EXEMPLAR MUTUAL FUNDS

<u>Simplified Prospectus</u>

EXEMPLAR GLOBAL GROWTH AND INCOME CLASS (Series A, AN, F, FN and I shares)

December 31, 2021

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PART A

INTRODUCTION

This document contains selected important information to help you make an informed decision and to help you understand your rights as an investor in the fund listed on the cover of this prospectus, (the "**Fund**").

The administrative manager of the Fund is Arrow Capital Management Inc., and is referred to in this document as "**Arrow**", "**us**", "**our**" or "**we**".

A "**Corporate Class**" refers to the assets and liabilities attributable to the classes of shares of Exemplar Portfolios Ltd. (the "**Company**"), a mutual fund corporation established under the laws of the Province of Ontario, 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. The Fund is one of the Corporate Classes of the Company.

A "**Security**" means a Share of a Corporate Class. For ease of reference, we refer to the Corporate Class as the "**Fund**".

This Simplified Prospectus contains information about the Fund and the risks of investing in mutual funds generally, as well as the names of the firms responsible for the management of the Fund. The other classes are issued in separate documents.

Additional information about the Fund is available in the following documents:

- the annual information form;
- the most recently filed fund facts;
- the most recently filed annual financial statements;
- any interim financial statements filed after those annual financial statements;
- the most recently filed annual management report of fund performance; and
- any interim management report of fund performance filed after that annual management report of fund performance.

These documents are incorporated by reference into this document, which means that they legally form part of this document just as if they were printed as a part of this document. You may obtain a copy of these documents, at your request, and at no cost, by calling us toll free at 1 (877) 327-6048 or (416) 323-0477, or from your dealer or by email at info@arrow-capital.com. You will also find these documents on the Fund's website www.arrow-capital.com.

These documents and other information about the Fund are also available on the Internet site of SEDAR (the System for Electronic Document Analysis and Retrieval, established by the Canadian Securities Administrators) at www.sedar.com.

WHAT IS A MUTUAL FUND AND WHAT ARE THE RISKS OF INVESTING IN A MUTUAL FUND?

What is a Mutual Fund?

A mutual fund is an investment vehicle created to permit money contributed by people with similar investment objectives to be pooled. People who contribute money become securityholders of the mutual fund. Mutual fund securityholders share (in proportion to the securities they own) the mutual fund's income, expenses, and the gains and losses the mutual fund makes on its investments. The value of an investment in a mutual fund is realized by redeeming the securities held.

A mutual fund may own different types of investments - stocks, bonds, cash, and derivatives - all depending upon its investment objectives. The Fund also may invest in other mutual funds, which may be managed by us, called "underlying funds". The value of these investments will change from day to day, reflecting changes in interest rates, economic conditions and market and company news, with these and other factors affecting funds with varying degrees of impact. For example, mutual funds which invest in equity securities will be greatly impacted by changes in the equity markets generally while a mutual fund investing solely in bonds would not. As a result, the value of a mutual fund's securities may go up and down, and the value of your investment may be more or less when you redeem or sell it than when you purchased it.

The specific investment objectives and strategies of the Fund are described in Part B of this document under "*What Does the Fund Invest In?*"

How We Evaluate Share Price

We calculate the Fund's security price (often referred to as the "net asset value per security" or "share value") by adding up the Fund's assets (being the value of the cash and securities in its portfolio), subtracting its liabilities and then dividing the resulting sum by the total number of securities of the Fund then outstanding. The security price calculated at the end of each business day is the price at which securities will be issued to purchasing investors as of such day and the price to be paid by the Fund on securities redeemed as of such day.

Mutual Funds are not Guaranteed

Arrow does not guarantee that the full amount of your original investment in the Fund will be returned to you. Unlike bank accounts or GICs, mutual fund securities are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

Under exceptional circumstances, a mutual fund may suspend redemptions of securities. See "*Purchases, Switches and Redemptions*" on page 10.

What are the Risks of Investing in a Mutual Fund?

As with most other investments, mutual funds come with a certain amount of risk. Mutual funds own different types of investments, depending on their investment objectives. The value of the investments in a mutual fund changes from day to day because of changes in interest rates, economic conditions and market or company news. As a result, the value of mutual fund securities will vary. When you sell your securities of the Fund, you could get less money than you put in.

When you are making your investment decision, it is very important that you are completely aware of the different investment types, their relative return over time and their volatility. Money market funds generally have low risk. They hold relatively safe short-term investments such as government treasury bills and other high quality money market instruments. Income funds, which typically invest in bonds, have a higher amount of risk because their prices can change when interest rates change. Equity funds generally have the highest risk because they invest mostly in stocks whose prices can rise and fall daily.

Everyone has a different tolerance for risk. Some individuals are significantly more conservative than others when making their investment decisions. It is important to take into account your own comfort with risk as well as the amount of risk suitable for your financial goals. Below are some of the most common risks that affect value. To find out which of these specific risks apply to the Fund you are considering, see the individual Fund description in Part B of this simplified prospectus. They may include:

Change in Legislation Risk –There can be no assurance that tax, securities and other laws or the interpretation and application of such laws by courts or government authorities will not be changed in a manner which adversely affects the Fund or securityholders.

Collateral Risk – The Fund may enter into derivatives arrangements that require it to deliver collateral to the derivative counterparty or clearing corporation. As such, the Fund may be exposed to certain risks in respect of that collateral including, the Fund:

- will be required to post initial margin/collateral to the derivative counterparty or clearing corporation in the form of cash. The Fund will be required to have sufficient liquid assets to satisfy this obligation;
- may from time to time, if the value of the derivative arrangements moves against it, be required to post variation margin/collateral with the derivatives counterparty or clearing corporation on an ongoing basis. The Fund will be required to have sufficient liquid assets to satisfy such calls, and, in the event it fails to do so, the counterparty may have a right to terminate such derivatives arrangements; and,
- may be subject to the credit risk of the derivatives counterparty. In the event the counterparty becomes insolvent at a time it holds margin/collateral posted with it by the Fund, the Fund will be an unsecured creditor and will rank behind preferred creditors.

Commodity Risk – The Fund's exposure to the commodities markets may subject the Fund to greater volatility than investments in traditional securities. The value of commodity linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments.

Concentration Risk – The Fund may hold significant investments in a few companies, rather than investing the Fund's assets across a large number of companies. In some cases, more than 10% of the net assets of the Fund may be invested in securities of a single issuer as a result of appreciation in value of such investment and/or the liquidation or decline in value of other investments. The investment portfolio of the Fund may be less diversified, and therefore are potentially subject to larger changes in value than mutual funds which hold more broadly diversified investment portfolios.

Counterparty Default Risk - This is the risk that entities upon which the Fund's investments depend may default on their obligations, for instance by failing to make a payment when due. Such parties can include brokers (including clearing brokers), foreign exchange counterparties, derivative counterparties and deposit taking banks. Default on the part of an issuer or counterparty could result in a financial loss to the Fund. The manager will manage these risks as far as is practicable by dealing with counterparties as permitted by Canadian securities authorities, by ensuring enforceable legal agreements are in place and by monitoring these counterparties.

Credit Risk – The value of fixed income securities depends, in part, on the perceived ability of the government or company which issued the securities to pay the interest and to repay the original investments. Securities issued by issuers who have a low credit rating are considered to have a higher credit risk than securities issued by issuers with a high credit rating. This risk applies primarily to fixed income funds.

Currency Risk – The value of securities denominated in a currency other than Canadian dollars will be affected by changes in the value of the Canadian dollar relative to the value of the currency in which the security is denominated. This risk will apply to the Fund if it invests in foreign denominated securities. Exposure to currencies may also be indirect through the use of other derivatives, such as options, forwards, futures or swaps.

Cyber Security Risk – Due to the widespread use of technology in the course of business, the Fund has become potentially more susceptible to operational risks through breaches in cyber security. Cyber security is the risk of harm, loss, and liability resulting from a failure, disruption or breach of an organization's information technology systems. It refers to both intentional and unintentional events that may cause the Fund to lose proprietary information, suffer data corruption, or lose operational capacity, which could cause us and/or the Fund to experience disruptions to business operations; reputational damage; difficulties with the Fund's ability to calculate its NAV; or incur regulatory penalties, additional compliance costs associated with corrective measures, and/or financial loss. Cyber attacks may involve unauthorized access to the Fund's digital information systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, or corrupting data, equipment or systems. Other cyber attacks do not require unauthorized access, such as denial-of-service attacks (i.e., efforts to make network services unavailable to intended users). In addition, cyber attacks on the Fund's third-party services provider (e.g., administrators, transfer agents, custodians and sub-advisors) or issuers that the Fund invests in can also subject the Fund to many of the same risks associated with direct cyber attacks. Similar to operational risks in general, we have established risk management systems designed to reduce the risks associated with cyber security. However, there is no guarantee that such efforts will be successful.

Derivatives Risk – A derivative is a contract between two parties, the value of which is based on the performance of other investments, such as equities, bonds, currencies or a market index. Derivatives may be traded in the over-the-counter market or on a stock exchange or they may be cleared through a clearing corporation. A derivative is commonly a future, a forward contract, an option or a swap, but there are other types of derivative instruments as well. Futures or forward contracts are agreements to buy or sell a security, commodity or currency for a certain price on a certain future date. Options give the buyer the right to buy or sell a security, commodity or currency for a certain price on a certain future date. Swaps are a derivative in which two counterparties exchange cash flows of one party's financial instrument for those of the other party's financial instrument. Derivatives may be used to limit, or hedge against, losses that may occur because of the Fund's investment in a security or exposure to a currency or market. This is called hedging. Derivatives may also be used to obtain exposure to financial markets, reduce transaction costs, create liquidity or increase the speed of portfolio transactions. These investments are made for non-hedging purposes.

- There is no assurance that liquid markets will exist for the Fund to close out its derivative positions. Derivative instruments in foreign markets may be less liquid and more risky than comparable instruments traded in North American markets.
- Exchange-imposed trading limits could affect the ability of the Fund to close out its positions in derivatives. These events could prevent the Fund from making a profit or limiting its losses.
- Prices of options and futures on a stock index may be distorted if trading of certain stocks in the index is interrupted or trading of a large number of stocks in the index is halted. Such price distortions could make it difficult to close out a position.
- The Fund may use derivatives so it may be subject to credit risk associated with the ability of counterparties to meet their obligations. In addition, the Fund could lose its margin deposits if a dealer or clearing corporation with whom the Fund has an open derivatives position goes bankrupt.
- There is no assurance that the Fund's hedging strategies will be effective. There may be an imperfect historical correlation between the behaviour of the derivative instrument and the investment being hedged. Any historical correlation may not continue for the period during which the hedge is in place.
- Using futures and forward contracts to hedge against changes in currencies, stock markets or interest rates cannot eliminate fluctuations in the prices of securities in the portfolio or prevent losses if the prices of these securities decline.
- Hedging may also limit the opportunity for gains if the value of the hedged currency or stock market rises or if the hedged interest rate falls. The inability to close out options, futures, forwards and other derivative positions could prevent the Fund from using derivatives to effectively hedge its portfolio or implement its strategy.

Equity Risk – Mutual funds that invest in equities - also called stocks or shares - are affected by stock market movements. When the economy is strong, the outlook for many companies will be good, and share prices will generally rise, as will the value of the Fund if it owns these shares. On the other hand, share prices usually decline in times of general economic or industry downturn. Equity securities of certain companies or companies within a particular industry sector may fluctuate differently than the overall stock market because of changes in the outlook for those individual companies or the particular industry.

Exchange-traded Fund Risk – When a mutual fund invests in an exchange-traded fund ("**ETF**"), the ETF may, for a variety of reasons, not achieve the same return as the benchmark, index or commodity price it seeks to track. The market value of an ETF also may fluctuate for reasons other than changes in the value of its underlying benchmark, index or commodity price, and the net asset value of the Fund will change with these fluctuations. The Fund has obtained permission to invest in ETFs that employ leverage in an attempt to magnify returns by either a multiple or an inverse multiple of its underlying benchmark, index or commodity price (a "**Leveraged ETF**"). Leveraged ETFs typically involve a higher degree of risk and are subject to increased volatility.

Failure of Futures Commission Merchant Risk – Under United States Commodity Futures Trading Commission Regulations, futures commission merchants ("**FCMs**") are required to maintain customer assets in a segregated account. If the Fund's FCM fails to do so, the Fund may be subject to a risk of loss of funds on deposit with the FCM in the event of its bankruptcy. In addition, even if assets are properly segregated, under certain circumstances there is a risk that assets deposited by the Manager on behalf of the Fund as margin with an FCM may be used to satisfy losses of other clients of the FCM which cannot be satisfied by such other clients or by the FCM. In the case of any such bankruptcy or client loss, the Fund might recover, even in respect of property specifically traceable to the Fund, only on a *pro rata* share of all property available for distribution to all of the FCM's customers.

Foreign Investment Risk – The value of foreign securities will be affected by factors affecting other similar securities and could be affected by additional factors such as the absence of timely information, less stringent auditing standards and less liquid markets. As well, different financial, political and social factors may involve risks not typically associated with investing in Canada. This risk applies primarily to equity funds and fixed income funds.

Forward and Over-the-Counter ("OTC") Option Contract Risk – The Fund may engage in trading forward and OTC option contracts in currencies. Such forward and OTC options contracts are not traded on exchanges; rather, banks and dealers typically act as principals in these markets, called generally the interbank or forex market. Trading in the interbank market presents certain risks not present in futures trading because no governmental agency regulates trading in forward and OTC option contracts. Consequently, in the case of forward contracts, there is no limitation on daily price movements and no margin need be posted, although a Fund's FCM may require good faith deposits to be made in lieu of margin. Because performance of forward and OTC options contracts on currencies is not guaranteed by any exchange or clearinghouse, the customer is subject to counterparty risk: the risk that the principals or agents with or through which the FCM trades will be unable or will refuse to perform with respect to such contracts. Furthermore, principals in the forward markets have no obligation to continue to make markets in the forward contracts traded.

Interest Rate Risk – The value of fixed income securities will generally rise if interest rates fall and, conversely, will generally fall if interest rates rise. Changes in interest rates may also affect the value of equity securities; however, this risk applies primarily to fixed income funds.

Large Redemption Risk – The Fund may have particular investors who own a large proportion of the net asset value of the Fund. For example, other institutions such as banks and insurance companies or other fund companies may purchase securities of the Fund for their own mutual funds, segregated funds, structured notes or discretionary managed accounts. Retail investors may also own a significant amount of the Fund. If one of those investors redeems a large amount of their investment in the Fund, the Fund may have to sell its portfolio investments at unfavourable prices to meet the redemption request. This can result in significant price fluctuations to the net asset value of the Fund, and may potentially reduce the returns of the Fund.

Liquidity Risk – Liquidity risk is the possibility that the Fund won't be able to convert its investments to cash when it needs to. The value of securities which are not regularly traded (less liquid) will generally be subject to greater fluctuation. This risk applies primarily to equity funds and fixed income funds.

Specifically, with respect to futures, most futures exchanges limit fluctuations in certain contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". Pursuant to such regulations, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract has increased or decreased by an amount equal to the daily limit, positions in the contract can be neither taken nor liquidated unless traders are willing to effect trades at or within the limit. Prices of various contracts have occasionally moved the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent the Fund from promptly liquidating its unfavorable positions and subject it to substantial losses. While daily limits may reduce or effectively eliminate the liquidity of a particular market, they do not limit ultimate losses, and may in fact substantially increase losses because it may prevent the liquidation of unfavorable positions. There is no limitation on daily price moves in trading forward contracts. In addition, the Fund may not be able to execute trades at favorable prices if little trading in the contracts involved is taking place. Under certain circumstances, the Fund may be required to accept or make delivery of the underlying commodity if the position cannot be liquidated prior to its expiration date. It also is possible that an exchange might suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract or order that trading in a particular contract be conducted for liquidation only. Similarly, trading in options on a particular futures contract may become restricted if trading in the underlying futures contract has become restricted.

Margin Risk – Each long or short derivatives position initiated by the Fund requires a margin deposit. The cash in the Fund will be applied to the margin requirements established by the futures commission merchant (which must be at least equal to the margin levels established by the applicable exchange) carrying the Fund's account. A margin deposit is similar to a cash performance bond that helps assure a trader's performance of the futures contract. If the market value of a futures position moves to such a degree that the initial margin deposit is not sufficient to satisfy minimum maintenance requirements, the futures commission merchant will make a "margin call" for additional margin money. The margin call must be satisfied within a reasonable period of time. If the Fund does not make payment of the margin call within a reasonable time, the futures commission merchant may liquidate the open position(s). In periods of high volatility, the exchanges may increase minimum margin levels. Also, the futures commission merchant may elect to increase the amount of margin they require to carry futures positions for their customers even though the applicable exchange did not increase the minimum margin levels.

Market Risk – The risks associated with investing in the Fund depend on the securities held in the Fund. These securities will rise and fall based on company-specific developments and general stock market conditions. Market value will also vary with changes in the general economic and financial conditions in the countries where the investments are based.

Operational Risk - Day to day operations of the Fund may be adversely affected by circumstances beyond the reasonable control of Arrow, such as failure of technology or infrastructure, or natural disasters.

Securities Lending Risk – The Fund may engage in securities lending transactions. In a securities lending transaction, the Fund lends portfolio securities that it owns to a third party borrower. The borrower promises to return to the Fund at a later date an equal number of the same securities and to pay a fee to the Fund for borrowing the securities.

Over time, the value of the securities loaned in a securities lending transaction might exceed the value of the collateral held by the Fund. If the third party defaults on its obligation to return the securities to the Fund, the collateral may be insufficient to enable the Fund to purchase replacement securities and the Fund may suffer a loss for the difference.

Those risks are reduced by requiring the other party to provide collateral to the Fund. The value of the collateral must be at least 102% of the market value of the securities loaned. Securities lending transactions, together with repurchase transactions are limited to 50% of the Fund's assets, excluding collateral or sales proceeds received in a securities lending transaction and cash held by the Fund for securities sold in a repurchase transaction.

In engaging in securities lending, the Fund will bear the risk of loss of any collateral it invests, as well as the risk of loss should a borrower default on its obligations to return the borrowed securities and the collateral is insufficient to reconstitute the portfolio of loaned securities.

If securities are on loan on the record date established for a particular voting matter the lender is generally not entitled to exercise the voting right of such loaned securities.

Series Risk –Mutual funds sometimes issue different series of securities of the same fund. Each series has its own fees and expenses, which the Fund tracks separately. However, if one series is unable to meet its financial obligations, the other series are legally responsible for making up the difference.

Share Class Risk – Each Corporate Class has its own assets and liabilities, which are used to calculate its value. Legally, the assets of each Corporate Class are considered the property of Exemplar Portfolios Ltd. and the liabilities of each Corporate Class are considered obligations of Exemplar Portfolios Ltd. That means if any Corporate Class of Exemplar Portfolios Ltd. cannot meet its obligations, the assets of the other Corporate Classes may be used to pay for those obligations. A mutual fund corporation, like a mutual fund trust, is permitted to flow through certain income to investors but in the form of dividends rather than distributions. These are capital gains and dividends from taxable Canadian corporations. However, unlike a mutual fund trust, a mutual fund corporation cannot flow through other income including interest, trust income, foreign source dividends and certain income from derivatives. If this type of income, calculated for Exemplar Portfolios Ltd. as a whole, is greater than the expenses of Exemplar Portfolios Ltd. and other tax deductible amounts, then Exemplar Portfolios Ltd. will be liable to pay income tax. While income tax is calculated for Exemplar Portfolios Ltd. as a whole, any amount payable will be allocated among the Corporate Classes making up Exemplar Portfolios Ltd.

Short Selling Risk – Short selling is the act of borrowing a security to sell high today with the expectation of buying it back at a lower price in the future and then returning the security to the lender. An investor pays a security lender a small fee to borrow the security (usually arranged by a brokerage firm). Risks associated with short selling include the potential that the securities will rise in value or not decline enough to cover the Fund's costs, or that market conditions will cause difficulties in the sale or repurchase of the securities. The lender from whom the Fund has borrowed securities may go bankrupt and the Fund may lose the collateral it has deposited with the lender. When engaging in short selling, the Fund adheres to controls and limits that are intended to offset these risks by selling short only securities of larger issuers for which a liquid market is expected to be maintained and by limiting the amount of exposure for short sales. The Fund also deposits collateral only with lenders that meet certain criteria for creditworthiness and only up to certain limits. The Fund may also be exposed to short selling risk because the underlying funds in which it invests or to which assets of the Fund obtains exposure may be engaged in short selling.

Small Company Risk – Investing in securities of smaller companies may be riskier than investing in larger, more established companies. Smaller companies may have limited financial resources, a less established market for their shares and fewer shares issued. This can cause the share prices of smaller companies to fluctuate more than those of larger companies. The market for the shares of small companies may be less liquid.

Tax Risk – Please see the section "*Income Tax Considerations for Investors*" for information on tax risk.

Underlying Fund Risk – The Fund may pursue its investment objectives indirectly by investing in securities of other funds, including index participation units (e.g., ETFs), in order to gain access to the strategies pursued by those underlying funds. There can be no assurance that any use of such multi-layered fund of fund structures will result in any gains for the Fund. If an underlying fund that is not traded on an exchange suspends redemptions, the Fund will be unable to value part of its portfolio and may be unable to redeem securities. In addition, the portfolio advisor could allocate the Fund's assets in a manner that results in the Fund underperforming its peers.

When you are making your investment decision, it is very important that you are completely aware of the different investment types, their relative return over time and their volatility.

About the Corporate Classes

The Corporate Classes are set up differently than traditional mutual funds. When you invest in most traditional mutual funds, such as our trust funds, you buy units of a mutual fund trust. The Corporate Classes instead are classes of shares of Exemplar Portfolios Ltd., which means you buy shares of the corporation.

Both mutual fund trusts and mutual fund corporations allow you to pool your money with other investors, but there are differences between the two types of mutual funds:

- A mutual fund trust has its own investment objectives.
- A mutual fund corporation may have more than one class of shares. Each class has its own investment objectives.
- Mutual fund trusts are separate taxpayers.
- Mutual fund corporations are taxed as a single entity. A multi-class mutual fund corporation, such as Exemplar Portfolios Ltd., must consolidate the income, capital gains, expenses and capital losses from all its classes to determine the amount of tax payable by it.
- A mutual fund trust makes taxable distributions of net income, including net taxable capital gains, to its unitholders.
- A mutual fund corporation pays ordinary dividends or capital gains dividends to its shareholders.

ORGANIZATION AND MANAGEMENT OF THE EXEMPLAR MUTUAL FUND

Manager: Arrow Capital Management Inc. 36 Toronto Street Suite 750 Toronto, Ontario M5C 2C5	As manager for the Fund, Arrow manages the overall undertakings of the Fund, including providing administration services, promoting sales of the Fund's securities and making provisions for fund accounting.
Portfolio Advisor: Arrow Capital Management Inc. Toronto, Ontario	As portfolio advisor of the Fund, Arrow carries out, or arranges for, investment advice to the Fund.
Custodians: CIBC Mellon Trust Company CIBC World Markets Inc.	The custodians hold securities and other portfolio assets, including cash on deposit with financial institutions, on behalf of the Fund.
Prime Brokers: CIBC World Markets Inc. Toronto, Ontario Goldman Sachs & Co. LLC Toronto, Ontario	The prime brokers provide brokerage services to the Fund, including trade execution and settlement, custody and margin lending in connection with short selling strategies of the Fund. Arrow, on behalf of the Fund, has or expects to enter into prime brokerage agreements with the prime brokers listed in this section or their affiliates. The portfolio manager may change the prime brokers or appoint additional prime brokers for the Fund from time to time.

Registrar and Service Provider for Record Keeping Services: RBC Investor Services Trust Toronto, Ontario	The registrar and service provider for record keeping services keep track of the owners of securities of the Fund and processes purchase, switch and redemption orders and issues investor account statements and annual tax reporting information, if applicable.
Securities Lending Agent: The Bank of New York Mellon	The securities lending agent acts as agent for securities lending transactions for the Fund. The securities lending agent is independent of the Manager.
Auditor: PricewaterhouseCoopers LLP Chartered Professional Accountants Toronto, Ontario	The auditor audits the annual financial statements of the Fund to ensure that they fairly present in all material respects the Fund's financial position, results of operations, changes in net assets and cash flows.
Independent Review Committee (IRC):	Pursuant to National Instrument 81-107 – *Independent Review Committee for Investment Funds* ("**NI 81-107**"), Arrow established the IRC to review and provide either an approval or a recommendation on the conflict of interest matters that are referred to it by Arrow in connection with the operation and management of the Fund. In addition, the IRC will perform regular assessments and provide reports as required under NI 81-107. The IRC currently has, and must maintain at least, three independent members. The IRC will prepare at least annually a report of its activities for you which will be available at your request at no cost, by contacting us at info@arrow-capital.com. If approved by the IRC, the Fund may change its auditor by sending you a written notice of any such change at least 60 days before it takes effect. Likewise, if approved by the IRC, we may merge the Fund into another mutual fund provided the merger fulfills the requirements of the Canadian securities regulators relating to mutual fund mergers and we send you a written notice of the merger at least 60 days before it takes effect. In either case, no meeting of securityholders of the Fund may be called to approve the change Additional information about the IRC, including the names of its members, is available in the Fund's annual information form.

When the Fund invests in or obtains exposure to an underlying fund managed by us or any of our affiliates or associates will not vote any of the securities it holds or is exposed to in the underlying fund. However, we may arrange for you to vote your share of those securities.

PURCHASES, SWITCHES AND REDEMPTIONS

You may purchase, switch or transfer securities from the Fund to other funds managed by Arrow or redeem your securities in the Fund 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.

When you buy, switch, redeem or transfer securities in the Fund, you buy them at the net asset value of the security of the series calculated as of the day of your transaction. If we receive your purchase, switch or redemption order for securities prior to 4:00 p.m. (Toronto time) on any business day, we will process your order based on the security price for that date. Otherwise, we will process your order at the security price on the next business day.

Purchases

The Fund has 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. See "*Fees and Expenses*" and "*Dealer Compensation*" on pages 14 through 17.

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

Series	Feature
Series A and AN Securities	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. Series AN Securities are a Non-Fixed Rate Distribution Series as defined below. Series A Securities are a Fixed Rate Distribution Series as defined below.
Series F and FN Securities	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 (the "**Fee-Based Securities**"). These series of 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 with their financial advisor and payable to their dealer. This Fee-Based Account Fee is in addition to the management fee payable by the Fund for Fee-Based Securities. Series FN Securities are a Non-Fixed Rate Distribution Series as defined below. Series F Securities are a Fixed Rate Distribution Series as defined below.
Series I Securities	This series of securities is 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 the 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.

	Series I Securities are a Non-Fixed Rate Distribution Series as defined below.

"**Fixed Rate Distribution Series"** are designed for investors who wish to receive regular dividends from the Fund. **Certain dividends of the Fund may represent a return of capital to you.**

"**Non-Fixed Rate Distribution Series**" are designed for investors who do not wish to receive regular dividends from the Fund. Each December, the Fund will declare an annual dividend of its dividend income or capital gains, if any, to holders of the Non-Fixed Rate Distribution Series.

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

All 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 the 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 Fund is 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.

Switches

You can switch your securities between the Fund 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 the Fund and a purchase of securities in another permitted fund.

Front-End Securities of the Fund can only be exchanged for other Front-End Securities of the Fund or another permitted fund also offered under the initial sales charge option.

The switch of securities by a securityholder from the 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 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 Fund by contacting your representative. No fees apply, although there may be a charge by your financial advisor. 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 of the Fund is generally not a disposition for tax purposes, but you should consult your own tax advisors in this regard.

Redemptions

You may redeem your securities in the Fund 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 Fund is 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 unless the securities are subject to the short-term trading redemption charge described below.

Minimum Balance

If the value of your securities in the 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 switch 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 Fund.

The interests of securityholders and the 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 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 of the Fund within 90 days of purchase (including securities received on the automatic reinvestment of dividends within such 90-day period), the Fund may charge a short-term trading fee of up to 2% of the net asset value of the securities switched or redeemed. See "*Fees and Expenses - Fees and Expenses Payable Directly by You*" on page 16.

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 the 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.

OPTIONAL SERVICES

This section tells you about services that are available to investors in securities of the Fund.

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 dividends 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 dividends declared on securities held under such a plan in respect of the Fund must be reinvested into additional securities of the Fund. You may modify, suspend or terminate an automatic withdrawal plan on ten days' prior written notice to us.

FEES AND EXPENSES

The tables below list:

- all fees and expenses which are paid directly by the Fund before its security prices are calculated, and which therefore indirectly reduce the value of your investment; and
- all fees and expenses payable directly by you.

Fees and Expenses Payable by the Fund

Management Fees	Management fees represent the fees payable to Arrow for the services it provides. Arrow is responsible for all expenses related to the management of the Fund's investment portfolio, including investment consulting fees and research expenditures incurred by it and fees charged by investment or other advisers employed by it. We are also responsible for payment of all advertising and promotional expenses incurred in respect of the Fund. The annual management fee rates payable by the Fund are below (plus applicable GST, HST and any applicable provincial sales taxes). Arrow reserves the right to offer selected purchasers who meet certain criteria a management fee rebate. A holder of Series I Securities pays a negotiated management fee directly to the

<table>
<tr><td></td><td colspan="2">Manager. The management fee in respect of Series I Securities of the Fund will be different for each investor, and will not exceed 2.00%.</td></tr>
<tr><td></td><td colspan="2">Annual Management Fee</td></tr>
<tr><td>Fund</td><td>Series A and AN</td><td>Series F and FN</td></tr>
<tr><td>Exemplar Global Growth and Income Class</td><td>2.00%</td><td>1.00%</td></tr>
<tr><td>Performance Fees</td><td colspan="2"><u>Exemplar Global Growth and Income Class</u>
The Fund will not pay a performance fee directly, although funds it invests in may be charged a performance fee.</td></tr>
<tr><td>Operating Expenses</td><td colspan="2">The Fund pays for all expenses incurred in connection with its operation and administration, including applicable GST, HST and any applicable provincial sales tax. Such costs and expenses may include, without limitation, the fees and expenses of the members of the IRC appointed under NI 81-107 and expenses related to compliance with NI 81-107; regulatory fees including participation or other fees payable by the Manager under applicable securities legislation; accounting; audit; valuation; legal; registrar and transfer agency, custodial and safekeeping fees; taxes; brokerage commissions; fees and expenses relating to the implementation of portfolio transactions; interest and borrowing costs; securityholder servicing costs; securityholder meeting costs; printing and mailing costs; litigation expenses; amounts paid for damages awarded or as settlements in connection with litigation; lease payments (including prepaid portions thereof); costs of office space, facilities and equipment; costs of financial and other reports and prospectuses that are used in complying with applicable securities legislation; and any new fee that may be introduced by a securities authority or other governmental authority that is calculated based on assets or other criteria of the Fund. The Manager may provide any of these services and is reimbursed all of its costs in providing these services to the Fund which may include but are not limited to personnel costs, office space, insurance, and depreciation. The common expenses of the Fund and other investment funds managed by Arrow will be allocated among the Fund and the other funds, as applicable. The Fund will bear separately any expense item that can be attributed specifically to the Fund. Common expenses of the Fund will be allocated based on a reasonable allocation methodology which will include allocations based on the assets of the Fund or the number of securityholders of the Fund or other methodology we determine is fair.
The fees and other reasonable expenses of the IRC are paid pro rata out of the assets of the Fund, as well as out of the assets of the other investment funds managed by Arrow for which the IRC acts as the independent review committee. The fees for members of the IRC consist of an annual retainer in the amount of $14,000 per member. The chair of the IRC is entitled to an additional fee of $4,000. Expenses of the IRC include premiums for insurance coverage, legal fees, travel expenses and other reasonable out-of-pocket expenses. These fees and expense reimbursements are allocated across all investment funds that are managed by Arrow in a manner that is fair and reasonable. The total amount of fees paid to the IRC by all investment funds managed by Arrow for the fiscal year ended December 31, 2020 was $46,000.</td></tr>
</table>

Fees and Expenses Payable Directly by You

Sales Charges on Front-End Securities	A maximum of 5% of the amount you invest in the Fund. The amount of the fee is a matter negotiable between you and your dealer. Sales charges are only applicable to Front-End Securities.
Redemption Fees	No redemption charges apply unless the securities are subject to the short-term trading redemption charge described below.
Switch Fees	Up to 5% of the amount you wish to switch between the Fund and other funds managed by Arrow. The amount of the fee is a matter negotiable between you and your dealer. If a securityholder switches securities of the Fund within 90 days of purchase, the Fund may charge a short-term trading fee of up to 2% of the net asset value of the securities switched. This short-term trading fee would be over and above any switch fee which the broker, dealer or advisor may charge.
Short-term Trading Fees	The Fund may charge you a short-term trading fee of up to 2% of the net asset value of the securities if you redeem or switch securities of the Fund within 90 days of the date of purchase (including securities received on the automatic reinvestment of dividends within such 90-day period). This short-term trading fee would be over and above any switch fee which the broker, dealer or advisor may charge.
Registered Tax Plan Fees	Fees payable will be determined by the trustees of a licensed trust company for such plans.
Fee-Based Account Fee	In certain circumstances, if you purchase Fee-Based Securities, you may pay a Fee-Based Account Fee. Fee-Based Account Fees are negotiable with your financial advisor and paid to your dealer.

Any change in any contract or the entering into of any new contract as a result of which the basis for the calculation of the fees or other expenses that are charged to the Fund which could result in an increase in charges to the Fund, must be approved by a majority of the votes cast at a meeting of the securityholders of the Fund called for such purpose. Such approval is not required in respect of a change in a contract or a new contract made by the Fund at arm's length and with parties other than Arrow or an associate or affiliate of Arrow for all or part of the services it requires to carry on its operations, provided that seurityholders are given at least 60 days' notice before any contract is entered into or the effective date of any change, as applicable.

Other Mutual Funds

From time to time the Fund may invest in and hold securities of other investment funds. There are fees and expenses payable by the other investment funds in addition to the fees and expenses payable by the Fund. No management fees or incentives are payable by the Fund that, to a reasonable person, would duplicate a fee payable by the other investment fund for the same service and no sales fees or redemption fees are payable by the Fund in relation to its purchases or redemptions of the securities of the other investment fund if the other investment fund is managed by the Arrow or an affiliate or associate of the manager of the Fund, and no sales fees or redemption fees are payable by the Fund in relation to its purchases or redemptions of securities of the other investment fund that, to a reasonable person, would duplicate a fee payable by an investor in the Fund.

IMPACT OF SALES CHARGES

The following table shows the amount of fees that you would have to pay if you made an investment of $1,000 in the Fund, if you held that investment and redeemed immediately before the end of that period.

	At Time of Purchase	1 Year	3 Years	5 Years	10 Years
Front-End Securities - Front-End Sales Charge[(1)]	$50.00	$ -	$ -	$ -	$ -
Series I	$50.00	$-	$-	$ -	$ -

(1) This assumes the maximum sales charge of 5% of the amount invested.

DEALER COMPENSATION

Sales Commissions and Switching Fees

You will pay your dealer a sales commission at the time of your purchase of Front-End and Series I Securities, such commission being up to 5% of the amount you invest. The actual percentage is a matter negotiable between you and your dealer. Sales charges are not paid when you switch between series of the Fund, or between the Fund and another fund managed by Arrow, but a switch fee of up to 5% may be charged to you and retained by your dealer. The amount of any switch fee is a matter negotiable between you and your dealer. No sales commissions are paid when you receive securities from reinvested dividends. Sales commissions and switching fees are only applicable to Front-End and Series I Securities.

If you purchase Fee-Based Securities, you may have to pay a Fee-Based Account Fee to your dealer. Fee-Based Account Fees are negotiated with your financial advisor.

Trailing Commission

We pay your dealer a trailing commission monthly on Front-End Securities and Series I Securities for the ongoing advice and service you receive from your dealer relating to the Fund, as applicable. Dealers receive this service fee based on the aggregate security value of their clients' investment in the Fund. We also pay trailing commissions to the discount broker for securities you purchase through your discount brokerage account. We may pay your dealer a trailing commission monthly on Series I Securities of the Fund, if applicable, which is a matter negotiable between Arrow and your dealer, and will not exceed 1.00% per year. We may change or cancel the terms of trailing commissions that we pay at any time. The following table outlines the annual trailer fee rates associated with the Fund:

	Front-End Securities	Fee- Based Securities
Exemplar Global Growth and Income Class	1.00%	None

Other Kinds of Dealer Compensation

We may share with dealers up to 50% of their eligible costs in marketing securities of the Fund (upon approval of Arrow's compliance department). For example, we may pay a portion of the costs of a dealer in advertising the availability of the Fund through the financial advisors of that dealer. We may also pay part of the costs of a dealer in running a seminar to inform investors about the Fund or about the general benefits of investing in the Fund.

We may also pay up to 10% of the costs of some dealers to hold educational seminars or conferences for their financial advisors to teach them about, among other things, new developments in the mutual fund industry, financial planning or new financial products (upon approval by Arrow's compliance department). The dealer makes all decisions about where and when the conference is held and who can attend.

We may also arrange for seminars for financial advisors where we inform them about new developments in the Fund, our products and services and mutual fund industry matters. We will invite dealers to send their financial advisors to any such seminars and such dealers (and not us) will decide who attends. The financial advisors will be required to pay their own travel, accommodation and personal expenses of attending any such seminars.

DEALER COMPENSATION FROM MANAGEMENT FEES

As Exemplar Global Growth and Income Class is new, no dealer compensation was paid for the year ended December 31, 2021.

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 Fund or Arrow, and holds securities as capital property. Generally, your investment in the Fund will be capital property unless you are considered to be trading or dealing in securities or have acquired your investment in one or more transactions 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 Fund, 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 the 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.

Types of Income from the Fund

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

- **Dividends**. When the Fund 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.
- **Capital gains (or losses)**. You can realize a capital gain (or loss) when you sell or transfer your securities of the Fund (including a transfer of securities of the 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 Fund will not result in a disposition for tax purposes.

Fund held in Registered Plans

Securities of the Fund 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 (TFSAs);
- 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 or through all our programs. The Fund may be eligible for other Registered Plans offered through your financial advisor.

If you hold securities of the Fund in a Registered Plan, you generally pay no tax on dividends paid from the Fund on those securities or on any capital gains that your Registered Plan realizes from selling, redeeming or transferring securities (including a switch of securities of the 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 their own tax advisors as to whether securities of the Fund will 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 the Fund through Registered Plans and neither the Fund nor Arrow assumes any liability to you as a result of making the securities of the Fund available for investment. If you choose to purchase securities of the 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.

Fund held in Non-Registered Accounts

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

- Any dividends paid to you by the Fund, whether you receive them in cash or you reinvest them in securities of the 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.

- The taxable portion of any capital gains you realize from selling or redeeming your securities (including to pay fees described in this document) or transferring your securities (including a transfer of securities of the 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. 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 the Fund 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 the Fund.

Dividends and capital gains distributed by the Fund 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 Fund and any management fee rebates paid to you.

Dividends

Dividends from the Fund (whether in the form of cash or in the form of reinvested securities) may include 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.

Dividends may result from foreign exchange gains because the Fund is required to report income and net realized capital gains in Canadian dollars for tax purposes.

The history of dividends paid from the Fund is no indication of future dividend payments. Several factors determine the dividends to be paid from the 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 the 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 dividend. If you buy securities of the Fund just before it pays a dividend, you will be taxed on that dividend. You may have to pay tax on income or capital gains the Fund earned before you owned it. This may be particularly significant if you are purchasing later in the year. The Fund intends to pay monthly dividends except in respect of securities of the Non-Fixed Rate Distribution Series. See the Fund's description in Part B of this simplified prospectus for the dividend policy of the Fund.

The higher the Fund's portfolio turnover rate is in a year, the greater the chance that you will receive a dividend from the Fund. There is no necessary relationship between the 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 transfer (after deducting any redemption fees or other charges) and the adjusted cost base of those securities.

Generally, switching one series of securities to another series of securities of the Fund will not result in a disposition for tax purposes, so no capital gain or loss will arise except to the extent that securities are redeemed to pay a switch fee. If 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 the 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 dividends or management fee rebates in additional securities of that series of the Fund, **minus**
- any return of capital 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 dividends you receive on those securities so you can calculate their adjusted cost base. All amounts (including adjusted cost base, 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 the Fund and would otherwise realize a capital loss, the loss may 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 dividends, net realized capital gains and returns of capital 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 Fund, 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. taxpayer (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 Fund is 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 Common Reporting Standard regime.

WHAT ARE YOUR LEGAL RIGHTS?

Securities legislation in some provinces and territories provide you with the right to withdraw from an agreement to buy mutual funds within two business days of receiving the simplified prospectus, or fund facts or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy mutual fund securities and get your money back, or to make a claim for damages, if the simplified prospectus, the Fund's annual information form, the Fund's fund facts or financial statements misrepresent any facts about the Fund. These rights usually must be exercised within certain time limits. **For more information, refer to the securities legislation of your province or territory or consult your lawyer.**

ADDITIONAL INFORMATION

Exemptions and approvals

The Fund has obtained exemptive relief from securities regulators:

1) exempting the Fund from the requirement in subsection 6.1(1) of National Instrument 81-102 ("**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 the 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 10% of the NAV of the Fund at the time of deposit (the "**Short Sale Collateral Relief**"); and

2) exempting the Fund from the requirement in subsection 6.1(1) of NI 81-102 to permit the 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 the Fund are disclosed under the heading "*Organization and Management of the Exemplar Mutual Fund - Custodian*" in this simplified prospectus. The Manager may appoint additional custodians in the future for the Fund 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 Fund following its execution.

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

PART B

SPECIFIC INFORMATION ABOUT THE MUTUAL FUND DESCRIBED IN THIS DOCUMENT

Part B of this document contains specific information about the Fund, including particulars of its investment objectives, strategies and risks. All of the descriptions are organized in the same way, under these headings and subheadings:

Fund Details

This section gives you a snapshot of the Fund with information such as the type of Fund, the Fund's creation date, the series of securities it offers and its eligibility for Registered Plans.

What does the Fund Invest In?

This section includes the Fund's fundamental investment objective and the investment strategies it uses in trying to achieve its objective. Any change to the *investment objective* must be approved by a majority of votes cast at a meeting of securityholders held for that reason.

How the fund uses derivatives

A derivative is an investment that derives its value from another investment - called the *underlying investment*. This could be a stock, bond, interest rate, currency or market index. Derivatives usually take the form of a contract with another party to buy or sell an asset at a later time. Some examples of derivatives are options, futures, forward contracts and swaps.

The Fund may use derivatives as permitted by securities regulations. It may use them to:

- hedge its investments against losses from factors like currency fluctuations, stock market risks and interest rate changes; or
- invest indirectly in securities or financial markets, provided the investment is consistent with the Fund's investment objective.

When the Fund uses derivatives for purposes other than hedging, it holds enough cash or money market instruments to fully cover its position in the derivative, as required by securities regulations. However, we have obtained exemptive relief that permits the Fund to engage in the derivatives transactions to permit the Fund to:

- Use as cover, when the Fund has a long position in a debt-like security that has a component that is a long position in a forward contract, or in a standardized future or forward contract:
    - cash cover in an amount that, together with margin on account for the specified derivative and the market value of the specified derivative, is not less than, on a daily mark-to-market basis, the underlying market exposure of the specified derivative,
    - a right or obligation to sell an equivalent quantity of the underlying interest of the future or forward contract, and cover that together with margin on account for the position, is not less than the amount, if any, by which the price of the future or forward contract exceeds the strike price of the right or obligation to sell the underlying interest, or
    - a combination of the positions referred to immediately above that is sufficient, without recourse to other assets of the Fund, to enable the Fund to acquire the underlying interest of the future or forward contract,

- Use as cover, when the Fund has a right to receive payments under a swap:
    - cash cover, in an amount that, together, with margin on account for the swap and the market value of the swap, is not less than, on a daily mark-to-market basis, the underlying market exposure of the swap,
    - a right or obligation to enter into a swap on an equivalent quantity and with an equivalent term and cover that, together with margin on account for the position, is not less than the aggregate amount, if any, of the obligations of the Fund under the swap less the obligations of the Fund under such offsetting swap, or
    - a combination of the positions referred to immediately above that is sufficient, without recourse to other assets of the Fund, to enable the Fund to satisfy its obligations under the swap.

The exemptions described above, are subject to the condition that the Fund will not (i) purchase a debt-like security that has an option component or an option, or (ii) purchase or write an option to cover any positions under section 2.8(1)(b), (c), (d), (e) and (f) of NI 81-102, if immediately after the purchase or writing of such option, more than 10% of the net assets of the Fund, taken at market value at the time of the transaction, would be in the form of (1) purchased debt-like securities that have an option component or purchased options, in each case, held by the Fund for purposes other than hedging, or (2) options used to cover any positions under section 2.8(1)(b), (c), (d), (e) and (f) of NI 81-102.

How the fund engages in securities lending transactions

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions as permitted by securities regulations.

A *securities lending transaction* is where the Fund lends portfolio securities that it owns to a third party borrower. The borrower promises to return to the Fund at a later date an equal number of the same securities and to pay a fee to the Fund for borrowing the securities. While the securities are borrowed, the borrower provides the Fund with collateral consisting of a combination of cash and securities. In this way, the Fund retains exposure to changes in the value of the borrowed securities while earning additional fees.

A *repurchase transaction* is where the Fund sells portfolio securities that it owns to a third party for cash and simultaneously agrees to buy back the securities at a later date at a specified price using the cash received by the Fund from the third party. While the Fund retains its exposure to changes in the value of the portfolio securities, it also earns fees for participating in the repurchase transaction.

A *reverse repurchase transaction* is where the Fund purchases certain types of debt securities from a third party and simultaneously agrees to sell the securities back to the third party at a later date at a specified price. The difference between the Fund's purchase price for the debt instruments and the resale price provides the Fund with additional income.

As indicated above, securities lending, repurchase and reverse repurchase transactions enables the Fund to earn additional income and thereby enhance its performance.

The 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 repurchase transactions 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).

Short Selling Activities

The Fund may also engage in short selling as permitted by securities regulations. A "short sale" is where the Fund borrows securities from a securities lender and then sells the securities in the open market (or "sells short" the securities). The proceeds from the short sale are deposited with the lender as collateral and the Fund pays interest to the lender for the securities it has borrowed. At a later date, the same number of securities are repurchased by the Fund and returned to the securities lender. If the value of the securities goes down between the time that the Fund borrows the securities and the time it repurchases and returns the securities to the lender, the Fund makes a profit on the difference (less the interest the Fund is required to pay to the lender). Engaging in disciplined and limited short selling provides the Fund with an opportunity to control volatility and enhances performance in declining or volatile markets.

There are risks associated with short selling, namely that the securities will rise in value or not decline enough to cover the Fund's costs, or that market conditions will cause difficulties in the sale or repurchase of the securities. In addition, the lender could become bankrupt before the transaction is complete, causing the Fund to forfeit the collateral it deposited when it borrowed the securities. However, Arrow will manage the risks associated with short selling using several controls, including:

- Securities will be sold short only for cash.
- A security sold short shall not be: (i) a security that the Fund is otherwise not permitted to purchase at the time of the short sale transaction; (ii) an illiquid asset; or (iii) a security of an investment fund unless the security is an index participation unit.
- At the time securities of a particular issuer are sold short by the Fund, the Fund will have borrowed or arranged to borrow from a borrowing agent the security that is to be sold under the short sale transaction.
- At the time securities of a particular issuer are sold short by the Fund, the aggregate market value of all securities of that issuer sold short will not exceed 5% of the net assets of the Fund and the aggregate market value of all securities sold short by the Fund will not exceed 20% of the net assets of the Fund.
- The Fund may deposit assets with lenders in accordance with industry practice in relation to its obligations arising under short sale transactions. The Fund also will hold cash cover in an amount, including the Fund's assets deposited with lenders, that is at least 150% of the aggregate market value of all securities it sold short on a daily marked-to market basis.
- No proceeds from short sales will be used by the Fund to purchase long positions other than securities that qualify as cash cover.

Investing in or obtaining exposure to underlying funds

The Fund may invest in underlying funds that are subject to NI 81-102, including alternative mutual funds and non-redeemable investment funds, which may be managed by Arrow or an affiliate of Arrow, either directly or by gaining exposure to an underlying fund through a derivative. Investments in alternative mutual funds and non-redeemable investment funds are subject to a maximum of 10% of the net assets of the Fund at the time of the purchase.

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.

The Fund is also permitted to invest in gold, silver or other physical commodities or instruments (such as derivatives and ETFs) that provide exposure to physical commodities. 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.

The 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; (c) the Fund will not purchase securities of Inverse ETFs or Leverage 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 20% of the net assets of the Fund, taken at market value at the time of the transaction; and (d) the Fund will not purchase securities of a Commodity ETF if, immediately after such purchase, more than 10% of the net assets of the Fund, taken at market value or market exposure at the time of the purchase, would consist of, in aggregate, gold, silver, permitted gold certificates, permitted silver certificates, specified derivatives of which the underlying interest is gold or silver, and Commodity ETFs.

Portfolio Turnover Rate

The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor or sub-advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

What are the Risks of Investing in the Fund?

This section shows the specific risks associated with an investment in the Fund. For an explanation of these risks, see *"What are the Risks of Investing in a Mutual Fund?"* starting on page 3.

Fund Risk Classification Methodology

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

Based on the Methodology, the Fund's risk level as described in this document, is determined in accordance with a standardized risk classification methodology that is based on the Fund's historical volatility as measured by the 10-year standard deviation of the returns of the Fund. If the Fund does not have at least ten years of performance history, a reference index that is expected to reasonably approximate the Fund's standard deviation is used as a proxy for the ten-year period. The Fund is assigned an investment risk level in one of the following categories:

Low – for funds with a standard deviation range of 0 to less than 6;

Low-to-Medium – for funds with a standard deviation range of 6 to less than 11;

Medium – for funds with a standard deviation range of 11 to less than 16

Medium-to-High – for funds with a standard deviation range of 16 to less than 20; and

High – for funds with a standard deviation range of 20 or greater.

The risk ratings set forth in the table below do not necessarily correspond to an investor's risk tolerance assessment. Investors are advised to consult their financial advisor for advice regarding an individual investor's personal circumstances. The following sets out the reference index for the Fund which has less than 10 years of performance history.

Mutual Fund	Reference Index	Risk Rating
Exemplar Global Growth and Income Class	75% MSCI World Net Total Return USD Index and 25% ICE BofA Global Broad Market (CAD-Unhedged) Index	Low to medium

Although monitored on a semi-annual basis, we review the investment risk level of the Fund on an annual basis and each time a material change is made to the Fund's investment strategies and/or investment objective.

Information about the Methodology is available on request, at no cost, by calling us toll-free at 1-877-327-6048 or by sending an email to info@arrow-capital.com.

Historical performance may not be indicative of future returns and the Fund's historical volatility may not be an indication of its future volatility.

Who Should Invest in the Fund?

This section tells you the type of investment portfolio or investor the Fund may be suitable for. This is meant as a general guide only. For advice about your own circumstances, you should consult your financial advisor.

Dividend Policy

This section tells you when the Fund usually pays dividends to investors.

Dividends may be comprised of ordinary dividend income, capital gains or returns of capital and are not intended to reflect the Fund's investment performance and should not be confused with "yield" or "income". **A portion of the dividend may include a return of capital. If the cash dividends to you are greater than the net increase in value of your investment, the dividends will erode the value of your investment.**

We reserve the right to adjust the amount of the dividends paid during the year if we consider it appropriate, without notice. There can be no assurance that the Fixed-Rate Distribution Series will pay any dividends in any particular period. Dividends are not guaranteed and may change at any time at our discretion.

Dividends on securities held in a Registered Plan are automatically reinvested (without charge) in additional securities of the same series of the Fund.

Dividends on securities held outside a Registered Plan are either: (1) automatically reinvested in additional securities of the same series of the Fund; or (2) received in cash. Unless we receive written notice that you want to receive dividends in cash, the default is to have dividends automatically reinvested in securities of the Fund.

The dividends by way of reinvested securities are subject to the same fees and expenses as purchased securities; whereas if you receive cash dividends the cash received would not be subject to such fees and expenses. For more information about fees and expenses related to holding securities, including securities received on the automatic reinvestment of dividends, see "*Fees and Expenses*" on page 14. To receive dividends in cash you (or broker, dealer or advisor) must provide us a written request that you wish to receive dividends in cash. Please see the back cover for our contact information.

Dividends during the year will generally not be made to holders of securities of the Non-Fixed Rate Distribution Series.

Each December, the Fund may declare annual ordinary taxable dividends or capital gains to securityholders (including holders of the Non-Fixed Rate Distribution Series) on the dividend date in order to received a refund of taxes on Canadian dividends and capital gains taxes under the refund mechanism in the Tax Act. **In each case, dividends on**

the securities will be reinvested by purchasing additional securities of the Fund, without charge, unless a written request is submitted to Arrow, requesting dividends be paid in cash instead.

We may change the dividend policy at our discretion.

The dividend rate on a series of securities of the Fund may be greater than the return on the Fund's investments. Any dividends paid to you that exceed, in aggregate, the net increase in value of your investment, represent a return of your capital back to you.

For more information about dividends, see "*Income Tax Considerations for Investors*".

Fund expenses indirectly borne by investors

This section is an example of the expenses the Fund pays on its series of securities. The example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. While you do not pay these costs directly, they have the effect of reducing the Fund's returns. The management expense ratio ("**MER**") reflects the total fees and expenses (including applicable sales taxes) paid by the Fund. It is calculated by adding the management fee to the operating expenses, with the exception of brokerage commissions and other trading costs, and is expressed as a percentage of the Fund's net assets. It assumes that the MER of the Fund was the same throughout each period shown as it was during the last completed financial year. Investors in certain series of securities are charged fees directly by their financial advisor or us that are not included in this section.

Any amount paid by the Fund as fees and expenses will reduce the return to investors in the Fund. The Fund's security price and rate of return as published on a daily basis, have already accounted for these fees and expenses.

EXEMPLAR GLOBAL GROWTH AND INCOME CLASS

FUND DETAILS

Type of Fund:	Global Balanced
Inception Date:	Series A – December 31, 2021 Series AN – December 31, 2021 Series F – December 31, 2021 Series FN – December 31, 2021 Series I – December 31, 2021
Securities Offered:	Shares of a mutual fund corporation – Series A, AN, F, FN and I Shares
Eligibility for Registered Plans:	Yes
Portfolio Advisor:	Arrow Capital Management Inc.

WHAT DOES THE FUND INVEST IN?

Investment Objectives

The investment objective of the Exemplar Global Growth and Income Class is to achieve long term growth and preservation of capital. The Fund will invest primarily in a diversified mix of equity and fixed-income securities of issuers located anywhere in the world.

Securityholder approval (given by a majority of votes cast at a meeting of securityholders) is required prior to a change of investment objectives.

Investment Strategies

To achieve the investment objective, the portfolio advisor uses an asset allocation approach. The portfolio advisor will analyze the economy and markets with a view to determine which of the below asset classes are more likely to offer attractive risk/return characteristics within a medium to long-term time frame.

Generally, the Fund's asset mix will be within the following ranges: 30-90% equity securities, 10-50% fixed income securities and 0-50% money market instruments. Such ranges are designed to allow the portfolio advisor to vary the weighting of the Fund's portfolio within the sectors to meet the investment objective as it considers appropriate in a variety of market environments.

Equity securities will include publicly listed global equity securities, though it is anticipated that the majority of the securities traded by the Fund will be issued by companies domiciled in Canada and the United States. Fixed income securities will include investment grade, non-investment grade and distressed fixed income securities, issued by corporations, trusts and international agencies and governments. The Fund is also permitted to invest in convertible bonds and debentures, loans, preferred shares, exchange traded funds and equities.

The Fund may hold cash or invest in short term securities for the purpose of preserving capital and/or maintaining liquidity, based upon the Fund manager's ongoing evaluation of current and anticipated economic and market conditions. The Fund will engage in forward contracts and/or hold foreign currency for hedging purposes and for non-hedging purposes to participate in foreign markets. Exchange rate exposures will be actively managed with the Fund having possible exposure to one or more foreign currencies at any one time. A forward contract is an obligation to purchase or sell an underlying asset, including currency and stocks, for an agreed price at a future date.

The Fund may also invest in other investment funds, including ETFs, that may or may not be managed by the Manager in order to gain indirect exposure to markets, sectors or asset classes. Investments by the Fund in securities of other investment funds may be done directly or indirectly through a specified derivative. The Fund may invest in gold and silver, and other instruments (such as derivatives and ETFs) that provide exposure to these metals. Accordingly, all the assets of the Fund may be invested in other investment funds in accordance with securities legislation including NI 81-102, including alternative mutual funds and non-redeemable investment funds. Investments in alternative mutual funds and non-redeemable investment funds are subject to a maximum of 10% of the net assets of the Fund at the time of the purchase.

The Fund may use derivatives such as options, forwards, futures and swaps for hedging and non-hedging purposes. Such derivatives may be used to hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies as well as market risk. Derivatives may also be used to obtain exposure to individual securities and markets instead of buying securities directly. If used for non-hedging purposes, the derivatives acquired will be consistent with the investment objectives of the Fund and securities law.

Securities Lending, Repurchase or Reverse Repurchase Transactions

The Fund may enter into repurchase transactions, reverse repurchase transactions, and securities lending transactions (described on page 7). The Fund will only do so if there are suitable counterparties available and if the transactions are considered appropriate.

Short Selling

The Fund may also engage in short selling. Generally speaking, short selling can provide the Fund with opportunities for gains when markets are volatile or declining. While short selling will be used by the Fund as a complement to its primary investment strategy (discussed above), Arrow will utilize the same fundamental analysis in determining whether securities of a particular issuer should be sold short. When the analysis produces a favourable outlook, the investment opportunity is considered for purchase. When the analysis produces an unfavourable outlook, the investment opportunity is considered for a short sale. The Fund will engage in short selling only within certain limits and conditions including: (i) the Fund will short sell only liquid securities that are traded on a stock exchange or certain government bonds, (ii) the Fund will limit its short sale exposure to any single issuer to 5% of the Fund's net assets and its aggregate short exposure to 20% of its net assets, (iii) the Fund will hold cash cover in an amount (including the Fund's assets deposited with lenders) that is at least 150% of the aggregate market value of all securities sold short, and (iv) the Fund will deposit collateral only with lenders which are regulated financial institutions or registered dealers in Canada.

Changes to Investment Strategies

Arrow may change the Fund's investment strategies at its discretion without notice or approval.

WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund may be exposed to all of the risks which are described starting on page 3:

	Primary Risk	Secondary Risk	Low or Not a Risk
Change in Legislation			●
Collateral		●	
Commodity		●	
Concentration		●	
Counterparty Default		●	
Credit	●		
Currency	●		
Cyber Security		●	
Derivatives	●		
Equity	●		
ETF		●	

Failure of Futures Commission Merchant		●	
Foreign Investment	●		
Forward and OTC Option Contract		●	
Interest Rate	●		
Large Redemption			●
Liquidity		●	
Margin		●	
Market	●		
Operational		●	
Securities Lending		●	
Series		●	
Share Class		●	
Short Selling	●		
Small Company		●	
Tax		●	
Underlying Fund		●	

Arrow has rated this Fund's risk as low-to-medium. Please see "*What are the Risks of Investing in the Fund? – Fund Risk Classification*" for a description of how we determined the classification of this Fund's risk level.

WHO SHOULD INVEST IN THE FUND?

This Fund is suitable for investors who seek the long term growth through a diversified portfolio of equity and fixed income securities. To invest in this Fund, investors should be able to accept a low to medium degree of risk.

To recognize a reasonable rate of return, investors should be prepared to invest for medium to long periods of time.

DIVIDEND POLICY

In respect of Fixed-Rate Distribution Series securities, the Fund expects to pay a dividend each month based on a target annualized rate of 4% of the NAV per security of the relevant series at the end of the prior year. If the Fund earns more income or capital gains than the monthly dividends, it will pay the excess each December.

If required, the Fund will pay a dividend each December to holders of securities of the Non-Fixed Rate Distribution Series.

For more information about dividends, see "*Specific Information About the Mutual Fund Described in this Document – Dividend Policy*" on page 27.

The Fund may at its discretion change its dividend policy from time to time.

FUND EXPENSES INDIRECTLY BORNE BY INVESTORS

You do not pay the Fund expenses directly, but they will reduce the Fund's returns. **As the Fund has not existed for a complete financial year, we are unable to provide an example of the expenses of the Fund indirectly borne by investors.** See "*Fees and Expenses*" on page 14 for more information about the costs of investing in the Fund.

EXEMPLAR MUTUAL FUNDS

Exemplar Global Growth and Income Class

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

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

These documents and other information about the Fund, such as information circulars and material contracts, are also available on the Fund's website www.arrow-capital.com or on SEDAR (the System for Electronic Document Analysis and Retrieval established by the Canadian Securities Administrators) at www.sedar.com.

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