

Simplified Prospectus

Arcs of Fire Tactical Balanced Fund TM

Series A, Series F, and Series I Units



No securities regulatory authority has expressed an opinion about these units and it is an offence to claim otherwise. The Fund and the units of the Fund offered under this Simplified Prospectus are not registered with the U.S. Securities and Exchange Commission and may be offered and sold in the United States only pursuant to an exemption from registration.

October 17, 2017

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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.

This Simplified Prospectus contains information about the Fund and the risks of investing in mutual funds generally, as well as the names of the firms responsible for the management of the Fund.

Additional information about the Fund is available in its Annual Information Form, its most recently filed Fund Facts, its most recently filed annual financial statements and any interim financial report filed after those annual financial statements, and its most recently filed annual management report of fund performance and any interim management report of fund performance filed after that annual management report of fund performance.

These documents are incorporated by reference into this Simplified Prospectus. This means that they legally form part of this document just as if they were printed as a part of this document. You can get a copy of these documents, at your request and at no cost, by:

- writing to us at Norrep Capital Management Ltd., at Suite 1100, 606 – 4th Street SW, Calgary, AB T2P 1T1, or at Suite 4330, 77 King Street West, Toronto, ON, M5K 1H6;
- calling us toll free at 1-877-531-9355;
- emailing us at info@norrep.com;
- visiting the Manager's website at www.norrep.com; or
- asking your representative.

These documents and other information about the Fund are also available at www.sedar.com.

GLOSSARY

In this Simplified Prospectus:

"Arcs of Fire Investments™" means Arcs of Fire Investments Inc., the promoter of the Fund.

"Business Day" means a day that the TSX is open for trading.

"Cumberland" means Cumberland Associates Investment Counsel Inc., the adviser and portfolio manager of the Fund.

"ETFs" means exchange-traded funds.

"Fund" means Arcs of Fire Tactical Balanced Fund.

"Independent Review Committee" or **"IRC"** means the independent review committee for the Fund as contemplated under NI 81-107.

"Manager" means Norrep Capital Management Ltd., the investment fund manager of the Fund.

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

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

"Portfolio Manager" means Cumberland Associates Investment Counsel Inc., the adviser and portfolio manager of the Fund.

"Promoter" means Arcs of Fire Investments Inc., the promoter of the Fund.

"Registered Plan" means a trust governed by a registered retirement savings plan, registered retirement income fund, registered education savings plan, registered disability savings plan, tax-free savings account, or a deferred profit sharing plan (all as defined for purposes of the Tax Act).

"Tax Act" means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, all as amended from time to time.

"Trustee" means the trustee of the Fund, Computershare Trust Company of Canada.

"TSX" means the Toronto Stock Exchange.

"We", "us", and "our" means the Fund, the Manager, the Trustee, the Portfolio Manager, and/or the Promoter, as applicable.

"You" and "your" means the person who invests in the Fund.

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 people with similar investment objectives. People who contribute money become unitholders of the mutual fund. The value of an investment in a mutual fund is realized by redeeming units.

A mutual fund allows you to pool your money with other investors; here are some features you should know about:

- You buy units of a mutual fund, which represents ownership. The units are “securities”.
- Units are issued and redeemed on the basis of the net asset value of the applicable series.
- Investments made by a mutual fund are professionally managed. Investment professionals have training, skills, experience, and access to research and technology that individual investors do not.
- Mutual funds are required to report to you. You are entitled to get detailed ongoing financial and other disclosure about what your fund is investing in and how it is performing. Also, your dealer or advisor will provide you with account statements for your investment in the mutual fund.
- When a mutual fund generates net income, it is distributed to you. This distribution may be reinvested in additional units of the mutual fund.

What are the Risks of Investing in a Mutual Fund?

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

The full amount of your investment in a mutual fund, including the Fund, is not guaranteed. Unlike bank accounts or GICs, mutual fund securities are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

Under exceptional circumstances, a mutual fund may suspend redemptions. See ***Purchases and Redemptions***.

Different investments have different types of investment risk. Mutual funds also have different kinds of risk, depending on the securities they own. Below is a summary of the various types of investment risks that may be applicable to mutual funds generally. The second part of this Simplified Prospectus will tell you the specific risks that apply to the Fund.

Individuals have different tolerances for risks. You need to take into account your own comfort with risk as well as the amount of risk suitable for your investment goals.

Capital Depletion Risk

Some mutual funds may provide distributions that may consist, in whole or in part, of a return of capital of an investor's investment. When a mutual fund returns capital to you, the mutual fund is returning a portion of the money you originally invested in the mutual fund, as opposed to returns or income generated by investment. Returns of capital should not be confused with "yield" or "income" and are not intended to reflect a mutual fund's investment performance. A return of capital reduces the net asset value of the particular series on which it was paid. As well, a return of capital reduces the total assets of the mutual fund available for investment, which may reduce the ability of the mutual fund to generate future income.

Concentration Risk

If the holdings of a mutual fund are concentrated in one industry sector, it is possible that the fund may experience reduced liquidity. Additionally, if the fund holds significant investments in a few companies, changes in the value of the securities of those companies may increase the volatility of the net asset value of the fund.

Cyber Security Risk

Cyber security is the risk of harm, loss, or liability resulting from a failure or breach of an organization's technology systems. Cyber security risks can result from deliberate attacks or unintentional events and may be caused by external or internal sources. Examples of cyber attacks include "hacking" or causing denial-of-service attacks on websites, such as making network services unavailable to intended users. Cyber security risks have the ability to negatively impact mutual funds, their investors, and the companies in which they invest in many ways. For example, cyber security risks can disrupt and impact business operations, such as NAV calculations and trading and the businesses of companies in which the funds invest, and can cause violations of the privacy of investors. While we have established plans and systems designed to address these risks, any plans and systems designed to address cyber security risks are inherently limited as technology and cyber security risks continue to evolve.

Defence Sector Risk

Mutual funds may focus their investments in certain specified industries or sectors. The Portfolio Manager intends to create an identifiable exposure to companies within the defence industry. Government aerospace and defence regulation and spending policies can significantly affect the aerospace and defence industry because many companies involved in the aerospace and defence industry rely to a large extent on government demand for their products and services. There are significant inherent risks in contracting with the Canadian, U.S., and other governments that could have a material adverse effect on the business, financial condition, and results of operations of industry participants. Due to the sensitive nature of the industry, mergers and acquisitions are costly and difficult, which can affect the prices of securities of issuers in this sector.

Derivative Risk

A derivative is a contract or security whose value and cash flow pattern is derived from another underlying security, such as a stock or bond, or from an economic indicator, such as an interest rate or stock market index. Some examples of the most common derivatives are:

- A forward contract, which is an agreement to buy and sell currency, commodities, or securities at an agreed price for future delivery. Forward contracts are often used to reduce risk.

- An option, which gives the buyer the right, but not the obligation, to buy or sell currency, commodities, or securities at an agreed price within a certain period of time.

Mutual funds may use derivatives with the aim of limiting potential losses associated with currencies, stock markets, and interest rates. This process is called hedging. Mutual funds may also use derivatives for non-hedging purposes, such as aiming to reduce transaction costs, achieve greater liquidity, generate income, and increase speed and flexibility in trading.

Mutual funds may invest in exchange-traded options, futures contracts and options on futures, over-the-counter options, and forward contracts (“**permitted derivatives**”) to the extent and for the purposes permitted by Canadian securities authorities. Mutual funds may also write covered call options. The value of a permitted derivative will change more than proportionately to changes in value of the underlying security. Writing covered call options aims to allow a mutual fund to obtain income related to the premium associated with the option at the time of writing, although any capital gains would be limited by the exercise price of the option. Mutual funds may use permitted derivatives for both hedging and non-hedging purposes.

The primary risk associated with an investment in a permitted derivative is that its value can be reduced to nil or a nominal amount if the price of the underlying security should decrease significantly below the exercise price (in the case of a call option) or increase significantly above the exercise price (in the case of a put option). Also, because permitted derivatives have a limited term, their value is influenced by the length of time to expiry.

Stock index options and futures contracts present the additional risk that index prices may be distorted if trading of certain stocks included in the index is interrupted. Trading in these derivative instruments also may be interrupted if trading is halted in a substantial number of stocks included in the index. If this occurs, the mutual fund would be unable to close out its options and futures positions and, if restrictions on exercise of the options or performance of the futures contracts were imposed, the mutual fund might experience a substantial loss.

Some other risks of investing in derivatives are:

- The use of derivatives for hedging may not be effective. There may be an imperfect correlation between changes in the market value of the investment being hedged and the hedging derivative.
- Some derivatives may limit a mutual fund’s potential for gain as well as loss.
- The cost of entering into and maintaining derivative contracts may reduce a mutual fund’s total return to investors.
- The price of a derivative may not accurately reflect the value of the underlying currency or security.
- There is no guarantee that a market will exist when a mutual fund wants to buy or sell a derivative. This could prevent the mutual fund from making a profit or limiting its losses.
- If the other party (the counterparty) to a derivative is unable to meet its obligations, a mutual fund may experience a loss.
- Securities exchanges may set daily trading limits on derivatives. This could prevent a mutual fund from completing a derivatives transaction.
- There is a risk of loss of margin deposits in the event of bankruptcy of a dealer with whom a mutual fund has an open position in an option or futures or forward contract.

- Derivative investments traded in foreign markets may offer less liquidity and greater credit risk than comparable instruments traded in North American markets.
- If a mutual fund is required to give a security interest related to a derivative, there is a risk that the security interest could be enforced against the mutual fund's assets.

Equity Risk

The value of a mutual fund that invests in equity securities (also called stocks or shares) will be affected by changes in the market price of those securities. The price of a stock is affected by individual company developments and by general economic and financial conditions in those countries where the issuer of the stock is located or does business, or where the stock is listed for trading. In addition, a portion of the equity securities invested in by a mutual fund may be of issuers whose securities are not listed on any prescribed stock exchange and thus there may be a lack of a liquid market for resale.

Exchange-Traded Fund (ETF) Risk

Mutual funds may invest in an underlying fund whose securities are listed for trading on a stock exchange (known as an **"exchange-traded fund"** or **"ETF"**). Most ETFs are mutual funds whose units are purchased and sold on a securities exchange. An ETF represents a portfolio of securities designed to track a particular market segment or index. To the extent that an ETF tracks a particular market segment, such as real estate, the value of the ETF will fluctuate as the value of the particular market segment it tracks fluctuates.

An investment in an ETF generally presents the same primary risks as an investment in a conventional mutual fund (i.e., one that is not exchange-traded) that has the same investment objectives, strategies, and policies. In addition, an ETF may fail to accurately track the market segment or index that underlies its investment objectives. ETFs in which a fund invests may not be "actively" managed. Therefore, such ETFs would not necessarily sell a security because the security's issuer was in financial trouble, unless the security is removed from the applicable index being replicated. The price of an ETF can fluctuate and a fund could lose money investing in an ETF. In addition, as with traditional mutual funds, ETFs charge asset-based fees. Any fund that invests in ETFs will indirectly pay a proportional share of the asset-based fees of such ETFs. Moreover, ETFs are subject to the following risks that do not apply to conventional funds: (i) the market price of an ETF's units trade at a premium or a discount to its net asset value; (ii) an active trading market for an ETF's units may not develop or be maintained; and (iii) there is no assurance that the requirements of the exchange necessary to maintain the listing of an ETF will continue to be met or remain unchanged.

If the computer or other facilities of the index providers or stock exchange malfunction for any reason, calculation of the value of the indices may be delayed and trading in securities of an ETF may be suspended for a period of time. If constituent securities of the indices are cease traded at any time, the manager of an ETF may suspend the exchange or redemption of securities of the ETF until such time as the transfer of the securities is permitted by law. The indices on which ETFs are based were not created by the index providers for the purpose of the ETFs. The index providers have the right to make adjustments or to cease calculating the indices without regard to the particular interests of the manager, the ETFs, or the investors in the ETFs.

Adjustments to baskets of securities held by ETFs to reflect rebalancings of and adjustments to the underlying indices on which they are based will depend on the ability of the manager of an ETF and its brokers to perform their respective obligations. If a designated broker fails to perform, an ETF would be required to sell or purchase, as the case may be, constituent securities of the index on which it is based in the market. If this

happens, the ETF may incur additional transaction costs that would cause the performance of the ETF to deviate more significantly from the performance of such index than would otherwise be expected.

Deviations in the tracking by an ETF of the index on which it is based could occur for a variety of reasons. For example, the total return generated will be reduced by the management fee payable to the manager of the ETF and transaction costs incurred in adjusting the portfolio of securities held by the ETF and other expenses of the ETF, whereas such transaction costs and expenses are not included in the calculation of such indices.

Foreign Currency Risk

The Canadian dollar value of a mutual fund's investments in foreign securities is affected by changes in the value of the Canadian dollar relative to those securities. When the value of the Canadian dollar goes up relative to other currencies, the Canadian dollar value of the fund's investments in securities denominated in those currencies goes down.

Foreign Security Risk

The value of foreign securities may be influenced by foreign government policies, lack of information about foreign companies, political or social instability, and the possible levy of foreign withholding tax. There may be lower standards of government supervision and regulation in foreign financial markets. Foreign stock markets may also be less liquid and more volatile. In addition, the securities markets of many countries have at times in the past moved relatively independently of one another due to different economic, financial, political, and social factors. This may reduce gains the mutual fund has derived from movements in a particular market. A mutual fund that holds foreign securities may have difficulty enforcing legal rights in jurisdictions outside Canada.

Interest Rate Risk

The value of fixed income securities will generally: (i) rise if interest rates fall; and (ii) fall if interest rates rise. Changes in interest rates may also affect the value of equity securities.

If a mutual fund invests in money market or fixed income securities (such as bonds), its value is affected by changes in the general level of interest rates. When interest rates fall, bond prices rise. That is because existing bonds pay higher rates than newly issued ones, and so are worth more. When interest rates rise, bond prices fall, and so will the value of funds that hold them.

The income earned by a mutual fund - and the income paid by the mutual fund to its securityholders - is also affected by changes in interest rates.

Investments in Unsecured Indebtedness

Mutual funds may invest, from time to time, in unsecured debt obligations of small capitalization companies. In the event of a default in the repayment of these obligations, the mutual fund's investment in such indebtedness may be lost in whole or in part.

Low Rated or Unrated Debt Obligations

Mutual funds may invest in instruments that are unrated or have a credit quality rated below investment grade by internationally recognized credit rating organizations. These securities involve significant risk exposure as there is uncertainty regarding the issuer's capacity to pay interest and repay principal in accordance with the terms of the

obligations. Low rated and unrated debt instruments generally offer a higher current yield than that available from higher grade issuers, but typically involve greater risk.

Portfolio Management Risk

All actively managed mutual funds are dependent on their portfolio manager to select individual securities or other investments and therefore are subject to the risk that poor security selection or market allocation may cause a mutual fund to underperform relative to its benchmark or other mutual funds with similar investment objectives.

Regulatory Risk

Some industries, such as resource, financial services, health care, and telecommunications, are heavily regulated and may receive government funding. Investments in these sectors may be substantially affected by changes in government policy, such as increased regulation, ownership restrictions, deregulation, or reduced government funding. The value of a mutual fund that buys these investments may rise and fall substantially due to changes in these factors.

Securities Lending, Repurchase, and Reverse Repurchase Risk

Mutual funds may engage in securities lending transactions, repurchase transactions, and reverse repurchase transactions to try to earn additional income and enhance their performance. Securities lending is an agreement whereby a mutual fund lends securities through an authorized agent in exchange for a fee and some form of acceptable collateral. Under a repurchase transaction, a mutual fund agrees to sell securities for cash and at the same time assumes an obligation to repurchase the same securities for cash (usually at a lower price) at a later date. A reverse repurchase transaction is an agreement whereby a mutual fund buys securities for cash and at the same time agrees to resell the same securities for cash (usually at a higher price) at a later date.

There are risks associated with such transactions. If the other party to the transaction defaults in its obligations or goes bankrupt, the mutual fund will be forced to make a claim to try to recover its investment. In the case of a securities lending or repurchase transaction, the mutual fund could incur a loss if the value of the security loaned by the mutual fund or sold by the mutual fund has increased by more than the value of the cash and security held by the mutual fund. In the case of a reverse repurchase transaction, the mutual fund could incur a loss if the value of the securities purchased by the mutual fund decreases relative to the value of the collateral held by the mutual fund. Mutual funds aim to manage the risks associated with these particular investments by:

- Holding collateral equal to a minimum of 102% of the market value of the securities loaned (for securities lending transactions), sold (for repurchase transactions), or purchased (for reverse repurchase transactions), as the case may be.
- Adjusting the amount of collateral each Business Day with the aim of ensuring that the collateral's value relative to the market value of the securities loaned, sold, or purchased remains within the 102% limit.
- Limiting the aggregate value of all securities loaned or sold through securities lending and repurchase transactions to under 50% of the total assets (without including the collateral) of the mutual fund.

Series Risk

An investor may be subject to certain risks if a mutual fund issues multiple series of securities. Each series has its own fees and expenses, which are tracked separately. A mutual fund may not be able to pay the expenses of one

series using that series' proportionate share of the mutual fund's assets. If that were to happen, the mutual fund could be required to pay the shortfall out of the other series' share of the assets. This could lower the investment return of the other series.

Small, Mid-Capitalization, and Micro Capitalization Company Risk

Investments in small, mid-capitalization, and micro capitalization companies may involve greater risks than investments in larger, more established companies since such companies may have more limited markets and financial resources, their securities may be more sensitive to market changes, and they are often newer and may not have a track record. As well, the liquidity of the securities of such companies may be limited. Consequently, in order to fund redemptions, a mutual fund may have to liquidate its securityholdings in the more liquid securities it holds of large and medium-sized companies. In addition, to the extent that liquidity is limited, the mutual fund's ability to realize profits and/or minimize losses may be limited, which could adversely affect the net asset value of the mutual fund.

Taxation Risk

There can be no assurance that tax laws, or the interpretation and application of such laws by courts or government authorities, will not be changed in a manner that adversely affects a mutual fund, its investors, and/or its portfolio assets and holdings.

If a mutual fund organized as a trust (like the Fund) experiences a "loss restriction event": (i) the fund will be deemed to have a year-end for tax purposes (which, in the case of the Fund, would result in an unscheduled distribution of the fund's net income and net realized capital gains, if any, at such time to unitholders so that the fund would not be liable for income tax on such amounts under Part I of the Tax Act); 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 mutual fund will be subject to a loss restriction event if 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 Tax Act, with appropriate modifications. Generally, a majority-interest beneficiary of a mutual 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. However, a mutual fund will be exempt from the application of these rules in most circumstances if the fund is an "investment fund" (within the meaning of these rules) by satisfying certain investment diversification and other conditions.

Trading Costs Risk

The investment strategy used by a mutual fund may result in the mutual fund having a higher portfolio turnover rate. Portfolio turnover refers to the frequency of portfolio transactions and the percentage of portfolio assets being bought and sold during the year. A portfolio turnover rate of 100% is the equivalent to a mutual fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the portfolio's turnover rate in a year, the greater the trading costs payable by the mutual fund in the year and the greater the chance of an investor receiving capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a mutual fund.

PURCHASES AND REDEMPTIONS

General

There are three different series currently offered by the Fund. We may offer additional series in the future:

- **Series A** – Series A units are available for purchase to all investors and are subject to a sales charge.
- **Series F** – Series F units may only be purchased by investors who are participants in a fee-for-service or wrap account program sponsored by certain securities dealers, or at the Manager's discretion. Series F units are not subject to a sales charge.
- **Series I** – Series I units are available to certain investors at the Manager's discretion. To qualify to purchase Series I units, you must have entered into an agreement with the Manager relating to your Series I units.

If you are no longer eligible to hold certain Series of units, we may automatically sell or redesignate your units to units of another Series. Please see ***Automatic Sales or Redesignations*** for details.

You can buy or sell units of the Fund through your mutual fund or securities dealer. Selling your units is also known as redeeming. All transactions are based on the Fund's series net asset value per unit next determined after we receive your purchase or sale request in good order.

We usually calculate the series net asset value per unit at the close of business on each Business Day. In unusual circumstances, we may suspend the calculation of Fund prices.

We calculate the net asset value of each series by adding up the assets attributable to the series and subtracting the liabilities attributable to the series. The net asset value per unit for the series is equal to the net asset value of that series divided by the number of units of that series outstanding.

Purchases

Orders to purchase units must be placed with your mutual fund dealer or securities dealer. Your units must continue to be held in a dealer's account. Units are not currently available to residents of the territories of Canada or the Province of Quebec. The Fund is not registered with the U.S. Securities and Exchange Commission and may be offered and sold in the United States only pursuant to an exemption from registration.

Unless the Manager otherwise agrees:

- The minimum initial investment in Series A units is \$500 of Series A units of the Fund per account and any additional investments (other than reinvestments) must be at least \$100 of Series A units of the Fund per account.
- The minimum initial investment in Series F units is \$500 of Series F units of the Fund per account and any additional investments (other than reinvestments) must be at least \$100 of Series F units of the Fund per account.
- The minimum initial investment in Series I units is \$500,000 of Series I units of the Fund per account and any additional investments (other than reinvestments) must be at least \$100 of Series I units of the Fund per account.

The Fund is available in different series. This choice may require the investor to pay different fees and expenses and may affect the compensation paid to your dealer by us. Your dealer is the company that your financial advisor works for. No commission or servicing charge is payable to the Manager for the purchase of Series F units or Series I units.

Trailing commissions may be payable to your dealer in respect of the purchase of Series A units of the Fund. A sales charge is payable by you to your dealer when you purchase Series A units of the Fund. With respect to purchases of Series I units of the Fund, you may pay a negotiated trailer fee to your representative's firm under the terms of your arrangement with your representative's firm. This fee may be paid through the redemption of units. See **Fees and Expenses Payable Directly by You** for more information.

The purchase price for units is the series net asset value per unit of the Fund calculated on the same Business Day if the purchase order is received by the Fund before 4:00 p.m. (Toronto Time). If the purchase order is received after 4:00 p.m. (Toronto Time) on a Business Day or on a day that is not a Business Day, it will be processed on the next Business Day. Unless the calculation of Fund prices has been suspended, we calculate the net asset values at 4:00 p.m. (Toronto Time) every Business Day.

The Fund will initially be sold on a best efforts basis and its purchase price during its initial distribution period will be \$25 per unit. Following its initial distribution period, the Fund will begin issuing and redeeming its units based on the net asset value per unit determined each Business Day.

We reserve the right to reject a purchase of units within one Business Day after receipt by the Fund of the order. In such case, we will refund all cash received immediately in the same currency in which you ordered the units.

If, for any reason we do not receive payment on or before the second Business Day following the date on which the purchase order was processed, the units that were purchased may be redeemed on the next Business Day in the same currency in which you bought the units.

If the proceeds of the redemption exceed the purchase price, the Fund will be entitled to retain the difference. If the proceeds of redemption are less than the purchase price, the Manager will pay the difference to the Fund and will be entitled to collect such amount, together with all costs, charges, and expenses in so doing, from the dealer or the investor from whom the purchase order was received. The dealer will be entitled to collect such amount, together with its costs, charges, and expenses in so doing, and interest thereon, from the investor who has failed to settle the order in question. An administration fee of \$45.00 is charged to an investor in respect of any dishonoured cheque submitted in payment for a purchase order.

Redesignation between Series

You may change your units of one series of the Fund into units of a different series of the Fund if you are eligible to purchase the new series, subject to certain restrictions set out below. This change is processed as a redesignation, and should not be considered a disposition for tax purposes. Accordingly, you should not realize a capital gain or loss. For a further discussion of the tax consequences, see **Income Tax Considerations for Investors**.

Here are some things to keep in mind about changing between series:

- You may change to Series F units of the Fund, provided you meet the eligibility requirements for the Series F units.

- A redesignation from one series of the Fund to another series of the same Fund will likely result in a change in the number of units of the Fund you hold since each series of the Fund generally has a different net asset value per unit.
- Generally, you may change your units on any Business Day by delivering a written request to your mutual fund or securities dealer that specifies the number and series of units to be changed.

Automatic Sales or Redesignations

If the Manager is notified that you no longer meet the eligibility criteria for Series F, we will sell or redesignate your Series F units in accordance with the instructions from your representative. In the absence of instructions, we may automatically sell your Series F units or redesignate them to Series A. There may be tax implications arising from any sale. See ***Income Tax Considerations for Investors*** for more details.

If you are no longer eligible to hold Series I units, we may automatically redesignate your units into Series F units. We will monitor your account on a quarterly basis to determine if an automatic redesignation of your units is appropriate. No fees will be charged in connection with automatic redesignations of Series I units to Series F units.

Redemptions

You may redeem units of the Fund on any Business Day by delivering a written request to your mutual fund or securities dealer that specifies the number and series of units to be redeemed. The redemption price of the units of the Fund is based on the series net asset value per unit of the Fund next determined after the receipt by the Fund of the redemption order. The redemption price will be paid in the currency in which you bought the units.

When you redeem units, we reserve the right to charge the short-term redemption fee as described under ***Fees and Expenses***. The amount of the short-term redemption fee depends primarily on the amount of your original investment and the length of time you own the units. See ***Fees and Expenses*** and ***Short-Term Redemption Fee*** below for more information about these fees.

You will pay no short-term redemption fee in respect of redemptions of reinvested units due to distribution payments by the Fund or other adjustments we make.

A redemption request received by the Fund before 4:00 p.m. (Toronto time) on a Business Day will be processed at the series net asset value per unit calculated at the close of business on that Business Day. A redemption request received after 4:00 p.m. (Toronto time) on a Business Day, or on a day that is not a Business Day, will be processed in the same way on the next Business Day.

If we have not received all required documents on or before the second Business Day following the date on which your redemption request was received, we will notify you that your order is incomplete. If we still have not received all required documents by the tenth Business Day following the date on which your redemption request was received, the Fund will buy back the units as of the close of business on the tenth Business Day in the same currency in which you bought the units. If the cost is less than the proceeds of redemption, the Fund will be entitled to retain the difference. If the cost is greater than the proceeds of redemption, we will pay the difference to the Fund and will be entitled to collect such amount, together with all costs, charges, and expenses in so doing, from the dealer from whom the redemption request was received. The dealer will be entitled to collect such amount, together with its costs, charges, and expenses in so doing, and interest thereon, from the investor who has failed to settle the order in question.

Unless redemptions are suspended (which may only occur when the determination of the net asset value per unit or series net asset value per unit is suspended), payment of the redemption price for units tendered for redemption will be made (less any fees and tax required to be withheld), upon the direction of the Fund, by the registrar and transfer agent in the same currency in which you bought the units within two Business Days of the date of processing such redemption.

If redemptions are suspended as described below, you may either withdraw your redemption request or receive payment based on the series net asset value per unit next determined after the termination of the suspension.

Due to the high cost of maintaining small accounts, we reserve the right to redeem Fund holdings with a current value of less than \$500 upon ten days' notice to you.

Under extraordinary circumstances, we may suspend your right to require the Fund to redeem your units. Examples of these circumstances include during any period when normal trading is suspended on the TSX or any other stock exchange within or outside Canada on which securities owned by the Fund or any underlying fund, directly or indirectly, are listed and traded, if those securities represent more than 50% of the net asset value of the Fund before allowance for liabilities. In addition, we may, with the consent of the Alberta Securities Commission, from time to time suspend your right to redeem any units during any period in which we determine that conditions exist that render impractical the sale of the assets of the Fund or impair our ability to determine the value of the assets held by the Fund.

Any suspension shall take effect at such time as we declare and thereafter no units of the Fund will be redeemed until we declare the suspension at an end, except that the suspension will terminate in any event on the first day after the circumstances that gave rise to the suspension cease to exist. All redemptions that would have taken place during the period of suspension will be deemed to occur at the close of business on the first Business Day after the termination of such suspension unless, prior to such time, you have withdrawn your request for the redemption of such units.

Short-Term Trading

Excessive trading can harm the Fund's performance by forcing the Portfolio Manager to keep more cash in the Fund than would be otherwise needed or to sell investments at an inappropriate time. In order to deter short-term trading, the Manager reserves the right to charge a short-term redemption fee of 2.00% if you invest in units of the Fund for a 90 day period or less. CIBC Mellon Global Securities Services Company, on behalf of the Manager, monitors and detects short-term trading and automatically charges a 2.00% short-term redemption fee on units of the Fund invested for a 90 day period or less. The Manager assesses the short-term redemption fee charged to an investor on a case by case basis and may, at its absolute discretion, reverse a short-term redemption fee that has been charged to an investor. See **Fees and Expenses** for more details.

OPTIONAL SERVICES

Automatic Reinvestment of Distributions

Generally, we automatically reinvest your distributions in additional units of the same series of the Fund. This may not apply to certain types of accounts; please contact your dealer for more information. There is no cost for this service. If you would prefer your distributions in cash, please contact your dealer and instruct them to make your distributions payable by cheque.

Automatic Purchase Plans

Automatic purchase plans, also known as pre-authorized payment plans, are available to enable you to make regular investments in the Fund without writing cheques or sending in purchase requests. You can buy units of the Fund through an automatic purchase plan by completing the appropriate authorization form that your dealer can provide you. Through this plan, you will authorize the deduction of a specified amount from your bank account for the purchase of units of the Fund on a monthly, quarterly, or annual basis. Your initial investment must be at least \$500 of the respective series units of the Fund per account and each subsequent investment must be at least \$100 of the respective series units of the Fund per account. We do not charge for this service, although your financial institution may charge you a fee. Normal sales commissions are charged at the time of each purchase. We may change the minimum purchase amount, or terminate the service, by written notice.

Automatic Withdrawal Plans

You may elect, through written instruction provided to your dealer, to redeem units of the Fund on a monthly, quarterly, or annual basis in order to provide you with a predesignated regular payment. All such redemptions are effected at the series net asset value per unit of the Fund at the time of such redemption and are subject to the conditions described under **Purchases and Redemptions**. There is no charge for this service. You may modify or rescind the automatic withdrawal plan by written instruction to your dealer.

If your regular withdrawals are greater than the net earnings of your investment in the Fund, you will eventually use up your original investment.

FEES AND EXPENSES

Set out below are the fees and expenses that, as an investor, you may have to pay if you invest in the Fund. You may have to pay some of these fees and expenses directly. The Fund may have to pay some of these fees and expenses, which will therefore reduce the value of your investment in the Fund.

Fees and Expenses Payable by the Fund

Management and Advisory Fees

The Fund pays management and advisory fees, at an annual rate of 2.00% for Series A units inclusive of trailing fees, and 1.00% for Series F units. Management and advisory fees are based on the series net asset value and are accrued daily and paid monthly. No management or advisory fee is charged to the Fund in respect of its Series I units; rather, investors who hold Series I units pay a negotiated amount directly to the Manager. The amount of the fees and other terms of investing are negotiable, but the aggregate of the management and advisory fees will not exceed an annual rate of 1.00% of net assets. Fees are subject to HST and other applicable taxes.

To encourage very large investments, and to achieve effective management and advisory fees that are competitive, the Manager may agree to a reduction in the management and advisory fees charged in respect of particular investors. See **Management and Advisory Fee Reduction Programs** below.

The management and advisory fees compensate Arcs of Fire Investments™, the Portfolio Manager, and the Manager for the services they provide to the Fund, including:

- Formulation and execution of the overall strategic direction for the Fund's activities;
- Portfolio and investment advisory services;

- Promotion and marketing of the Fund;
- Arranging for the distribution and sale of units of the Fund, including arranging for compensation to financial advisors and dealers; and
- General administration of fund operations, including oversight of service providers to the Fund.

Arcs of Fire Investments has secured a commitment from the Portfolio Manager to donate up to 33% of the net portfolio management fee to organizations and not-for-profit entities established and operated to support active and retired members of the Canadian Armed Forces and their families. See **Additional Information** for more details.

Operating Expenses

All operating expenses are paid by the Fund. These expenses include, but are not limited to, administration and accounting costs, applicable taxes, audit and legal fees, trustee fees, custodial fees, the preparation and distribution of unitholder reports, and fees payable to, and expenses incurred by, the Independent Review Committee.

The Fund pays its own brokerage commissions for portfolio transactions and related transaction fees.

The Fund will pay its prorated share of all reasonable costs and expenses incurred to comply with NI 81-107, where such costs and expenses will be allocated amongst the Fund and the funds within the Norrep Funds™, a group of mutual funds managed by the Manager. These include, but are not limited to, compensation, travel expenses, insurance premiums, continuing education, and other costs and expenses reasonably associated with the members of the Independent Review Committee. Each member of the Independent Review Committee is paid a quarterly retainer, as of January 1, 2017, of \$3,162.50 (\$6,325.00 for the Chairman) plus \$3,712.50 per meeting.

Where applicable, the aggregate of the operating expenses described above are shared among the Fund and the funds within the Norrep Funds, a group of mutual funds managed by the Manager.

Management and Advisory Fee Reduction Programs

In certain circumstances, the Manager may agree to a reduction in the management and advisory fees charged in order to achieve management and advisory fees that are competitive for such investments. Any reduction in management and advisory fees is fully negotiable between the Manager and you. The negotiated fees may vary from investor to investor and may be determined based on a variety of factors, including the size of the investment in the Fund, the expected level of account activity, and the assets under administration, at the Manager's sole discretion. The Manager will confirm in writing to your dealer the details of any such reduction to the management and advisory fee. The Manager may, in its sole discretion, make changes to or discontinue this practice at any time and without notice to investors.

Unitholder Notice

We will give unitholders 60 days' written notice of any change to the basis of the calculation of the fees or expenses that are charged to the Fund or its unitholders by an arm's-length party that could result in an increase in charges, or the introduction of a fee or expense to be charged to the Fund or its unitholders by an arm's-length party that could result in an increase in charges.

Fees and Expenses Payable Directly by You

Series A Sales Charge When you purchase Series A units of the Fund, you and your representative negotiate the sales charge you pay at the time of purchase. The sales charge can be between 0.00% and 5.00% of the purchase price, as negotiated between you and your representative, and is deducted from your investment and paid to your representative. However, this fee does not apply to units purchased through the reinvestment of distributions.

Series F / Series I Sales Charge If you purchase Series F units or Series I units of the Fund you pay no sales charge. However you may be subject to short-term redemption fees. See below.

Switch Fee Your dealer may charge you a fee if you switch to another series of the Fund.

Short-Term Redemption Fee In order to deter short-term trading, you may pay short-term redemption fees of 2.00% if you redeem your units within 90 days of the original date of purchase. The short-term redemption fee you pay is dependent on the cost of the units you are redeeming.

Short-term redemption fees do not apply to redemptions of:

- units you receive from reinvested distributions;
- units sold as a result of the death of the holder; or
- units sold if you are exercising a statutory right of withdrawal or rescission.

Short-term redemption fees also do not apply to redemptions of units initiated by the Fund. See **Redemptions**.

Your dealer may also charge you an administration fee.

Impact of Sales Charges

The following table shows the amount of fees that you would have to pay, depending on the Series selected, if you made an investment of \$1,000 in the Fund, and if you held that investment for one, two, three, five, or ten years and redeemed immediately before the end of that period. See **Fees and Expenses** above.

	At Time of Purchase	1 Year	2 Years	3 Years	5 Years	10 Years
Series A ⁽¹⁾	\$50.00	Nil	Nil	Nil	Nil	Nil
Series F / Series I ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) The front end sales charge may be between 0.00% and 5.00% of the purchase price. The fees payable are based upon the original purchase price of the units.

(2) If you purchase Series F units or Series I units of the Fund you pay no sales charge. However you may be subject to short-term redemption fees. See above.

DEALER COMPENSATION

Sales Commissions

Your dealer may receive a sales commission when you invest in Series A units of the Fund. Your representative receives part of this commission. With respect to Series A units of the Fund, the amount of the commission

depends upon what amount you negotiate with your representative. The maximum commission allowed is 5.00% of the amount of your investment.

Trailing Commission

We also pay your dealer a trailing commission as compensation for the advice and service they provide you in connection with your investment in Series A units of the Fund.

We also pay these trailing commissions to discount brokers for units you purchase through any discount brokerage account. The trailing commission is a percentage of the daily average series net asset value per unit of the Fund in each account held by the dealer's clients. The trailing commission is paid out of the management and advisory fees received by the Manager. We may change or terminate the payment of these commissions at any time. The table below is a summary of the maximum annual trailing commission we pay.

	First Year	Second Year	Third Year	Fourth Year	Thereafter
Series A	1.00%	1.00%	1.00%	1.00%	1.00%
Series F ⁽¹⁾	Nil	Nil	Nil	Nil	Nil
Series I ⁽²⁾	Nil ⁽²⁾	Nil ⁽²⁾	Nil ⁽²⁾	Nil ⁽²⁾	Nil ⁽²⁾

Notes:

- (1) *For purchases of Series F units, we do not pay any trailing commission to your dealer. With respect to purchases of Series F units, your dealer is paid a negotiated fee under the terms of your arrangement with your dealer.*
- (2) *With respect to purchases of Series I units, you may pay a negotiated trailer fee to your representative's firm under the terms of your arrangement with your representative's firm. This fee may be paid through the redemption of units.*

OTHER KINDS OF DEALER COMPENSATION

We may provide your dealer with marketing material about the Fund and other investment literature. We may also contribute to the direct costs of your dealer that relate to sales communications or investor education in accordance with the requirements of National Instrument 81-105 *Mutual Fund Sales Practices*. We may also provide your dealer or financial advisor with non-monetary benefits of a promotional nature and of minimal value.

INCOME TAX CONSIDERATIONS FOR INVESTORS

The following is a general summary of the principal Canadian federal income tax considerations as of the date of this Simplified Prospectus, generally applicable to the acquisition, ownership, and disposition of units of the Fund by you if, for the purposes of the Tax Act, you are an individual (other than a trust that is not a Registered Plan) resident in Canada, you hold your units as capital property, and you deal at arm's length and are not affiliated with the Fund.

This summary assumes that the Fund will qualify at all times as a "mutual fund trust", and that the Fund is not a "SIFT trust" for the purposes of the Tax Act.

What follows is only a general summary. You should consult your tax advisor about your own tax situation.

Units Held in a Registered Plan

Provided the Fund qualifies as a “mutual fund trust” for purposes of the Tax Act at all material times, the units of the Fund will be qualified investments under the Tax Act for Registered Plans. If you hold your units in a Registered Plan, you generally do not have to pay any taxes on distributions received on those units while amounts are held in the plan. Also, if those units are redeemed or sold, generally the capital gain, if any, is not taxable while they are held in the plan. If units are “prohibited investments” under the Act for a particular Registered Plan, the holder or annuitant will be subject to additional adverse tax consequences as set out in the Tax Act.

Holders or annuitants of certain Registered Plans may be subject to withholdings of tax on amounts withdrawn from Registered Plans. If you intend to hold your units in a Registered Plan, you should consult your own tax advisor regarding the tax treatment of contributions to, withdrawals from, and acquisitions of property by, such Registered Plan.

Units Held in a Non-Registered Plan

Generally, fees paid by you on Series I units will not be deductible for tax purposes. You should consult your tax advisor with respect to investments in Series I units.

The unit price of the Fund may include income and/or capital gains that have been accrued, earned, or realized but not yet distributed. You will be taxable on distributions of income and capital gains, as the case may be, even if the income or capital gains related to such distribution is attributable to a time before you acquired the units. This could be particularly significant if you purchase units of the Fund late in the year or on or before the date on which a distribution will be paid.

Turnover Rate

A portfolio turnover rate of 100% is the equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the portfolio’s turnover rate in a year, the greater the trading costs payable by the Fund in the year and the greater the chance of an investor receiving taxable distributions in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

Distributions

Distributions from the Fund will be: (i) made as ordinary income; (ii) designated as foreign source income, taxable dividends, or capital gains; or (iii) a return of capital.

You will generally be required to include in income such portion of the net income of the Fund for that particular year, including the taxable portion of any net realized capital gains, as is paid or becomes payable to you (including by way of management fee distributions). If you receive an amount in excess of your share of the net income of the Fund, this amount generally will not be required to be included in your income but, except to the extent that it constitutes your share of the non-taxable portion of capital gains realized by the Fund, generally will reduce the adjusted cost base of your units.

Distributions that are designated as taxable dividends received by the Fund from taxable Canadian corporations will be subject to the gross-up and dividend tax credit rules normally applicable to such dividends, in the same way as if you had received such dividends directly.

Distributions that are designated as capital gains will be treated in your hands in the same way as capital gains arising on the sale of units of the Fund, as described below.

You may be entitled to claim a foreign tax credit in accordance with the detailed rules in the Tax Act in respect of foreign taxes paid by the Fund designated to you.

You will receive a tax slip each year that shows your share of the Fund's distributions/designations of:

- taxable dividends;
- foreign source income;
- capital gains;
- return of capital; and
- other income.

You must report these amounts when completing your tax return regardless of whether the amounts were paid to you in cash or reinvested in additional units.

Sales or Redemptions

At the time you purchase units of the Fund, your cost (the net asset value or series net asset value) of the units may reflect income and gains that have accrued or been realized in the Fund but have not yet been distributed. Such income or gains, which are subsequently distributed to you by way of distributions, will be taxable. For example, if the Fund distributes its income and capital gains once a year in December (which is the current distribution policy of the Fund) and you buy units late in the year, you may effectively have to pay tax on the income and gains the Fund earned for the whole year.

If you redeem or otherwise dispose of units of the Fund (including a deemed disposition on death) for more than their adjusted cost base, you will realize a capital gain. If you redeem or otherwise dispose of units for less than their adjusted cost base, you will generally realize a capital loss.

To calculate your capital gain or capital loss, you must determine the adjusted cost base of the units sold or redeemed. The adjusted cost base is generally: the amount of your initial investments, including any sales charges paid to your dealer; plus reinvested distributions; minus any distributions that were returns of capital; minus the adjusted cost base of any units that have been redeemed. Your capital gain or capital loss is the difference between the proceeds of disposition of the units sold or redeemed, net of any fees or other expenses paid by you as part of the sale, and the adjusted cost base of those units.

One-half of any capital gain realized by you on a redemption of units of the Fund, and one-half of any capital gain designated to you by the Fund (each called a "**taxable capital gain**") must be included in your income for tax purposes. One-half of any capital loss realized by you on a redemption of units of the Fund (called an "**allowable capital loss**") may be deducted against taxable capital gains realized or deemed to be realized by you in the same taxation year. If you have allowable capital losses in excess of taxable capital gains in a taxation year, that excess may generally be carried back up to three taxation years or forward indefinitely, and deducted against taxable capital gains realized by you in those other taxation years. Dividends and capital gains may give rise to alternative minimum tax.

International Information Reporting

Pursuant to the Intergovernmental Agreement for the Enhanced Exchange of Tax Information under the Canada-U.S. Tax Convention and related Canadian legislation found in Part XVIII of the Tax Act, unitholders will be required to provide their dealer with information related to their citizenship or residence for tax purposes and, if applicable, a U.S. federal tax identification number. If a unitholder does not provide the information or is identified as a U.S. citizen or U.S. resident, details of the unitholder's investment in the Fund will generally be reported to the CRA, unless the investment is held within a Registered Plan. The CRA is expected to provide that information to the U.S. Internal Revenue Service.

In addition, reporting obligations in the Tax Act have been enacted to implement the Organization for Economic Co-operation and Development Common Reporting Standard (the "**CRS Rules**"). Pursuant to the CRS Rules, in order to meet the objectives of the Organisation for Economic Co-operation and Development Common Reporting Standard (the "**CRS**"), Canadian financial institutions are required to have procedures in place to identify accounts held by residents of foreign countries that have agreed to bilateral information exchange with Canada under the CRS ("**Participating Jurisdictions**") or by certain entities any of whose "controlling persons" are resident in a Participating Jurisdiction and to report required information to the CRA. Such information is to be exchanged beginning in 2018 on a reciprocal, bilateral basis with the Participating Jurisdictions in which the account holders or such controlling persons are resident. Under the CRS Rules, unitholders will be required to provide required information regarding their investment in the Fund to their dealer for the purpose of such information exchange, unless the investment is held within a Registered Plan.

WHAT ARE YOUR LEGAL RIGHTS?

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

Securities legislation in some provinces also allows you to cancel an agreement to buy units of the Fund and get your money back, or to make a claim for damages, if this 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, refer to the securities legislation of your province, or consult your lawyer.

ADDITIONAL INFORMATION

Arcs of Fire Investments™ has secured a commitment from the Portfolio Manager to donate up to 33% of the net portfolio management fee to organizations and not-for-profit entities established and operated to support active and retired members of the Canadian Armed Forces and their families. Amounts so directed will vary from year to year and will be determined by Arcs of Fire Investments and the Portfolio Manager on an annual basis. Arcs of Fire Investments and the Portfolio Manager intend to put in place a thoughtfully advised, sustainable giving program, so that, over time, up to 33% of net revenues earned from the advisory and portfolio management services provided to the Fund will be directed to such program(s) that support veterans and their families. Arcs of Fire Investments will be responsible for communicating the philanthropic activities of the organization through its community reports to be issued from time to time. Where monies are donated to a registered charity, the Portfolio Manager may be entitled to a donation receipt issued by the charity.

For greater certainty, any amounts so donated by the Portfolio Manager are paid by the Portfolio Manager out of the advisory fee received from the Fund and is not, in any way, an additional expense to the Fund.

SPECIFIC INFORMATION ABOUT THE FUND

The following pages set forth specific information about the Fund.

ORGANIZATION AND MANAGEMENT OF THE FUND

The table below shows the companies and persons responsible for providing important services to the Fund. Norrep Capital Management Ltd. is the Manager. None of the other companies and persons listed below is related to the Manager.

Role	Services provided
<p>Manager</p> <p>Norrep Capital Management Ltd. Suite 1100, 606 – 4th Street S.W. Calgary, Alberta T2P 1T1</p> <p>- and -</p> <p>Suite 4330, 77 King Street West Toronto, Ontario M5K 1H6</p>	<p>The Manager manages the business, operations, and affairs, including the day to day operations, of the Fund.</p>
<p>Portfolio Manager</p> <p>Cumberland Associates Investment Counsel Inc. 99 Yorkville Avenue, Suite 302 Toronto, Ontario M5R 3K5</p>	<p>The Portfolio Manager provides advisory and portfolio management services to the Fund, including buying and selling all investments and dealing with brokers.</p>
<p>Promoter</p> <p>Arcs of Fire Investments Inc. c/o Impact Hub Ottawa 23 Slater St, 6th Floor Ottawa, Ontario K1P 5H2</p>	<p>The Promoter provides the Fund with its vision and strategic direction and determines how and to whom the Fund is marketed. It is not a portfolio manager, and has no involvement in the day-to-day advisory and portfolio management of the Fund.</p>
<p>Trustee</p> <p>Computershare Trust Company of Canada 100 University Avenue, 8th Floor Toronto, Ontario M5J 2Y1</p>	<p>When you invest in the Fund, which is organized as a trust, you are buying units of a trust. The trustee holds title to the property of the Fund – cash and securities – on your behalf.</p>
<p>Transfer Agent and Registrar</p> <p>CIBC Mellon Global Securities Services Company 1 York Street, Suite 900 Toronto, Ontario M5J 0B6</p>	<p>Responsible for day-to-day administration and record keeping of the Fund.</p>

Role	Services provided
<p>Custodian</p> <p>CIBC Mellon Trust Company 1 York Street, Suite 900 Toronto, Ontario M5J 0B6</p>	<p>Responsible for the safekeeping of the investments of the Fund.</p>
<p>Auditor</p> <p>KPMG LLP Suite 3100, 205 - 5th Avenue S.W. Calgary, Alberta T2P 4B9</p>	<p>Examines and expresses an opinion on the financial statements of the Fund.</p>
<p>Independent Review Committee</p> <p>James B. Rooney, Q.C. Michael J. Robinson, C.M. Ian T. Brown, BSc. P.Geol, ICD.D</p>	<p>The Independent Review Committee (“IRC”) provides input on the Manager’s written policies and procedures on conflicts of interest matters involving the Fund. It also reviews conflicts of interest matters referred to it by the Manager. The IRC is currently composed of three members, each of whom is independent of us and any party related to us. The IRC prepares, at least annually, a report of its activities for unitholders, which is available at www.norrep.com or at a unitholder’s request, at no cost, by contacting the Manager at info@norrep.com. Additional information about the IRC and fund governance is available in the Fund’s Annual Information Form. The IRC may approve certain mergers involving the Fund and any change of the auditor of the Fund. Unitholder approval will not be obtained in these circumstances, but you will be sent a written notice at least 60 days before the effective date of any such merger or change of auditor.</p>

FUND DETAILS

Type of Fund	Tactical Balanced Fund
Start up	October 17, 2017 (Series A, Series F, and Series I units)
Securities Offered	Series A, Series F, and Series I units
Registered Tax Plan Status	Units are expected to be eligible for Registered Plans
Series A Code	NRP 8801
Series F Code	NRP 8800
Series I Code	NRP 8805

WHAT DOES THE FUND INVEST IN?

Investment Objectives

The Fund's investment objective is to hold a balanced portfolio designed to maximize total investment returns.

The Fund is designed to provide investment markets exposure by investing primarily in U.S. and Canadian equity investments and fixed income investments, including ETFs. The Fund can invest in individual securities directly or indirectly through investments in underlying funds.

No material change in the investment objectives of the Fund may be made without the approval of a two-thirds majority of the votes cast at a meeting of the Fund duly called for that purpose.

Investment Strategies

In order to achieve the Fund's investment objective, the Portfolio Manager will execute a dynamic process for tactical asset allocation. Tactical asset allocation is a term that describes the process of moving from one asset class to another (for example, changing the relative weights between stocks and fixed income). The Fund will invest in individual public market securities, other direct investments, and in ETFs, and its allocations between these types of investments may vary significantly from time to time. The Fund's individual investments will be selected in accordance with the Portfolio Manager's criteria in respect of quality, investment value, and risk. Individual securities may also be selected for investment purposes to satisfy the Portfolio Manager's intention to create an identifiable exposure to companies within the defence industry.

In connection with the Fund's portfolio construction, the Portfolio Manager will balance the various asset classes with the goal of providing higher returns with acceptable risk levels. The Fund will aim to balance its investments between income oriented investments with relatively secure maintenance of capital and equity oriented investments with higher growth prospects. The Portfolio Manager may from time to time use fixed income and yield oriented investments for the purpose of managing risk, but generally will focus on equities and investments with capital appreciation potential.

The Fund will invest in individual public market securities and in ETFs as permitted under applicable securities legislation in order to gain exposure to certain securities, sectors, and industry themes. The weights in individual ETFs will vary from time to time as conditions in capital markets change. The Portfolio Manager will invest in both

Canadian dollar hedged and non-hedged non-Canadian dollar investments. The extent of the Fund's foreign currency exposure will fluctuate with the exposure ranges stated below for non-Canadian investments.

The target asset mix of the net assets of the Fund will be allocated according to and approximately within the ranges specified in the table below. The Fund will be monitored and rebalanced from time to time at the discretion of the Portfolio Manager, consistent with the Fund's investment objectives and target asset mix. Adjustments to the Fund's assets will reflect both rebalancing and reweighting based on market conditions and opportunities. The Fund may invest up to approximately 60% of its net assets in foreign securities.

Asset Allocation	Average %	Minimum %	Maximum %
Canadian Equity	35	10	60
Global Equity	35	10	60
Fixed Income, including Cash	30	10	80

The Fund may use derivatives to hedge against losses caused by changes in security prices or exchange rates. The Fund may also use derivatives as a substitute for a stock, stock market, or other security, which is known as a "non-hedging" purpose. The Fund may write covered call options and cash covered put options and purchase call options and put options with the effect of closing out existing call options and put options written by the Fund. The Fund may also purchase put options with the aim of protecting the Fund from declines in the market prices of the individual securities in the portfolio or in the value of the portfolio as a whole. The Fund may enter into trades to close out positions in such permitted derivatives. The Fund may also use derivatives with the aim of hedging the Fund's foreign currency exposure. Such permitted derivatives may include exchange-traded options, futures contracts, and options on futures, over-the-counter options, and forward contracts. The Fund will only use derivatives in accordance with the limits, restrictions, and practices set by securities legislation or as permitted under the terms of exemptive relief obtained from the securities regulators. These transactions will be used with the Fund's other investment strategies in a manner considered most appropriate to achieving the Fund's overall investment objectives and enhancing the Fund's returns.

The Fund may engage in securities lending, repurchase, and reverse repurchase transactions (see ***What are the Risks of Investing in a Mutual Fund?*** for a description of these transactions) as permitted by securities legislation. These transactions will be used with the Fund's other investment strategies in a manner considered most appropriate to achieving the Fund's overall investment objectives and enhancing the Fund's returns.

The Portfolio Manager may actively trade the Fund's investments. This can increase trading costs, which lower the Fund's returns. It also increases the possibility that you will receive taxable distributions if you hold the Fund in a non-registered account.

Except to the extent the Fund has received exemptive relief from the securities regulators, the Fund is subject to the restrictions and practices contained in securities legislation, including NI 81-102.

The Fund may depart from its investment objectives and/or investment strategies by temporarily investing all or a portion of its assets in cash or fixed income securities issued or guaranteed by a Canadian or U.S. government, government agency, or company to try to protect it during a market downturn or for other reasons.

What are the Risks of Investing in the Fund?

Investment in the Fund is subject to all of the risks set forth under *What are the Risks of Investing in a Mutual Fund?*

Investment Risk Classification

We assign an investment risk level to the Fund to help you decide whether or not the Fund is appropriate for you. The Fund can be assigned an investment risk level in one of five risk categories: low, low-to-medium, medium, medium-to-high, or high risk. This information is only a guide.

The risk level of the Fund is **low to medium**.

The investment risk level of the Fund for purposes of disclosure in this Simplified Prospectus and in the Fund Facts documents is required to be determined in accordance with a standardized risk classification methodology that is based on the Fund's historical volatility as measured by the ten year standard deviation of the returns of the Fund. The methodology used to determine the Fund's investment risk level is based on the Investment Risk Classification Methodology in NI 81-102 that came into force effective September 1, 2017, as such methodology may be amended and updated from time to time (the "**Methodology**"). The Methodology reflects the view of the Canadian Securities Administrators ("**CSA**") that the most comprehensive, easily understood form of risk in this context is historical volatility risk as measured by the standard deviation of fund performance. However, the Manager and the CSA recognize that other types of risk, both measurable and non-measurable, may exist. It is important to note that historical performance may not be indicative of future returns and the Fund's historical volatility may not be indicative of its future volatility. There may be times when the Methodology produces a result that the Manager believes is inappropriate, in which case the Manager may reclassify the Fund to a higher risk level, if appropriate.

Based on the Methodology, the Fund's risk level, as described in this document, is determined by calculating its ten year standard deviation. If a fund does not have at least ten years of performance history, the performance history of a similar fund, or an underlying fund in the case where the fund invests substantially all of its assets in an underlying fund, and/or, where neither of these alternatives apply, a reference index that is expected to reasonably approximate the fund's standard deviation, is used as a proxy for the ten-year period.

Since the Fund is a new fund and therefore does not have at least ten years of performance history, the performance histories of the following reference indices have been used as a proxy:

- 35% - S&P/TSX Composite Index. This index is the benchmark Canadian index, representing roughly 70% of the total market capitalization on the Toronto Stock Exchange, with about 250 companies included in it;
- 35% - S&P 500 CAD Daily Hedged Index. This index is designed to measure the returns of the S&P 500 while hedging daily currency risk, but not the underlying equity;
- 25% - DEX Universe Bond Index. This index tracks the broad Canadian bond market; and
- 5% - FTSE TMX Canada 30 Day T-Bill Index. This index tracks the performance of Government of Canada Treasury one month T-Bills.

The risk level for the Fund is determined when the Fund is first created and is reviewed at least annually and/or any time a material change occurs in the Fund.

The standardized risk classification methodology used to identify the investment risk level of the Fund is available on request, at no cost, by calling toll free 1-877-531-9355 or by writing to the Manager at Suite 1100, 606 – 4th Street S.W., Calgary, Alberta T2P 1T1.

Who Should Invest in this Fund?

You might want to consider the Fund if you are an investor with low to moderate income requirements, longer investment time horizons, and a tolerance for moderate fluctuations in the value of your investments. To invest in the Fund, you should be willing to accept a **low to medium** level of risk. Investors should also be willing to hold exposure to the defence industry that may be above the overall market's exposure to these types of companies.

Distribution Policy

For all series, the Fund distributes any income and capital gains at least annually in December of each year and may make distributions at other times during the year. Except for certain types of accounts, such as non-registered accounts, unless you otherwise direct in writing, any distributions will be automatically reinvested, without charge, in additional units of the same series at the series net asset value per unit determined on the date of such distribution or, if such date is not a valuation day, on the next following valuation day. Capital gains on units held by you are generally deferred until the units are sold.

When the Fund returns capital to you, the Fund may be returning a portion of the money you originally invested in the Fund, as opposed to returns generated by investment. Returns of capital should not be confused with “yield” or “income” and are not intended to reflect the Fund's investment performance. See ***What are the Risks of Investing in a Mutual Fund?*** and ***Income Tax Considerations For Investors*** for further details.

FUND EXPENSES INDIRECTLY BORNE BY INVESTORS

Mutual funds pay their expenses (including the management and advisory fee) out of fund assets. This means investors in a fund indirectly pay for these expenses through lower returns. Investors also pay certain fees and expenses directly. See ***Fees and Expenses*** for details.

Information regarding fund expenses indirectly borne by investors allows you to compare the costs of investing in the Fund with the cost of other mutual funds. It shows the cumulative expenses you would have paid over various time periods if you:

- invested \$1,000 in the Fund;
- earned a total annual return of 5%, which may be different from the Fund's actual return in any given year and is only used for illustrative purposes as required by securities regulators; and
- paid the same management expense ratio each year as you did in the Fund's last completed financial year. The management expense ratio may be higher or lower depending on the performance of the Fund.

This information has not been provided because the Fund is new and has no historical fund expense information.

Simplified Prospectus

Respecting:

Arcs of Fire Tactical Balanced Fund™

(Series A, Series F, and Series I Units)



Additional information about the Fund is available in the Fund's Annual Information Form, Fund Facts, management reports of fund performance, and financial statements. These documents are incorporated by reference into this Simplified Prospectus, which means that they legally form part of this document just as if they were printed as a part of this document.

You can get a copy of these documents, at your request, and at no cost, by calling Norrep Capital Management Ltd. toll free at 1-877-531-9355, or from your dealer, or by e-mail at info@norrep.com. These documents and other information about the Fund, such as information circulars and material contracts, are also available on the Fund's website at www.norrep.com or at www.sedar.com.

The Manager of the Fund is:

Norrep Capital Management Ltd.

Suite 1100, 606 – 4th Street S.W.
Calgary, Alberta T2P 1T1
(403) 531-2650

Suite 4330, 77 King Street West
Toronto, Ontario M5K 1H6
(416) 640-6718



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