

AMENDMENT NO. 1 dated November 2, 2022
to the **SIMPLIFIED PROSPECTUS** dated June 15, 2022
in respect of
ARROW CANADIAN ADVANTAGE ALTERNATIVE CLASS (Series A and F Shares)

I. SUMMARY OF AMENDMENTS

This document qualifies for distribution Series ETF Shares of Arrow Canadian Advantage Alternative Class and update the address of the Manager. As a result, the simplified prospectus dated June 15, 2022 (the “**Simplified Prospectus**”), relating to the offering of mutual fund shares of the Arrow Canadian Advantage Alternative Class, is hereby amended as set out below.

All defined terms in this Amendment No. 1 shall have the meanings ascribed to them in the Simplified Prospectus unless otherwise specifically defined in this Amendment No. 1.

II. SPECIFIC AMENDMENTS – PART A

(1) Front Cover

- (a) The front cover of the Simplified Prospectus is amended by adding reference to Series ETF Shares of the fund as follows:

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

(2) What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?

- (b) On page 4, under the subheading “What are Series ETF securities?”, all paragraphs are replaced with the following:

All series of securities, except for Series ETF securities, are referred to as “**Mutual Fund Series**” securities. The Series ETF securities are exchange-traded series of securities offered by Arrow EC Income Advantage Alternative Fund and Arrow Canadian Advantage Alternative Class. Series ETF securities will be issued and sold on a continuing basis. There is no maximum number of Series ETF securities that may be issued.

The Series ETF securities of the Trust Fund are listed on the Toronto Stock Exchange (“**TSX**”) and the ticker symbol for the Series ETF securities is as follows:

Arrow EC Income Advantage Alternative Fund	RATE
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The Manager, on behalf of Arrow Canadian Advantage Alternative Class, has applied to list the Series ETF securities of Arrow Canadian Advantage Alternative Class on the TSX. The TSX has conditionally approved the listing of Series ETF securities of the Fund on October 31, 2022. Listing is subject to the Fund fulfilling all of the requirements of the TSX on or before October 31, 2023 including distribution of these securities to a minimum number of public securityholders. Subject to satisfying the TSX’s original listing requirements, and a receipt being issued for an amendment to the prospectus of the Fund by the securities regulatory authorities, the Series ETF securities will be listed on the TSX and the ticker symbol for the Series ETF securities will be as follows:

Arrow Canadian Advantage Alternative Class	ACAA
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You will be able to buy or sell Series ETF securities on the TSX or another exchange or marketplace through registered brokers and dealers in the province or territory where you reside. Although the Series ETF securities may, subject to meeting the TSX’s original listing requirements, be listed on an Exchange, there can be no assurance that an active

public market for the Series ETF securities will develop or be sustained. There is no assurance that the TSX will approve the listing application.

(3) Organization and Management of the Arrow Alternative Mutual Funds

On page 15, the address of the Manager is changed to:

Arrow Capital Management Inc.
100 Yonge Street, Suite 1802
Toronto, Ontario M5C 2W1

(4) Purchases, Switches and Redemptions

(c) On page 19, under the subheading “Purchases – Series ETF Securities”, the following is added at the end of the first paragraph:

The Manager, on behalf of Arrow Canadian Advantage Alternative Class, has applied to list the Series ETF securities of Arrow Canadian Advantage Alternative Class on the TSX. The TSX has conditionally approved the listing of Series ETF securities of the Fund on October 31, 2022. Listing is subject to the Fund fulfilling all of the requirements of the TSX on or before October 31, 2023 including distribution of these securities to a minimum number of public securityholders. Subject to satisfying the TSX’s original listing requirements, and a receipt being issued for an amendment to the prospectus of the Fund by the securities regulatory authorities, the Series ETF securities will be listed on the TSX and holders of Series ETF securities will be able to buy or sell Series ETF securities on the TSX or another exchange or marketplace through registered brokers and dealers in the province or territory where the securityholder resides. The ticker symbol for Series ETF securities of Arrow Canadian Advantage Alternative Class is ACAA.

(d) On page 19, under the subheading “Purchases – Series ETF Securities”, the third paragraph is replaced with the following:

Series ETF Securities of Arrow EC Income Advantage Alternative Fund are a Fixed Rate Distribution Series. Series ETF Securities of Arrow Canadian Advantage Alternative Class are a Non-Fixed Rate Distribution Series.

(5) Fees and Expenses

(e) On page 25, under the subheading “Fees and Expenses Payable by the Funds”, the “Management Fees” section of the chart is amended as follows:

Fund	Series ETF
Arrow Canadian Advantage Alternative Class	0.65%

III. SPECIFIC AMENDMENTS – PART B

(6) Arrow Canadian Advantage Alternative Class

(f) On page 45, the table under the heading “Fund Details” relating to the Arrow Canadian Advantage Alternative Class is deleted and replaced with the following:

Type of Fund:	Alternative Fund
Inception Date:	Series A – March 18, 2008 Series F – March 18, 2008 Series ETF – November 2, 2022

Securities Offered:	Shares of a mutual fund corporation – Series A, F and ETF Shares
Eligibility for Registered Plans:	Yes
Portfolio Advisor:	Arrow Capital Management Inc.

- (g) On page 48, under the heading “What are the Risks of Investing in the Fund?”, the following is added after the table:

Additional risks associated with investing in the Series ETF shares of this Fund are:

- absence of an active market for Series ETF securities risk
- halted trading of Series ETF securities risk
- trading price of Series ETF securities risk

- (h) On page 49, under the heading “Fund Expenses Indirectly Borne by Investors”, the following sentence is added at the end of the first paragraph:

As Series ETF securities have not existed for a complete financial year, we are unable to provide an example of the expenses of the series indirectly borne by investors.

(7) Back Cover

- (i) The address of the Manager is changed to:

Arrow Capital Management Inc.
100 Yonge Street, Suite 1802
Toronto, Ontario M5C 2W1

IV. WHAT ARE YOUR LEGAL RIGHTS?

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase ETF securities within 48 hours after the receipt of a confirmation of a purchase of such securities. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation, or non-delivery of the ETF Facts, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory.

We have obtained relief from the requirement in securities legislation to include an underwriter’s certificate in the prospectus under a decision pursuant to NP 11-203. As such, purchasers of Series ETF securities will not be able to rely on the inclusion of an underwriter’s certificate in the prospectus or any amendment for the statutory rights and remedies that would otherwise have been available against an underwriter that would have been required to sign an underwriter’s certificate.

The purchaser should refer to the applicable provisions of the securities legislation of the province or territory for the particulars of these rights or should consult with a legal adviser