



## **ANNUAL INFORMATION FORM**

**Offering Class A, Class A-USD, Class F, Class F-USD, Class O, Class M and Class M-USD Units**

### **RP STRATEGIC INCOME PLUS FUND**

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

The Fund and the units of the Fund offered under this document are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance upon exemptions from registrations.

August 16, 2019

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## NAME, FORMATION AND HISTORY OF THE FUND

In this document, “we”, “us”, or “our” refers to RP Investment Advisors LP, the manager (“**Manager**”), portfolio advisor (“**Portfolio Advisor**”), trustee (“**Trustee**”) and promoter (“**Promoter**”) of RP Strategic Income Plus Fund (the “**Fund**”). References to “you” mean the reader as a potential or actual investor in the Fund. The Fund and RP Alternative Global Bond Fund, which is an alternative mutual fund trust managed by the Manager and offered under a separate simplified prospectus, are collectively referred to as the “**RPIA Mutual Funds.**”

The Fund is an open-ended mutual fund trust governed under the laws of Ontario pursuant to a declaration of trust dated February 26, 2016, as amended and restated as of May 30, 2019 (the “**Declaration of Trust**”). The principal office of the Fund and the Manager is located at 39 Hazelton Avenue, Toronto, Ontario M5R 2E3.

As part of an internal reorganization effective December 29, 2016, the Manager, a limited partnership formed under the laws of Ontario, replaced RP Investment Advisors (the “**Previous Manager**”), a general partnership formed under the laws of Ontario, as manager and trustee of the Fund.

Effective June 14, 2019, the management fees of the Fund were reduced from 1.15% to 0.95% for Class A and Class A-USD and from 0.90% to 0.70% for Class F and Class F-USD.

## INVESTMENT RESTRICTIONS

The Fund is subject to certain restrictions and practices contained in securities legislation, including National Instrument 81-102 *Investment Funds* (“**NI 81-102**”). These restrictions are designed in part to ensure that the investments of mutual funds are diversified and relatively liquid and to ensure the proper administration of mutual funds. The Fund is managed in accordance with these restrictions and practices.

NI 81-102 prescribes that unitholder approval must be obtained before any change can be made to the fundamental investment objectives of the Fund.

### *Short Selling Relief*

The Fund obtained exemptive relief from the Canadian securities regulatory authorities from paragraph 2.6.1(1)(c)(ii) of NI 81-102 to permit the Fund to increase the limit on aggregate short sale exposure to any single issuer that is a “government security” (as defined in NI 81-102) to 20% of the net asset value of the Fund.

### *Eligibility for Registered Tax Plans*

In order for units to be “qualified investments” for registered retirement savings plans (“**RRSPs**”), registered retirement income funds (“**RRIFs**”), tax-free savings accounts (“**TFSA**s”), registered education savings plans (“**RESPs**”), registered disability savings plans (“**RDSPs**”) and deferred profit sharing plans (each a “Registered Plan” and, collectively, “**Registered Plans**”), the Fund must qualify as a “mutual fund trust” for the purposes of the *Income Tax Act* (Canada) (the “**Tax Act**”). The Fund currently qualifies, and is expected to continue to qualify, as a “mutual fund trust” for purposes of the Tax Act. Holders of TFSA and RDSP, annuitants of RRSPs and RRIFs, and subscribers of RESP should consult with their own advisors as to whether units would be “prohibited investments” for such plans for the purposes of the Tax Act.

## DESCRIPTION OF UNITS

The Fund is a trust formed under the Declaration of Trust. The Fund is permitted to issue an unlimited number of classes of units and may issue an unlimited number of units of each class. The Fund has created Class A, Class A-USD, Class F, Class F-USD, Class O, Class M and Class M-USD units. Units of the Fund have the following attributes:

- (a) each unit shall be without nominal or par value;
- (b) at each meeting of unitholders, each unitholder shall have one vote for each unit owned by such unitholder as determined at the close of business on the record date for voting each such meeting, with no voting rights being attributed to fractions of a unit;
- (c) the holder of each unit will participate in distributions of income, capital gains and returns of capital, and in the division of net assets of the Fund on liquidation based on the relative net asset value of the holder's particular class of units and in accordance with the Fund's Declaration of Trust;
- (d) there shall be no pre-emptive rights attaching to the units;
- (e) there shall be no cancellation or surrender provisions attaching to the units except as set out in the Declaration of Trust;
- (f) all units shall be issued as fully paid and non-assessable so that there shall be no liability for future calls or assessments with respect to the units;
- (g) all units shall be fully transferable with the consent of the Trustee as provided in the Declaration of Trust; and
- (h) fractional units may be issued and shall be proportionately entitled to all the same rights as whole units, except as provided in the Declaration of Trust.

Class A units: Available to all investors who wish to have Canadian dollar currency exposure.

Class A-USD units: Available to all investors who wish to have U.S. dollar currency exposure.

Class F Units: Available to investors who wish to have Canadian dollar currency exposure, are enrolled in a dealer sponsored fee for service or wrap program, and are subject to an annual asset based fee rather than commissions on each transaction or, at the discretion of the Manager, any other investor who wishes to have Canadian dollar currency exposure for whom the Manager does not incur distribution costs.

Class F-USD units: Available to investors who wish to have U.S. dollar currency exposure, are enrolled in a dealer sponsored fee for service or wrap program, and are subject to an annual asset based fee rather than commissions on each transaction or, at the discretion of the Manager, any other investor who wishes to have U.S. dollar currency exposure for whom the Manager does not incur distribution costs.

Class O units: Available to institutional investors or to other investors on a case-by-case basis that have been approved by the Manager, in its discretion, and have entered into an agreement with the Manager setting out the terms of the investment in Class O units. No management fees are charged to the Fund with respect to the Class O units, but investors will be charged a negotiated management fee.

Class M units: Available to associates and affiliates of the Manager and directors, officers and employees of the Manager (and their associates and affiliates) who wish to have Canadian dollar currency exposure. No management fees are charged to the Fund with respect to Class M units but investors may be charged a negotiated management fee.

Class M-USD units: Available to associates and affiliates of the Manager and directors, officers and employees of the Manager (and their associates and affiliates) who wish to have U.S. dollar currency exposure. No management fees are charged to the Fund with respect to Class M-USD units but investors may be charged a negotiated management fee.

Class A, Class F, Class O and Class M (collectively the “**CAD Classes**”) units and Class A-USD, Class F-USD and Class M-USD (collectively the “**USD Classes**”) units derive their value from a common pool of assets (other than the derivatives and spot foreign exchange transactions used to currency hedge and attributable to the USD Classes) and together constitute a single mutual fund. Each CAD Class and USD Class is entitled to share pro rata in the net asset value of the Fund. Each USD Class has the same features and eligibility requirements as its corresponding CAD Class of units. However, the net asset value of the USD Classes is calculated in U.S. dollars, units of the USD Classes may only be purchased and redeemed in U.S. dollars and all distributions will be made in U.S. dollars. In contrast, the net asset value of the CAD Classes is calculated in Canadian dollars, units of the CAD Classes may only be purchased and redeemed in Canadian dollars and all distributions will be made in Canadian dollars.

Investors should choose whether to purchase a CAD Class or a USD Class based on the currency exposure they desire. The CAD Classes are intended for investors who wish to gain exposure to foreign securities but wish to reduce exposure to fluctuations in foreign currencies relative to the Canadian dollar. The USD Classes are intended for investors who wish to gain exposure to foreign securities but wish to reduce exposure to fluctuations in foreign currencies relative to the U.S. dollar.

Units of the Fund are designed to provide quarterly distributions in March, June, September and December in each year. The Fund will make quarterly distributions of an amount comprising net income on or about each calendar quarter end and any net capital gains annually in December. We reserve the right to adjust the distribution amount if deemed appropriate. There can be no assurance that any distributions will be made with respect to any class of units in any particular quarter or quarters. A distribution to you will generally be treated as a return of capital if distributions to you in the year exceed your share of the Fund’s net income and net realized capital gains. For more details, see “Distribution Policy” and “*Income Tax Considerations for Investors*” in the Simplified Prospectus.

If you cease to satisfy criteria for holding units of a particular class, the Manager may reclassify your units to another class of the Fund that you are eligible to hold in such number of units of the other class that have an aggregate equivalent net asset value as your units prior to the reclassification.

### **Matters Requiring Unitholder Approval**

Meetings of unitholders may be convened by the Trustee from time to time as it may deem advisable and in accordance with the notice provisions set out in the Declaration of Trust. Unless otherwise provided in the Declaration of Trust or by securities legislation, every question submitted to a meeting of unitholders will be decided by the majority of votes cast. Meetings of unitholders will be convened to consider and approve:

- (a) a change in the basis of the calculation of a fee or expense that is charged to the Fund or directly to its unitholders by the Fund or the Manager in connection with the holding of securities of the Fund where such change could result in an increase in charges to the Fund or to its unitholders;

- (b) the introduction of a fee or expense, to be charged to the Fund or directly to its unitholders, by the Fund or the Manager in connection with the holding of securities of the Fund that could result in an increase in charges to the Fund or to its unitholders;
- (c) a change in the manager of the Fund, unless the new manager is an affiliate of the current manager;
- (d) a change in the fundamental investment objectives of the Fund;
- (e) a decrease in the frequency of the calculation of the net asset value per unit of the Fund;
- (f) in certain cases, a reorganization of the Fund with, or transfers its assets to, another issuer; or
- (g) any other matter or thing stated in the Declaration of Trust that is required to be consented to or approved by unitholders.

Unitholder approval will not be obtained in respect of a change of (a) or (b) listed above if the Fund is at arm's length to the person or company charging the fee or expense, and we provide the unitholders with at least 60 days' written notice of the effective date of the proposed change.

Although the approval of unitholders will not be obtained before changing the auditor of the Fund, we will not change the auditor unless:

- (a) the Fund's Independent Review Committee (see "*Fund Governance – Independent Review Committee*" below) has approved the change in compliance with National Instrument 81-107 *Independent Review Committee For Investment Funds* ("**NI 81-107**"); and
- (b) we have provided you with written notice at least 60 days prior to the change.

## **VALUATION OF PORTFOLIO SECURITIES**

The net asset value of the Fund will be calculated by the Administrator (as defined herein) as of each Valuation Day (as defined herein) by subtracting the amount of the liabilities of the Fund from the total assets of the Fund. The assets and liabilities of the Fund will be valued as follows:

- (a) The value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, dividends receivable (net of dividend compensation payments on short positions) and interest accrued and not yet received, shall be deemed to be the full amount thereof, unless the Administrator (in consultation with the Manager) determines that any such deposit, bill, demand note, account receivable, prepaid expense, dividend receivable (and/or dividend compensation payment) or interest accrued and not yet received is not worth the full amount thereof, in which event the value thereof shall be deemed to be such value as the Administrator (in consultation with the Manager) determines to be the reasonable value thereof.
- (b) The value of any security which is listed or dealt in upon a public securities exchange will be valued at the last available trade price on the Valuation Day or, if the Valuation Day is not a business day, on the last business day preceding the Valuation Day. If no sales are reported on such day, such security will be valued at the average of the current bid and asked prices. If the closing price is outside of the closing bid-ask range, then the closest bid or ask to the last trade will be used. Securities that are listed or traded on more than one public

securities exchange or that are actively traded on over the counter markets while being listed or traded on such securities exchanges or over the counter markets will be valued on the basis of the market quotation which, in the opinion of the Administrator (in consultation with the Manager), most closely reflects their fair market value.

- (c) Any securities which are not listed or dealt in upon any public securities exchange will be valued at the simple average of the latest available offer price and the latest available bid price (unless in the opinion of the Administrator (in consultation with the Manager) such value does not reflect the value thereof and in which case, the latest offer price or bid price as best reflects the value thereof should be used), as at the Valuation Day.
- (d) All property valued in a foreign currency and all liabilities and obligations payable in a foreign currency shall be converted into Canadian funds by applying the rate of exchange obtained from customary banking sources or best other sources available to the Administrator (in consultation with the Manager) to calculate net asset value.
- (e) Each transaction of purchase or sale of portfolio securities effected by the Fund will be reflected in the computation of the net asset value of the Fund on the trade date.
- (f) The value of any security or property to which, in the opinion of the Administrator (in consultation with the Manager), the above principles cannot be applied (whether because no price or yield equivalent quotations are available or for any other reason), shall be the fair value thereof determined in such manner as the Administrator (in consultation with the Manager) may from time to time determine based on standard industry practice.
- (g) Short positions will be marked-to-market, i.e. carried as a liability equal to the cost of repurchasing the securities sold short applying the same valuation techniques described above.
- (h) All other liabilities shall include only those expenses paid or payable by the Fund, including accrued contingent liabilities; however, expenses and fees allocable only to a class of units shall not be deducted from the net asset value of the Fund prior to determining the net asset value of each class, but shall thereafter be deducted from the net asset value so determined for each such class.

The net asset value per unit for each CAD Class unit is calculated and reported in Canadian dollars. The net asset value per unit for each USD Class unit is calculated and reported in U.S. dollars. The exchange rate used for such conversion is the rate of exchange established on that Valuation Day using customary banking sources. The Administrator is entitled to rely on any values or quotations supplied to it by a third party, including the Manager, and is not required to make any investigation or inquiry as to the accuracy or validity of such values or quotations. Provided the Administrator acts in accordance with its standard of care, it shall be held harmless by the Fund and shall not be responsible for any losses or damages resulting from relying on such information.

If an investment cannot be valued under the foregoing rules or under any other valuation rules adopted under applicable securities laws, or if any rules we have adopted are not set out under applicable securities laws but at any time are considered by us to be inappropriate under the circumstances, then we shall use a valuation which we consider to be fair and reasonable in the interests of investors in the Fund. In those circumstances, the Administrator would typically review current press releases concerning the investment security, discuss an appropriate valuation with other portfolio managers, analysts and consult other industry sources to set an appropriate fair valuation. If at any time the foregoing rules conflict with the valuation rules required under

applicable securities laws, the Administrator will follow the valuation rules required under applicable securities laws.

The Declaration of Trust contains details of the liabilities to be included in calculating the net asset value of the Fund and the net asset value per class or Unit Price (as herein defined). The liabilities of the Fund include, without limitation, all bills, notes and accounts payable, all administrative fees and operating expenses payable or accrued, all contractual obligations for the payment of money or property, all allowances authorized or approved by us for taxes (if any) or contingencies and all other liabilities of the Fund. In making the calculation of the Unit Price, we will use the latest reported information available on each Valuation Day. The purchase or sale of portfolio securities by the Fund will be reflected in the first calculation of the Unit Price after the date on which the transaction becomes binding.

## **CALCULATION OF NET ASSET VALUE**

### ***Valuation Day***

The Fund's net asset value is calculated at the close of regular trading, normally 4:00 p.m. (Eastern time), on a day the Toronto Stock Exchange ("TSX") is open (a "**Valuation Day**").

Any purchase, reclassification or redemption instruction received after 4:00 p.m. (Eastern time) on a Valuation Day will be processed on the next Valuation Day.

As Manager, we are responsible for determining the net asset value of the Fund. However, we may delegate some or all of the responsibility in relation to such determination to the Administrator.

### ***How We Price the Fund's Units***

The Fund's units are divided into Class A, Class A-USD, Class F, Class F-USD, Class O, Class M and Class M-USD units. Each class is divided into units of equal value. When you invest in the Fund, you are purchasing units of a specific class of the Fund.

All transactions are based on the net asset value per unit for each class of units ("**Unit Price**"). We calculate all Unit Prices at the close of trading on the TSX on each Valuation Day. The Unit Price can change on each Valuation Day.

A separate net asset value per unit is calculated for each class of units. The Unit Price is the price used for all purchases, reclassifications and redemptions of units of that class (including purchases made on the reinvestment of distributions). The price at which units are issued or redeemed is based on the next applicable Unit Price determined after the receipt of the purchase or redemption order.

Here is how we calculate the Unit Price of each class of the Fund:

- We take the fair value of all the investments and other assets allocated to the class (including any derivatives and foreign exchange transactions used for currency hedging purposes by a USD Class).
- We then subtract the proportionate share of the liabilities of the Fund allocated to that class along with the liabilities of the Fund that are allocated solely to that class (including any costs associated with the use of derivatives and foreign exchange transactions for currency hedging purposes by a USD Class). This gives us the net asset value for the class.
- We divide this amount by the total number of units of the class that investors in the Fund are holding. That gives us the Unit Price for the class.



The net asset value per unit for each CAD Class unit is calculated and reported in Canadian dollars. The net asset value per unit for each USD Class unit is calculated and reported in U.S. dollars by taking the net asset value per unit as calculated in Canadian dollars and converting it to U.S. dollars based on the exchange rate at the time the net asset value is calculated. The exchange rate used for such conversion is the rate of exchange established using customary banking sources.

To determine what your investment in the Fund is worth, simply multiply the Unit Price of the class of units you own by the number of units you own.

Although the purchases and redemptions of units are recorded on a class basis, the assets attributable to all of the classes of the Fund are pooled to create one fund for investment purposes.

Each class pays its proportionate share of fund costs in addition to its management fee. The difference in fund costs and management fees between each class (as well as the difference between the U.S. dollar and Canadian dollar in the case of the USD Classes) means that each class has a different Unit Price.

You can get the net asset value of the Fund or the Unit Price of a class of the Fund, at no cost, by sending an email to [investors@rpia.ca](mailto:investors@rpia.ca), on the Manager's website at [www.rpia.ca](http://www.rpia.ca), by calling toll-free at 1-877-720-1777 or by asking your dealer.

## **PURCHASES, RECLASSIFICATIONS AND REDEMPTIONS OF UNITS**

You may purchase units through an authorized dealer or brokers qualified in your province or territory. Your dealer is there to help you with your investment decisions to determine which Fund is most suitable for you to meet your own risk/return objectives and to place orders on your behalf.

### ***Purchases***

You may purchase any class of units of the Fund through a registered dealer that has entered into a distribution agreement with us to sell the Fund. See "*Description of Units*" for a description of each class of units offered by the Fund. The issue price of units is based on the Unit Price for that particular class.

The minimum initial investment in Class A and Class F units of the Fund is \$1,000. The minimum subsequent investment in Class A and Class F units of the Fund is \$100. These minimum investment amounts may be adjusted or waived in the discretion of the Manager.

The minimum initial investment in Class A-USD and Class F-USD units of the Fund is US\$1,000. The minimum subsequent investment in Class A-USD and Class F-USD units of the Fund is US\$100. These minimum investment amounts may be adjusted or waived in the discretion of the Manager.

The minimum investment in Class O units of the Fund is negotiated with the Manager.

There is no minimum investment in Class M and Class USD-M units of the Fund.

If we receive your purchase order before 4:00 p.m. (Eastern time) on a Valuation Day, we will process your order at the Unit Price calculated later that day. Otherwise, we will process your order at the Unit Price calculated on the next Valuation Day. We may process orders at an earlier time on a particular day that banks are not open for business in the City of Toronto or any other day which is a legal holiday in such city. Orders received after that earlier closing time would be processed on the next Valuation Day.

Please contact your dealer to find out how to place an order. Please note that dealers may establish cut-off times for receiving purchase orders so that they may be properly processed prior to the 4:00 p.m. (Eastern

time) deadline on the applicable Valuation Day. When you submit money with a purchase order, the money will be held in our trust account and any interest the money earns before it is invested in the Fund is credited to the Fund, not to your account.

We must receive payment in full within two business days of receiving your purchase order in order to process a purchase order. If the Fund does not receive payment in full within the required time or if a cheque is returned because of non-sufficient funds, we will sell the securities that you bought. If we sell them for more than you paid, the Fund will keep the difference. If we sell them for less than you paid, the dealer placing the purchase request pays the difference plus any banking costs or interest to the Fund and you may have to reimburse your dealer. We do not issue certificates when you purchase the Fund. We are entitled to reject any purchase order, but we can only do so within one business day of receiving it. If we reject an order, we will return immediately to your dealer any monies we have received from you in connection with that order.

At the Manager's sole discretion, the Fund may reject new subscriptions of units.

Please see "*Fees and Expenses*" and "*Dealer Compensation*" in the Simplified Prospectus for more information on the fees and expenses and dealer compensation applicable to each class.

### ***Redemptions***

If we receive your redemption order before 4:00 p.m. (Eastern time) on any Valuation Day, we will process your order at the Unit Price calculated later that day. Otherwise, we will process your order at the Unit Price calculated on the next Valuation Day. We may process orders at an earlier time on a particular day that banks are not open for business in the City of Toronto or any other day which is a legal holiday in such city. Orders received after that earlier closing time would be processed on the next Valuation Day.

The latest we will send you your money will be two business days after the Valuation Day used to process your sell order. If you redeem through your dealer, they will advise you what documents they require. Any interest earned on the proceeds of an order to redeem before you receive the money will be credited to the Fund, not to your account.

No payment of redemption proceeds is made until a duly completed redemption request has been received from the registered holder of the units. Redemption requests:

- for redemption proceeds of \$1,000,000.00 or more;
- that direct redemption proceeds to be paid to someone other than the dealer or to an address other than the registered address of the investor;
- for redemption proceeds not payable to all joint owners on an investor's account; or
- from a corporation, partnership, agent, fiduciary or surviving joint owner

may, in each case, be required to have signatures guaranteed by a Canadian chartered bank or trust company or by the unitholder's dealer. You should consult your dealer with respect to the documentation required.

Where the Fund has received a duly completed redemption request, the Fund pays the redemption proceeds within two business days of receipt of such documents. If you fail to provide the Fund with a duly completed redemption request within 10 business days of the date on which the NAV is determined for the purposes of the redemption, we, on behalf of the Fund, purchase the units redeemed on the 10<sup>th</sup> business day. The redemption proceeds which would have been paid on the failed transaction are used to pay the purchase price. If the redemption proceeds are more than the purchase price, the difference belongs to the Fund. If the

redemption proceeds are less than the purchase price, the dealer placing the redemption request pays the difference plus any banking costs or interest to the Fund and you may have to reimburse your dealer.

Under exceptional circumstances, we may be unable to process your redemption order. This would most likely occur if normal trading has been suspended on stock exchanges, options exchanges or futures exchanges in or outside Canada on which securities are listed, or on which derivatives are traded, if those securities or derivatives represent more than 50% by value, or underlying market exposure, of the Fund's total assets and if the Fund's portfolio securities or derivatives cannot be traded on any other exchange that represents a reasonably practical alternative for the Fund. During these periods, units will also not be issued or reclassified.

The Fund may postpone a redemption payment during any period which redemption rights are suspended in the circumstances described above as required by securities legislation or with the approval of the applicable securities' regulatory authorities.

There are no redemption fees for the Fund, except as described under "*Fees and Expenses – Fees and Expenses Payable by You – Short-Term Trading Fee*" in the Simplified Prospectus.

Subject to the 2019 Budget Proposals described below, it is intended that any significant capital gain or income realized by the Fund to fund redemptions will generally be allocated to the redeeming unitholder.

#### ***Switches Between RPIA Mutual Funds***

You may switch all or part of your investment in a class of units of the Fund to units of another RPIA Mutual Fund of the same class and the same purchase option, provided that the class of units you wish to switch to is offered by that other RPIA Mutual Fund and provided that that class is offered in the same currency as the class from which you are switching.

If we receive your reclassification order before 4:00 p.m. (Eastern time) on any Valuation Day, we will process your order at the Unit Price calculated later that day. Otherwise, we will process your order at the Unit Price calculated on the next Valuation Day. We may process orders at an earlier time on a particular day that banks are not open for business in the City of Toronto or any other day which is a legal holiday in such city. Orders received after that earlier closing time would be processed on the next Valuation Day.

A switch is a redemption of units of the Fund and a purchase of units of another RPIA Mutual Fund, and will constitute a disposition for income tax purposes, resulting in a capital gain (or capital loss).

You may have to pay a switch fee to your dealer of up to 2% based on the net asset value of the units switched. You may negotiate the amount with your dealer. Please see "*Fees and Expenses*" and "*Dealer Compensation*" in the Simplified Prospectus for more information on the fees and expenses and dealer compensation applicable to reclassifications.

#### ***Reclassifications between Classes of the Fund***

You may reclassify from one class of units to another class of units of the Fund, as long as you are eligible to hold that class of units. This is called a reclassification. You may reclassify units only between units offered in the same currency.

If we receive your reclassification order before 4:00 p.m. (Eastern time) on any Valuation Day, we will process your order at the Unit Price calculated later that day. Otherwise, we will process your order at the Unit Price calculated on the next Valuation Day. We may process orders at an earlier time on a particular

day that banks are not open for business in the City of Toronto or any other day which is a legal holiday in such city. Orders received after that earlier closing time would be processed on the next Valuation Day.

You may have to pay a switch fee to your dealer of up to 2% based on the net asset value of the applicable class of units of the Fund you reclassify from one class of units to another class of units of the Fund. You may negotiate the amount with your dealer. Please see “*Fees and Expenses*” and “*Dealer Compensation*” in the Simplified Prospectus for more information on the fees and expenses and dealer compensation applicable to reclassifications.

The value of your investment, less any fees, will be the same immediately after the reclassification. You may, however, own a different number of units because each class may have a different Unit Price. Reclassifying units from one class to another class of the Fund does not generally result in a disposition for tax purposes and consequently does not result in a capital gain or capital loss. However, any redemption of units to pay any applicable reclassification fee will be considered a disposition for tax purposes and, if you hold the units outside a Registered Plan, you may be required to pay tax on any capital gain you realize from the redemption. Reclassifying units of a USD Class to a CAD Class, or vice versa, is not permitted.

### ***Fair Value Pricing***

For securities traded on North American markets, the closing prices are generally an accurate reflection of market values at 4:00 p.m. (Eastern Time). However, closing prices on foreign securities exchanges may, in certain cases, no longer accurately reflect market values, because their local closings may have occurred many hours earlier. Events affecting the values of the Fund’s foreign portfolio holdings may have occurred after the foreign market closed but before 4:00 p.m. (Eastern Time). Absent our fair value pricing procedures, these events would not be captured in the net asset value of the Fund. We employ fair value pricing for two purposes. Firstly, it increases the likelihood that the net asset value truly reflects the value of the Fund’s holdings at the time the net asset value of the Fund is determined. Secondly, it acts to deter market timing activity by decreasing the likelihood that a unitholder is able to take inappropriate advantage of market developments that occur following the foreign market close and prior to 4:00 p.m. (Eastern Time). Our fair value pricing techniques involve assigning values to the Fund’s portfolio holdings that may differ from the closing prices on the foreign securities exchanges. We do this in circumstances where we have in good faith determined that to do so better reflects the market values of the securities in question.

## **RESPONSIBILITY FOR FUND OPERATIONS**

### ***The Manager***

RP Investment Advisors LP is the manager of the Fund pursuant to a management agreement dated February 26, 2016, as amended and restated as of May 30, 2019, as such management agreement may be amended from time to time (the “**Management Agreement**”). The Manager is a limited partnership formed under the laws of the Province of Ontario on November 28, 2016. The registered office of the Manager is located at 39 Hazelton Avenue, Toronto, Ontario M5R 2E3. The Manager can be contacted by telephone at (647) 776-2566, toll-free at 1-877-720-1777, or by email at [investors@rpia.ca](mailto:investors@rpia.ca). The Manager’s website is [www.rpia.ca](http://www.rpia.ca).

Pursuant to the Management Agreement, the Manager is responsible for the overall management and administration of the Fund. The Manager may, subject to certain conditions, delegate certain of its duties to third parties.

Pursuant to the Management Agreement, the Manager is required to exercise its powers and authorities and carry out its functions as Manager honestly, and in good faith and with a view to the best interests of the Fund and that, in connection therewith, it exercises that degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Management Agreement provides that the Manager

will not be liable in any way for any default, failure or defect in the portfolio held by the Fund if it has satisfied the duties and the standard of care, diligence and skill set forth above. The Manager will incur liability, however, in cases of negligence, lack of good faith, wilful default or failure to comply with its standard of care under the Management Agreement.

Unless the Manager resigns or is removed as described below, the Manager will continue as Manager of the Fund until the termination of the Fund. The Manager may resign as manager of the Fund upon 90 days prior written notice to the Trustee and the unitholders of the Fund. If the Manager resigns, it may appoint its successor but, unless its successor is an affiliate of the Manager, its successor must be approved by the unitholders of the Fund. The Manager is deemed to have resigned as Manager of the Fund if the Manager becomes bankrupt or insolvent or makes a general assignment for the benefit of its creditors or a receiver is appointed in respect of the Manager or a substantial portion of its assets or in the event the Manager ceases to be resident in Canada for the purposes of the Tax Act or no longer holds the requisite licenses, registrations or other authorizations necessary to carry out its obligations under the Management Agreement.

***Partners, Directors and Executive Officers of the Manager and the General Partner of the Manager***

The following are the names, municipalities of residence, offices and principal occupations or business activities during the five years preceding the date hereof of the partners, directors and executive officers of the Manager and/or of RP Investment Advisors GP Inc. (the “GP”), the general partner of the Manager.

<b>Name</b>	<b>Municipality of Residence</b>	<b>Current Office</b>	<b>Principal Occupation during the five years preceding</b>
Andrew Pringle	Toronto, Ontario	Shareholder of a limited partner in the Manager and Chairman of the Manager and the GP	Shareholder of a limited partner in the Manager since December 30, 2016, Chairman of the Manager since November 28, 2016, and Chairman of the GP since December 5, 2016; prior thereto, shareholder of a partner in the Previous Manager and Chairman of the Previous Manager
Richard Pilosof	Toronto, Ontario	Shareholder of a limited partner in the Manager, Chief Executive Officer and Ultimate Designated Person of the Manager and Chief Executive Officer and director of the GP	Shareholder of a limited partner in the Manager since December 30, 2016, Chief Executive Officer and Ultimate Designated Person of the Manager since November 28, 2016, and Chief Executive Officer and director of the GP since November 25, 2016; prior thereto, shareholder of a partner in the Previous Manager and Chief Executive Officer,

Name	Municipality of Residence	Current Office	Principal Occupation during the five years preceding
			Ultimate Designated Person and Head of Risk of the Previous Manager
Michael Quinn	Toronto, Ontario	Shareholder of a limited partner in the Manager, Chief Investment Officer of the Manager and Chief Investment Officer and director of the GP	Director of the GP since March 1, 2017, shareholder of a limited partner in the Manager since December 30, 2016, Chief Investment Officer of the Manager since November 28, 2016, and Chief Investment Officer of the GP since December 5, 2016; prior thereto, shareholder of a partner in the Previous Manager and Chief Investment Officer of the Previous Manager
Dannielle Ullrich	Toronto, Ontario	Shareholder of a limited partner in the Manager, Chief Financial and Operating Officer and Chief Compliance Officer of the Manager and Chief Financial and Operating Officer of the GP	Shareholder of a limited partner in the Manager since December 30, 2016, Chief Financial and Operating Officer and Chief Compliance Officer of the Manager since November 28, 2016, and Chief Financial and Operating Officer of the GP since December 5, 2016; prior thereto, shareholder of a partner in the Previous Manager and Chief Financial Officer, Chief Compliance Officer and Chief Operating Officer of the Previous Manager
David Matheson	Toronto, Ontario	Shareholder of a limited partner in the Manager and Portfolio Manager of the Manager	Shareholder of a limited partner in the Manager and Portfolio Manager of the Manager since December 30, 2016; prior thereto, shareholder of a partner in the Previous Manager and Portfolio

Name	Municipality of Residence	Current Office	Principal Occupation during the five years preceding
			Manager of the Previous Manager
Peter Metcalfe	Toronto, Ontario	Shareholder of a limited partner in the Manager and Portfolio Manager of the Manager	Shareholder of a limited partner in the Manager and Portfolio Manager of the Manager since December 30, 2016; prior thereto, shareholder of a partner in the Previous Manager and Portfolio Manager of the Previous Manager
Liam O’Sullivan	Toronto, Ontario	Shareholder of a limited partner in the Manager and Head of Client Portfolio Management of the Manager	Shareholder of a limited partner in the Manager since December 30, 2016 and Head of Client Portfolio Management of the Manager since October 11, 2017; prior thereto, Portfolio Manager of the Manager, shareholder of a partner in the Previous Manager and Portfolio Manager of the Previous Manager
Stephen Thom	Oakville, Ontario	Shareholder of a limited partner in the Manager	Shareholder of a limited partner in the Manager since March 1, 2019; prior thereto, Head, Fixed Income Trading Canada at RBC Dominion Securities Inc., general securities representative at RBC Capital Markets, LLC, and OTC Derivative Trading representative at Royal Bank of Canada
Charles Winograd	Toronto, Ontario	Shareholder of a limited partner in the Manager and Senior Managing Partner of Elm Park Capital Management, LLC (a private investment firm)	Shareholder of a limited partner in the Manager since December 30, 2016 and Senior Managing Partner of Elm Park Capital Management, LLC (a private investment firm); prior thereto,

Name	Municipality of Residence	Current Office	Principal Occupation during the five years preceding
			shareholder of a partner in the Previous Manager
Ann Glazier Rothwell	Victoria, British Columbia	Shareholder of a limited partner in the Manager	Shareholder of a limited partner in the Manager since June 1, 2017; prior thereto, Co-Head of Business Development & Client Service and Portfolio Manager of the Manager and Previous Manager since May 31, 2016 and Head of Business Development and Portfolio Manager of the Previous Manager since May 4, 2012

***Trustee***

RP Investment Advisors LP acts as the trustee of the Fund pursuant to the Declaration of Trust. The Trustee has those powers and responsibilities in respect of the Fund as described in the Declaration of Trust. The Trustee is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Fund and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Pursuant to the Declaration of Trust, the Manager may remove the Trustee and appoint a successor trustee from time to time on 90 days’ written notice or in certain other circumstances. The Trustee or any successor appointed pursuant to the terms of the Declaration of Trust may resign upon 90 days’ written notice to the Manager, who shall use its best efforts to appoint a successor trustee. If no successor Trustee is appointed the Fund shall be terminated.

The Declaration of Trust provides that the Trustee and its affiliates have a right of indemnification from the Fund for any claims arising out of the execution of its duties as trustee, except in cases of negligence, willful default or bad faith on the part of the Trustee. In addition, the Declaration of Trust contains provisions limiting the liability of the Trustee, as described in the Declaration of Trust.

***Portfolio Advisor***

RP Investment Advisors LP acts as the Portfolio Advisor of the Fund pursuant to the Management Agreement. The Portfolio Advisor is responsible for portfolio management and advisory services for the Fund. Investment decisions are made based on fundamental research and quantitative analysis. The investment decisions by the Portfolio Advisor’s portfolio management team are not subject to the oversight, approval or ratification of a committee.



The following table sets forth the individuals who are principally responsible for the day-to-day management of a material portion of the portfolio of the Fund:

Name and Title	Firm	Years with the Manager and other business experience
Michael Quinn Chief Investment Officer	RP Investment Advisors LP	<ul style="list-style-type: none"> <li>• Since November 28, 2016, Chief Investment Officer of the Manager</li> <li>• Since December 4, 2016, Chief Investment Officer of the GP</li> <li>• From June 2009 to November 2016, Chief Investment Officer of the Previous Manager</li> </ul>
David Matheson Portfolio Manager	RP Investment Advisors LP	<ul style="list-style-type: none"> <li>• Since December 30, 2016, Portfolio Manager of the Manager</li> <li>• From October 2009 to November 2016, Portfolio Manager of the Previous Manager</li> </ul>
Peter Metcalfe Portfolio Manager	RP Investment Advisors LP	<ul style="list-style-type: none"> <li>• Since December 30, 2016, Portfolio Manager of the Manager</li> <li>• From October 2012 to November 2016, Portfolio Manager of the Previous Manager</li> </ul>

### ***Brokerage Arrangements***

Decisions as to the purchase and sale of portfolio securities and decisions as to the execution of portfolio transactions, including selection of market, dealer or broker and the negotiation, where applicable, of commissions, are made by the Portfolio Advisor.

The Fund predominantly invests in fixed-income securities that trade in the dealer market, which is characterized by dealer bid-ask spreads as opposed to the payment of trading commissions. In effecting portfolio transactions, the Portfolio Advisor has a duty to seek best execution. In making a determination regarding best execution, the Portfolio Advisor will take into account certain criteria including price, spread, execution capability, trading expertise, liquidity, timing and size of an order, and current market conditions, amongst other things. The Portfolio Advisor does not engage in brokerage arrangements whereby client brokerage commissions are directed to a dealer in return for the provision of goods and services, by the dealer or a third-party, other than order execution.

### ***Custodian***

Pursuant to a custodian agreement dated May 30, 2019 between the Manager and The Northern Trust Company, Canada Branch (the “**Custodian**”) entered into by the Manager on behalf of the Fund and the Custodian, (the “**Custodian Agreement**”), the Custodian has agreed to act as custodian for the Fund and to provide custodial services in respect of the Fund’s property effective August 1, 2019.

The Custodian receives and holds all cash, portfolio securities and other assets of the Fund for safekeeping and on direction from the Fund will settle on behalf of the Fund the purchase and sale of the Fund’s assets. Under the terms of the Custodian Agreement and subject to the requirements of NI 81-102, the Custodian may appoint one or more sub-custodians. The fees for custodial services provided by the Custodian are paid by the Manager from the administration fee payable by the Fund.

The Custodian Agreement can be terminated by the Manager on 60 days' written notice or by the Custodian on 90 days' written notice.

### ***Auditor***

Deloitte LLP, Chartered Professional Accountants, Toronto, Ontario, is the auditor of the Fund.

### ***Registrar***

Apex Fund Services Ltd., Hamilton, Bermuda, is the registrar for the Fund. In such capacity, it keeps a register of the owners of units of the Fund, processes purchase and redemption orders, issues investor account statements and issues annual tax reporting information.

Apex Fund Services Ltd. is paid a fee for performing its duties as the registrar of the Fund.

### ***Administrator***

Apex Fund Services Ltd. (the "**Administrator**") was appointed the administrator on behalf of the Fund pursuant to an agreement dated March 31, 2018 novating the administration agreement dated February 13, 2015, originally between the Previous Manager and Equinoxe Alternative Investment Services (Bermuda) Limited and assigned by the Previous Manager to the Manager pursuant to an assignment and assumption agreement dated as of December 29, 2016 (the "**Administration Agreement**") to provide certain administrative services to the Fund.

The Administrator is responsible for providing administrative services to the Fund, including maintaining the accounting records of the Fund, fund valuation, net asset value calculation and financial reporting services. The fees for administrative services provided by the Administrator are paid by the Manager from the administration fee payable by the Fund. The Administration Agreement also contains limitations and exclusions of liability of the Administrator and indemnities in favour of the Administrator.

### ***Securities Lending Agent***

The Fund does not currently engage in securities lending, repurchase or reverse repurchase arrangements. In the event that the Fund engages in securities lending or repurchase transactions, The Northern Trust Company, Canada Branch of Toronto, Ontario will be appointed as the Fund's agent (the "**Securities Lending Agent**"). The Securities Lending Agent will arrange and administer loans of the Fund's portfolio securities for a fee to qualified borrowers who have posted collateral and will settle the Fund's purchase, sale and exchange of contracts for any repurchase or reverse repurchase transactions. The Securities Lending Agent will not be an affiliate of the Manager.

## **CONFLICTS OF INTEREST**

The management services of the Manager under the Management Agreement are not exclusive and nothing in the Management Agreement prevents the Manager from providing similar management services to other investment funds and other clients (whether or not their investment objectives and policies are similar to those of the Fund) or from engaging in other activities.

### ***Principal Holders of Securities***

As at July 31, 2019, Richard Pilosof beneficially owned limited partnership units representing 35.8% of the outstanding partnership interests in the Manager, Michael Quinn beneficially owned limited partnership units representing 25.9% of the outstanding partnership interests in the Manager, and Peter Metcalfe beneficially

owned limited partnership units representing 11.8% of the outstanding partnership interests in the Manager. As of July 31, 2019, the senior officers and directors of the Manager beneficially owned directly or indirectly, in aggregate, 69.7% of the outstanding partnership interests in the Manager and owned less than 1% of the securities of any person or company that provides services to the Fund or the Manager.

The following table sets out the persons who, as at July 31, 2019 owned of record or, to the knowledge of the Manager, owned beneficially, directly or indirectly, more than 10% of the units of any class of the Fund:

<b>Name</b>	<b>Type of Ownership</b>	<b>Class and Number of Units</b>	<b>Percentage of Outstanding Units</b>
CP REVENU FIXE NON TRADITIONNEL	Of Record	37,990,561.11 units (Class O)	64.33% of Class O Units
PORTFEUILLE PRIVE REVENU FIXE NON TRADITIONNEL BNI	Of Record	21,062,073.06 units (Class O)	35.67% of Class O Units
INVESTOR 1*	Of Record	27,135.33 units (Class M)	100% of Class M Units

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

As at July 31, 2019, the members of the independent review committee of the Fund (the “**IRC**”) did not own, directly or indirectly, any units of the Fund, or any securities of the Manager and owned less than 1% of the securities of any person or company that provides services to the Fund or to the Manager.

### ***Affiliated Entities***

There are no affiliated entities of the Manager that provides services to the Fund.

## **FUND GOVERNANCE**

RP Investment Advisors LP, as investment fund manager and trustee of Fund, is responsible for fund governance matters relating to the Fund. Senior management of the GP of the Manager are responsible for developing, implementing and monitoring day to day fund governance practices. The board of directors of the GP reviews these fund governance practices at regular intervals and is ultimately responsible for overall fund governance matters. Members of the GP’s board of directors are listed above under “*Management of the Fund – Partners, Directors and Executive Officers of the Manager and the General Partner of the Manager*”.

### ***Independent Review Committee***

NI 81-107 requires all publicly offered investment funds, such as the Fund, to establish an independent review committee to whom the Manager must refer conflict of interest matters for review or approval. NI 81-107 also imposes obligations upon the Manager to establish written policies and procedures for dealing with conflict of interest matters, maintain records in respect of these matters and provide assistance to the IRC in carrying out its functions. The IRC is required to conduct regular assessments and provide reports to the Manager and to unitholders in respect of its functions.

The annual fee payable to each IRC member is \$25,000 and \$30,000 for the Chair, plus applicable taxes or other deductions. Expenses incurred by the members of the IRC in connection with performing their duties are also the responsibility of the RPIA Mutual Funds. For the financial year of the Fund ended December 31, 2018, the aggregate amount of fees and expenses paid to members of the IRC was \$87,150.00 (including tax).

In accordance with NI 81-107, the mandate of the IRC is to consider and provide recommendations to the Manager on conflicts of interest to which the Manager may be subject when managing the Fund. The IRC is empowered to represent the best interest of the Fund in any matter where the Manager has referred a conflict of interest matter to it. In those cases, its responsibility is to determine that the Manager's proposed course of action represents a fair and reasonable result for the Fund.

The current members of the IRC are: Hon. Joe Oliver (Chair), Rod Prat and Bill Hatanaka.

### ***Policies Regarding Business Practices***

The Manager maintains policies, procedures and guidelines concerning governance of the Fund. These policies, procedures and guidelines aim to monitor and manage the business and sales practices, risk management and internal conflicts of interest relating to the Fund, and to ensure compliance with regulatory and corporate requirements. The Fund is also managed in accordance with its investment guidelines and those guidelines are monitored regularly by appropriate personnel of the Manager to ensure compliance therewith.

The Manager is committed to the fair treatment of investors in the products managed by the Manager through the application of high standards of integrity and ethical business conduct by the employees of the Manager. As a result of this, the Manager has established a Compliance Manual to guide the firm and its employees. This manual governs policies such as the Code of Conduct, Trading Procedures, Fairness Policy and Proxy Voting in addition to other procedures.

The Manager manages the Fund in the best interest of the Fund, in compliance with the requirements of NI 81-107 by setting out its policies and procedures for dealing with conflict of interest matters and providing guidance on managing these conflicts.

In addition to the policies, practices or guidelines applicable to the Fund relating to the business practices, sales practices, risk management and internal conflicts already disclosed in this Annual Information Form, all employees of the Manager are bound by the Code of Conduct which, among other things, addresses proper business practices and conflicts of interest and a trading and disclosure policy which sets out the policies and procedures of the Manager with respect to trading and disclosure.

### ***Use of Derivatives***

The Portfolio Advisor may use foreign exchange transactions such as spot transactions or derivative instruments to reduce or hedge against various risks, including currency exchange risk associated with foreign

investments. Specifically, the Portfolio Advisor may use derivatives to seek to hedge against any fluctuations in the currency of the Fund's underlying assets vis-à-vis the Canadian dollar, but it has no obligation to do so. To the extent this hedging strategy is used, it may substantially limit investors from benefiting if the Canadian currency falls against the currency in which some or all of the assets of the Fund are denominated. While the Portfolio Advisor may attempt to hedge this risk there can be no guarantee that it will be successful in doing so. In respect of the USD Classes, the Fund uses foreign exchange transactions such as spot transactions or derivatives to counter the hedging strategy of the Fund described above (as necessary) to seek to hedge the currency exposure of that portion of the assets of the Fund attributable to the USD Classes against the U.S. dollar. When the Canadian dollar strengthens as against the U.S. dollar, the value of an investment in the USD Classes (in Canadian dollar terms) will fall, and when the Canadian dollar weakens as against the U.S. dollar, the value of an investment (in Canadian dollar terms) in the USD Classes will rise. Accordingly:

- for the CAD Classes, to the extent the Fund uses a hedging strategy, the return on these units will be based on the performance of the Funds' portfolio investments and generally will not reflect the performance of the foreign currency in which these investments were purchased relative to the Canadian dollar; and
- for the USD Classes, the return on these units is based on the performance of the Funds' portfolio investments and generally will not reflect the performance of any currency other than the U.S. dollar in which these investments were purchased relative to the U.S. dollar.

Foreign exchange transactions such as spot transactions or derivatives, used to hedge the currency exposure for the USD Classes will be clearly attributable to the USD Classes. The costs and gains/losses of these transactions will accrue solely to the USD Classes and will be reflected in the net asset value per unit of each USD Class. However, investors should note that there is no segregation of liability between classes of units. Unitholders therefore are exposed to the risk that hedging transactions undertaken in the USD Classes may impact unfavorably the net asset value of the CAD Classes.

The Portfolio Advisor may also use foreign exchange transactions such as spot transactions or derivative instruments as a substitute for purchasing or selling securities directly to obtain investment exposures consistent with its investment objectives, strategies and risk management. The derivatives that the Portfolio Advisor may use include, but are not limited to, options, swaps, futures and forwards. The Portfolio Advisor may also employ various option strategies to increase income return of the portfolio including, but not limited to, covered call and put option writing. No assurance can be given that the portfolios will be hedged from any particular risk at any time.

The Portfolio Advisor has written policies and procedures in place that set out the objectives and goals for derivatives trading and the risk management procedures applicable to those transactions by the Fund. The Chief Compliance Officer of the Portfolio Advisor is responsible for setting and reviewing these policies and procedures. These policies and procedures are reviewed and approved at least annually by the board of directors of the general partner of the Portfolio Advisor. The compliance team of the Portfolio Advisor is the group that monitors the risks associated with the use of derivatives independent of the portfolio management team. Risk measurement procedures and simulations are used to test the portfolios under stress conditions.

### ***Short Sales***

The Fund may, from time to time, engage in short selling as permitted by applicable securities legislation. Where the Fund engages in short selling, it will sell securities short and provide a security interest over fund assets with dealers as security in connection with such transactions. The Fund's use of short selling is subject to certain conditions including:

- (a) the securities are sold short only for cash;
- (b) the securities sold short will not be
  - (i) a security that the Fund is otherwise not permitted by securities legislation to purchase at the time of the transaction;
  - (ii) “illiquid assets” as such term is defined in NI 81-102; or
  - (iii) a security of an investment fund (other than an index participation unit);
- (c) at the time the Fund sells the security short,
  - (i) the Fund has pre-arranged to borrow the securities from a lender for the purpose of such short sale;
  - (ii) the aggregate market value of all securities of the issuer of the securities sold short by the Fund does not exceed 5% of the total net asset value of the Fund, unless the securities are “government securities” (as defined in NI 81-102) sold short for hedging purposes; and
  - (iii) the aggregate market value of all securities sold short by the Fund does not exceed 20% of the total net asset value of the Fund;
- (d) the Fund will hold cash cover (as defined in NI 81-102) in an amount, including the Fund’s assets deposited with dealers as security in connection with the short sale, that is at least 150% of the aggregate market value of all securities sold short by the Fund on a daily marked-to-market basis; and
- (e) no proceeds from any short sale by the Fund will be used by the Fund to purchase long positions in securities other than cash cover.

Written policies and procedures regarding objectives and risk management procedures have been adopted by the Portfolio Advisor in connection with its short selling activities. The Chief Compliance Officer of the Portfolio Advisor is responsible for setting and reviewing these policies and procedures. Such policies and procedures are reviewed and approved at least annually by the board of directors of the general partner of the Manager. The authorization of short selling transactions and placing limits or other controls on short selling is the responsibility of the individual portfolio manager with post-trade review conducted by the compliance department. Risk measurement procedures and simulations are used to test the portfolio under stress conditions.

***Securities Lending, Repurchase and Reverse Repurchase Transactions***

The Fund may, from time to time, engage in securities lending, repurchase and reverse repurchase transactions to generate additional income consistent with its investment objectives. However, the Fund does not currently engage in such transactions. Should the Fund commence such activities, it will enter into an agreement with the Securities Lending Agent to administer the Fund’s securities lending and/or repurchase transactions.

Before the Fund engages in such transactions, the Portfolio Advisor will have written policies and procedures in place to monitor compliance with the restrictions in NI 81-102 with respect to these transactions and types of investments. The Chief Compliance Officer of the Portfolio Advisor will be responsible for setting and reviewing these policies and procedures. The Chief Compliance Officer would be required to report to the Ultimate Designated Person of the Portfolio Advisor on any instances of non-compliance with the policies and procedures and report to the board of directors of the general partner of the Portfolio Advisor on his or

her compliance assessments. The board of directors of the general partner of the Portfolio Advisor would review and approve the Portfolio Advisor's proposed policies and procedures in connection with these types of transactions and would have the ultimate responsibility of ensuring that proper policies and procedures relating to these types of transactions are in place. Any agreements, policies and procedures that are applicable to securities lending, repurchase and reverse repurchase transactions would be reviewed by the compliance team of the Portfolio Advisor at least annually. There are no limits or controls restricting these transactions other than those in NI 81-102. Risk measurements or simulations are not used to test the portfolio under stress conditions. The Portfolio Advisor is responsible for reviewing these matters on an as-needed basis and will be independent to the Securities Lending Agent.

### ***Proxy Voting Policy***

As the Fund invests primarily in fixed income securities, it is not expected that it will receive many proxies requesting the Fund to vote on securityholder matters. Any proxies associated with the securities of the Fund will be voted by the Manager in accordance with the Manager's proxy voting policy (the "**Proxy Voting Policy**"). The objective in voting is to support proposals and director nominees that maximize the value of the applicable fund's investments over the long-term. In evaluating proxy proposals, information from many sources will be considered, including management or shareholders of a company presenting a proposal and independent proxy research services. Substantial weight will be given to the recommendations of a company's board, absent guidelines or other specific facts that would support a vote against management. The Manager has developed guidelines that address the following circumstances: election of directors; contested director elections; classified boards; director/officer indemnification; director ownership; approval of independent auditors; stock based compensation plans; bonus plans; employee stock purchase plans; executive severance agreements; shareholder rights plans; defences; cumulative voting; voting requirements matters related to shareholder meetings, among others.

While serving as a framework, the Proxy Voting Policy cannot contemplate all possible proposals with which the Fund may be presented. In the absence of a specific guideline for a particular proposal (e.g., in the case of a transactional issue or contested proxy), the Manager will evaluate the issue and cast the Fund's vote in a manner that, in the Manager's view, will maximize the value of the Fund's investment.

The current Proxy Voting Policy and procedures of the Manager are available to unitholders at no cost by calling toll-free at 1-877-720-1777, on the Manager's website at [www.rpia.ca](http://www.rpia.ca) or by writing to RP Investment Advisors LP, 39 Hazelton Avenue, Toronto, Ontario M5R 2E3.

The Fund's proxy voting record for the period from July 1<sup>st</sup> to June 30<sup>th</sup> of each year will be available at any time after August 31<sup>st</sup> following the end of that annual period, to any unitholder on request to the Manager, at no cost, and will also be available on the Manager's website at [www.rpia.ca](http://www.rpia.ca). Information contained on the Manager's website is not part of this Annual Information Form and is not incorporated herein by reference.

### ***Short-Term Trading***

In order to protect the interest of the majority of unitholders in the Fund and to discourage short-term trading in the Fund, investors may be subject to a short-term trading fee. If an investor redeems units of the Fund within 30 days of purchasing such units, the Fund may deduct and retain, for the benefit of the remaining unitholders in the Fund, two percent (2%) of the net asset value of the class of units being redeemed.

The short-term trading fee will not apply in certain circumstances, such as:

- redemptions of units purchased by the reinvestment of distributions;
- reclassification of units from one class to another class of the Fund;

- redemptions initiated by the Manager or where redemption notice requirements have been established by the Manager; or
- in the absolute discretion of the Manager.

The Registrar, on behalf of the Manager, monitors and detects short-term trading. The Registrar flags any redemption of units of the Fund that is made within 30 days of purchasing those securities. The Manager reviews these flagged redemptions on a case-by-case basis and may, at its absolute discretion, decide not to charge a short-term trading fee.

## INCOME TAX CONSIDERATIONS

The following is a general summary, as of the date hereof, of the principal Canadian federal income tax considerations generally applicable to the buying, holding and selling of units by a unitholder who acquires units pursuant to the Simplified Prospectus. This summary is applicable to a unitholder who is an individual (other than a trust) and who, for purposes of the Tax Act, is resident in Canada, deals at arm's length and is not affiliated with the Fund and holds units as capital property.

Generally, the units will be considered to be capital property to a unitholder, provided the unitholder does not hold such securities in the course of carrying on a business of buying and selling securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain unitholders who might not otherwise be considered to hold units as capital property may, in certain circumstances, be entitled to have such units and all other "Canadian securities" as defined in the Tax Act owned or subsequently acquired by them treated as capital property by making the irrevocable election under subsection 39(4) of the Tax Act. Unitholders should consult their own tax advisors as to whether an election under subsection 39(4) of the Tax Act is available or advisable in their circumstances.

This summary is based on the current provisions of the Tax Act and the regulations thereunder, an understanding of the current published administrative and assessing practices of the CRA and all specific proposals to amend the Tax Act and regulations thereunder publicly announced by or on behalf of the Minister of Finance (Canada) (the "**Minister**") prior to the date hereof (such proposals referred to hereafter as the "**Tax Proposals**"). This summary does not otherwise take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, nor does it take into account other federal or any provincial, territorial or foreign income tax legislation or considerations. There can be no assurance that the Tax Proposals will be enacted in the form publicly announced or at all.

**This summary is not exhaustive of all possible Canadian federal tax considerations applicable to an investment in units and does not describe the income tax consequences relating to the deductibility of interest on money borrowed to acquire units. It does not take into account the tax laws of any province or territory or of any jurisdiction outside Canada. It is not intended to be, nor should it be construed to be, legal or tax advice to any particular investor. Investors are urged to consult with their own tax advisors for advice with respect to the income tax consequences of an investment in units, based on their particular circumstances.**

### *Tax Status of the Fund*

The fund qualifies as a "mutual fund trust" within the meaning of the Tax Act. This summary is based on the assumption that the Fund will qualify, at all times, as a "mutual fund trust" within the meaning of the Tax Act. In order to continue to qualify as a mutual fund trust, the Fund must, among other things, comply on a continuous basis with certain minimum requirements respecting the ownership and dispersal of units. If the



Fund does not qualify as a “mutual fund trust” at all times, the income tax considerations described below could be materially different.

### ***Taxation of the Fund***

In each year, income of the Fund, including the taxable portion of capital gains, if any, that is not paid or made payable to its unitholders in that year will be taxed in the Fund under Part I of the Tax Act. Provided the Fund distributes all of its net taxable income and net capital gains to its unitholders on an annual basis, it will not be liable for any income tax under Part I of the Tax Act.

The Fund is required to include in income for each taxation year any dividends received by it in a taxation year and all interest that accrues to it to the end of the year, or becomes receivable or is received by it before the end of the year, except to the extent that such interest was included in computing its income for a preceding taxation year. Losses incurred by the Fund in a taxation year cannot be allocated to unitholders, but generally may be deducted by the Fund in future years in accordance with the Tax Act. In certain circumstances losses of the Fund may be suspended or restricted, and therefore would not be available to shelter capital gains or income. In computing its income, the Fund will take into account any available loss carry-forwards, any capital gains refund and all deductible expenses, including management fees.

Gains and losses realized by the Fund on the disposition of securities will generally be reported as capital gains and capital losses. The Fund has elected under subsection 39(4) of the Tax Act so that all gains or losses realized on the disposition of securities that are “Canadian securities” (as defined in the Tax Act) will be deemed to be capital gains or losses to the Fund. Whether gains or losses realized by the Fund in respect of a particular transaction (other than a disposition of a Canadian security) is on income or capital account will depend largely on factual considerations.

The Fund’s portfolio will include securities which are not denominated in Canadian dollars. The cost and proceeds of disposition of securities, dividends, interest and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars at the exchange rate prevailing at the time of the transaction, as more particularly determined in accordance with section 261 of the Tax Act. Accordingly, the Fund may realize gains or losses by virtue of the fluctuation in the value of foreign currencies relative to Canadian dollars. Generally, gains and losses from transactions in derivatives, including the currency hedging derivatives associated with the USD Classes and in respect of short sales of securities (other than “Canadian securities” under the Tax Act) will be taxed on income account rather than as capital gains or losses. However, gains and losses on the derivatives used to hedge the foreign currency value of portfolio assets of the Fund held as capital property (not including the currency hedging derivatives associated with the USD Classes) may be taxed as capital gains and losses provided that the derivatives are sufficiently linked to such capital property.

Income or gains from investments in countries other than Canada may be subject to foreign taxes. To the extent such foreign tax paid by the Fund exceeds 15% of the amount included in the Fund’s income from such investments, such excess may generally be deducted by the Fund in computing its income for purposes of the Tax Act, subject to the detailed provisions of the Tax Act. To the extent that such foreign tax paid does not exceed 15% of such foreign source income and has not been deducted in computing the Fund’s income, the Fund may generally designate a portion of its foreign source income in respect of its unitholders so that such income and a portion of the foreign tax paid by the Fund may be regarded as foreign source income of, and foreign tax paid by, the unitholders for the purposes of the foreign tax credit provisions of the Tax Act.

The Fund may be subject to loss restriction rules contained in the Tax Act. If the Fund experiences a “loss restriction event” (i) the Fund will be deemed to have a year-end for tax purposes (which would result in an allocation of the Fund’s net income and net realized capital gains at such time to unitholders so that the Fund

is not liable for income tax on such amounts) and (ii) the Fund will be deemed to realize any unrealized capital losses and its ability to carry forward losses will be restricted. Generally, the Fund will have a loss restriction event when a person becomes a “majority-interest beneficiary” of the Fund, or a group of persons becomes a “majority-interest group of beneficiaries” of the Fund, as those terms are defined in the Loss Restriction Rules. Generally, these rules will not apply where the Fund meets certain investment restrictions and qualifies as an “investment fund” under the rules. There can be no assurance that the Fund will so qualify.

### ***Taxation of Unitholders***

#### *Units Held in a Registered Plan*

If units of the Fund are held in a Registered Plan, distributions from the Fund and capital gains from a redemption (or other disposition) of units are generally not subject to tax under the Tax Act, provided that the units are qualified investments under the Tax Act for such Registered Plan. However, most withdrawals from Registered Plans (other than a withdrawal from a TFSA and certain permitted withdrawals from RESPs and RDSPs) are generally taxable.

The units of the Fund will be a qualified investment for Registered Plans at any time that the Fund qualifies or is deemed to qualify as a mutual fund trust under the Tax Act. The Manager anticipates that the Fund will satisfy this requirement at all material times.

Notwithstanding the foregoing, if the units of the Fund are “prohibited investments” (as defined in the Tax Act) for a TFSA, RRSP, RRIF, RESP or RDSP, the holder of the TFSA or RDSP, the annuitant of the RRSP or RRIF or the subscriber of the RESP, as the case may be, will be subject to a penalty tax as set out in the Tax Act. The units of the Fund will be a “prohibited investment” for a TFSA, RRSP, RRIF, RESP or RDSP if the holder of the TFSA or RDSP, the annuitant under a RRSP or RRIF or the subscriber of the RESP, as applicable, (i) does not deal at arm’s length with the Fund for purposes of the Tax Act, or (ii) has a “significant interest” as defined in the Tax Act in the Fund. Generally, a holder, annuitant or subscriber, as the case may be, will not have a significant interest in the Fund unless the holder, annuitant or subscriber, as the case may be, owns interests as a beneficiary under the Fund that have a fair market value of 10% or more of the fair market value of the interests of all beneficiaries under the Fund, either alone or together with persons and partnerships with which the holder, annuitant or subscriber, as the case may be, does not deal at arm’s length. In addition, the units will not be a “prohibited investment” if such units are “excluded property” as defined in the Tax Act for a TFSA, RRSP, RRIF, RESP or RDSP.

Holders of TFSAs and RDSPs, annuitants of RRSPs and RRIFs and subscribers of RESPs, should consult with their own tax advisers regarding the “prohibited investment” rules based on their particular circumstances.

#### *Units Not Held in a Registered Plan*

If a unitholder of the Fund holds units of the Fund outside a Registered Plan, the unitholder will generally be required to include in computing income for a taxation year such part of the net income of the Fund, including the taxable portion of capital gains, if any, paid or payable to the unitholder in the taxation year. This is the case even though such distributions may be automatically reinvested in additional units and there may therefore be insufficient cash received by a unitholder to pay the tax payable in respect of such distributions of income. Amounts paid on the redemption of units may be treated as a payment of net income and/or net capital gains to the unitholder, rather than as proceeds of disposition. The Notice of Ways and Means Motion that accompanied the federal budget tabled by the Minister on March 19, 2019 proposed amendments to the Tax Act that will deny the Fund a deduction for (i) the portion of a capital gain allocated to a unitholder on a redemption of units that is greater than the unitholder’s accrued gain, and (ii) the income allocated to a

unitholder on a redemption of units, where, in each case, the unitholder's proceeds of disposition are reduced by the allocation (the "**2019 Budget Proposals**"). A revised version of the 2019 Budget Proposals was released by the Department of Finance (Canada) on July 30, 2019, which introduced relieving measures relating to the use of reasonable efforts to determine a unitholder's cost amount for purposes of these amendments. If enacted as proposed, the 2019 Budget Proposals will be effective for taxation years of mutual fund trusts that begin on or after March 19, 2019. As a result, as of December 16, 2019, no amount of income is expected to be distributed to unitholders as partial payment of their redemption price.

Any distributions in excess of the net income and net capital gains of the Fund in a year will not be taxable in the hands of a unitholder of the Fund but will reduce the adjusted cost base of the units. To the extent that a unitholder's adjusted cost base would otherwise be a negative amount, the negative amount will be deemed to be a capital gain realized by the unitholder and the unitholder's adjusted cost base will be nil immediately thereafter. The non-taxable portion of capital gains distributed to a unitholder will not be taxable in the hands of the unitholders and will not reduce the adjusted cost base of the units.

Provided that appropriate designations are made by the Fund, such portion of (a) the net realized taxable capital gains of the Fund and (b) the taxable dividends received by the Fund on shares of taxable Canadian corporations as are paid or become payable to a unitholder will effectively retain their character and be treated as such in the hands of the unitholder. To the extent that amounts are designated as taxable dividends from taxable Canadian corporations, the normal gross-up and dividend tax credit rules will apply. The Fund may make designations in respect of the income from foreign sources, if any, so that unitholders may be able to claim a foreign tax credit in accordance with the provisions of and subject to the general limitations under the Tax Act for a portion of foreign tax, if any, paid by the Fund.

We will provide each unitholder with prescribed information to assist him or her in the preparation of his or her tax return.

Upon the redemption (or other disposition) of a unit, including on a redemption of units to pay any applicable fees, a unitholder will realize a capital gain (or capital loss) to the extent that the proceeds of disposition exceed (or are exceeded by) the unitholder's adjusted cost base of the unit and any reasonable costs of disposition. Reclassification of units of one class to another class of the Fund (other than from a CAD Class to a USD Class, or *vice versa*) will not be a disposition for tax purposes. For the purpose of determining the adjusted cost base of units to a unitholder, when units are acquired, including on the reinvestment of distributions, the cost of the newly acquired units will be averaged with the adjusted cost base of all units owned by the unitholder as capital property immediately before that time.

One-half of any capital gain realized on the disposition of units will be included in the unitholder's income and one-half of any capital loss realized must be deducted from taxable capital gains realized in a particular year. A unitholder may deduct one-half of any unused capital losses arising in a particular taxation year against the taxable portion of any net capital gains arising in the three immediately preceding taxation years or in subsequent taxation years, subject to the rules in the Tax Act.

In general terms, net income of the Fund paid or payable to a unitholder that is designated as net realized taxable capital gains, taxable Canadian dividends or taxable capital gains realized on the disposition of units may increase the unitholder's liability for alternative minimum tax.

Management fees paid directly to the Manager by holders of Class O, Class M or Class M-USD units will generally not be deductible by those unitholders.

## **REMUNERATION OF DIRECTORS AND OFFICERS**

The Fund does not directly employ any directors, officers or trustees to carry out Fund operations. The Manager, as manager of the Fund, provides or retains all personnel necessary to conduct the Fund's operations. No compensation was paid by the Fund to the Trustee for acting as trustee. However, the Manager is paid a management fee for acting as Manager of the Fund.

## **MATERIAL CONTRACTS**

The material contracts entered into by the Fund as of the date of this annual information form are:

- a) the Declaration of Trust referred to under "*Name, Formation and History of the Fund*" on page 1 of this document;
- b) the Management Agreement referred to under "*Responsibility for Fund Operations – The Manager*" on page 10 of this document; and
- c) the Custodian Agreement referred to under "*Responsibility for Fund Operations – Custodian*" on page 15 of this document.

Copies of these agreements are available for inspection at the principal office of the Manager during regular business hours and are also available on [www.sedar.com](http://www.sedar.com).

## **LEGAL AND ADMINISTRATIVE PROCEEDINGS**

As of the date of this annual information form, there are no ongoing material legal or administrative proceedings pending to which the Fund or the Manager is a party or which are known to be contemplated.

## CERTIFICATE OF THE FUND, THE MANAGER AND THE PROMOTER

### RP STRATEGIC INCOME PLUS FUND

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

DATED: August 16, 2019.

(signed) "*Richard Pilosof*"

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Richard Pilosof  
Chief Executive Officer  
RP Investment Advisors GP Inc., general partner  
of RP Investment Advisors LP

(signed) "*Dannielle Ullrich*"

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Dannielle Ullrich  
Chief Financial Officer  
RP Investment Advisors GP Inc., general partner of  
RP Investment Advisors LP

On behalf of the Board of Directors of RP Investment Advisors GP Inc., the general partner of RP Investment Advisors LP, as Manager, Trustee and Promoter of the Fund

(signed) "*Michael Quinn*"

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Michael Quinn  
Director

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

You can get a copy of these documents at no cost by calling toll-free at 1-877-720-1777, online at [www.rpia.ca](http://www.rpia.ca), by e-mail to [investors@rpia.ca](mailto:investors@rpia.ca), or from your dealer.

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

## RP STRATEGIC INCOME PLUS FUND

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