



ARROW ALTERNATIVE MUTUAL FUNDS

Annual Information Form

ARROW CANADIAN ADVANTAGE ALTERNATIVE CLASS (Series A, F and L Shares)

ARROW GLOBAL ADVANTAGE ALTERNATIVE CLASS (Series A, F, U and G Shares)

**WAVEFRONT GLOBAL DIVERSIFIED INVESTMENT CLASS (Series A, F, I, L and R
Shares)**

(the “Corporate Classes”)

**ARROW EC INCOME ADVANTAGE ALTERNATIVE FUND (formerly East Coast
Investment Grade Income Fund) (Series A, AD, F, FD, U, G, I and ETF Units)**

(the “Trust Fund”)

June 15, 2021

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

TABLE OF CONTENTS

NAME, FORMATION AND HISTORY OF THE FUNDS2
INVESTMENT RESTRICTIONS AND PRACTICES.....4
YOUR RIGHTS AS AN INVESTOR8
CALCULATION OF NET ASSET VALUE9
VALUATION OF PORTFOLIO SECURITIES9
DESCRIPTION OF SECURITIES OFFERED BY THE FUNDS10
PURCHASE, SWITCHES AND REDEMPTIONS11
OPTIONAL SERVICES18
RESPONSIBILITY FOR OPERATION OF THE FUNDS19
BROKERAGE ARRANGEMENTS22
CUSTODIAN22
AUDITOR23
REGISTRAR AND TRANSFER AGENT AND VALUATION AGENT23
SECURITIES LENDING AGENT23
PRINCIPAL HOLDERS OF SECURITIES.....23
FUND GOVERNANCE.....25
INCOME TAX CONSIDERATIONS FOR INVESTORS28
MATERIAL CONTRACTS33
OTHER EXEMPTIONS AND APPROVALS.....34
CERTIFICATE OF THE FUNDS,.....36

NAME, FORMATION AND HISTORY OF THE FUNDS

The Funds

The manager of the Funds is Arrow Capital Management Inc., and is referred to in this document as “**Arrow**”, “**us**”, “**our**” or “**we**”.

Some of our funds have been established as classes of shares of Exemplar Portfolios Ltd. (the “**Company**”), a mutual fund corporation established under the laws of the Province of Ontario. A “**Corporate Class**” refers to the assets and liabilities attributable to the classes of shares of the Company that have the same investment objectives and strategies. The authorized capital of the Company consists of 1,000 separate classes of non-voting redeemable mutual fund shares (the “**Shares**”), issuable in series, in addition to a class of voting common shares held in trust by certain employees of Arrow for the non-voting shareholders. Each Corporate Class maintains its own separate group of assets within the Company.

One of the funds has been established as a mutual fund trust (“**Trust Fund**”) created under the laws of Ontario and is governed by an amended and restated declaration of trust (as amended from time to time, the “**Declaration of Trust**”). The Trust Fund is a fund that is not a Corporate Class. When you invest in the Trust Fund, you are buying units of a trust (the “**Units**”).

A “**Security**” means a Share of a Corporate Class or a Unit of the Trust Fund.

For ease of reference, we refer to each Corporate Class and the Trust Fund as a “**Fund**” and collectively as the “**Funds**”. Corporate Classes offer shares and the Trust Fund offers units. Units of the Trust Fund and shares of Corporate Classes are both referred to as “**Securities**”.

The year-end of the Funds for financial reporting purposes is December 31.

This annual information form contains details about the Funds. It is intended to be read along with the simplified prospectus of the Funds you’re investing in. If you have questions after reading these documents, please contact your representative or us. The Funds are managed by:

Arrow Capital Management Inc.
36 Toronto Street, Suite 750
Toronto, Ontario M5C 2C5

The address of the Funds is the same as Arrow Capital Management Inc.

Corporate Classes

Fund Name	Name Changes	Date of original articles of incorporation or date of articles of amendment creating the share class	Amendments made to these documents
Exemplar Portfolios Ltd.		Exemplar Portfolios Ltd. was incorporated on March 18, 2008 . Each of its share classes was created either in the original articles or by articles of amendment, the date of which is listed below.	April 23, 2008 – to change the number of directors from a minimum of one and a maximum of eleven to a minimum of three and a maximum of eleven

Fund Name	Name Changes	Date of original articles of incorporation or date of articles of amendment creating the share class	Amendments made to these documents
			<p>April 28, 2011 – to create new classes of shares</p> <p>September 18, 2012 – to cancel a class of shares and to authorize the issuance of future classes of shares</p>
Arrow Canadian Advantage Alternative Class	May 15, 2019 – Exemplar Canadian Focus Portfolio changed its name to Arrow Canadian Advantage Alternative Class	<p>March 18, 2008 – Series A and F Shares</p> <p>March 18, 2008 – Series I Shares – not available for distribution</p> <p>November 12, 2009 – Series R Shares – not available for distribution</p> <p>January 10, 2012 – Series L Shares</p>	
Arrow Global Advantage Alternative Class		<p>December 31, 2018 – Series A, F and ETF Shares</p> <p>February 12, 2019 – Series U and G Shares</p>	
WaveFront Global Diversified Investment Class	June 18, 2019 – Exemplar Diversified Portfolio changed its name to WaveFront Global Diversified Investment Class	<p>May 1, 2009 – Series A and F Shares</p> <p>January 31, 2012 – Series L Shares</p> <p>September 14, 2012 – Series I Shares</p> <p>November 10, 2015 – Series R Shares</p>	

Trust Fund

Arrow EC Income Advantage Alternative Fund was established under the name East Coast Investment Grade Income Fund as an investment fund under the laws of the Province of Ontario by a declaration of trust dated April 26, 2012 as amended and restated on September 27, 2013 and April 17, 2017 (the “**Original Declaration of Trust**”). Having obtained the approval of unitholders, the Trust Fund was converted (the “**Conversion**”) to an open-end alternative mutual fund trust on June 26, 2020 (the “**Conversion Date**”).

As part of such Conversion the following changes, among others, were implemented:

- a) on the Conversion Date, the securities of the Trust Fund were re-designated as Series FD Units;
- b) the name of the Trust Fund was changed to Arrow EC Income Advantage Alternative Fund;
- c) the investment objective and investment strategies of the Trust Fund were changed to reflect those provided for in the simplified prospectus of the Trust Fund; and
- d) the Original Declaration of Trust was superseded by and incorporated into an amended and restated master declaration of trust (the “**Declaration of Trust**”) that is governed by the laws of the Province of Ontario.

Following the Conversion, the Trust Fund, and certain other trust funds managed by the Manager, is governed by the Declaration of Trust.

The Declaration of Trust was amended on September 30, 2020 to create a new series of units designated as Series R Units in the Trust Fund.

The Declaration of Trust was amended on June 15, 2021 to create a new series of units designated as Series ETF Units in the Trust Fund.

The schedules to the Declaration of Trust may be amended from time to time to add or delete an Arrow mutual fund or a series of units of an Arrow mutual fund.

History of the Manager

As described below, Arrow Capital Management Inc. (“**Arrow**”, “**us**”, “**our**”, “**we**” or the “**Manager**”) is the manager of the Funds:

<u>Effective Date</u>	<u>Event</u>
February 23, 2010	BluMont Capital Corporation (“ BluMont ”) acquired all of the shares of Northern Rivers Capital Management Inc.
April 1, 2010	Northern Rivers Capital Management Inc. and BluMont were amalgamated.
December 2, 2013	Arrow acquired all the outstanding shares of BluMont, resulting in a change of control of BluMont.
April 1, 2014	BluMont and Arrow were amalgamated and Arrow Capital Management Inc. became the manager of the Fund.

INVESTMENT RESTRICTIONS AND PRACTICES

Restrictions under NI 81-102

Subject always to compliance with their fundamental investment objectives, each Fund has adopted and is managed in accordance with the standard investment restrictions and practices set out in securities legislation, including National Instrument 81-102 – *Investment Funds* (“**NI 81-102**”) (being the code established by the Canadian Securities Administrators to generally govern investment funds whose securities are offered by prospectus in Canada), which are designed in part to ensure that each Fund’s investments are diversified and relatively liquid and to ensure the proper administration of the Funds.

Each Fund is, or will be after the Conversion, considered an “alternative mutual fund”, as defined in NI 81-102. This permits each Fund to use strategies generally prohibited by conventional mutual funds, such as the ability to invest more than 10% of its net asset value in securities of a single issuer, the ability to invest in physical commodities or specified derivatives, to borrow cash, to short sell beyond the limits prescribed for conventional mutual funds and to generally employ leverage.

Exemptive Relief

Each of the Funds has obtained exemptive relief from securities regulators:

- 1) to permit a Fund to short sell securities having an aggregate market value of up to 100% of the Fund's NAV by exempting each Fund from the following provisions of NI 81-102:
 - a) Subparagraph 2.6.1(1)(c)(v), which restricts a Fund from selling a security short if, at the time, the aggregate market value of all securities sold short by the Fund exceeds 50% of the Fund's NAV; and
 - b) Section 2.6.2, which prohibits a Fund from borrowing cash or selling securities short if, immediately after entering into a cash borrowing or short selling transaction, the aggregate value of cash borrowed combined with the aggregate market value of all securities sold short by the Fund would exceed 50% of the Fund's NAV;
 (the "**Market-Neutral Strategy Relief**")
- 2) exempting each Fund from the requirement in subsection 6.8.1(1) of NI 81-102, which provides that, except as provided in sections 6.8, 6.8.1 and 6.9 of NI 81-102, all portfolio assets of a Fund must be held under the custodianship of one custodian that satisfies the requirement of section 6.2 of NI 81-102, in order to permit a Fund to deposit portfolio assets with a borrowing agent that is not the Fund's custodian or sub-custodian in connection with a short sale of securities, if the aggregate market value of the portfolio assets held by the borrowing agent after such deposit, excluding the aggregate market value of the proceeds from outstanding short sales of securities held by the borrowing agent, does not exceed 25% of the NAV of the Fund at the time of deposit (the "**Short Sale Collateral Relief**");
- 3) exempting each Fund from subsection 9.3(1) and 10.3(1) of NI 81-102, to permit a Fund to process purchase and redemption orders for their securities, as described in this simplified prospectus and fund facts, on a weekly basis at their NAV per security as at the last valuation date of the week in which the purchase or redemption order for such securities is received (the "**Purchase and Redemption Relief**"); and
- 4) exempting each Fund from the requirement in subsection 6.1(1) of NI 81-102 to permit a Fund to appoint more than one custodian, each of which is qualified to be a custodian under section 6.2 of NI 81-102 and each of which is subject to all of the other requirements in Part 6 of NI 81-102 other than the prohibition against the Fund appointing more than one custodian in subsection 6.1(1) of NI 81-102 (the "**Custodian Relief**").

The custodians of each Fund are disclosed under the heading "*Organization and Management of the Arrow Alternative Mutual Funds - Custodians*" in the simplified prospectus. The Manager may appoint additional custodians in the future for one or more of the Funds in accordance with the Custodian Relief provided that the additional custodians are one of the Fund's prime brokers. The terms of any custodial agreement entered into with an additional custodian will comply with the requirements of NI 81-102 and will be filed as a material contract of the applicable Fund(s) following its execution.

In connection with the Market-Neutral Strategy Relief, the Manager has implemented the policies and procedures described under the heading "*Fund Governance - Policies and Procedures - Short Selling*" in this annual information form.

Upon the appointment of an additional custodian for the Fund(s), the Manager will implement the operational systems and processes in respect of the applicable Fund(s) pursuant to the Custodian Relief as described under the heading "*Fund Governance – Policies and Procedures - Custodial Arrangements*" in this annual information form.

*Arrow EC Income Advantage Alternative Fund
Exemptive Relief to Permit Enhanced Short Selling Activities*

In order to permit the Trust Fund to engage in the short selling of "government securities" (as that term is defined in NI 81-102) up to a maximum of 300% of the Trust Fund's net asset value ("NAV"), the Trust Fund has obtained exemptive relief from securities regulators from the following provisions of NI 81-102:

- 1) Subparagraph 2.6.1(1)(c)(v), which restricts the Trust Fund from selling a security short if, at that time, the aggregate market value of the securities sold short by the Trust Fund exceeds 50% of the Fund's NAV; and
- 2) Section 2.6.2, which states that the Trust Fund may not borrow cash or sell securities short if, immediately after entering into a cash borrowing or short selling transaction, the aggregate market value of cash borrowing combined with the aggregate market value of the securities sold short by the Trust Fund would exceed 50% of its NAV.

(the “**Enhanced Short Selling Relief**”)

In connection with this exemptive relief, the Trust Fund has implemented the policies, procedures and controls relating to short selling transactions described under the heading “*Fund Governance – Policies and Procedures – Short Sellings*”.

WaveFront Global Diversified Investment Class (the “WaveFront Class”)

Amendments to NI 81-102 that became effective January 3, 2019 (“**Alternative Mutual Fund Amendments**”) established alternative mutual funds and repealed large sections of National Instrument 81-104 *Commodity Pools* (“**Former NI 81-104**”). Former NI 81-104 had permitted mutual funds that were commodity pools (such as the WaveFront Class) to be exempt from certain investment restrictions in NI 81-102. As stated above, with the amendments to NI 81-102, the WaveFront Class became an “alternative mutual fund”.

The WaveFront Class has received exemptive relief from the regulators whereby the WaveFront Class will be permitted to have aggregate exposure to specified derivative transactions as previously permitted under Former NI 81-104. This includes the following restrictions:

- the notional leverage of the WaveFront Class, excluding futures on government securities and Euro dollars, is generally between 0% and 300% and can never go above 500% of the WaveFront Class' NAV;
- the notional leverage of the WaveFront Class, including futures on government securities and Euro dollars is typically around 300% but from time to time may be as high as 1000% of the WaveFront Class' NAV.

Investment in Other Mutual Funds

From time to time the Fund may invest in other investment funds and may purchase securities of, or enter into specified derivative transactions for which the underlying interest is based on the securities of other investment funds. Such investments may be entered into in conjunction with other strategies and investments in a manner considered most appropriate to achieving the Fund's investment objectives and enhancing returns as permitted by securities regulations. Those other investment funds may or may not be managed by the Manager or an affiliate or associate of the Manager. No percentage of net assets is dedicated to such investments. Accordingly, all the assets of the Fund may be invested in other investment funds in accordance with securities legislation, including NI 81-102.

Investing in U.S. Listed ETFs

Given the incorporation of the alternative mutual funds into NI 81-102, this ETF relief is only relevant for U.S. listed exchange traded funds.

Each Fund has obtained permission from the regulators to invest up to 10% of its net assets (taken at market value at the time of the investment) in exchange traded funds listed on a Canadian or United States stock exchange that seek to replicate the daily performance of either: (a) a widely-quoted market index (i) in an inverse multiple of 100% (an “**Inverse ETF**”), or (ii) by a multiple of up to 200% or an inverse multiple of up to 200% (in either case, a “**Leveraged ETF**”); or (b) gold or silver on an unlevered basis (a “**Commodity ETF**” and, together with Inverse ETFs and Leveraged ETFs, “**Permitted ETFs**”). In each case: (a) the investment will be made by the Fund in accordance with its investment objective; (b) the aggregate investment by the Fund in Permitted ETFs will not exceed 10% of the Fund's net asset value, taken at market value at the time of purchase; and (c) the Fund will not purchase securities of Inverse ETFs or Leveraged ETFs or short sell securities of any issuer if, immediately after such purchase or short sale,

the Fund's aggregate market value exposure represented by all such securities purchased and/or sold short would exceed 100% of the net assets of the Fund, taken at market value at the time of the transaction

Relief with Respect to the Offering of Series ETF Securities

The Funds have obtained relief from applicable securities laws in connection with the offering of Series ETF securities to:

- (i) relieve the Funds from (a) the requirement to prepare and file a long form prospectus for the Series ETF securities in accordance with National Instrument 41-101 – *General Prospectus Requirements* in the form prescribed by Form 41-101F2 *Information Required in an Investment Fund Prospectus*, subject to the terms of the relief, provided that the Funds file a prospectus for the Series ETF securities in accordance with the provisions of National Instrument 81-101 – *Mutual Fund Prospectus Disclosure*, other than the requirements pertaining to the filing of a fund facts document;
- (ii) relieve the Funds from the requirement that a prospectus offering Series ETF securities contain a certificate of the underwriters;
- (iii) relieve a person or company purchasing Series ETF securities of a Fund in the normal course through the facilities of the Toronto Stock Exchange (“TSX”) or another exchange from the take-over bid requirements of Canadian securities legislation;
- (iv) permit each Fund that offers Series ETF securities to borrow cash from the custodian of the Fund (the “Custodian”) and, if required by the Custodian, to provide a security interest over any of its portfolio assets as a temporary measure to fund the portion of any distribution payable to unitholders that represents, in the aggregate, amounts that are owing to, but not yet been received by, the Fund; and
- (v) treat the Series ETF and the mutual fund series of a Fund as if such series were two separate funds in connection with their compliance with the provisions of Parts 9, 10 and 14 of NI 81-102.

Additionally, certain dealers of the Funds, including the Designated Brokers (as defined below) and ETF Dealers (as defined below), have received relief from the Canadian securities regulatory authorities from the requirement that a dealer, not acting as agent of the purchaser, who receives an order or subscription for a security offered in a distribution to which the prospectus requirement of the securities legislation of the provinces and territories applies, send or deliver to the purchaser or its agent, unless the dealer has previously done so, the latest prospectus and any amendment either before entering into an agreement of purchase and sale resulting from the order or subscription, or not later than midnight on the second business day after entering into that agreement. As a condition of this relief, the dealer is required to deliver a copy of the ETF summary document of the applicable fund to a purchaser if the dealer does not deliver a copy of the fund's simplified prospectus.

Changes To Fundamental Investment Objectives

A change in a Fund's investment objectives may only be made after first obtaining the consent of a majority of votes cast by that Fund's investors and proxyholders present at a meeting called to consider the change. However, in order to reduce the Funds' costs, you will not receive notice of routine administrative or compliance changes that would not have an adverse monetary impact on your investment. Please see “Fundamental Changes” for details of the matters which may not be effected without securityholder approval.

Registered Tax Plans

Securities of the Funds are qualified investments for registered plans.

For these purposes, a registered plan means a trust governed by such plans as:

- Locked-in Retirement Accounts (LIRAs);
- Registered Retirement Savings Plans (RRSPs);
- Locked-in Registered Retirement Savings Plans (LRSPs);

- Registered Retirement Income Funds (RRIFs);
- Locked-in Retirement Income Funds (LRIFs);
- Life Income Funds (LIFs);
- Deferred Profit Sharing Plans (DPSPs);
- Registered Education Savings Plans (RESPs);
- Prescribed Retirement Income Funds (PRIFs);
- Tax-Free Savings Accounts (TFSAAs);
- Registered Disability Savings Plans (RDSPs); or
- Québec Education Savings Incentive (QESI) (each a “**Registered Plan**”).

Note that not all Registered Plans are available in all provinces or territories. The Funds may be eligible for other Registered Plans offered through your representative’s firm.

YOUR RIGHTS AS AN INVESTOR

As an investor, you have the right to share in any distributions (other than management fee distributions and distributions paid in respect of a different series of units that are intended to constitute a return of capital) that the Trust Fund makes. As an investor in a Corporate Class, you have the right to share in any dividends that are declared and any capital that is returned through a return of capital on the series of shares of the Corporate Class you hold. You can sell your securities and switch from a Fund to another fund at any time. If a Fund stops operating, you have the right to share in the Fund’s net assets after it has paid any outstanding debts. You can pledge your securities as security, but you may not transfer or assign them to another party. Pledging securities held in a registered plan may result in adverse tax consequences.

You are entitled to receive notice of unitholder and shareholder meetings, where you will have one vote for each whole unit or share you own. You have the right to vote on the following matters:

- a change in the method of calculating, or the introduction of, a fee or expense charged to a Fund if the change could increase the charges to the Fund or its securityholders except where:
 - (i) the Fund contracts at arm’s length and with parties other than the Manager or an associate or affiliate of the Manager, and
 - (ii) the unitholders have received at least 60 days’ notice before the effective date of the change;
- appointment of a new manager, unless the new manager is an affiliate of the current manager;
- a change in a Fund’s fundamental investment objective;
- any decrease in the frequency of calculating the net asset value per security of a Fund;
- in certain circumstances, a merger with, or transfer of assets to, another issuer if:
 - the Fund will be discontinued; and
 - investors in the discontinued Fund will become investors in the other issuer;
- a merger with, or acquisition of assets from, another issuer if:
 - the Fund will continue;
 - investors in the other issuer will become investors in the Fund; and
 - the transaction would be a significant change to the Fund; and
- a restructuring of a Fund into a non-redeemable investment fund or into an issuer that is not an investment fund.

The rights, privileges, conditions and restrictions of a Corporate Class may only be changed by a vote of shareholders. If you own securities of any series of a Fund, you will be entitled to vote at any meeting of securityholders of that series, for example, to change the management fee payable by that series. You will also be entitled to vote at any meeting called that affects the Fund as a whole, for example, to change the investment objective of a Fund. A change to the investment objective of a Fund would require a majority of votes cast at a meeting of securityholders.

If a Fund invests in an underlying fund we will not vote any of the securities it holds of the underlying fund. However, we may arrange for you to vote your share of those securities.

CALCULATION OF NET ASSET VALUE

Whether you are buying, selling or switching a Fund, we base the transaction on the value of the Fund security. The price of a security is called the “*net asset value*” or “*NAV*” per security, or the “*security value*”. We calculate a separate NAV per security for each series of the Funds by taking the value of the assets of the series of the Fund, subtracting any liabilities of the series of the Fund and dividing the balance by the number of securities held by investors in that series of the Fund.

We calculate NAV at 4:00 p.m. Eastern time on each “*valuation day*”. A valuation day is any day that the Toronto Stock Exchange is open for trading. The Funds’ security value will fluctuate with the value of its investments. When you buy, sell, transfer or switch units of the Fund, the price is the next NAV we calculate after receiving your order. When you place your order through a representative, the representative sends it to us. If we receive your properly completed order before 4:00 p.m. Eastern time on a valuation day, we will process it using that day’s NAV per security. If we receive your order after that time, we will use the NAV per security on the next valuation day. The valuation day used to process your order is called the “*trade date*”.

The NAV and the NAV per security are available at www.arrow-capital.com and upon request by any securityholder, at no cost, by calling 1-877-327-6048.

VALUATION OF PORTFOLIO SECURITIES

In calculating the NAV, each Fund values the various assets as described below. We may deviate from these valuation practices in circumstances where this would be appropriate, for example, if trading in a security is halted because of significant negative news about the company.

Type of Asset	Method of Valuation
Liquid assets, including cash on hand or on deposit, accounts receivable and prepaid expenses	Valued at full face value unless we determine the asset is not worth full face value, in which case we will determine a fair value.
Money market instruments	The purchase cost amortized to the instrument’s due date.
Bonds, term notes, shares, subscription rights and other securities listed or traded on a stock exchange	The latest available sale price reported by any means in common use. If a price is not available, we determine a price at the average of the closing bid and ask price or the latest available sale price. If the securities are listed or traded on more than one exchange, the Fund calculates the value in a manner that we believe accurately reflects fair value. If we believe stock exchange quotations do not accurately reflect the price the Fund would receive from selling a security, we can value the security at a price we believe reflects fair value.
Bonds, term notes, shares, subscription rights and other securities not listed or traded on a stock exchange	The price quotation or valuation that we believe best reflects fair value.
Restricted securities as defined in NI 81-102	The market value of securities of the same class which are not restricted, multiplied by the percentage that the Fund’s acquisition cost was of the market value of such securities at the time of acquisition, provided that a gradual taking into account of

	the actual value of the securities may be made where the date on which the restrictions will be lifted is known or such lower value as may be available from reported quotations in common use.
Long positions in clearing corporation options, options on futures, over-the-counter options, debt-like securities and listed warrants	The current market value.
Premiums received from written clearing corporation options, options on futures or over-the-counter options	Treated as deferred credits and valued at an amount equal to the market value that would trigger closing the position. The deferred credit is deducted when calculating the net asset value of the Fund. Any securities that are the subject of a written clearing corporation option or over-the-counter option will be valued as described above.
Futures contracts, forward contracts and swaps	Valued according to the gain or loss the Fund would realize if the position were closed out on the day of the valuation. If daily limits are in effect, the value will be based on the current market value of the underlying interest.
Assets valued in foreign currency, deposits, contractual obligations payable to the Fund in foreign currency and liabilities and contractual obligations the fund must pay in foreign currency	Valued using the exchange rate from a publicly disseminated quotation service.
Precious metals	Precious metals (certificates or bullion) and other commodities are valued at their fair market value, generally based on prevailing market prices as reported on exchanges or other markets.
Securities of other mutual funds	The value of the securities will be the net asset value per security on that day or, if the day is not a valuation day of the mutual fund, the net asset value per security on the most recent valuation day for the mutual fund.

National Instrument 81-106 *Investment Fund Continuous Disclosure* (“NI 81-106”) requires each Fund to calculate its net asset value by determining the fair value of its assets and liabilities. CIBC Mellon Global Securities Services Company has been appointed to perform valuation services for us. Any valuation services will be done using the methods of valuation described above.

DESCRIPTION OF SECURITIES OFFERED BY THE FUNDS

Each Fund is sold in units or shares, each representing an equal interest in the related series of the Funds. You will find a list of all of the series of securities each Fund offers on the front cover of this annual information form. In this document, all series of securities, except for Series ETF securities, are collectively referred to as the “Mutual Fund Series” securities.

PURCHASE, SWITCHES AND REDEMPTIONS

You may purchase or switch Mutual Fund Series securities from the Funds to other funds managed by Arrow or redeem your Mutual Fund Series securities in the Funds through registered dealers in each of the provinces and territories of Canada. You can contact Arrow for the names of registered dealers in your province or territory of residence.

Series ETF securities are available to investors that purchase such securities on the TSX or another exchange or marketplace.

Purchases

Mutual Fund Series Securities

The Funds have multiple series available for investors. Different purchase options require investors to pay different fees and expenses and, if applicable, the choice of purchase options affects the amount of compensation paid by Arrow to your dealer.

You can invest in a Fund by completing a purchase application, which you can get from your representative. Your initial investment in a Fund must be at least \$1,000. Any subsequent purchase must be at least \$100.

Series	Feature
Series A, AD and U Securities	<p>These series of Securities are available to all investors. You may purchase these series of Securities by way of the front-end sales charge (the “Front-End Securities”). You may be required to pay your dealer a sales charge when you buy these securities. This sales charge is negotiable between you and your dealer.</p> <p>Series A Securities are a Non-Fixed Rate Distribution Series as defined below.</p> <p>Series AD Securities are a Fixed Rate Distribution Series as defined below.</p> <p>Series U Securities are designed for investors who wish to make their investment in U.S. dollars. Series U Securities are a U.S. Option and a Non-Fixed Rate Distribution Series for Arrow Global Advantage Alternative Class and a Fixed Rate Distribution Series for Arrow EC Income Advantage Alternative Fund (each as defined below).</p>
Series F, FD and G Securities	<p>These series of Securities are generally only available to investors who are enrolled in a dealer sponsored fee-for-service or “wrap” program and who are subject to an annual advisory or asset-based fee rather than commissions for each transaction (“Fee-Based Securities”). Fee-Based Securities are not subject to sales charges. In certain circumstances, investors who purchase Fee-Based Securities must enter into an agreement with their dealer which identifies an annual account fee (a “Fee-Based Account Fee”) negotiated</p>

	<p>with their financial advisor and payable to their dealer. This Fee-Based Account Fee is in addition to the management fee payable by the Funds for Fee-Based Securities.</p> <p>Series F Securities are a Non-Fixed Rate Distribution Series as defined below.</p> <p>Series FD Securities are a Fixed Rate Distribution Series as defined below.</p> <p>Series G Securities are designed for investors who wish to make their investment in U.S. dollars. Series G Securities are a U.S. Option Series and a Non-Fixed Rate Distribution Series for Arrow Global Advantage Alternative Class and a Fixed Rate Distribution Series for Arrow EC Income Advantage Alternative Fund (each as defined below).</p>
Series I and R Securities	<p>Series I and R Securities are typically for institutional investors such as pension plans, endowment funds and corporations, high net worth individuals and group RRSPs that maintain a minimum investment in a Fund as negotiated with Arrow. You may be required to pay your dealer a sales charge when you buy these securities. This sales charge is negotiable between you and your dealer.</p> <p>Series I and R Securities are a Non-Fixed Rate Dividend Series as defined below.</p>
Series L Securities	<p>Series L Securities are available to all investors. You may purchase Series L Securities with a low load option (the “Low Load Option”) whereby an investor will pay no sales charge at the time of the purchase; however, when the Securities purchased under the Low Load Option (the “Low Load Securities”) are redeemed, a redemption fee will be charged.</p> <p>Series L Securities are a Non-Fixed Rate Distribution Series as defined below.</p> <p>Effective June 1, 2022, purchases under the Low Load Option will be prohibited in all jurisdictions of Canada.</p>

“**U.S. Option Series**” are designed for investors who wish to make their investment in U.S. Dollars. Funds offering U.S. Option Series hedge those series against changes in the U.S. currency relative to the Canadian currency and in doing so attempt to eliminate fluctuations between Canadian and U.S. currencies such that the performance of the U.S. Option Series are expected to be substantially the same performance as the performance of Series A and F Securities, respectively, purchased using the Canadian dollar pricing option. However, there may be factors beyond a Fund’s control such as derivative transaction costs and performance fees which may cause there to be differences in the performance of the series. In addition, there may be circumstances, from time to time, in which a Fund may not be able to fully hedge its Canadian exposure back to U.S. dollars in respect of a U.S. Option Series.

“**Fixed Rate Distribution Series**” are designed for investors who wish to receive regular distributions from a Trust Fund or regular dividends from a Corporate Class. **If the Fund earns more income or capital gains than the distribution or dividend, it will distribute the excess each December. If the Fund earns less than the distribution or dividend, the difference is a return of capital.**

“**Non-Fixed Rate Distribution Series**” are designed for investors who do not wish to receive regular payments from a Fund. Each December, each Fund will make an annual distribution or dividend of its taxable income, if any, to holders of the Non-Fixed Rate Distribution Series.

You should not confuse the distribution or dividend rate with a Fund’s rate of return or its yield of its portfolio.

All distributions or dividends will be reinvested, without charge, in additional securities of that series, unless you elect in advance to receive them in cash.

Payment for securities of a Fund must be received within two business days of your order or we will redeem your securities on the next business day. If the proceeds are greater than the payment you owe, the Funds are required by securities regulation to keep the difference. If the proceeds are less than the payment you owe, your dealer must pay the difference (and your dealer may seek to collect this amount plus expenses from you).

We may reject your purchase order within one business day of receiving it. Any monies sent with your order will be returned immediately.

Series ETF Securities

Series ETF securities of the Funds will be issued and sold on a continuous basis and there is no maximum number of Series ETF securities that may be issued. Series ETF securities of the Funds can be bought in Canadian dollars only.

The Manager, on behalf of the Trust Fund, has applied to list the Series ETF securities of the Trust Fund on the TSX. Subject to receiving conditional approval and satisfying the TSX’s original listing requirements, the Series ETF securities will be listed on the TSX and holders of Series ETF securities will be able to buy or sell Series ETF securities of the Trust Fund on the TSX or another exchange or marketplace through registered brokers and dealers in the province or territory where the unitholder resides. The ticker symbol for Series ETF securities of the Arrow EC Income Advantage Alternative Fund is RATE.

Securityholders may incur customary brokerage commissions in buying or selling Series ETF securities. No fees are paid by a securityholder to the Manager or the Funds in connection with the buying or selling of Series ETF securities on the TSX or another exchange or marketplace.

Series ETF securities are a Fixed Rate Distribution Series.

To Designated Brokers and ETF Dealers

The Manager, on behalf of each Fund that offers Series ETF securities, has entered or will enter into a designated broker agreement with a designated broker (a “**Designated Broker**”) pursuant to which the Designated Broker has agreed, or will agree, to perform certain duties relating to the Series ETF securities of a Fund including, without limitation: (i) to subscribe for a sufficient number of securities to satisfy the applicable exchange’s original listing requirements; (ii) to subscribe for securities when cash redemptions of securities occur; and (iii) to post a liquid two-way market for the trading of securities on the applicable exchange. In accordance with the designated broker agreement, the Manager may require the Designated Broker to subscribe for Series ETF securities for cash.

Generally, all orders to purchase Series ETF securities directly from a Fund must be placed by a Designated Broker or an “ETF Dealer”, which is a registered dealer (that may or may not be a Designated Broker) that has entered into an agreement with us authorizing the dealer to subscribe for, purchase and redeem Series ETF securities from one or more Funds on a continuous basis from time to time.

We reserve the absolute right to reject any subscription order placed by a Designated Broker or ETF Dealer in connection with the issuance of Series ETF securities. If we reject your order, we will immediately return any money received, without interest.

No fees or commissions will be payable by a Fund to a Designated Broker or ETF Dealer in connection with the issuance of Series ETF securities. On the listing, issuance, exchange or redemption of Series ETF securities, we may, in our discretion, charge an administrative fee to a Designated Broker or ETF Dealer to offset the expenses incurred in listing, issuing, exchanging or redeeming the securities.

After the initial issuance of Series ETF securities to the Designated Broker(s) to satisfy the applicable exchange's original listing requirements, a Designated Broker or ETF Dealer may place a subscription order for a Prescribed Number of Series ETF securities (and any additional multiple thereof) of a Fund on any day on which a session of the exchange or marketplace on which the Series ETF securities of that Fund are listed is held (a "**Trading Day**"), or such other day as determined by us. "Prescribed Number of Series ETF Securities" means the number of Series ETF securities of the Fund determined by us from time to time for the purpose of subscription orders, exchanges, redemptions or for other purposes. The cut-off time for Series ETF securities of the Funds is 4 p.m. (Toronto time) on a Trading Day (the "**Cut-Off Time**"). If the TSX's trading hours are shortened or changed for other regulatory reasons, we may change the Cut-Off Time. Any subscription order that is received by the Cut-Off Time will be deemed to be received on that Trading Day and will be based on the net asset value per unit determined on such Trading Day. Any subscription order received after the Cut-Off Time on a Trading Day will be deemed to be received on the next Trading Day and will be based on the net asset value per unit determined on such following Trading Day.

For each Prescribed Number of Series ETF Securities issued, an ETF Dealer must deliver payment consisting of, in our discretion: (i) cash in an amount equal to the aggregate net asset value per unit of the Prescribed Number of Series ETF Securities next determined following the receipt of the subscription order; (ii) a group of securities or assets representing the constituents of, and their weightings in, the Fund ("Basket of Securities") or a combination of a Basket of Securities and cash, as determined by us, in an amount sufficient so that the value of the securities and cash received is equal to the aggregate net asset value per unit of the Prescribed Number of ETF Series Securities next determined following the receipt of the subscription order; or (iii) securities other than Baskets of Securities or a combination of securities other than Baskets of Securities and cash, as determined by us, in an amount sufficient so that the value of the securities and cash received is equal to the aggregate net asset value per unit of the Prescribed Number of ETF Series Securities next determined following the receipt of the subscription order.

We will make available to the Designated Brokers and ETF Dealers information as to the Prescribed Number of Series ETF Securities and any Basket of Securities for each Fund for each Trading Day. We may, in our discretion, increase or decrease the Prescribed Number of ETF Series Securities from time to time.

To Designated Brokers in special circumstances

Series ETF securities may also be issued by a Fund to Designated Brokers in certain special circumstances, including when cash redemptions of Series ETF securities occur.

Management Fee Rebate Program

The Manager reserves the right to offer a reduced management fee (which is negotiable with the Manager) to selected purchasers who purchase securities and after giving effect to such purchase would hold securities of a Fund having values that exceed certain thresholds. This is achieved by reducing the management fee charged to the Fund based on the aggregate Security Value of the securities held by such a purchaser and distributing the amount of the reduction (a "**Management Fee Distribution**"), payable in cash or in additional securities of the applicable Fund (subject to the capacity of the Fund's service providers to effect payment in each form) to the purchaser. Management Fee Distributions, where applicable, will be calculated and accrued on each day on which the Fund is valued. The level of reduction in the management fee is negotiable between the investor and the Manager and will be based on a case by case review of the size of the investor's account and the extent of services required by the investor. Reductions will not necessarily be based upon purchases over a specified period of time or on the value of an investor's account at a particular point in time.

Switches

You can switch your securities, except for Series ETF securities, between the Funds or to another fund in our group of funds, including securities of any new mutual fund which is created and offered by Arrow after the date of this document (provided that securities of the new mutual fund have been qualified for sale in your province or territory of residence). A switch involves the redemption of the securities of a Fund and a purchase of securities in another permitted fund. You cannot switch Series ETF units for units of another series of the same Fund or for units of another Fund.

Front-End Securities of a Fund can only be exchanged for other Front-End Securities of the Fund, another Fund or other permitted fund also offered under the initial sales charge option. Securities purchased under the Low Load Option can only be exchanged for other securities available under a low load option or the securityholder will be required to pay any applicable redemption charges on the Low Load Securities being redeemed before new securities are issued. When Low Load Securities are exchanged, the securityholder's new securities that are issued will be deemed to have been purchased on the same day as the original Low Load Securities, thereby minimizing redemption charges at a later date.

The switch of securities by a securityholder from one Fund to another Fund will constitute a disposition of such securities for purposes of the *Income Tax Act* (Canada) (the "**Tax Act**"). As a result, a taxable securityholder will generally realize a capital gain or capital loss on such securities. The capital gain or loss for tax purposes in respect of the securities will generally be the difference between the security price of such securities at that time (less any fees) and the adjusted cost base of those securities.

You can change or convert your securities of one series to securities of another series of the same Fund (except for Series ETF Securities) by contacting your representative. No fees apply. You can only change securities into a different series if you are eligible to buy such securities. Changing or converting securities from one series to another series (other than a conversion to or from the U.S. Option Series) of the same fund is generally not a disposition for tax purposes, but you should consult your own tax advisors in this regard.

Redemptions

Mutual Fund Series Securities

You may redeem your Mutual Fund Series securities in the Funds at the net asset value of such securities on demand by providing written notice. Your dealer is required to forward your redemption order to our offices on the same day the dealer receives it from you. Your written redemption order must have your signature guaranteed by a bank, trust company or dealer for your protection.

If we do not receive all of the documentation we need from you to complete your redemption order within ten business days, we must repurchase your securities. If the sale proceeds are greater than the repurchase amount, the Funds are required by securities regulation to keep the difference. If the sale proceeds are less than the repurchase amount, your dealer will be required to pay the Fund the difference (and your dealer may seek to collect this amount plus expenses from you).

No redemption charges apply to Front-End, Series I and R Securities, unless the securities are subject to the short-term trading redemption charge described below.

A redemption charge will apply to Low Load Securities purchased which are subsequently redeemed within the time period specified by a Fund's redemption schedule as described below. Any redemption of securities by a securityholder will first be applied to the securities that are not subject to redemption charges. In order to minimize redemption charges, securities subject to redemption charges are redeemed on a "first in, first out" basis.

The following redemption charge will apply if you redeem your Low Load Securities within the following time periods after purchase:

<u>Year(s) Since Purchase</u>	<u>Redemption Charge as a Percentage of the Original Purchase Price</u>
Year 1	3.00%
Year 2	2.50%
Year 3	2.00%
Year 4	None

Series ETF Securities

Redemption of Series ETF Securities in any number for cash

You may choose to redeem Series ETF securities of a Fund on any Trading Day. When you redeem Series ETF securities of a Fund, you receive the proceeds of your sale in cash at a redemption price per unit equal to 95% of the closing price of the Series ETF securities on the effective date of redemption, subject to a maximum redemption price of the applicable net asset value per unit. As securityholders will generally be able to sell Series ETF securities at the market price on the TSX or another exchange or marketplace through an ETF Dealer subject only to customary brokerage commissions, securityholders are advised to consult their brokers, dealers or investment advisers before redeeming their Series ETF securities for cash.

For such a cash redemption to be effective on a Trading Day, a cash redemption request in the form prescribed by us from time to time must be delivered to the Fund at the offices of the Manager through a registered dealer or other financial institution that is a participant in CDS Clearing and Depository Services Inc. (“CDS”) and that holds Series ETF securities on behalf of beneficial owners of such securities (a “CDS Participant”). Any cash redemption request that is received by the Cut-Off Time will be deemed to be received on that Trading Day. Any cash redemption request received after the Cut-Off Time on a Trading Day will be deemed to be received on the next Trading Day. Payment of the redemption price will be made by no later than the second Trading Day after the effective day of the redemption (or such shorter period as may be determined by us in response to changes in applicable laws or general changes to settlement procedures in applicable markets). The cash redemption request forms may be obtained from us.

If the Manager hasn’t received all the required documents within 10 business days of receiving your redemption request, the Manager will issue the same number of securities on the 10th business day after the redemption request. If the issue price is less than the sale proceeds, the Fund will keep the difference. If the issue price is more than the sale proceeds, your ETF Dealer must pay the shortfall. Your ETF Dealer may have the right to collect it from you.

If you are redeeming more than \$25,000 of the Funds, your signature must be guaranteed by your bank, trust company or ETF Dealer. In some cases, the Manager may require other documents or proof of signing authority. You can contact your registered representative or us to find out the documents that are required to complete the sale.

The Manager reserves the right to cause a Fund to redeem the Series ETF securities held by a securityholder at a price equal to the net asset value per unit on the effective date of such redemption if the Manager believes it is in the best interests of the Fund to do so.

Exchange of Prescribed Number of Series ETF securities

On any Trading Day, you may exchange a minimum of a Prescribed Number of Series ETF Securities (and any additional multiple thereof) for cash or, with our consent, Baskets of Securities and cash. To effect an exchange of Series ETF securities, you must submit an exchange request, in the form prescribed by the Manager from time to time, to the applicable Fund at its head office. The exchange price will be equal to the aggregate net asset value per security of the Prescribed Number of ETF Series Securities on the effective day of the exchange request, payable by delivery of cash or, with our consent, Baskets of Securities (constituted prior to the receipt of the exchange request) and cash. On an exchange, the applicable Series ETF securities will be redeemed. On an exchange we will require you to pay

the applicable Fund an exchange transaction fee of 0.25%, or such other amount as we may determine from time to time, which approximates the brokerage expenses, commissions, transaction costs, costs or expenses related to market impact and other costs or expenses incurred or expected to be incurred by a Series ETF in effecting securities transactions on the market to obtain the necessary cash for the exchange. The exchange transaction fee may be higher if the costs and expenses incurred or expected to be incurred by a Series ETF is higher than generally expected. In certain circumstances and at our discretion, we may waive or reduce the exchange transaction fee.

Any exchange request that is received by the Cut-Off Time will be deemed to be received on that Trading Day and will be based on the net asset value per security determined on such Trading Day. Any exchange request received after the Cut-Off Time on a Trading Day will be deemed to be received on the next Trading Day and will be based on the net asset value per security determined on such following Trading Day. Settlement of exchanges for cash or Baskets of Securities and cash, as the case may be, will be made by no later than the second Trading Day after the effective day of the exchange request (or such shorter period as may be determined by us in response to changes in applicable laws or general changes to settlement procedures in applicable markets).

The Manager will make available to the Designated Brokers and ETF Dealers information as to the Prescribed Number of Series ETF Securities and any Basket of Securities for each Fund for each Trading Day. The Manager may, in its discretion, increase or decrease the Prescribed Number of ETF Series Securities from time to time.

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

Exchange and redemption of Series ETF securities through CDS Participants

The exchange and redemption rights described above must be exercised through the CDS Participant through which you hold Series ETF securities. Beneficial owners of Series ETF securities should ensure that they provide exchange and/or redemption instructions to the CDS Participants through which they hold securities sufficiently in advance of the cut-off times set by CDS Participants to allow such CDS Participants to notify us, or as we may direct, prior to the relevant cut-off time.

Characterization of redemption or exchange amounts

The redemption or exchange price paid to a Designated Broker may include income and/or capital gains realized by the Fund. The remaining portion of the redemption or exchange price will be proceeds of disposition.

Minimum Balance

If the value of your securities in a Fund is less than \$1,000, we may sell your securities and send you the proceeds. We will give your representative 30 days' notice first.

If we become aware that you no longer qualify to hold Fee-Based Securities, we may change your securities to Front-End Securities after we give your representative 30 days' notice.

The minimum balance amounts described above are determined from time to time by us in our sole discretion. They may also be waived by us and are subject to change without notice.

Short-Term Trading

Arrow has adopted policies and procedures to detect and deter short-term trading. Short-term trades are defined as a combination of a purchase and redemption within a short period of time that Arrow believes is detrimental to other investors in the Funds.

The interests of securityholders and a Fund's ability to manage its investments may be adversely affected by short-term trading because, among other things, these types of trading activities can dilute the value of securities, can

interfere with the efficient management of the Fund and can result in increased administrative costs to the applicable Fund. While Arrow will actively take steps to monitor, detect and deter short-term trading, it cannot ensure that such trading activity will be completely eliminated.

If a securityholder switches or redeems securities within 90 days of purchase (including securities received on the automatic reinvestment of distributions within such 90-day period), the applicable Fund may charge a short-term trading fee of up to 2% of the net asset value of the securities switched or redeemed. Short-term trading fees do not apply to redemptions or switches of Series ETF securities.

Arrow may take such additional action as it considers appropriate to prevent further similar activity by an investor who utilizes short-term trades. These actions may include the delivery of a warning to the investor, placing the investor on a watch list to monitor his/her trading activity and the subsequent refusal of further purchases by the investor if the investor continues to attempt such trading activity and closure of the investor's account.

Suspending your right to buy, switch and redeem securities

Securities regulations allow the Manager to temporarily suspend your right to redeem your Fund securities and postpone payment of your sale proceeds:

- during any period when normal trading is suspended on any exchange on which securities or derivatives that make up more than 50% of a Fund's value or its underlying market exposure are traded and there's no other exchange where these securities or derivatives are traded, or
- with the approval of securities regulators.

The Manager will not accept orders to buy Fund securities during any period when the Manager has suspended investors' rights to redeem their securities.

You may withdraw your redemption or exchange request before the end of the suspension period. Otherwise, the Manager will redeem your securities at the net asset value per security next calculated when the suspension period ends.

Special considerations for securityholders

The provisions of the so-called "early warning" reporting requirements in Canadian securities legislation do not apply if a person or company acquires 10% or more of the Series ETF securities of a Fund. The Funds have obtained relief to permit securityholders to acquire more than 20% of the Series ETF securities of any Fund without regard to the takeover bid requirements of applicable Canadian securities legislation. In addition, the Funds have obtained relief to permit a Fund to borrow cash in an amount not exceeding 5% of the net assets of the Fund for a period not longer than 45 days and, if required by the lender, to provide a security interest over any of its portfolio assets as a temporary measure to fund the portion of any distribution payable to securityholders that represents amounts that have not yet been received by the Fund.

OPTIONAL SERVICES

This section tells you about services that are available to investors in Mutual Fund Series securities of the Funds. These services are not available to investors in Series ETF securities of the Funds.

Registered Tax Plans

Registered tax plans may be available through Arrow or a securityholder's broker, dealer or advisor. Securityholders should contact Arrow or their broker, dealer or advisor directly about these services.

Pre Authorized Payment Plan

Under a pre-authorized payment plan, you can indicate a regular amount of investment (not less than \$100) to be made on a periodic basis, the Fund in which the investment is to be made, and the bank chequing account from which the investment amount is to be debited. You may suspend or terminate such a plan on ten days' prior written notice to us. The minimum initial subscription amount is \$1,000.

Automatic Withdrawal Plan

You can establish an automatic withdrawal plan, provided you are not investing through a retirement savings plan and your account has a minimum value of \$10,000. Under an automatic withdrawal plan, you can indicate a regular amount of cash withdrawal (not less than \$100) to be made on a periodic basis, the Fund from which the investment is to be withdrawn, and the bank chequing account to which the withdrawn amounts are to be credited. Withdrawals will be made by way of redemption of securities, and it should be noted that if withdrawals are in excess of distributions and net capital appreciation, they will result in encroachment on, or possible exhaustion of, your original capital. If you choose the automatic withdrawal plan, all distributions or dividends declared on securities held under such a plan in respect of a Fund must be reinvested into additional securities of that Fund. You may modify, suspend or terminate an automatic withdrawal plan on ten days' prior written notice to us.

RESPONSIBILITY FOR OPERATION OF THE FUNDS

Manager

Arrow Capital Management Inc.
36 Toronto Street, Suite 750
Toronto, Ontario M5C 2C5
1-877-327-6048
www.arrow-capital.com

As Manager, we are responsible for managing the day-to-day undertakings of the Funds. We provide all general management and administrative services, including valuation of fund assets, accounting and keeping investor records. You will find details about our management agreement with the Funds under “*Material contracts – Management agreement*” below.

Directors and Executive Officers of the Manager

The following is a list of the names, municipalities of residence, present positions and principal occupations during the past five years of the directors and senior officers of Arrow. The Funds are not obligated to pay any remuneration to the directors and officers of Arrow.

Name and Municipality of Residence	Position with Arrow	Principal Occupation
JAMES McGOVERN Toronto, Ontario	Managing Director, Chief Executive Officer and Director and Ultimate Designated Person	Managing Director and Chief Executive Officer of Arrow
MARK PURDY Ajax, Ontario	Managing Director and Chief Investment Officer and Director	Managing Director and Chief Investment Officer of Arrow
ROBERT MAXWELL Toronto, Ontario	Managing Director, Chief Financial Officer and Corporate Secretary and Director	Managing Director and Chief Financial Officer of Arrow

FREDERICK DALLEY Toronto, Ontario	Managing Director, Portfolio Management and Director	Managing Director, Portfolio Management of Arrow
MARK KENNEDY Toronto, Ontario	Chief Compliance Officer	Chief Compliance Officer of Arrow

Directors and Executive Officers of Exemplar Portfolios Ltd.

The following is a list of the names, municipalities of residence, present positions and principal occupations during the past five years of the directors and senior officers of the Company. The Funds are not obligated to pay any remuneration to the directors and officers of the Company.

Name and Municipality of Residence	Position with the Company	Principal Occupation
JAMES McGOVERN Toronto, Ontario	Chief Executive Officer and Director	Managing Director and Chief Executive Officer of Arrow
FREDERICK DALLEY Toronto, Ontario	Managing Director, Portfolio Management and Director	Managing Director, Portfolio Management of Arrow
ROBERT MAXWELL Toronto, Ontario	Chief Financial Officer and Director	Managing Director and Chief Financial Officer of Arrow

As of the date of this annual information form, of the 100 issued and outstanding (voting) Management Shares of the Company, 50 Management Shares are held in trust by James McGovern, Nigel Stewart and Mark Kennedy for the benefit of the holders from time to time of the non-voting Shares of the Company and 50 Management Shares are held in trust by Robert Maxwell, Mark Purdy and Frederick Dalley for the benefit of the holders from time to time of the non-voting Shares of the Company.

Trustee

The Trust Fund is a mutual fund trust. As trustee for the Trust Fund, we control and have authority over the Fund's investments and cash in trust on behalf of the unitholders of the Trust Fund. We do not receive any additional fees for serving as trustee.

Portfolio Advisor and Sub-Advisors

As portfolio advisor, Arrow is responsible for providing or arranging for the provision of investment advice to the Funds.

The following individuals or sub-advisors are principally responsible for managing the Funds. The investment decisions made by the individual portfolio managers are not subject to the oversight, approval or ratification of a committee; however, we are ultimately responsible for the advice given.

Arrow Canadian Advantage Alternative Class

Name and Title	Length of Service with Portfolio Advisor	Principal Occupation in Last 5 Years
JAMES McGOVERN, Managing Director and Chief Executive Officer, Arrow	20+ years	Managing Director and Chief Executive Officer of Arrow
CHUNG KIM, Portfolio Manager, Arrow	1 year	Portfolio Manager of Arrow since February 3, 2020 Before February 3, 2020, Executive Director, Equity Sales, CIBC Capital Markets

Arrow Global Advantage Alternative Class

Name and Title	Length of Service with Portfolio Advisor	Principal Occupation in Last 5 Years
JAMES McGOVERN, Managing Director and Chief Executive Officer, Arrow	20+ years	Managing Director and Chief Executive Officer of Arrow
AHSON MIRZA, Portfolio Manager	5 years	Portfolio Manager, Arrow

Arrow EC Income Advantage Alternative Fund

Arrow has engaged East Coast Asset Management SEZC (“**East Coast SEZC**”) of the Cayman Islands to act as the sub-advisor for the Trust Fund pursuant to a portfolio advisory agreement made as of the 1st day of September, 2020. Prior to September 1, 2020, Arrow had engaged East Coast Fund Management Corp. (“**East Coast**”) of Toronto, Ontario as sub-advisor for the Trust Fund since the inception of the Trust Fund, with the same principals.

Name and Title	Length of Service with Sub-Advisor	Principal Occupation in Last 5 Years
MIKE MACBAIN, Chief Executive Officer and Chief Investment Officer of East Coast SEZC	12 years with East Coast SEZC and East Coast	Chief Executive Officer and Chief Investment Officer of East Coast SEZC since June 18, 2019 Chief Executive Officer and Chief Investment Officer of East Coast until September 1, 2020
SINAN AKDENIZ, President and Chief Risk Officer of East Coast SEZC	7 years with East Coast SEZC and East Coast	President and Chief Risk Officer of East Coast SEZC since December 29, 2019 President and Chief Risk Officer of East Coast until June 22, 2020

WaveFront Global Diversified Investment Class

Arrow has engaged WaveFront Global Asset Management Corp. (“**WaveFront**”) of Toronto, Ontario to act as the sub-advisor for the Fund pursuant to a sub-advisory agreement made as of the 24th day of April, 2009. WaveFront’s head office is located at 36 Toronto Street, Suite 750, Toronto, Ontario M5C 2C5.

Name and Title	Length of Service with Sub-Advisor	Principal Occupation in Last 5 Years
ROLAND AUSTRUP, Chief Executive Officer and Chief Investment Officer	18 years	Chief Executive Officer and Chief Investment Officer of WaveFront

BROKERAGE ARRANGEMENTS

Arrow and the sub-advisors are responsible for placing orders to effect portfolio transactions (i.e. purchase and sell securities) on behalf of their respective Fund. Arrow and the sub-advisors are responsible for selecting brokers and dealers for the execution of their respective Fund’s portfolio transactions and, when applicable, the negotiation of commissions in connection therewith.

Purchase and sale orders are usually placed with brokers who are selected by the portfolio advisor as able to achieve “best execution” of such orders. “Best execution” means prompt and reliable execution at the most favourable securities price, taking into account the other provisions hereinafter set forth. The determination of what may constitute best execution and price in the execution of a security transaction by a broker involves a number of considerations, including, without limitation, the overall direct net economic result to each Fund, the efficiency with which the transaction is effected, the availability of the broker to stand ready to execute transactions, and the financial strength and stability of the broker.

From time to time, Arrow or the sub-advisors may allocate brokerage business to brokers who provide or have provided general investment research, including provision of industry and company analysis, economic reports, statistical data pertaining to the capital markets, portfolio reports and portfolio analytics, trading data and other services that assist us in carrying out the investment decision-making process. We will attempt to allocate these transactions with appropriate regard to the principles of a reasonable brokerage fee, the benefit to the Funds and best execution.

Neither Arrow nor the sub-advisors have any contractual arrangement with any person or company for any exclusive right to purchase or sell securities.

Neither Arrow nor the sub-advisors conduct business with affiliated entities in regards to brokerage transactions involving client brokerage commissions.

Certain third party companies may provide goods and services (other than order execution) to Arrow or the sub-advisors, including general investment research, industry and company analysis, economic reports and statistical data. A list of the dealers and third parties to whom any brokerage commissions of the Funds have been or might have been directed in return for goods and services (other than order execution) since the date of the last annual information form filing, will be provided upon request by contacting us at the toll-free telephone number or at the address indicated on the back cover of this annual information form, or by emailing us at info@arrow-capital.com.

CUSTODIANS

CIBC World Markets is custodian of the assets of Arrow Global Advantage Alternative Class and Arrow Canadian Advantage Alternative Class pursuant to custodial services agreements dated December 31, 2018, as amended (the “**CIBC WM Custodial Agreement**”). CIBC Mellon Trust Company is custodian of the assets of Arrow Canadian Advantage Alternative Class, Arrow EC Income Advantage Alternative Fund and WaveFront Class pursuant to a

custodial services agreement dated June 27, 2014, as amended (the “**CIBC Mellon Custodial Agreement**”). Any party may at any time terminate the CIBC WM Custodial Agreement or the CIBC Mellon Custodial Agreement without any penalty by giving at least 90 days’ notice to the other parties of such termination. The fees of the custodians are payable by the applicable Fund.

The Manager may in the future appoint additional custodians in accordance with the Custodian Relief described under the heading “*Investment Restrictions and Practices – Exemptive Relief*” in this annual information form.

AUDITOR

The auditor of the Funds is PricewaterhouseCoopers LLP, Toronto, Ontario. Although the approval of securityholders of the Funds is not required before changing the auditor of a Fund, securityholders will be sent a written notice at least 60 days before the effective date of such change.

REGISTRAR AND TRANSFER AGENT AND VALUATION AGENT

CIBC Mellon Global Securities Services Company in Toronto is the valuation agent for the Funds.

RBC Investor Services Trust in Toronto is the service provider for record keeping services for the Mutual Fund Series securities of the Funds.

TSX Trust Company in Toronto is the registrar and transfer agent for the ETF Series securities of the Funds.

SECURITIES LENDING AGENT

CIBC World Markets is a securities lending agent for Arrow Canadian Advantage Alternative Class and Arrow Global Advantage Alternative Class and The Bank of New York Mellon, a New York State chartered bank, is a securities lending agent for Arrow Canadian Advantage Alternative Class, Arrow EC Income Advantage Alternative Fund and WaveFront Class (each a “**Securities Lending Agent**”). The Securities Lending Agents are independent of the Manager. The Manager has appointed the Securities Lending Agents under the terms of written agreements between the Manager and the Securities Lending Agents on behalf of the applicable Fund in order to administer any securities lending, repurchase and reverse repurchase transactions for the Funds. See “*Policies and Procedures – Securities Lending, Repurchase or Reverse Repurchase Transactions*” for additional information regarding the Securities Lending Agents and securities lending practices of the Funds.

Pursuant to the Securities Lending Agreements, the respective Funds will indemnify the applicable Securities Lending Agent, and the Securities Lending Agents and affiliates will indemnify the Funds, from all claims, losses, damages, liabilities, costs and expenses (including reasonable counsel fees and expenses but excluding consequential or indirect damages), suffered by any party arising from: (i) the failure of the indemnifying party to perform any of its obligations under the Securities Lending Agreements, (ii) any inaccuracy of any representation or warranty made by the indemnifying party in the Securities Lending Agreements, or (iii) any fraud, bad faith, wilful misconduct, gross negligence or reckless disregard of duties by the indemnifying party, in connection with or relating to the Securities Lending Agreements. Each of the Securities Lending Agreements may be terminated at any time at the option of either party upon 30 days’ prior written notice to the other party.

PRINCIPAL HOLDERS OF SECURITIES

As of April 30, 2021, to the knowledge of the directors and executive officers of the Manager, no person owns of record or beneficially, directly or indirectly, more than 10% of the securities of one series of the Funds except for:

Securityholder	Series	Number of Securities Held	Type of Ownership	Percentage of Series of Securities
Arrow EC Income Advantage Alternative Fund				
Investor 31801*	Series F	302,434.228	Of record and beneficial	18.6%
Arrow Capital Management Inc.	Series I	101.607	Of record and beneficial	100.0%
Investor 91889*	Series U	11,470.045	Of record and beneficial	48.0%
Investor 27026*	Series U	8,491.447	Of record and beneficial	35.6%
Investor 15268*	Series U	3,816.389	Of record and beneficial	16.0%
Investor 27018*	Series G	4,334.801	Of record and beneficial	62.3%
Investor 62054*	Series G	1,404.337	Of record and beneficial	20.2%
Investor 83290*	Series R	75,661.131	Of record and beneficial	11.0%
Arrow Global Advantage Alternative Class				
Investor 56368*	Series A	258,593.053	Of record and beneficial	11.7%
Investor 76673*	Series U	49,589.163	Of record and beneficial	44.6%
Investor 73986*	Series U	17,584.067	Of record and beneficial	15.8%
Investor 73978*	Series U	17,584.067	Of record and beneficial	15.8%
Investor 07554*	Series U	12,231.377	Of record and beneficial	11.0%
Tralee Investment Corp	Series G	177,660.194	Of record and beneficial	36.0%
Investor 85823*	Series G	105,727.337	Of record and beneficial	21.4%
Exemplar Growth and Income Fund	Series ETF	494,747.000	Of record and beneficial	73.0%
Exemplar Performance Fund	Series ETF	182,349.390	Of record and beneficial	26.9%
WaveFront Global Diversified Investment Class				
Investor 82503*	Series A	6,281.726	Of record and beneficial	10.1%
Investor 04719*	Series F	230,474.742	Of record and beneficial	31.5%
Pension Plan 15590*	Series I	1,146.928	Of record and beneficial	100%
Investor 90071*	Series L	7,058.619	Of record and beneficial	54.4%
Investor 49177*	Series L	1,879.381	Of record and beneficial	14.5%
Investor 18795*	Series L	1,732.802	Of record and beneficial	13.4%
Investor 18803*	Series L	1,444.002	Of record and beneficial	11.1%
Investor 09347*	Series R	588,535.000	Of record and beneficial	100%

* To protect the privacy of individual investors, we have omitted the name of the securityholders. This information is available on request by contacting Arrow at the telephone number on the back of this annual information form.

Manager: As at the date hereof, the directors and senior officers of the Manager owned, directly or indirectly, in aggregate, 83.2% of the outstanding shares of the Manager.

Independent Review Committee: As at the date hereof, none of the members of the IRC own any Securities of the Funds.

FUND GOVERNANCE

Arrow has responsibility for governance of the Funds. Arrow is registered under the *Securities Act* (Ontario) as a portfolio manager, investment fund manager, exempt market dealer and commodity trading manager. As both an advisor and a dealer, Arrow maintains reasonable policies and procedures to minimize the potential for conflict resulting from its activities as both an advisor and a dealer and discloses that it provides both services, and its policies relating to potential conflicts in its adopted Statement of Policies, which is available for review on Arrow's website.

Independent Review Committee

National Instrument 81-107 – *Independent Review Committee for Investment Funds* (“NI 81-107”) requires all publicly-offered investment funds, such as the Funds, to establish an IRC. The IRC is required to be comprised of a minimum of three members, each of whom must be independent of the Manager and the Fund. The current members of the independent review committee of the Manager are Ross MacKinnon (chair), Harvey Naglie and John Anderson. Below is a brief profile of each committee member.

Ross MacKinnon was director of financial markets with the Bank of Canada from February 2000 until February 2009. Mr. MacKinnon began his employment with Nesbitt Burns in February 1985 and held the position of Senior Vice President and Director from September 1987 until June 1999. Mr. MacKinnon received an Honours Business Administration degree from the University of Western Ontario in 1972.

John Anderson has over 30 years of financial and corporate governance experience including 14 years as a partner at Ernst & Young from 1979 to 1992. Mr. Anderson was the Chief Financial Officer of LPBP Inc., a company which formerly invested in health science-focussed partnerships, since May 2004. Mr. Anderson was the Chief Financial Officer of TriNorth Capital Inc. from June 2009 to December 2009 and the Chief Financial Officer of Impax Energy Services Income Trust, an income trust, from June 2006 to May 2009. From 2005 to June 2006, Mr. Anderson was self-employed. Previously, he was the Chief Financial Officer of The T. Eaton Company Limited. Mr. Anderson currently serves as a director of Pivot Technology Solutions Inc. (CVE:PTG). Mr. Anderson was formerly the Chairman of the Board of Directors of Ridley College. Mr. Anderson holds a Bachelor of Arts degree from the University of Toronto and is a chartered professional accountant, regulated by the Canadian Institute of Chartered Accountants in Canada. In 2006, Mr. Anderson obtained the ICD.D designation by graduating from the Rotman Institute of Corporate Directors at the University of Toronto.

Harvey Naglie MA, MBA, LL.M. is a director of the Consumer Council of Canada and a member of both the Ontario Securities Commission Investor Advisory Panel (IAP) and the Ombudsman of Banking and Investment Services Consumer and Investor Advisory Committee. Mr. Naglie is also a Certified Director. Prior to retiring in November 2016, Mr. Naglie was a senior policy advisor working for the government of the Province of Ontario. Previously, he held senior positions as Vice President of Business Development at Mount Sinai Hospital, President of Financial Executives International and President of BT Bank of Canada.

The Manager's IRC acts in accordance with applicable securities law, including NI 81-107. The mandate of the IRC is to review and provide either its approval or recommendations, as the case may be, to the Manager on conflict of interest matters that the Manager has referred to the IRC for review. For greater certainty, unless specified, the mandate of the IRC does not include broader oversight functions with respect to the Funds, including compliance matters, audit functions or administrative functions.

The IRC has adopted a written charter, which it follows when performing its functions, and is subject to requirements to conduct regular assessments. In performing their duties, members of the IRC are required to act honestly, in good faith and in the best interests of the Funds and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The IRC reports annually to the securityholders of the Funds. These reports will be available free of charge upon request by calling the Manager toll-free at 1 (877) 327-6048 or (416) 323-0477 or by email at info@arrow-capital.com.

The IRC members perform a similar function as the independent review committee for other investment funds managed by us. IRC members are paid a fixed annual fee for their services. The annual fees are determined by the

IRC and disclosed in its annual report to securityholders of the Fund. For the year ended December 31, 2020, members of the IRC were paid, in aggregate, \$46,000 and individually as follows: Mr. MacKinnon: \$18,000; Mr. Naglie: \$14,000; and Mr. Anderson: \$14,000. Members of the IRC are also reimbursed for their expenses which are typically nominal and associated with travel and the administration of meetings. Members of the IRC did not make any claims for reimbursement for these expenses for the year ended December 31, 2020. Their annual fees were allocated across all investment funds managed by us with the result that only a portion of such fees were allocated to any single Fund.

Policies and Procedures – Conflict of Interest

NI 81-107 requires the Manager to have policies and procedures relating to the management of any conflicts of interest. The Manager has existing policies, procedures and guidelines including, but not limited to, investment trade allocation, portfolio monitoring, soft dollar arrangements, proxy voting, and pricing of illiquid or restricted securities that are applicable to its management of conflicts of interest. The Manager is required to identify conflict of interest matters inherent in its management of the Funds and request input from the IRC in respect of how it manages those conflicts of interest, as well as its written policies and procedures outlining its management of those conflicts of interest.

Policies and Procedures – Custodial Arrangements

The custodians of each Fund are disclosed under the heading “*Organization and Management of the Arrow Alternative Mutual Funds - Custodians*” in the simplified prospectus. Pursuant to the Custodian Relief, the Manager may appoint additional custodians for one or more of the Funds provided that the custodians are one of the Fund’s prime brokers. The terms of any custodial agreement entered into with an additional custodian will comply with the requirements of NI 81-102 and will be filed as a material contract of the applicable Fund(s) following its execution.

In connection with the Custodian Relief obtained by the Funds, the Manager will implement the following operational systems and processes in the event that an additional custodian is appointed for a Fund:

- a) the Manager will ensure that a single entity reconciles all the portfolio assets of the Fund and provides the Fund with valuation and securityholder recordkeeping services and will complete daily reconciliations amongst the custodians before calculating a daily NAV;
- b) the Manager will maintain such operational systems and processes, as between two or more custodians and the single entity referred to in clause (a), in order to keep a proper reconciliation of all the portfolio assets that will move amongst the custodians, as appropriate; and
- c) each additional custodian appointed by the Manager will act as custodian and securities lending agent only for the portion of portfolio assets of the Fund transferred to it.

Policies and Procedures – Expense Allocation

Specifically, the Manager has a policy on the allocation of costs and expenses that the Funds’ reimburse to the Manager. The policy ensures that the costs and expenses are generally limited to: (i) costs and expenses necessarily incurred in the daily operation of the Funds; (ii) reasonable costs and expenses that are reasonably incurred in the operation of the Funds; (iii) expenses that are closely linked to the specific operation of the Funds; and (iv) the proportionate share of the allocated expenses can be accurately and readily determined.

Policies and Procedures – Derivatives

The objectives and goals for derivative trading are described in the simplified prospectus and risk management procedures in connection therewith are regularly reviewed by the Manager. Each Fund follows the investment restrictions and practices set out in NI 81-102 with respect to the use of derivatives for hedging and non-hedging purposes. The Manager monitors trading activities in conjunction with the portfolio advisor and sub-advisors and is responsible for applying trading limits, if any, and other controls, if required.

Except as described above, there are no other written policies with respect to derivative use. The portfolio advisor and sub-advisors of the Funds are responsible for establishing trading limits and other controls on derivative trading. The

risk exposure of a Fund's derivatives trades are not generally independently monitored and risk measurement procedures or simulations are not currently used to test the portfolio under stress conditions.

Policies and Procedures – Short Selling

The Funds may short sell as permitted by securities regulations. A description of short selling, how each Fund intends to engage in short selling, and the risks associated with short selling can be found in the Funds' current simplified prospectus.

The Manager has established and maintains written policies and procedures that set out the objectives and goals for short selling and the applicable risk management procedures. Such policies are the responsibility of senior management at the Manager and as such will be reviewed on a regular basis by senior management. Compliance monitoring of the short-selling policy and its associated procedures is the responsibility of the operations group at the Manager. Risk measurement procedures or simulations are not currently used to test the portfolio under stress conditions.

In connection with the Market-Neutral Strategy Relief and the Enhanced Short Selling Relief, the Manager has implemented the following additional procedures and controls when conducting short sale transactions:

- a) the Funds will assume the obligation to return to the Borrowing Agent (as such term is defined in NI 81-102) the securities borrowed to effect the short sale;
- b) the Funds will receive cash for the securities sold short within normal trading settlement periods for the market in which the short sale is effected;
- c) the Manager will monitor the short sale positions of the Funds at least as frequently as daily;
- d) the security interest provided by a Fund over any of its assets that is required to enable the Fund to effect a short sale transaction is made in accordance with section 6.8.1 of NI 81-102 and will otherwise be in accordance with industry practice for that type of transaction and relates only to obligations arising under such short sale transactions;
- e) each Fund will maintain appropriate internal controls regarding short sales, including written policies and procedures for the conduct of short sales, risk management controls and proper books and records; and
- f) the Manager and each Fund will keep proper books and records of short sales and all of its assets deposited with Borrowing Agents as security.

Policies and Procedures – Securities Lending, Repurchase or Reverse Repurchase Transactions

The Funds may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions. For details about how each Fund engages in these transactions, see Part A of the simplified prospectus. The Funds may enter into these transactions only as permitted under securities law.

A Fund will not enter into a securities lending transaction or a repurchase transaction if, immediately thereafter, the aggregate market value of all securities loaned by the Fund and not yet returned to it or sold by the Fund in a repurchase transaction and not yet repurchased would exceed 50% of the total assets of the Fund (exclusive of collateral held by the Fund for securities lending transactions and cash held by the Fund for repurchase transactions).

The risks associated with these transactions will be managed by requiring that the Securities Lending Agent to enter into such transactions for a Fund with reputable and well-established Canadian and foreign brokers, dealers and institutions. Each Securities Lending Agent is required to maintain internal controls, procedures and records including a list of approved third parties based on generally accepted creditworthiness standards, transaction and credit limits for each third party, and collateral diversification standards. Each day, the Securities Lending Agents will determine the market value of both the securities loaned by each Fund under a securities lending transaction or sold by each Fund under a repurchase transaction and the cash or collateral held by each Fund for such transactions. If on any day the market value of the cash or collateral is less than 102% of the market value of the borrowed or sold securities, on the next day the borrower will be required to provide additional cash or collateral to the Fund to make up the shortfall.

Arrow and the Securities Lending Agent review at least annually the policies and procedures described above to ensure that the risks associated with securities lending, repurchase and reverse repurchase transactions are being properly managed. Risk measurement procedures or simulations are not currently used to test the portfolio under stress conditions.

Proxy Voting Guidelines

The following guidelines summarize the corporate governance principles, which each Fund will generally support through the exercise of votes.

- Resolutions that promote the effectiveness of boards in acting in the best interests of shareholders.
- The election of directors, the appointment of auditors and the approval of the recommended auditor compensation where the issuer's audit committee and the majority of board members are independent.
- Compensation arrangements that are tied to long-term corporate performance and shareholder value.
- Changes in capitalization where a reasonable need for the change is demonstrated.

The Manager will generally oppose proposals, regardless of whether they are advanced by management or shareholders, whereby the purpose or effect of which is to entrench management or dilute shareholder ownership. Stock option plans that are overly generous or excessively dilutive to other shareholders will not be supported.

Other issues, including those business issues specific to the issuer or those raised by shareholders of the issuer, are addressed on a case-by-case basis with a focus on the potential impact of the vote on value to a Fund. Any conflict of interest must be resolved in a way that most benefits shareholders. We take our responsibility to exercise our votes very seriously and use our best efforts to exercise this right in all cases. However, in some circumstances it may be impractical or impossible for us to vote. Such circumstances include when we have loaned securities to a third party and are unable to recall the securities in sufficient time to vote. As well in international markets where share blocking applies we typically will not vote due to liquidity constraints.

The policies and procedures that each Fund follows when voting proxies relating to portfolio securities are available on request, at no cost, by calling the Manager toll-free at 1 (877) 327-6048 or (416) 323-0477 or by email at info@arrow-capital.com.

The proxy voting record for the Funds for the most recent 12-month period ended June 30 of each year will be available free of charge to any securityholder of a Fund upon request at any time after August 31 of that year. The proxy voting record for the Funds will also be available on the Fund's website at www.arrow-capital.com.

Reporting to Securityholders

The fiscal year end of each Fund is December 31. The Funds will deliver or make available to securityholders: (i) audited comparative annual financial statements; (ii) unaudited interim financial statements; and (iii) annual and interim management reports of fund performance.

Each securityholder will also be mailed annually, by his, her or its broker, no later than March 31, information necessary to enable such securityholder to complete an income tax return with respect to amounts paid or payable by the Funds owned by such securityholder in respect of the preceding taxation year of the Funds.

INCOME TAX CONSIDERATIONS FOR INVESTORS

The following is a general summary of the principal Canadian federal income tax considerations applicable to an individual (other than a trust) who, for the purposes of the Tax Act, is resident in Canada, deals at arm's length with and is not affiliated with the Funds or Arrow, and holds Securities as capital property. Generally, your investment in the Funds will be capital property unless you are considered to be trading or dealing in securities or have acquired your investment in a transaction considered to be an adventure or concern in the nature of trade. Certain securityholders

can file an election to treat all future dispositions of certain property, including Securities of the Funds, to be capital property.

This summary is based on the current provisions of the Tax Act, but does not take into account or anticipate any changes in law whether by legislative, regulatory, administrative or judicial action. Furthermore, this summary does not take into account provincial, territorial or foreign income tax legislation or considerations.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations and is not intended to be, nor should it be construed to be, legal or tax advice to any particular investor. Accordingly, you are advised to consult your own tax advisor about your particular tax situation.

Taxation of the Corporate Classes

As a mutual fund corporation, Exemplar Portfolios Ltd. can have three types of income: Canadian dividends, taxable capital gains and other net taxable income. Canadian dividends are subject to a 38 1/3% tax, which is fully refundable on a formula basis when ordinary taxable dividends are paid by the corporation to its shareholders. Taxable capital gains are subject to tax at full corporate income tax rates. This tax is refundable either by paying capital gains dividends to shareholders or through the capital gains redemption formula. Other income is subject to tax at full corporate income tax rates and is not refundable. Mutual fund corporations do not qualify for reduced corporate tax rates that are available to other corporations for certain types of income.

Exemplar Portfolios Ltd. must include the revenues, deductible expenses, and capital gains and losses of all of its investment portfolios when it calculates its taxable income. We will, on a discretionary basis, allocate the income or loss of Exemplar Portfolios Ltd., and the applicable taxes payable and recoverable to each of its respective share classes. Exemplar Portfolios Ltd. may pay ordinary taxable dividends or capital gains dividends to shareholders of any class in order to receive a refund of taxes on Canadian dividends and capital gains taxes under the refund mechanisms described above. The Corporate Classes are only allowed to distribute Canadian dividend and capital gains dividends to its shareholders. The Corporate Classes cannot distribute interest or foreign income to shareholders. This income needs to be retained with the Corporate Classes which will be subject to taxation unless expenses are used to offset.

The Tax Act contains rules which may require a taxpayer to include in income in each taxation year an amount in respect of the holding of an “offshore investment fund property” (“**OIF Property**”). If applicable, these rules would generally require Exemplar Portfolios Ltd. to include in income for each taxation year in which it owns OIF Property (i) an imputed return for the taxation year computed on a monthly basis and determined by multiplying a Fund’s “designated cost” (as defined in the Tax Act) of the OIF Property at the end of the month, by 1/12th of the sum of the applicable prescribed rate for the period that includes such month plus 2%, less (ii) the Fund’s income for the year (other than a capital gain) from OIF Property determined without reference to these rules. Any amount required to be included in computing a Fund’s income under these provisions will be added to the adjusted cost base to the Fund of such OIF Property. The investment in the Feeder Fund, as defined in the simplified prospectus, may be considered as an investment in OIF Property.

Taxation of the Trust Fund

In general, a Trust Fund pays no income tax as long as it distributes its income and net realized capital gains to its unitholders. The Trust Fund generally intends to distribute a sufficient amount of its net income for tax purposes, including net realized capital gains, so it will not be liable for any income tax under Part I of the Tax Act.

Types of Income from the Funds

Your investment in the Funds can generate income for tax purposes in two ways:

- **Dividends and Distributions.** When Exemplar Portfolios Ltd. earns Canadian dividend income from its investments or realizes a net capital gain by selling securities, it may pass these amounts on to you as

dividends. When a Trust Fund earns net income from its investments or realizes a net capital gain by selling securities, it intends to allocate these amounts on to you as a distribution.

- **Capital gains (or losses).** You can realize a capital gain (or loss) when you sell or switch your securities of a Fund (including a switch of securities of a Fund for securities of another fund) for more (or less) than you paid for them. Generally, switching one series of securities to another series of securities of the same Fund (other than switches to or from the U.S. Option Series) will not result in a disposition for tax purposes.

Funds held in Registered Plans

Securities of the Funds are qualified investments for Registered Plans.

Note that not all Registered Plans are available in all provinces or territories. Securities of the Funds may be eligible for other registered plans offered through your representative's firm.

The Trust Fund currently qualifies as a "mutual fund trust" and is expected to qualify as a "mutual fund trust" at all material times. Therefore, the Trust Fund is expected to be a "qualified investment" for Registered Plans. **If the Trust Fund was not to qualify as a "mutual fund trust", the income tax considerations as described below would, in some respects, be materially and adversely different.**

If you hold securities of a Fund in a Registered Plan, you generally pay no tax on distributions or dividends paid from the Fund on those securities or on any capital gains that your Registered Plan realizes from selling, redeeming or switching securities (including a switch of securities of one Fund for securities of another fund). However, withdrawals from Registered Plans (other than TFSAs and certain withdrawals from RESPs or RDSPs) are generally taxable at your personal tax rate. Holders of TFSAs and RDSPs, annuitants of RRSPs and RRIFs and subscribers of RESPs should consult with their tax advisors as to whether securities of the Funds would be a "prohibited investment" under the Tax Act in their particular circumstances.

You are responsible for determining the income tax consequences to you of acquiring securities of a Fund through Registered Plans and neither the Funds nor Arrow assumes any liability to you as a result of making the securities of the Funds available for investment. If you choose to purchase securities of a Fund through a Registered Plan, you should consult your own professional advisor regarding the tax treatment of contributions to, withdrawals from and acquisitions of property by such Registered Plan.

Funds held in Non-Registered Accounts

If you hold securities of a Fund in a non-registered account, you must include the following in calculating your income each year:

- Any dividends paid to you by Exemplar Portfolios Ltd., whether you receive them in cash or you reinvest them in shares of a Fund. These dividends (which must be computed in Canadian dollars) may include ordinary taxable dividends or capital gains dividends. Ordinary taxable dividends are subject to the gross-up and dividend tax credit rules that apply to taxable dividends received from taxable Canadian corporations and include "eligible dividends" which are subject to an enhanced gross-up and dividend tax credit. Capital gains dividends are treated as capital gains realized by you. In general, you must include one-half of the amount of a capital gain in your income for tax purposes.
- Any net income and the taxable portion of any net capital gains (computed in Canadian dollars) distributed to you by the Trust Fund, whether you receive the distributions in cash or they are reinvested in units of the Trust Fund.
- The taxable portion of any capital gains you realize from selling or redeeming your securities (including to pay fees described in this document) or switching your securities (including a switch of securities of one Fund for securities of another fund) when the value of the securities is greater than their adjusted cost base plus reasonable costs of disposition (including any redemption fees). If the value of securities sold is

less than their adjusted cost base plus reasonable costs of disposition (including any redemption fees), you will have a capital loss. Generally, you may use capital losses you realise to offset capital gains.

- Generally, the amount of any management fee rebates paid to you, and the amount of any management fee distributions paid to you out of the Trust Fund's income. However, an election may be available in certain circumstances that allows you to reduce the adjusted cost base of the respective securities by the amount of the management fee rebate that would otherwise be included in income. You should consult with your tax advisor regarding the availability of this election in your particular circumstances.

We will issue a tax slip to you each year for Exemplar Portfolios Ltd. that shows the taxable amount of your dividends and any federal dividend tax credit that applies, as well as any capital gains dividends paid by Exemplar Portfolios Ltd. We will issue a tax slip to you each year for the Trust Fund that shows you how much of each type of income the Trust Fund distributed to you and any return of capital. You can claim any tax credits that apply to that income that are allocated to you by the Trust Fund.

Dividends and capital gains distributed by the Trust Fund, dividends and capital gains dividends declared by the Funds and capital gains realized on the disposition of securities may give rise to alternative minimum tax. You should consult your tax advisor about the tax treatment in your particular circumstances of any investment advisory fees you pay to your financial advisor when investing in the Funds and any management fee rebates or management fee distributions paid to you.

Distributions and Dividends

Distributions or dividends from the Fund (whether in the form of cash or in the form of reinvested securities) may include a return of capital. When the Trust Fund makes a distribution exceeding your share of net income and net capital gains the excess is a return of capital. A return of capital is not taxable, but will reduce the adjusted cost base of your securities. If the adjusted cost base of your securities becomes a negative amount at any time in a taxation year, you will be deemed to realize a capital gain equal to that amount and the adjusted cost base of your securities will be reset to zero. The tax slip we will issue to you each year will show you how much capital was returned to you in respect of your securities.

Distributions and dividends may result from foreign exchange gains because the Funds are required to report income and net realized capital gains in Canadian dollars for tax purposes.

The history of distributions or dividends paid from a Fund is no indication of future distributions or dividend payments. Several factors determine the distributions or dividends to be paid from a Fund. These include, but are not limited to, net conversions, realized and unrealized gains, and distributions from the underlying investments. Exemplar Portfolios Ltd. can choose to pay dividends on shares of any class.

The security price of a Fund may include income and capital gains that the Fund has earned, but not yet realized (in the case of capital gains) and/or paid out as a distribution or dividend. If you buy securities of a Fund just before it pays a distribution or dividend, you will be taxed on that distribution or dividend. You may have to pay tax on income or capital gains a Fund earned before you owned it. This may be particularly significant if you are purchasing later in the year. See the description in Part B of the simplified prospectus for the distribution and dividend policy of the Funds.

The higher a Fund's portfolio turnover rate is in a year, the greater the chance that you will receive a taxable distribution or dividend from the Fund. There is no necessary relationship between a Fund's turnover rate and its performance, although the larger trading costs associated with a high portfolio turnover rate would reduce the Fund's performance.

Calculating your Capital Gain or Loss

Your capital gain or loss for tax purposes is the difference between the amount you receive when you sell your securities or the fair market value of securities that you switch (after deducting any redemption fees or other charges) and the adjusted cost base of those securities.

Generally, switching one series of securities of the Fund to another series of securities of a different fund will result in a disposition for tax purposes, so a capital gain or loss will arise. If those redeemed securities are held outside a Registered Plan, you may realize a capital gain or a capital loss.

In general, the adjusted cost base of each of your securities of a particular series of a Fund at any time equals:

- your initial investment for all your securities of that series of the Fund (including any sales charges paid), **plus**
 - your additional investments for all your securities of that series of the Fund (including any sales charges paid), **plus**
 - reinvested distributions, dividends or management fee distributions or rebates in additional securities of that series of the Fund, **minus**
 - any return of capital distributions or dividends by the Fund in respect of securities of that series of the Fund, **minus**
 - the adjusted cost base of any securities of that series of the Fund previously redeemed,
- all divided by**
- the number of securities of that series of the Fund that you hold at that time.

You should keep detailed records of the purchase cost of your investments and distributions and dividends you receive on those securities so you can calculate their adjusted cost base. All amounts (including adjusted cost base, distributions, dividends and proceeds of disposition) must be computed in Canadian dollars. Other factors may affect the calculation of the adjusted cost base and you may want to consult a tax advisor.

In certain situations where you dispose of securities of a Fund and would otherwise realize a capital loss, the loss will be denied. This may occur if you, your spouse or another person affiliated with you (including a corporation controlled by you) has acquired securities of the same Fund (which are considered to be “substituted property”) within 30 days before or after you dispose of your securities. In these circumstances, your capital loss may be deemed to be a “superficial loss” and denied. The amount of the denied capital loss will be added to the adjusted cost base to the owner of the securities which are substituted property.

Tax Information

Arrow will provide your transaction statements and the applicable annual tax information slips reporting your distributions, dividends, net realized capital gains and return of capitals required to complete your income tax return unless your dealer prepares and provides such documentation and information themselves. Accordingly, you should speak to your dealer to ensure that such documentation and information will be provided.

Pursuant to the Intergovernmental Agreement for the Enhanced Exchange of Tax Information under the Canada-United States Tax Convention entered into between Canada and the U.S. (the “IGA”) and related Canadian legislation found in Part XVIII of the Tax Act (collectively “FATCA”), certain securityholders may be requested to provide information to the Funds, or their registered dealer, relating to their citizenship, tax residency and, if applicable, a U.S. federal tax identification number (“TIN”). If a securityholder is identified as a U.S. person (including a U.S. citizen who is resident in Canada) or if the securityholder does not provide the requested information and the information on file includes indicia of U.S. person status, the IGA and Part XVIII of the Tax Act will generally require certain information about the securityholder’s investment in the Fund to be reported to the Canada Revenue Agency (the “CRA”), unless the investment is held in a Registered Plan. The CRA will then provide the information to the U.S. Internal Revenue Service on an annual basis.

Pursuant to Part XIX of the Tax Act implementing the Organization for Economic Cooperation and Development Common Reporting Standard in Canada, the Funds are required to have procedures in place to identify accounts held by securityholders (other than Registered Plans) that are tax residents of foreign countries (other than the U.S.) and to report annually certain information pertaining to these accounts to the CRA. The CRA will then exchange that information with other participating jurisdictions under the provisions and safeguards of the Multilateral Convention on Mutual Administrative Assistance in Tax Matters or the relevant bilateral tax treaty. The due diligence and reporting requirement under FATCA operate alongside the CRS regime.

MATERIAL CONTRACTS

The following are details about the material contracts affecting the Funds.

- (a) On behalf of the Corporate Classes, the Company has entered into an amended and restated management agreement dated as of December 31, 2018 (the “**Corporate Class Management Agreement**”) whereby Arrow has been appointed the manager and portfolio advisor of the Corporate Classes with authority to manage the day-to-day operations of the Corporate Classes. Arrow may delegate aspects of its duties thereunder;

The Corporate Class Management Agreement is a master management agreement that we have entered into with the Company outlining how we are responsible for managing the investment portfolio of the Corporate Classes. The Corporate Class Management Agreement continues in effect unless: (a) Arrow provides 180 day’s prior written notice to the Company or (b) terminates immediately by notice in writing to the other party if either party (i) ceases to carry on business, becomes bankrupt or insolvent, resolves to wind up or liquidate or if a receiver of any of the assets of the other party is appointed; or (ii) shall commit any material breach of the Corporate Class Management Agreement which has not been remedied within 30 days after written notice requiring the breach to be remedied;

- (b) The Declaration of Trust provides to Arrow, in its capacity as trustee, all the powers of the trustee with respect to management, supervision and administration of the Trust Fund. Pursuant to such authority, the Trust Fund had entered into an amended and restated management agreement dated as of June 26, 2020 (the “**Trust Fund Management Agreement**”) whereby Arrow has been appointed the manager and portfolio advisor of the Trust Fund with authority to manage the day-to-day operations of the Trust Fund. Arrow may delegate aspects of its duties thereunder.
- (c) The Trust Fund Management Agreement is a master management agreement that we have entered into with the Trust Fund and other funds outlining how we are responsible for managing the investment portfolio of the Trust Fund. The Trust Fund Management Agreement continues in effect until termination of the Trust Fund unless: (a) Arrow resigns or is deemed to resign due to the fact (i) the Trust Fund has not cured within 30 days a breach of the Trust Fund Management Agreement; or (ii) Arrow becomes bankrupt or insolvent, ceases to be resident in Canada for the purposes of the Tax Act or no longer holds the necessary licenses or registrations to carry out its obligations; or (b) Arrow is removed in accordance with the provisions of the Trust Fund Management Agreement;
- (d) The portfolio sub-advisors referred to under the heading “*Responsibility for Principal Functions – Portfolio Advisors and Sub-Advisors*” are responsible for managing the investment portfolio of their respective funds as specified in the section, pursuant to the investment advisory agreements referred to therein;
- (e) CIBC World Markets is the custodian of the assets of Arrow Canadian Advantage Alternative Class and Arrow Global Advantage Alternative Class pursuant to the CIBC WM Custodial Agreement referred to under the heading “*Custodians*”; and

- (f) CIBC Mellon Trust Company is the custodian of the assets of Arrow Canadian Advantage Alternative Class, Arrow EC Income Advantage Alternative Fund and WaveFront Class pursuant to the CIBC Mellon Custodial Agreement referred to under the heading “*Custodians*”.

Copies of the material contracts are available for inspection during regular business hours at the principal office of the Manager.

OTHER EXEMPTIONS AND APPROVALS

Permitted Three-Tier Investment Structure and Former 81-104 Exemption

Amendments to NI 81-102 that became effective January 3, 2019 (“**Alternative Mutual Fund Amendments**”) established alternative mutual funds and repealed large sections of National Instrument 81-104 *Commodity Pools* (“**Former NI 81-104**”). Former NI 81-104 had permitted mutual funds that were commodity pools (such as WaveFront Class) to be exempt from certain investment restrictions in NI 81-102. With the Alternative Mutual Fund Amendments, WaveFront Class became an alternative mutual fund and can no longer rely on these exemptions. WaveFront Class has received exemptive relief from the requirements contained in subsections 2.1(1.1), 2.2(1), 2.5(2)(a.1) and 2.5(2)(c) of NI 81-102 in order to permit WaveFront Class to indirectly gain exposure to the Underlying Assets by means of the three-tier investment structure as described in section “*About the Fund - Overview of Investment Structure*” of the simplified prospectus. As well, WaveFront Class has received exemptive relief whereby each of WaveFront Class and the Master Fund will be permitted to have aggregate exposure to specified derivative transactions as previously permitted under Former NI 81-104, provided that, among other things:

- (a) WaveFront Class is an alternative mutual fund subject to NI 81-102 that filed a long form prospectus as a commodity pool under Former NI 81-104 prior to the Alternative Mutual Fund Amendments;
- (b) the Feeder Fund is an investment fund that complies with the investment restrictions contained in NI 81-102 and the Underlying Assets are managed in accordance with these restrictions, except as otherwise permitted by Former NI 81-104 and in accordance with any exemptions therefrom obtained by WaveFront Class, and WaveFront Class will not engage in any new borrowing or short selling of securities;
- (c) the Master Fund is an investment fund that complies with the investment restrictions contained in NI 81-102 and the Underlying Assets are managed in accordance with these restrictions, except as otherwise permitted by Former NI 81-104 and in accordance with any exemptions therefrom obtained by WaveFront Class, and WaveFront Class will not engage in any new borrowing or short selling of securities;
- (d) the investment by WaveFront Class in securities of the Feeder Fund to gain indirect exposure to the Master Fund and the Underlying Assets is in accordance with the fundamental investment objectives of WaveFront Class;
- (e) the prospectus of WaveFront Class discloses, and any annual information form filed will disclose, that WaveFront Class will invest in securities of the Feeder Fund, which will in turn invest in the Master Fund to gain indirect exposure to the Underlying Assets, and the risks associated with such an investment structure;
- (f) the Feeder Fund is a reporting issuer subject to NI 81-106;
- (g) the Master Fund is a reporting issuer subject to NI 81-106;
- (h) no securities of the Feeder Fund or the Master Fund are distributed in Canada other than the distribution of the securities of the Feeder Fund to WaveFront Class;
- (i) the investment by WaveFront Class in securities of the Feeder Fund to gain indirect exposure to the Master Fund and the Underlying Assets is made in compliance with each provision of NI 81-102, except paragraphs 2.1(1.1), 2.2(1), 2.5(2)(a.1) and 2.5(c) of NI 81-102;

- (j) the specified derivatives transactions entered into by WaveFront Class and the Master Fund will be consistent with the fundamental investment objectives and investment strategies of WaveFront Class; and
- (k) WaveFront Class' simplified prospectus, annual information form and fund facts documents will contain adequate disclosure to ensure that shareholders of WaveFront Class are fully aware of the specified derivatives transactions entered into by WaveFront Class and the Master Fund and the risks associated therewith.

**CERTIFICATE OF THE FUNDS,
THE MANAGER AND PROMOTER**

This annual information form, together with the simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of all provinces and territories of Canada, and do not contain any misrepresentations.

DATED: June 15, 2021

“James McGovern”
James McGovern
Chief Executive Officer of
Arrow Capital Management Inc.

“Robert Maxwell”
Robert Maxwell
Chief Financial Officer of
Arrow Capital Management Inc.

On behalf of the Board of Directors
of ARROW CAPITAL MANAGEMENT INC.
as Manager and Promoter and/or Trustee

“Frederick Dalley”
Frederick Dalley
Director of Arrow Capital Management Inc.

“Mark Purdy”
Mark Purdy
Director of Arrow Capital Management Inc.

ARROW ALTERNATIVE MUTUAL FUNDS

**ARROW CANADIAN ADVANTAGE ALTERNATIVE CLASS
ARROW EC INCOME ADVANTAGE ALTERNATIVE FUND
ARROW GLOBAL ADVANTAGE ALTERNATIVE CLASS
WAVEFRONT GLOBAL DIVERSIFIED INVESTMENT CLASS**

**ARROW CAPITAL MANAGEMENT INC.,
Manager**

Toronto Office (Head Office)

36 Toronto Street Suite 750

Toronto, Ontario

M5C 2C5

Tel: (416) 323-0477

Fax: (416) 323-3199

Additional information about the Funds is available in the Fund's' fund facts, ETF Facts, management reports of fund performance and financial statements.

You may obtain a copy of these documents at no cost by calling toll free 1 (877) 327-6048 or (416) 323-0477, or from your dealer or by email at info@arrow-capital.com.

These documents and other information about the Funds, such as information circulars and material contracts, are also available on the Funds' website www.arrow-capital.com or on SEDAR at www.sedar.com.