at the end of each calendar quarter. Additionally, to the extent available, net realized capital gains will be distributed no less frequently than at the end of each calendar year.

Distributions from the fund are automatically reinvested in units of the fund unless you tell us in advance you want to receive your distributions in cash. For more information about distributions, please see the section above called “Income tax considerations for investors” on page 19.

### ***Fund expenses indirectly borne by investors***

Because no Series F units of the fund have been sold to investors, this information is not yet available.



## Genus Short-Term Bond Fund

### *Fund details*

<b>Fund type</b>	Canadian bond
<b>Securities offered</b>	Series F trust units
<b>Start date</b>	Series F units: October 23, 2017*
<b>Eligibility</b>	Units of the fund are qualified investments for RRSPs (including GRRSPs, LRSPs and LIRAs), RRIFs (including LIFs, LRIFs, PRIFs and RLIFs), DPSPs, RESPs, RDSPs and TFSAs.
<b>Sub-advisor</b>	Addenda Capital Inc.** Montreal, Canada

\* Other series of units of the fund were previously offered on a private placement basis since May 1, 1989.

\*\* We may hire or replace sub-advisors, or change the allocation of assets among sub-advisors, at any time. See the section above called "Selection of sub-advisors".

### ***What does the fund invest in?***

#### *Investment objectives*

The fundamental investment objective of the Genus Short-Term Bond Fund is to preserve capital, reduce interest rate risk and create added value through its fixed income holdings, by primarily investing in securities issued by Canadian corporations with a term to maturity generally not exceeding five years and a credit quality of "BBB Low" or better as determined by the Dominion Bond Rating Service or another comparable rating service.

The selection of investments for the fund's portfolio is governed by the portfolio advisor's Fossil Free mandate, and is restricted to issuers that conduct their affairs in a manner that meets the portfolio advisor's screening criteria in relation to specific environmental, social and governance issues. The fund excludes companies directly involved in the extraction, processing, and transportation of fossil fuels.

Under applicable securities laws, the fundamental investment objective of the 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 fund, we may change the investment strategies described below at our discretion.

## Genus Short-Term Bond Fund (continued)

### *Investment strategies*

To achieve the fund's investment objective, the portfolio advisor will seek to generate returns from interest and capital appreciation on the securities held in the fund's portfolio. It may also include privately placed investments if consistent with the fund's overall investment objective and permitted by applicable laws.

The portfolio advisor shifts towards cyclical or non-cyclical sectors based on economic scenario analysis. Duration and yield curve positioning are guided by the portfolio advisor's interest rate expectations, and issuer selection is driven by value in terms of yield for credit quality. The fund's modified duration may range from one to five years. Average bond maturity dates typically fall within plus or minus one year versus the benchmark. The fund's benchmark is 60% FTSE TMX Short Term Corporate Bond Index, 20% FTSE TMX Short Term Federal Index and 20% FTSE TMX Short Term Provincial Index.

The fund may directly invest a portion of its net asset value in foreign securities where such an investment is compatible with the investment objective of the fund. Although there is no specific limitation on the percentage of the net asset value of the fund that may be invested in foreign securities, as of the date of this Simplified Prospectus we do not expect that the fund will directly invest more than 40% of its net asset value in foreign securities including Canadian denominated bonds issued by foreign issuers in the Canadian market.

The fund may use derivatives, such as options, forwards and futures contracts, for hedging purposes to seek to protect against losses from currency fluctuations. In addition, the fund may use derivatives, such as options, forwards and futures contracts, for non-hedging purposes as a substitute for direct investment or to adjust market exposure based on actual or expected cash inflows to or outflows from the fund. Options contracts are agreements that give the buyer the right, but not the obligation, to buy or sell certain securities within a certain time period, at a specified price. Futures or forward contracts are agreements made today to buy or sell a particular currency, security or market index on a specific day in the future at a specified price. The fund may use derivatives as long as the use of derivatives is consistent with the fund's investment objective and permitted by applicable securities laws. The fund cannot use derivatives for speculative trading or to create a portfolio with excess leverage. If the fund uses derivatives, securities laws require the fund to hold enough assets or cash to cover its commitments under those derivatives. For further information, see "Derivatives risk" on page 8.

The fund's investment strategies involve active and frequent trading of portfolio securities. For more information about the portfolio turnover rate, please refer to that section on page 23.

The fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the fund. For more information on how the fund could engage in these types of transactions, see "How the funds engage in securities lending transactions" on page 24.

## Genus Short-Term Bond Fund (continued)

### *What are the risks of investing in the fund?*

In addition to the general risks outlined in the section above called “What are the risks of investing in a mutual fund?”, the principal investment risks associated with an investment in the fund are as follows:

- market risk
- deflation risk
- liquidity risk
- income trust risk
- security risk
- concentration risk
- derivatives risk
- foreign market risk
- interest rate risk
- credit risk
- currency risk
- series risk

To the extent the fund engages in securities lending transactions, the fund will also be subject to securities lending risk.

These risks are described in the section above called “What are the risks of investing in a mutual fund?”. The methodology we use to identify the risk level of the fund is described in the section above called “Investment risk classification and methodology” on page 24.

### *Who should invest in this fund?*

The fund is suitable for investors:

- seeking income from their investment
- with a low tolerance to risk
- who plan to hold their investment for the medium to long-term

Don't buy the fund if you are not willing to accept some fluctuation in the value of your investment.

### *Distribution policy*

To the extent net income is available for distribution, net income for the fund will be distributed no less frequently than at the end of each calendar quarter. Additionally, to the extent available, net realized capital gains will be distributed no less frequently than at the end of each calendar year.

Distributions from the fund are automatically reinvested in units of the fund unless you tell us in advance you want to receive your distributions in cash. For more information about distributions, please see the section above called “Income tax considerations for investors” on page 19.

## Genus Short-Term Bond Fund (continued)

### *Fund expenses indirectly borne by investors*

Because no Series F units of the fund have been sold to investors, this information is not yet available.

## Genus Dividend Equity Fund

### *Fund details*

<b>Fund type</b>	Global equity
<b>Securities offered</b>	Series F trust units
<b>Start date</b>	Series F units: October 23, 2017*
<b>Eligibility</b>	Units of the fund are qualified investments for RRSPs (including GRRSPs, LRSPs and LIRAs), RRIFs (including LIFs, LRIFs, PRIFs and RLIFs), DPSPs, RESPs, RDSPs and TFSA.

\* Other series of units of the fund were previously offered on a private placement basis since May 1, 1989.

### *What does the fund invest in?*

#### *Investment objectives*

The fundamental investment objective of the Genus Dividend Equity Fund is to achieve moderate growth and an above-average dividend yield with smaller losses of capital during difficult market cycles, by primarily investing in large capitalization common stock from Canadian and global issuers including issuers that offer sustainable high income, such as equity securities with high dividend yields and income trust units.

Under applicable securities laws, the fundamental investment objective of the 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 fund, we may change the investment strategies described below at our discretion.

#### *Investment strategies*

To achieve the fund's investment objective, the portfolio advisor utilizes the following investment strategies. The returns of the fund are derived primarily from dividends and capital appreciation on the securities held in the fund's portfolio. The fund also emphasizes investments with lower risk characteristics. The fund typically holds between 40 and 100 securities. The fund aims to outperform its benchmark of 35% S&P/TSX Composite Index and 65% MSCI World Index.

The portfolio advisor implements a quantitative multi-style discipline that examines areas of value, earnings growth, analyst expectations, price-momentum, balance-sheet quality and corporate sustainability.

Geographic allocation is tactically managed from a strategic home base of 35% Canadian securities and 65% global securities. The manager seeks to overweight more

## Genus Dividend Equity Fund (continued)

attractive regions by assessing economic indicators, inflation, monetary policy, technical factors, risk and valuation.

The portfolio reflects reasonable GICS sector diversification with maximum single sector exposure capped at 35% and maximum 10% exposure in individual securities.

The fund may directly invest a portion of its net asset value in foreign securities where such an investment is compatible with the investment objective of the fund. Although there is no specific limitation on the percentage of the net asset value of the fund that may be invested in foreign securities, as of the date of this Simplified Prospectus we do not expect that the fund will directly invest more than 80% of its net asset value in foreign securities.

The fund may use derivatives, such as options, forwards and futures contracts, for hedging purposes to seek to protect against losses from currency fluctuations. In addition, the fund may use derivatives, such as options, forwards and futures contracts, for non-hedging purposes as a substitute for direct investment or to adjust market exposure based on actual or expected cash inflows or outflows from the fund. Options contracts are agreements that give the buyer the right, but not the obligation, to buy or sell certain securities within a certain time period, at a specified price. Futures or forward contracts are agreements made today to buy or sell a particular currency, security or market index on a specific day in the future at a specified price. The fund may use derivatives as long as the use of derivatives is consistent with the fund's investment objective and permitted by applicable securities laws. The fund cannot use derivatives for speculative trading or to create a portfolio with excess leverage. If the fund uses derivatives, securities laws require the fund to hold enough assets or cash to cover its commitments under those derivatives. For further information, see "Derivatives risk" on page 8.

The fund's investment strategies involve active and frequent trading of portfolio securities. For more information about the portfolio turnover rate, please refer to that section on page 23.

The fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the fund. For more information on how the fund could engage in these types of transactions, see "How the funds engage in securities lending transactions" on page 24.

### ***What are the risks of investing in the fund?***

The material risks associated with an investment in the fund are:

- market risk
- concentration risk
- derivatives risk
- security risk
- liquidity risk
- foreign market risk
- currency risk
- income trust risk
- series risk

## **Genus Dividend Equity Fund (continued)**

To the extent the fund engages in securities lending transactions, the fund will also be subject to securities lending risk.

These risks are described in the section above called "What are the risks of investing in a mutual fund?". The methodology we use to identify the risk level of the fund is described in the section above called "Investment risk classification and methodology" on page 24.

### ***Who should invest in this fund?***

The fund is suitable for investors:

- who want to earn income from their investment
- seeking a potential for growth through capital appreciation
- with a low to medium tolerance to risk
- who plan to hold your investment for the long-term

Don't buy the fund if you are not willing to accept some fluctuation in the value of your investment.

### ***Distribution policy***

To the extent net income is available for distribution, net income for the fund will be distributed no less frequently than at the end of each calendar quarter. Additionally, to the extent available, net realized capital gains will be distributed no less frequently than at the end of each calendar year.

Distributions from the fund are automatically reinvested in units of the fund unless you tell us in advance you want to receive your distributions in cash. For more information about distributions, please see the section above called "Income tax considerations for investors" on page 19.

### ***Fund expenses indirectly borne by investors***

Because no Series F units of the fund have been sold to investors, this information is not yet available.

## Genus Fossil Free Corporate Bond Fund

### *Fund details*

<b>Fund type</b>	Canadian bond
<b>Type of securities</b>	Series F trust units
<b>Start date</b>	Series F units: October 23, 2017*
<b>Eligibility</b>	Units of the fund are qualified investments for RRSPs (including GRRSPs, LRSPs and LIRAs), RRIFs (including LIFs, LRIFs, PRIFs and RLIFs), DPSPs, RESPs, RDSPs and TFSA's.
<b>Sub-advisor</b>	Addenda Capital Inc.** Montreal, Canada

\* Other series of units of the fund were previously offered on a private placement basis since July 27, 2000.

\*\* We may hire or replace sub-advisors, or change the allocation of assets among sub-advisors, at any time. See the section above called "Selection of sub-advisors".

### ***What does the fund invest in?***

#### *Investment objectives*

The fundamental investment objective of the Genus Fossil Free Corporate Bond Fund is to preserve capital and to create added value through its fixed income holdings, by primarily investing in securities issued by Canadian corporations with a credit quality of "BBB Low" or better as determined by the Dominion Bond Rating Service or another comparable rating service. The fund seeks to achieve sustainable values alignment.

The selection of investments for the fund's portfolio is governed by the portfolio advisor's Fossil Free mandate, and is restricted to issuers that conduct their affairs in a manner that meets the portfolio advisor's screening criteria in relation to specific environmental, social and governance issues. The fund excludes companies directly involved in the extraction, processing, and transportation of fossil fuels.

Under applicable securities laws, the fundamental investment objective of the 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 fund, we may change the investment strategies described below at our discretion.

#### *Investment strategies*

To achieve the fund's investment objective, the portfolio advisor will seek to generate returns from interest and capital appreciation on the securities held in the fund's



## Genus Fossil Free Corporate Bond Fund (continued)

portfolio. The fund is expected to hold no more than 30% of its assets in global securities including Canadian denominated bonds issued by global issuers in the Canadian market. It may also include privately placed investments if consistent with the fund's overall investment objective and permitted by applicable laws.

The portfolio advisor shifts towards cyclical or non-cyclical sectors based on economic scenario analysis. Duration and yield curve positioning are guided by the portfolio advisor's interest rate expectations, and issuer selection is driven by value in terms of yield for credit quality. Average bond maturity dates typically fall within plus or minus one year versus the benchmark. The fund's benchmark is FTSE TMX Canada Mid Term Corporate Bond Index.

The fund may directly invest a portion of its net asset value in foreign securities where such an investment is compatible with the investment objective of the fund. Although there is no specific limitation on the percentage of the net asset value of the fund that may be invested in foreign securities, as of the date of this Simplified Prospectus we do not expect that the fund will directly invest more than 30% of its net asset value in foreign securities including Canadian denominated bonds issued by foreign issuers in the Canadian market.

The fund may use derivatives, such as options, forwards and futures contracts, for hedging purposes to seek to protect against losses from currency fluctuations. In addition, the fund may use derivatives, such as options, forwards and futures contracts, for non-hedging purposes as a substitute for direct investment or to adjust market exposure based on actual or expected cash inflows to or outflows from the fund. Options contracts are agreements that give the buyer the right, but not the obligation, to buy or sell certain securities within a certain time period, at a specified price. Futures or forward contracts are agreements made today to buy or sell a particular currency, security or market index on a specific day in the future at a specified price. The fund may use derivatives as long as the use of derivatives is consistent with the fund's investment objective and permitted by applicable securities laws. The fund cannot use derivatives for speculative trading or to create a portfolio with excess leverage. If the fund uses derivatives, securities laws require the fund to hold enough assets or cash to cover its commitments under those derivatives. For further information, see "Derivatives risk" on page 8.

The fund's investment strategies involve active and frequent trading of portfolio securities. For more information about the portfolio turnover rate, please refer to that section on page 23.

The fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the fund. For more information on how the fund could engage in these types of transactions, see "How the funds engage in securities lending transactions" on page 24.

## Genus Fossil Free Corporate Bond Fund (continued)

### *What are the risks of investing in the fund?*

In addition to the general risks outlined in the section above called “What are the risks of investing in a mutual fund?”, the principal investment risks associated with an investment in the fund are as follows:

- market risk
- credit risk
- liquidity risk
- foreign market risk
- security risk
- deflation risk
- derivatives risk
- currency risk
- interest rate risk
- concentration risk
- income trust risk
- series risk

To the extent the fund engages in securities lending transactions, the fund will also be subject to securities lending risk.

As of October 22, 2018, two investors owned approximately 21.80% and 13.46% respectively, of the net asset value of the fund, which results in large redemption risk.

These risks are described in the section above called “What are the risks of investing in a mutual fund?”. The methodology we use to identify the risk level of the fund is described in the section above called “Investment risk classification and methodology” on page 24.

### *Who should invest in this fund?*

The fund is suitable for investors:

- seeking less volatility than an all equity investment
- seeking a higher level of interest compared to money market investments
- seeking sustainability values alignment
- with a low tolerance to risk
- who plan to hold your investment for the medium to long-term

Don't buy the fund if you are not willing to accept some fluctuation in the value of your investment.

### *Distribution policy*

To the extent net income is available for distribution, net income for the fund will be distributed no less frequently than at the end of each calendar quarter. Additionally, to the extent available, net realized capital gains will be distributed no less frequently than at the end of each calendar year.

Distributions from the fund are automatically reinvested in units of the fund unless you tell us in advance you want to receive your distributions in cash. For more information

## Genus Fossil Free Corporate Bond Fund (continued)

about distributions, please see the section above called “Income tax considerations for investors” on page 19.

### *Fund expenses indirectly borne by investors*

Because no Series F units of the fund have been sold to investors, this information is not yet available.

## Genus Fossil Free Dividend Equity Fund

### *Fund details*

<b>Fund type</b>	Global equity
<b>Securities offered</b>	Series F trust units
<b>Start date</b>	Series F units: October 23, 2017*
<b>Eligibility</b>	Units of the fund are qualified investments for RRSPs (including GRRSPs, LRSPs and LIRAs), RRIFs (including LIFs, LRIFs, PRIFs and RLIFs), DPSPs, RESPs, RDSPs and TFSA.

\* Other series of units of the fund were previously offered on a private placement basis since July 27, 2000.

### *What does the fund invest in?*

#### *Investment objectives*

The fundamental investment objective of the Genus Fossil Free Dividend Equity Fund is to achieve moderate growth and an above-average dividend yield with smaller losses of capital during difficult market cycles, by primarily investing in large capitalization common stock from Canadian and global issuers. The fund seeks to achieve sustainable values alignment.

The selection of investments for the fund's portfolio is governed by the portfolio advisor's Fossil Free mandate, and is restricted to issuers that conduct their affairs in a manner that meets the portfolio advisor's screening criteria in relation to specific environmental, social and governance issues. The fund excludes companies directly involved in the extraction, processing, and transportation of fossil fuels.

Under applicable securities laws, the fundamental investment objective of the 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 fund, we may change the investment strategies described below at our discretion.

#### *Investment strategies*

To achieve the fund's investment objective, the portfolio advisor utilizes the following investment strategies.

The returns of the fund are derived primarily from dividends and capital appreciation on the securities held in the fund's portfolio. To achieve return objectives, the portfolio advisor primarily invests in companies included in the S&P/TSX Composite and MSCI World Indices that offer sustainable high income, such as equity securities with high dividend yields and income trust units. The fund also emphasizes investments with lower

## Genus Fossil Free Dividend Equity Fund (continued)

risk characteristics. The fund typically holds between 40 and 100 securities. The fund aims to outperform its benchmark of 35% S&P/TSX Composite Index and 65% MSCI World Index.

The portfolio advisor implements a quantitative multi-style discipline that examines areas of value, earnings growth, analyst expectations, price-momentum, balance-sheet quality and corporate sustainability.

Geographic allocation is tactically managed from a strategic home base of 35% Canadian securities and 65% global securities. The portfolio advisor seeks to overweight more attractive regions by assessing economic indicators, inflation, monetary policy, technical factors, risk and valuation.

The portfolio reflects reasonable GICS sector diversification with maximum single sector exposure capped at 35% and maximum 10% exposure in individual securities.

The fund may directly invest a portion of its net asset value in foreign securities where such an investment is compatible with the investment objective of the fund. Although there is no specific limitation on the percentage of the net asset value of the fund that may be invested in foreign securities, as of the date of this Simplified Prospectus we do not expect that the fund will directly invest more than 80% of its net asset value in foreign securities.

The fund may use derivatives, such as options, forwards and futures contracts, for hedging purposes to seek to protect against losses from currency fluctuations. In addition, the fund may use derivatives, such as options, forwards and futures contracts, for non-hedging purposes as a substitute for direct investment or to adjust market exposure based on actual or expected cash inflows to or outflows from the fund. Options contracts are agreements that give the buyer the right, but not the obligation, to buy or sell certain securities within a certain time period, at a specified price. Futures or forward contracts are agreements made today to buy or sell a particular currency, security or market index on a specific day in the future at a specified price. The fund may use derivatives as long as the use of derivatives is consistent with the fund's investment objective and permitted by applicable securities laws. The fund cannot use derivatives for speculative trading or to create a portfolio with excess leverage. If the fund uses derivatives, securities laws require the fund to hold enough assets or cash to cover its commitments under those derivatives. For further information, see "Derivatives risk" on page 8.

The fund's investment strategies involve active and frequent trading of portfolio securities. For more information about the portfolio turnover rate, please refer to that section on page 23.

The fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the fund. For more information on how the fund could engage in these types of transactions, see "How the funds engage in securities lending transactions" on page 24.

## Genus Fossil Free Dividend Equity Fund (continued)

### *What are the risks of investing in the fund?*

In addition to the general risks outlined in the section above called “What are the risks of investing in a mutual fund?”, the principal investment risks associated with an investment in the fund are as follows:

- market risk
- concentration risk
- derivatives risk
- security risk
- liquidity risk
- foreign market risk
- currency risk
- income trust risk
- series risk

To the extent the fund engages in securities lending transactions, the fund will also be subject to securities lending risk.

As of October 22, 2018, two investors owned approximately 12.57% and 13.88% respectively, of the net asset value of the fund, which results in large redemption risk.

These risks are described in the section above called “What are the risks of investing in a mutual fund?”. The methodology we use to identify the risk level of the fund is described in the section above called “Investment risk classification and methodology” on page 24.

### *Who should invest in this fund?*

The fund is suitable for investors:

- who want to earn income from their investment
- seeking a potential for growth through capital appreciation
- seeking sustainability values alignment
- with a low to medium tolerance to risk
- who plan to hold their investment for the medium to long-term

Don't buy the fund if you are not willing to accept some fluctuation in the value of your investment.

### *Distribution policy*

To the extent net income is available for distribution, net income for the fund will be distributed no less frequently than at the end of each calendar quarter. Additionally, to the extent available, net realized capital gains will be distributed no less frequently than at the end of each calendar year.

Distributions from the fund are automatically reinvested in units of the fund unless you tell us in advance you want to receive your distributions in cash. For more information

## **Genus Fossil Free Dividend Equity Fund (continued)**

about distributions, please see the section above called “Income tax considerations for investors” on page 19.

### ***Fund expenses indirectly borne by investors***

Because no Series F units of the fund have been sold to investors, this information is not yet available.

## Genus Fossil Free CanGlobe Equity Fund

### *Fund details*

<b>Fund type</b>	Global equity
<b>Securities offered</b>	Series F trust units
<b>Start date</b>	Series F units: October 23, 2017*
<b>Eligibility</b>	Units of the fund are qualified investments for RRSPs (including GRRSPs, LRSPs and LIRAs), RRIFs (including LIFs, LRIFs, PRIFs and RLIFs), DPSPs, RESPs, RDSPs and TFSA.

\* Other series of units of the fund were previously offered on a private placement basis since July 27, 2000.

### *What does the fund invest in?*

#### *Investment objectives*

The fundamental investment objective of the Genus Fossil Free CanGlobe Equity Fund is to maximize growth of capital with comparable risk to underlying markets by primarily investing in large capitalization common stocks from Canadian and global issuers. The fund seeks to achieve sustainable values alignment.

The selection of investments for the fund's portfolio is governed by the portfolio advisor's Fossil Free mandate, and is restricted to issuers that conduct their affairs in a manner that meets the portfolio advisor's screening criteria in relation to specific environmental, social and governance issues. The fund excludes companies directly involved in the extraction, processing, and transportation of fossil fuels.

Under applicable securities laws, the fundamental investment objective of the 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 fund, we may change the investment strategies described below at our discretion.

#### *Investment strategies*

To achieve the fund's investment objective, the portfolio advisor utilizes the following investing strategies.

The returns of the fund are derived primarily from dividends and capital appreciation on the securities held in the fund's portfolio. To achieve return objectives, the portfolio advisor primarily invests in companies that enhance diversification and return potential of the portfolio. The fund typically holds between 60 and 120 securities, and aims to outperform its benchmark of 35% S&P/TSX Composite Index and 65% MSCI World Index.



## Genus Fossil Free CanGlobe Equity Fund (continued)

The manager implements a quantitative multi-style discipline that examines areas of value, earnings growth, analyst expectations, price-momentum, balance-sheet quality and corporate sustainability.

Geographic allocation is tactically managed from a strategic home base of 35% Canadian securities and 65% global securities. The manager seeks to overweight more attractive regions by assessing economic indicators, inflation, monetary policy, technical factors, risk and valuation.

The portfolio reflects reasonable GICS sector diversification with maximum single sector exposure capped at 30% and maximum 10% exposure in individual securities.

The fund may directly invest a portion of its net asset value in foreign securities where such an investment is compatible with the investment objective of the fund. Although there is no specific limitation on the percentage of the net asset value of the fund that may be invested in foreign securities, as of the date of this Simplified Prospectus we do not expect that the fund will directly invest more than 80% of its net asset value in foreign securities. Individual equity investments generally do not exceed 10% on a cost basis.

The fund may use derivatives, such as options, forwards and futures contracts, for hedging purposes to seek to protect against losses from currency fluctuations. In addition, the fund may use derivatives, such as options, forwards and futures contracts, for non-hedging purposes as a substitute for direct investment or to adjust market exposure based on actual or expected cash inflows to or outflows from the fund. Options contracts are agreements that give the buyer the right, but not the obligation, to buy or sell certain securities within a certain time period, at a specified price. Futures or forward contracts are agreements made today to buy or sell a particular currency, security or market index on a specific day in the future at a specified price. The fund may use derivatives as long as the use of derivatives is consistent with the fund's investment objective and permitted by applicable securities laws. The fund cannot use derivatives for speculative trading or to create a portfolio with excess leverage. If the fund uses derivatives, securities laws require the fund to hold enough assets or cash to cover its commitments under those derivatives. For further information, see "Derivatives risk" on page 8.

The fund's investment strategies involve active and frequent trading of portfolio securities. For more information about the portfolio turnover rate, please refer to that section on page 23.

The fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the fund. For more information on how the fund could engage in these types of transactions, see "How the funds engage in securities lending transactions" on page 24.

## Genus Fossil Free CanGlobe Equity Fund (continued)

### *What are the risks of investing in the fund?*

In addition to the general risks outlined in the section above called “What are the risks of investing in a mutual fund?”, the principal investment risks associated with an investment in the fund are as follows:

- market risk
- security risk
- liquidity risk
- currency risk
- concentration risk
- income trust risk
- derivatives risk
- foreign market risk
- series risk

To the extent the fund engages in securities lending transactions, the fund will also be subject to securities lending risk.

As of October 22, 2018, one investor owned approximately 19.06% of the net asset value of the fund, which results in large redemption risk.

These risks are described in the section above called “What are the risks of investing in a mutual fund?”. The methodology we use to identify the risk level of the fund is described in the section above called “Investment risk classification and methodology” on page 24.

### *Who should invest in this fund?*

The fund is suitable for investors:

- seeking diversification with Canadian and foreign equity securities
- who want a growth component in their investment
- seeking sustainability values alignment
- with a medium tolerance to risk
- who plan to hold their investment for the long-term

Don't buy the fund if you are not willing to accept some fluctuation in the value of your investment.

### *Distribution policy*

To the extent net income is available for distribution, net income for the fund will be distributed no less frequently than at the end of each calendar year. Additionally, to the extent available, net realized capital gains will be distributed no less frequently than at the end of each calendar year.

Distributions from the fund are automatically reinvested in units of the fund unless you tell us in advance you want to receive your distributions in cash. For more information

## Genus Fossil Free CanGlobe Equity Fund (continued)

about distributions, please see the section above called “Income tax considerations for investors” on page 19.

### *Fund expenses indirectly borne by investors*

Because no Series F units of the fund have been sold to investors, this information is not yet available.

## Genus Fossil Free High Impact Equity Fund

### *Fund details*

<b>Fund type</b>	Global equity
<b>Securities offered</b>	Series F trust units
<b>Start date</b>	Series F units: October 23, 2017*
<b>Eligibility</b>	Units of the fund are qualified investments for RRSPs (including GRRSPs, LRSPs and LIRAs), RRIFs (including LIFs, LRIFs, PRIFs and RLIFs), DPSPs, RESPs, RDSPs and TFSA.

\* Other series of units of the fund were previously offered on a private placement basis since May 15, 2014.

### *What does the fund invest in?*

#### *Investment objectives*

The fundamental investment objective of the Genus Fossil Free High Impact Equity Fund is to invest in companies around the world making the biggest positive environmental and social impact. The fund primarily invests in leading social and environmental companies that also offer attractive financial return potential. The portfolio advisor also seeks to achieve competitive financial returns with market-like risk.

The selection of investments for the fund's portfolio is governed by the portfolio advisor's Fossil Free mandate, and is restricted to issuers that conduct their affairs in a manner that meets the portfolio advisor's screening criteria in relation to specific environmental, social and governance issues. The fund excludes companies directly involved in the extraction, processing, and transportation of fossil fuels.

Under applicable securities laws, the fundamental investment objective of the 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 fund, we may change the investment strategies described below at our discretion.

#### *Investment strategies*

To achieve the fund's investment objective, the portfolio advisor utilizes the following investing strategies. The financial returns of the fund are derived primarily from dividends and capital appreciation on the securities held in the portfolio. The fund typically holds between 20 and 30 small-cap, mid-cap and large-cap securities. The fund aims to outperform its benchmark of MSCI World Index.

The fund strives to thematically emphasize products and services that offer solutions to sustainability challenges. As part of the process, the manager maintains a universe of

## Genus Fossil Free High Impact Equity Fund (continued)

high impact companies that are leaders in areas such as: renewable energy, energy efficiency, water and waste management, low negative impact products, sustainable agriculture, as well as access to healthcare, education and technology.

To select investments from the universe with the best return potential, the manager implements a quantitative multi-style discipline that examines areas of value, earnings growth, analyst expectations, price-momentum, balance-sheet quality and corporate sustainability.

The portfolio reflects reasonable GICS sector diversification with maximum single sector exposure capped at 35% and maximum 10% exposure in individual securities.

The fund may directly invest 100% of its net asset value in foreign securities where such an investment is compatible with the investment objective of the fund.

The fund may use derivatives, such as options, forwards and futures contracts, for hedging purposes to seek to protect against losses from currency fluctuations. In addition, the fund may use derivatives, such as options, forwards and futures contracts, for non-hedging purposes as a substitute for direct investment or to adjust market exposure based on actual or expected cash inflows to or outflows from the fund. Options contracts are agreements that give the buyer the right, but not the obligation, to buy or sell certain securities within a certain time period, at a specified price. Futures or forward contracts are agreements made today to buy or sell a particular currency, security or market index on a specific day in the future at a specified price. The fund may use derivatives as long as the use of derivatives is consistent with the fund's investment objective and permitted by applicable securities laws. The fund cannot use derivatives for speculative trading or to create a portfolio with excess leverage. If the fund uses derivatives, securities laws require the fund to hold enough assets or cash to cover its commitments under those derivatives. For further information, see "Derivatives risk" on page 8.

The fund's investment strategies involve active and frequent trading of portfolio securities. For more information about the portfolio turnover rate, please refer to that section on page 23.

The fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the fund. For more information on how the fund could engage in these types of transactions, see "How the funds engage in securities lending transactions" on page 24.

## Genus Fossil Free High Impact Equity Fund (continued)

### *What are the risks of investing in the fund?*

The material risks associated with an investment in the fund are:

- market risk
- concentration risk
- derivatives risk
- security risk
- liquidity risk
- foreign market risk
- currency risk
- income trust risk
- series risk

To the extent the fund engages in securities lending transactions, the fund will also be subject to securities lending risk.

As of October 22, 2018, one investor owned approximately 10.63% of the net asset value of the fund, which results in large redemption risk.

These risks are described in the section above called “What are the risks of investing in a mutual fund?”. The methodology we use to identify the risk level of the fund is described in the section above called “Investment risk classification and methodology” on page 24.

### *Who should invest in this fund?*

The fund is suitable for investors:

- seeking growth through capital appreciation
- seeking to participate in impact investing
- seeking sustainable values alignment
- with a medium tolerance to risk
- who plan to hold their investment for the long-term

Don't buy the fund if you are not willing to accept some fluctuation in the value of your investment.

### *Distribution policy*

To the extent net income is available for distribution, net income for the fund will be distributed no less frequently than at the end of each calendar year. Additionally, to the extent available, net realized capital gains will be distributed no less frequently than at the end of each calendar year.

Distributions from the fund are automatically reinvested in units of the fund unless you tell us in advance you want to receive your distributions in cash. For more information about distributions, please see the section above called “Income tax considerations for investors” on page 19.

## Genus Fossil Free High Impact Equity Fund (continued)

### *Fund expenses indirectly borne by investors*

Because no Series F units of the fund have been sold to investors, this information is not yet available.

## **WHAT ARE YOUR LEGAL RIGHTS?**

Securities legislation in some provinces and territories gives you the right to withdraw from an agreement to buy units of mutual funds within two business days of receiving the Simplified Prospectus or Fund Facts, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy mutual fund units and get your money back, or to make a claim for damages, if the Simplified Prospectus, Annual Information Form, Fund Facts or financial statements misrepresent any facts about the fund. These rights must usually be exercised within certain time limits.

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



## **Genus Capital Management Group of Funds**

Additional information about the funds is available in the funds' Annual Information Form, Fund Facts, any management reports of fund performance filed and financial statements. These documents are incorporated by reference into this Simplified Prospectus, which means that they are legally part of this document just as if they were printed as part of it. You can get a copy of these documents, at your request and at no cost, by calling toll-free at 1-800-668-7366, by contacting us by e-mail at [info@genuscap.com](mailto:info@genuscap.com), or from your authorized dealer. You will also find this Simplified Prospectus and the financial statements on our website at [www.genuscap.com](http://www.genuscap.com).

These documents and other information about the funds, such as information circulars and material contracts, are also available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **GENUS CAPITAL MANAGEMENT INC.**

860 – 980 Howe Street  
Vancouver, British Columbia  
Canada, V6Z 0C8  
Tel 604 683 4554  
Fax 604 683 7294  
[info@genuscap.com](mailto:info@genuscap.com)  
[www.genuscap.com](http://www.genuscap.com)