



ANNUAL INFORMATION FORM

BAROMETER GROUP OF FUNDS

Equity Fund

Barometer Disciplined Leadership
Equity Fund
(Class A, F and I units)

Income Fund

Barometer Disciplined Leadership
Tactical Income Growth Fund
(Class A, F and I units)

Balanced Fund

Barometer Disciplined Leadership
Balanced Fund
(Class A, Fund and I units)

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

January 28, 2020

TABLE OF CONTENTS

	Page
NAME, FORMATION AND HISTORY OF THE FUNDS	3
INVESTMENT RESTRICTIONS AND PRACTICES OF THE FUNDS.....	4
DESCRIPTION OF SECURITIES OFFERED BY THE FUNDS	4
CALCULATION OF NET ASSET VALUE.....	7
Calculation of Net Asset Value per Unit of a Fund	7
Valuation of Portfolio Securities.....	8
PURCHASES, RECLASSIFICATIONS AND REDEMPTIONS.....	10
Purchases and Reclassifications.....	10
Redemptions	13
Switches.....	14
Short-Term Trading.....	15
RESPONSIBILITY FOR FUND OPERATIONS	15
Trustee and Manager.....	15
Portfolio Advisor.....	16
Brokerage Arrangements.....	17
Custodian	18
Recordkeeper and Valuation Agent	18
Auditor.....	18
Securities Lending Agent	18
CONFLICTS OF INTEREST	19
Principal Holders of Securities	19
GOVERNANCE OF THE FUNDS	19
Manager and Trustee.....	19
Independent Review Committee.....	20
Derivatives.....	21
Securities Lending and Repurchase Transactions.....	22
Proxy Voting Policy	22
FEES AND EXPENSES	23
INCOME TAX CONSIDERATIONS FOR INVESTORS.....	23
Taxation of the Funds.....	23
Units Held in a Non-Registered Account	24
Units Held in a Registered Plan	26
REMUNERATION OF DIRECTORS, OFFICERS AND TRUSTEES.....	27
MATERIAL CONTRACTS	27
CERTIFICATE OF BAROMETER GROUP OF FUNDS, THE MANAGER AND THE PROMOTER.....	30

NAME, FORMATION AND HISTORY OF THE FUNDS

In this document, we, us, our and Barometer refer to Barometer Capital Management Inc., which is the manager, trustee and portfolio advisor of the Barometer Group of Funds.

This annual information form contains information about the Barometer Group of Funds listed on the cover page of this document. The Barometer Group of Funds are referred to in this annual information form collectively as the Barometer Group of Funds or the Funds, and individually as a Fund.

The Funds are open-end investment trusts organized under the laws of the Province of Ontario and are governed by a master declaration of trust dated January 1, 2013 (the **Master Declaration of Trust**), and a supplemental declaration of trust specific to each Fund (each a **Supplemental Declaration of Trust**), as may be amended and restated from time to time. As used herein, the term **Declaration of Trust** of a Fund refers to, the Master Declaration of Trust and the Fund's Supplemental Declaration of Trust.

The head office and principal place of business of the Funds is the head office of Barometer at 1 University Avenue, Suite 1800, P.O. Box 25, Toronto, Ontario, M5J 2P1. Barometer may be contacted toll free at 1-866-601-6888 or by email at info@barometercapital.ca. Information about each Fund is also available at www.barometercapital.ca.

The following sets out details about the formation and history of the Funds:

Fund Name	Former Name/ Re-organization	Date of Formation	Amendments to Fund Documents in the last 10 years	Change to Custodian
Barometer Disciplined Leadership Tactical Income Growth Fund	Barometer Disciplined Leadership High Income Fund Barometer Income Advantage Fund	January 1, 2013	January 1, 2016 to change the name of the Fund. January 1, 2014 to change the name of the Fund and the custodian.	CIBC Mellon Trust Company replaced RBC Investor Services Trust, January 1, 2014
Barometer Disciplined Leadership Equity Fund	N/A	January 1, 2014	N/A	N/A

Barometer Disciplined Leadership Balanced Fund	Formerly the Barometer Global Equity Pool which was restructured to an open-end mutual fund and renamed to reflect the change.	January 1, 2015	N/A	N/A
--	--	-----------------	-----	-----

INVESTMENT RESTRICTIONS AND PRACTICES OF THE FUNDS

Each Fund is subject to certain investment restrictions and practices contained in securities legislation, including National Instrument 81-102 *Investment Funds (NI 81-102)*. These restrictions and practices are designed, in part, to ensure that the investments of the Funds are diversified and relatively liquid and to ensure the proper administration of each Fund. The Funds are managed in accordance with these restrictions and practices, subject to specific deviations approved by the applicable securities regulators.

Each of the Barometer Disciplined Leadership Tactical Income Growth Fund (the **Income Fund**), the Barometer Disciplined Leadership Equity Fund (the **Equity Fund**) and the Barometer Disciplined Leadership Balanced Fund (the **Balanced Fund**) currently qualify as a mutual fund trust under the *Income Tax Act* (Canada) (the **Tax Act**).

A change in a Fund's fundamental investment objective may only be made after obtaining the consent of a majority of votes cast by the Fund's unitholders present in person or by proxy, at a meeting called to consider the change. The voting rights of unitholders of the Fund are more fully described below.

DESCRIPTION OF SECURITIES OFFERED BY THE FUNDS

The Income Fund, the Equity Fund and the Balanced Fund each offer an unlimited number of Class A, Class F and Class I units.

In the future, the offering of any class of units of a Fund may be terminated or additional classes of units may be offered.

Class A units

As there are no criteria for holding Class A units of the applicable Funds, anyone in any of the Provinces of Canada may purchase Class A units of such Funds through authorized dealers and advisors. Your dealer or advisor may charge you an upfront sales commission of up to five percent (5%) of the subscription price (where such subscription price includes the sales charge, if any) when you buy Class A units of such Funds. Barometer will pay a trailing commission to your dealer or advisor with respect to your Class A units of such Funds equal to one percent (1%) per annum of the NAV of your Class A units of such Funds.

Class F units Certain dealers and advisors have agreements with Barometer which enable them to offer Class F units of the applicable Funds to their clients. Only a client who pays an annual fee to such a dealer or advisor pursuant to a fee-based program may invest in Class F units of such Funds. These fees are negotiated between you and your dealer or advisor. Your dealer or advisor does not receive any trailing commissions from Barometer with respect to your Class F units of such Funds. In addition, no sales charges are payable in respect of your purchase of Class F units of such Funds.

Class I units If you are an eligible investor, you can buy Class I units of the Funds through your dealer or advisor. Class I units of a Fund are generally available for purchase by certain investors who have invested a specified minimum amount in the Fund. A holder of Class I units of a Fund pays a management fee directly to Barometer. No sales charges are payable in respect of your purchase of Class I units of a Fund.

Distributions Each class of units of a Fund will be entitled to any distributions by the Fund equal to the net income of the Fund, less the management fee and expenses of the Fund.

Voting Rights Unitholders have no voting rights except as permitted by the Declaration of Trust of a Fund or as required by Canadian securities legislation. If a vote is required, you are entitled to one vote per unit of a Fund as set out in the Declaration of Trust of the Fund. A separate class vote is required if a particular class of units of a Fund is affected in a manner that is different from other classes of units of the Fund. The following matters currently require unitholder approval pursuant to securities legislation:

- changing the basis of the calculation of a fee or expense that is charged to a Fund or directly to its unitholders by the Fund or Barometer in a way that could result in an increase in charges to the Fund or its unitholders; however, no unitholder approval will be required if the Fund is at arm's length to the person or company charging the fee or expense and if a written notice of the change is provided to unitholders at least 60 days before the effective date of the change;
- introducing a fee or expense to be charged to a Fund or directly to its unitholders by the Fund or Barometer in a way that could result in an increase in charges to the Fund or its unitholders;
- changing the manager of a Fund, unless the new manager is an affiliate of Barometer;
- changing the fundamental investment objective of a Fund;

- decreasing the frequency of the calculation of a Fund's net asset value (NAV);
- undertaking a reorganization with, or transferring a Fund's assets to, another mutual fund, when the Fund will cease to continue after the transaction and the transaction will result in the unitholders of the Fund becoming unitholders of the other mutual fund; however, unitholder approval will not be required provided: (i) the independent review committee of the Funds (as described under the section "Independent Review Committee" below) has approved the change in accordance with National Instrument 81-107 *Independent Review Committee for Investment Funds (NI 81-107)*, (ii) the Fund is being reorganized with, or transferring its assets to, another mutual fund to which NI 81-102 and NI 81-107 apply and that is managed by Barometer or an affiliate of Barometer, (iii) the reorganization or transfer of assets complies with required criteria described in NI 81-102, and (iv) a written notice describing the reorganization or transfer is sent to unitholders of the Fund at least 60 days before the effective date of the reorganization or transfer; and,
- if a Fund undertakes a reorganization with, or acquires assets from, another mutual fund, if the Fund continues after the transaction, and the transaction results in the unitholders of the mutual fund becoming unitholders of the Fund and the transaction would be a significant change to the Fund.

Purchases

Units of the Funds are offered on a continuous basis in each Province of Canada. Each Fund is valued in Canadian dollars only.

Subject to the discretion of Barometer to waive minimum investment amounts, the initial investment in securities of a Fund must be at least \$5,000. Any additional investment in a Fund must be at least \$500. In the case of systematic investment plans, the minimum initial investment is \$1,000 and subsequent purchases must be at least \$100. All complete orders will be processed within two (2) business days or such shorter period as may be required by the Canadian securities regulatory authorities. Please see the section entitled "Purchases, Reclassifications and Redemptions" for more details.

Redemption Rights

Unitholders of a Fund are entitled to redeem securities in the Fund and to receive an amount for each unit redeemed equal to the NAV per unit of the Fund. Under certain circumstances, Barometer may suspend the right for redemption and postpone the date of payment of redemptions for any period provided that the suspension complies with applicable securities regulatory policies. Please see the section entitled "Purchases, Reclassifications and Redemptions" for more details.

Reclassification Rights You can reclassify your class of units of a Fund into another class of units of the Fund. There is no fee charged for a reclassification.

Switches When we receive your order to switch units of a Fund into units of another Fund, we will redeem your units in the Fund from which you are switching, as described under Redemptions of Units, and use the proceeds to purchase units of the same class of the other Fund to which you are switching. When you switch, you redeem the units of the original Fund you own at their net asset value. You then purchase units of the other Fund to which you are switching, also at its net asset value.

Liquidation Rights If a Fund (or a particular class of units of the Fund) is ever terminated, each unit that you own will participate equally with each other unit of the same class of the Fund in the assets of that class of the Fund after all of the Fund's liabilities (or those allocated to that class of units of the Fund being terminated) have been paid.

CALCULATION OF NET ASSET VALUE

Calculation of Net Asset Value per Unit of a Fund

- The value of a Fund is called its “net asset value” or “NAV”. When a Fund calculates its NAV, it determines the market value of all of its assets and subtracts from this amount all of its liabilities.
- A separate NAV per unit is calculated for each class of units of a Fund.
- Units of a class of a Fund will be issued or redeemed at the NAV of such class.
- The NAV of each class of units of a Fund is calculated in Canadian dollars as at the close of trading on the Toronto Stock Exchange (the **TSX**) on each business day, which is usually 4:00 pm (Eastern Standard Time), but in some circumstances may be another time (the **Closing Time**). In this amended and restated annual information form, a (**business day**) refers to a day that the TSX is open for business.
- The class NAV per unit of a Fund is calculated by dividing (1) the amount equal to the value of that class' proportionate share of assets of the Fund, less that class' proportionate share of the common expenses of the Fund and less that class' specific expenses by (2) the total number of units of that class of the Fund outstanding at such time.
- The purchase or redemption price of units of a class of a Fund is based on the NAV per unit of that class of the Fund next calculated after Barometer receives a purchase order or redemption request or is deemed to have received a purchase order or redemption request. Any purchase orders or redemption requests for units of a class of a Fund received at or before the Closing Time on a business day are priced based on the relevant class NAV per unit of the Fund calculated on that business day. Orders received after the Closing Time are priced based on the class NAV per unit

of such Fund on the next business day. Please see the section entitled “Purchases, Reclassifications, and Redemptions” for additional details regarding the NAV per unit.

- The price applied to purchase and redemption orders of each class of units of a Fund and will generally increase or decrease on each business day as a result of changes in the value of the portfolio securities owned by the Fund. When dividends or distributions, as applicable, are declared by a Fund, the unit price will decrease by the per unit amount of the dividend or distribution, as applicable, on the payment date.
- The NAV for each class of unit of a Fund is available at your request, and at no cost, by contacting us toll free at 1-866-601-6888 or by email at info@barometercapital.ca.

Valuation of Portfolio Securities

Calculating the Fair Value of Assets

Barometer has delegated responsibility for valuation of the Funds to a valuation agent. Please see the section entitled “Responsibility for Fund Operations - Recordkeeper and Valuation Agent” for further details.

In calculating the NAV of a Fund on any day, the valuation agent will determine the fair value of the assets and liabilities of the Fund according to applicable law and the rules set out in the Declaration of Trust of the Fund. Such valuation rules include the following:

- the value of any cash on hand, on deposit or on call, prepaid expenses, cash dividends declared and interest accrued and not yet received, shall be deemed to be the face amount thereof, unless the valuation agent determines that any such deposit or call loan is not worth the face amount thereof, in which event the value thereof shall be deemed to be such value as the valuation agent determines to be the reasonable value thereof;
- the value of any bonds, debentures, and other debt obligations shall be valued by taking the average of the bid and ask prices at such times as the valuation agent, in its discretion, deems appropriate. Short-term investments including notes and money market instruments will be valued at cost plus accrued interest;
- the value of a security listed on a stock exchange will generally be the latest available sale price prior to the calculation of the NAV of a Fund. If the security was not sold on that day, the valuation agent will average the latest available ask price and the latest available bid price to determine the value of the security. If the stock exchange was not open on that day, then the value of the security will be the latest available sale price on the most recent day on which the stock exchange was open. A security listed on more than one stock exchange will generally be valued on the exchange where the greatest trading volume normally occurs;

- the value of any security which is traded on an over-the-counter market will be the average of the closing bid and the closing ask price, as reported by the financial press;
- the value of any security, the resale of which is restricted or limited, will be the lesser of the value thereof based on reported quotations in common use and that percentage of the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, undertaking or agreement or by law, equal to the percentage that a Fund's acquisition cost was of the market value of such securities at the time of acquisition; provided that a gradual taking into account of the actual value of the securities may be made where the date on which the restriction will be lifted is known;
- the value of a forward contract or a futures contract, shall be the gain or loss with respect thereto that would be realized if, at the valuation time, the position in the contract were to be closed out unless daily limits are in effect in which case fair value shall be based on the current market value of the underlying interest;
- margin paid or deposited in respect of futures contracts and forward contracts shall be reflected as an account receivable and margin consisting of assets other than cash shall be noted as held as margin;
- if, in the opinion of the valuation agent, stock exchange or over-the-counter prices do not properly reflect the prices which would be received upon the sale of such securities, the valuation agent may value the securities at prices as appear to the valuation agent to most closely reflect the fair value of the securities;
- a Fund's assets valued in a foreign currency and all liabilities and obligations of the Fund payable by the Fund in foreign currency will be converted into Canadian funds by applying the rate of exchange obtained from the best available sources to the valuation agent;
- all expenses or liabilities (including fees payable to Barometer) of a Fund will be calculated on an accrual basis;
- the value of any security or other property for which no price quotations are available will be its fair market value as calculated in a manner determined by the trustee; and,
- where a covered clearing corporation option, option on futures or over-the-counter option is written, the premium received by a Fund shall be reflected as a derivative liability that shall be valued at an amount equal to the current market value of the clearing corporation option, option on futures or over-the-counter option that would have the effect of closing the position. Any difference resulting from revaluation of such options shall be treated as an unrealized gain or loss on investment. The deferred credit shall be deducted in arriving at the NAV of the Fund. The securities, if any, which are the subject of a written clearing corporation option, or over-the-counter option shall be valued at their current market value.

If any investment cannot be valued under the foregoing rules or if the foregoing rules are at any time considered by Barometer to be inappropriate under the circumstances, then notwithstanding

such rules, Barometer shall make such valuation as it considers fair and reasonable. Barometer has not exercised its discretion to deviate from the Fund's valuation principles as set out above for any of the Funds in the past two (2) years.

The following liabilities of a Fund will be included in the calculation of the NAV of a Fund and the NAV per class of the Fund:

- all bills and accounts payable;
- all administrative expenses payable and/or accrued;
- all contractual obligations for the payment of money or property, including the amount of any unpaid distribution credited to unitholders of the Fund on or before the day the NAV of the Fund is being calculated;
- all allowances attributable to the Fund authorized or approved by Barometer for tax or contingencies including applicable provincial and federal sales, value added or goods and services tax/harmonized sales tax (together **Sales Taxes**) or contingencies that can be reasonably estimated with certainty under generally accepted accounting principles; and,
- all other liabilities of the Fund of whatever kind and nature, including liabilities attributable to a particular class.

Barometer will determine in good faith whether such liabilities are class expenses or common expenses of a Fund. The price for each class of units of a Fund will be determined using the latest reported information available on each business day. The purchase or sale of portfolio assets by a Fund will be reflected in the first calculation of the unit price for each class of units of the Fund after the date on which the transaction becomes binding.

PURCHASES, RECLASSIFICATIONS AND REDEMPTIONS

Purchases and Reclassifications

General

Each Fund is authorized to create and offer an unlimited number of units, issuable in different classes. Each of the Class A, Class F and Class I units of each Fund, as applicable, are offered by a simplified prospectus and this annual information form. Class A, Class F and Class I units of a Fund, as applicable, may be purchased at any time. Class A, Class F and Class I units of each Fund, as applicable, are qualified for distribution in each Province of Canada. It is the intention of the Funds to sell their units only to persons resident in Canada. Therefore, each Fund will accept orders only where the address of the purchaser, or if the purchaser is not the principal, the address of the principal, is in Canada. You may purchase units of a Fund through a dealer or advisor registered in the Province where you place the order.

No certificate will be issued to you when you buy units of a Fund. Your initial investment in units of a Fund must be at least \$5,000 and any additional investment must be at least \$500. In the case of systematic investment plans, the minimum initial investment is \$1,000 and

subsequent purchases must be at least \$100. The Funds may change or waive the minimum threshold for the initial investment or any additional investment in units of a Fund pursuant to the systematic investment plan or otherwise at any time. More information on the systematic investment plan can be found under the heading “Optional Services” in the simplified prospectus of the Funds.

All complete orders will be processed within two (2) business days (or such shorter period required by Canadian securities regulatory authorities). If a purchase order for units of a Fund is received at or before the Closing Time, the purchase order will be processed at the relevant class NAV per unit of the Fund calculated on the same business day. If the purchase order for units of a Fund is received after the Closing Time or on a day that is not a business day, it will be processed using the relevant class NAV per unit of the Fund calculated on the next business day.

If a Fund does not receive your payment within two (2) business days of processing your purchase order, the Fund will redeem those units on the following business day. If the redemption proceeds are greater than the payment you owe, the Fund will keep the difference. If the redemption proceeds are less than the payment you owe, Barometer will pay the difference to the Fund and then will seek to collect this amount, plus the expense of so doing, from the dealer or advisor placing the order. The arrangement between you and your dealer or advisor may entitle your dealer or advisor to reimbursement from you of that amount together with any additional costs and expenses of collection.

Barometer, on behalf of the Funds, may reject your purchase order within one (1) business day of receiving the order. In these circumstances, any funds received in respect of the purchase order will be returned without interest. Barometer may determine from time to time to cease the sale of units of a Fund for such period as Barometer shall determine.

Description of Classes Offered by the Funds

Class A

As there are no criteria for holding Class A units of a Fund, other than the minimum purchase amount disclosed above, anyone in any of the Provinces of Canada may purchase such units through authorized dealers and advisors. When you purchase Class A units of a Fund, you must pay a front-end sales charge to your dealer or advisor to a maximum of five percent (5%) of the purchase price (where such purchase price includes the sales charge) payable at the time of purchase that is negotiated between you and your dealer or advisor. Barometer pays a trailing commission on the Class A units of the Funds that you hold to your dealer or advisor as described in the simplified prospectus of the Funds.

Class F

Certain dealers and advisors have agreements with Barometer which enable them to offer Class F units of the Funds to their clients. Only a client who participates in a fee-based program may invest in Class F units of a Fund. These fees are negotiated between you and your dealer or advisor. Your dealer or advisor does not receive trailing commissions from Barometer with respect to your Class F units of a Fund. In addition, no other sales charges are payable in respect of your purchase of Class F units of a Fund.

Class I

If you are an eligible investor, you can buy Class I units of a Fund through your dealer or advisor. Class I units of a Fund are generally available for purchase by certain investors who have invested a specified minimum amount in the Fund. No portion of the management fee charged to a Fund is borne by Class I units of the Fund. A holder of Class I units of a Fund pays a management fee directly to Barometer. No sales charges are payable in respect of your purchase of Class I units of a Fund.

General

Please see the section entitled “Fees and Expenses” for further details regarding the fees and expenses charged in relation to classes of units of the Funds. A dealer may make provisions in the arrangements that it has with an investor that will require the investor to compensate the dealer for any losses suffered by the dealer in connection with a failed settlement of a purchase of units of a Fund caused by the investor.

Reclassifications

You can reclassify your units of a Fund into other units of the same Fund that are denominated in the same currency. No redemption charge is payable on reclassification. Based on the administration practice of the Canada Revenue Agency, a reclassification of units of a Fund is not a disposition for tax purposes. This means that you will not pay tax on any capital gains that may have accrued on the units of the applicable Fund at the time of reclassification.

You may only reclassify your units of a Fund if you satisfy any criteria required to hold the units into which you are reclassifying. The number of units of a Fund that you will receive upon the reclassification depends upon the relative NAV per unit of the units of the Fund that you hold as compared to the NAV per unit of the units of the Fund into which you want to reclassify. Accordingly, you may receive more or less units of the Fund than the number of units of the Fund that you choose to reclassify.

If new classes of units are offered by a Fund, you will be entitled to reclassify all or a portion of your units of the Fund into the class provided you meet the criteria of the new class (if any).

As mentioned above, you do not have to satisfy any criteria to hold Class A units of a Fund. If you hold Class F units of a Fund and your dealer or advisor advises Barometer at any time that you no longer satisfy the criteria for holding Class F units of the Fund, unless you direct Barometer to redeem your units, Barometer will reclassify your Class F units of the Fund into Class A units of the Fund denominated in the same currency. Upon such reclassification, you may receive more or less Class A units of such Fund than the number of Class F units of such Fund that you currently hold, depending on the NAV per Class A unit of such Fund as compared to the NAV per Class F unit of such Fund. Rather than accepting the reclassification of your Class F units of a Fund into Class A units of the Fund, you may advise your dealer or advisor that you have decided to redeem your units of the Fund instead. Please see “Redemptions” for more details.

If you cease to be eligible to hold Class I units of a Fund, Barometer may reclassify your Class I units of the Fund into Class A units of the Fund after giving you 90 days' prior notice, unless you notify Barometer during the notice period and we agree that you are again eligible to hold Class I units of the Fund.

Redemptions

You may redeem your units of a Fund and receive an amount in cash for each unit of the Fund that you redeem equal to the class NAV per unit of the Fund as next calculated after Barometer or the person administering the Fund on its behalf receives your redemption request. You will receive redemption proceeds in the currency in which you originally purchased units of the applicable Fund. The following paragraphs set out the redemption procedures for the Funds.

The redemption of units of a Fund is a disposition for tax purposes and may result in a capital gain or capital loss, which may result in a tax liability for units of the Fund held in a non-registered plan. Please see "Income Tax Considerations for Investors" for more details.

- Requests to redeem units of a Fund received by or on behalf of Barometer at or before the Closing Time on a business day will be priced using the applicable class NAV per unit of the Fund calculated on that business day.
- Requests to redeem units of a Fund received by or on behalf of Barometer after the Closing Time on a business day will be priced using the applicable class NAV per unit of the Fund calculated on the next business day.
- You may redeem your units of a Fund through your registered dealer or advisor. Your registered dealer or advisor will forward your redemption request to Barometer. Dealers or advisors must transmit the particulars of your redemption request to Barometer by wire order, courier or priority post, without charge to you. You may also redeem your units of a Fund by wire order or by delivery of a request for redemption to Barometer.
- In order to complete your redemption request you must provide Barometer with all required redemption application documents. Barometer must receive either (1) a complete and written redemption request, signed by you or on your behalf or (2) a redemption order by telephone or electronic means on your behalf through a recognized dealer with which Barometer has made prior arrangements. If you have completed your redemption request, the applicable Fund will pay you the redemption price within two (2) business days after the date of the calculation of the NAV per unit of such Fund used to establish your redemption price.
- If Barometer determines that the redemption documents are incomplete, Barometer will notify you that its requirements have not been satisfied and will specify which documents are still to be delivered by you. Once you complete your redemption request, a Fund will pay you the redemption price within two (2) business days after the date of the calculation of the NAV per unit of the Fund used to establish your redemption price. Each Fund may also waive the redemption requirements and pay you the redemption price within two (2) business days of Barometer, on behalf of the applicable Fund, making this decision.

- If, after 10 business days of the receipt by a Fund of your redemption request, you fail to provide Barometer with your completed redemption application documents, the Fund will issue to you on such 10th day the same number of units of the Fund as you redeemed. If the class NAV per unit of such Fund on that day is less than the redemption proceeds the Fund will retain the excess. If the class NAV per unit of such Fund exceeds the redemption proceeds, Barometer will pay to such Fund the amount of the deficiency and will seek to collect that amount, plus expenses, from the dealer or advisor placing the redemption request. The arrangement between you and your dealer or advisor may entitle your dealer or advisor to reimbursement from you of that amount together with any additional costs and expenses of collection.
- Each Fund will cancel any units you redeem.
- Upon the direction of Barometer, a Fund may require you to hold a minimum investment of at least \$5,000 in the Fund. If you hold less than the minimum amount, a Fund may redeem your units upon 15 days' prior notice.
- Upon the direction of Barometer, a Fund may redeem your units to the extent necessary to pay any outstanding fees, charges or expenses that you owe.
- Barometer may suspend the right of redemption and postpone the date of payment of redemptions for any period provided that it complies with applicable securities regulatory policies in doing so. Barometer may suspend your right to redeem units of a Fund with the consent of the securities regulatory authorities or for any period when normal trading is suspended on a stock exchange on which securities held by the Fund are listed and traded if those securities represent more than 50% of the value of the Fund without allowance for liabilities and provided those securities are not traded on another exchange that represents a reasonable practical alternative for the Fund.
- If Barometer suspends the right of redemption, you may either withdraw your redemption request to redeem units of a Fund or receive, once the suspension is lifted, a payment based on the NAV per unit of the Fund next calculated after the suspension is lifted.
- A dealer may make provision in arrangements that it has with an investor to compensate the dealer for any losses suffered by the dealer in connection with any failure of the investor to satisfy the requirements of a Fund or securities legislation for a redemption of securities of the Fund.

Switches

You can switch from one Fund to another Fund by contacting your dealer or advisor. Generally, a switch may be an order to sell and buy, to reclassify or to convert your units of a Fund into units of another Fund. Your dealer or advisor may charge you a fee for switching from one Fund to another. You and your advisor negotiate the fee. Each Fund may also charge you a short-term or frequent trading fee if you switch your units of that Fund within 90 calendar days of buying them.

Any switch from one Fund to another Fund is a disposition of your units for tax purposes. If you hold your units of a Fund outside a registered plan, you may realize a taxable capital gain.

Short-Term Trading

Barometer has adopted policies and procedures to detect and deter short-term trading. A short-term trade is defined as a combination of a purchase and redemption within a short period of time that Barometer believes is detrimental to other investors in a Fund and which may take advantage of securities priced in other time zones or illiquid securities that trade infrequently. These trades are generally for periods of less than 10 days but can be for periods of up to 90 days.

The interests of a Fund's investors and the Fund's ability to manage its investments may be adversely affected by short-term trading because, among other things, these types of trading activities can dilute the value of the Fund's units, can interfere with the efficient management of the Fund's portfolio and can result in increased brokerage and administrative costs to the Fund. While Barometer will actively take steps to monitor, detect and deter short-term trading, it cannot ensure that such trading activity will be completely eliminated.

A purchase and redemption within a short period of time could be subject to a short-term trading fee. All trades determined by Barometer to be short-term trades may be subject to a two percent (2%) fee. The fees charged will be paid to the applicable Fund. Barometer may take such additional action as it considers appropriate to prevent further similar activity by the investor. These actions may include the delivery of a warning to the investor, placing the investor/account on a watch list to monitor his or her trading activity, the subsequent refusal of further trades by the investor if the investor continues to attempt such trading activity and/or closure of the investor's account. The restrictions imposed on short-term trading, including the short-term trading fees, will generally not apply in connection with redemptions initiated by us and special circumstances as determined by us in our sole discretion.

RESPONSIBILITY FOR FUND OPERATIONS

Trustee and Manager

Barometer Capital Management Inc. is the trustee and manager of each Fund. You may contact Barometer at the following address:

1 University Avenue, Suite 1800
P.O. Box 25
Toronto, Ontario, M5J 2P1
Telephone: 1-866-601-6888
Email: info@barometercapital.ca
Website: www.barometercapital.ca

The Declaration of Trust of each Fund sets out the powers of Barometer with respect to that Fund. Please see the section entitled "Material Contracts" for a description of the Declaration of Trust of each Fund.

Under applicable securities regulations, any change of the manager of the Funds (other than to an affiliate of Barometer) or any change of control of Barometer will require the approval of securities regulatory authorities.

The following table lists information regarding the directors and executive officers of Barometer.

Name and Municipality of Residence	Position with Barometer	Principal Occupation
Gregory Guichon (Toronto, Ontario)	Chairman, Ultimate Designated Person, Chief Executive Officer, Chief Investment Officer, Director	Chief Executive Officer since December 2017, Chief Investment Officer since September 2006
David Burrows (Toronto, Ontario)	President, Director	Chief Investment Strategist, Barometer, since September 2006
Ron Kelterborn (Niagara-on-the-Lake, Ontario)	Chief Compliance Officer, Director	Chief Compliance Officer, Barometer, since April 2016
Paul Tesolin (Georgetown, Ontario)	Chief Financial Officer	Vice President Operations and Administration Barometer, since June 2010

Each of the persons listed in the table above has had as their principal occupation the position set out opposite to their name for at least the past five (5) years.

Portfolio Advisor

Barometer also provides portfolio management services to each Fund pursuant to that Fund's Declaration of Trust. Under the Declaration of Trust of each Fund, Barometer is responsible for managing the investment portfolio of that Fund, including providing or arranging for the provision of investment analysis, and making decisions relating to the investments of the assets of that Fund. Decisions as to the purchase and sale of portfolio securities of a Fund and decisions as to the execution of all portfolio transactions are also made by Barometer. Please see the section entitled "Material Contracts" for a description of the Declaration of Trust of each Fund.

The following individuals primarily make the investment decisions and are principally responsible for the day-to-day management of the material portion of the portfolio for the Funds.

Name	Title with the Portfolio Advisor	Length of Time of Service
Gregory Guichon	Chief Portfolio Manager	Since September 2006
David Burrows	Chief Investment Strategist	Since September 2006
Dimetrius Schetakis	Portfolio Manager	Since January 2016

Brokerage Arrangements

When placing securities order for and on behalf of a Fund, Barometer will only use those brokers and dealers from whom it can reasonably expect to obtain best execution (after considering all transaction costs and research or other benefits).

Barometer's general policy in selecting a broker to effect a transaction is to seek to obtain prompt and efficient execution at the best obtainable price with payment of reasonable commissions or spreads in relation to the value of the brokerage services provided.

For transactions in fixed-income securities, brokers are typically selected on the basis of security price, availability of the security, coverage of the security and the quality of research.

External research provides a diverse perspective on financial markets and therefore improves the quality of investment advice. Research services received are available for the general benefit of all accounts managed by Barometer. These services are most often paid for using a portion of the commissions paid to brokers to execute portfolio transactions which may result in a higher commission or spread being paid to these brokers. In most cases, research is produced and provided by full-service brokers. In these cases the cost of research is embedded in the commission paid. Although the brokers involved in soft dollar arrangements do not necessarily charge the lowest brokerage commissions, Barometer will nonetheless enter into such arrangements when it is of the view that such brokers provide best execution and/or the value of the research and other services exceeds any incremental commission costs. Where brokerage transactions involving a Fund have been or might be directed to a broker in return for the provision of any good or service by the broker or a third party, other than order execution, the names of such brokers or third parties are available to investors free of charge upon request by calling us toll-free at 1-866-601-6888, or by writing to us at 1 University Avenue, Suite 1800, P.O. Box 25, Toronto, Ontario, M5J 2P1.

Custodian

CIBC Mellon Trust Company has been appointed the custodian of each Fund (the **Custodian**) pursuant to a custody agreement dated as of January 1, 2014, as amended by an amending agreement no. 1 made as of the 5th day of November, 2014 and an amending agreement no. 2 made as of the 23rd day of December, 2014. The custody agreement sets out the duties of the Custodian with respect to the Funds. The Custodian is generally responsible for holding and maintaining information regarding all securities held by the Funds. The Custodian holds the Fund's securities and other portfolio assets, including cash on deposit with financial institutions, on behalf of the Funds. Please see the section entitled "Material Contracts" for a description of the custody agreement.

The Custodian's head office is located in Toronto, Ontario. The Custodian may appoint sub-custodians to provide for the safekeeping of portfolio securities of the Funds located outside Canada. Such sub-custodians, if needed, enter into sub-custodianship agreements with the Custodian on terms and conditions substantially consistent with the terms and conditions in the custody agreement. The principal sub-custodian of the Custodian is The Bank of New York Mellon. The head office of The Bank of New York Mellon is in New York, New York.

Recordkeeper and Valuation Agent

SGGG Fund Services Inc. (**SGGG** or the **Recordkeeper**) is the recordkeeper and the valuation agent of each Fund pursuant to a valuation services agreement and a recordkeeping services agreement. The Recordkeeper is responsible for maintaining the register of owners of the units of the Funds. The register of units of the Funds is kept in Toronto, Ontario at the head office of the Recordkeeper. In addition, as the valuation agent of the Funds, SGGG will be responsible for calculating the NAV of each Fund and for Fund accounting. For a further description of the valuation and recordkeeping services agreement, please see the section entitled "Material Contracts".

Auditor

Deloitte LLP is the auditor (the **Auditor**) of each Fund and audits the annual financial statements of each of the Barometer Funds and provides an opinion on whether or not the annual financial statements are fairly presented in accordance with IFRS. The head office of the Auditor is located in Toronto, Ontario.

Securities Lending Agent

The Bank of New York Mellon is the lending agent (the **Lending Agent**) of the Funds and CIBC Mellon Global Securities Services Company is the administrator of the lending program (the **Lending Administrator**) of the Funds. The Lending Administrator enters into securities lending transactions on behalf of the Funds pursuant to a lending authorization dated May 20, 2014 (the **Lending Authorization**), which requires securities lending transactions to include a provision of collateral that is equal to 105% of the market value of the loaned securities if the collateral is non-cash collateral and a provision of collateral that is equal to 102% of the market value of the loaned securities if the collateral is cash collateral. The Lending Authorization includes reciprocal indemnities by (i) each of the Funds and parties related to the Funds and (ii)

the Lending Agent, the Lending Administrator and parties related to the Lending Agent, for failure to perform the obligations under the Lending Authorization, inaccuracy of representations in the Lending Authorization or fraud, bad faith, wilful misconduct or disregard of duties as set out in the Lending Authorization. The Lending Authorization may be terminated by any party upon 30 days' notice. The head office of the Lending Agent is located in New York, New York and the head office of the Lending Administrator is located in Toronto, Ontario.

CONFLICTS OF INTEREST

Principal Holders of Securities

To protect the privacy of individual investors, we have omitted the names of the beneficial owners. This information is available on request by contacting us at 1-866-601-6888. The only unitholders who hold more than 10% of the outstanding units of a class of any Fund as at December 31, 2019 are as follows:

Fund	Unitholder	Units Held	Holding (%)	Type of Ownership
Balanced Fund	The Firman Family Trust	11,426.8307 Class I units	14.96%	Corporation
Balanced Fund	Individual Investor A	14,881.9134 Class I units	19.49%	Individual
Balanced Fund	Individual Investor B	26,605.8962 Class I units	34.84%	Individual
Balanced Fund	Individual Investor C	16,077.4991 Class I units	21.05%	Individual
Equity Fund	Individual Investor A	29,820.5296 Class I units	100%	Individual

As at December 31, 2019, the members of the Independent Review Committee (as defined below) collectively owned less than 0.1% of the Class A units of the Equity Fund.

GOVERNANCE OF THE FUNDS

Manager and Trustee

Governance of the Funds is achieved in several ways:

- Barometer, as trustee, will exercise its powers and discharge its duties honestly, in good faith and in the best interest of each Fund and in connection therewith shall exercise the degree of care, diligence and skill that a reasonable person would exercise in the circumstances.

- The board of directors of Barometer is responsible for the compliance by Barometer with the terms of the Declaration of Trust of each Fund and the requirements of relevant legislation applicable to investment management and the offering of units of each Fund.
- The board of directors of Barometer has established the policies and procedures described below, receives reports regarding compliance with such policies and procedures at least annually, including the consequences for employees resulting from non-compliance and revises the policies and procedures from time to time as appropriate.

Barometer has established policies and procedures designed to recognize Barometer's obligation to act in the best interest of the Funds and their unitholders and to place their interests ahead of its own. These policies include such topics as a code of ethics and conduct, personal and insider trading codes, privacy codes and conflict of interest policies addressing allocation of investments, allocation of costs, inter-fund trades, trades in related issuers, best-execution/soft dollars, correction of NAV errors and trades in underwritten securities by dealer-managed mutual funds. The board of directors of Barometer receives reports regarding compliance with such policies and procedures at least annually, including the consequences for employees resulting from non-compliance and revises the policies and procedures from time to time as appropriate.

Each officer and employee of Barometer is required to certify annually that such person has read Barometer's compliance manual, which is designed to provide its officers and employees with an awareness of the requirements of the law governing the Funds, the offering of its units, and advisors, dealers and other market participants providing services to the Funds and to provide a procedural means to ensure Barometer's operations meet these requirements. These procedures establish an appropriate system of internal controls and include designation of employees responsible for meeting the various aspects of the Fund's and Barometer's regulatory requirements, including reporting and filing obligations.

Barometer markets the Funds and other investment products sponsored by Barometer to dealers and advisors. In doing so, Barometer requires employees involved in the marketing function to become knowledgeable regarding regulatory limitations and requires marketing material to be reviewed by compliance officers and where appropriate outside legal advisors. The review is designed to ensure that full and fair disclosure of the material facts are made to potential investors.

Independent Review Committee

As required by applicable securities legislation, Barometer has established an independent review committee (the **IRC**) for the Funds, managed by Barometer, and to which NI 81-107 applies.

The IRC is composed of the following three individuals, each of whom is independent of Barometer and its affiliates:

Name and Municipality of Residence	Principal Occupation in the Last 5 Years
Barry J. Myers Toronto, Ontario	Former Senior Advisor, Borden Ladner Gervais LLP., from 2008 to 2018; Partner, PricewaterhouseCoopers LLP., from 1978 to 2008
Paul Duffy Toronto, Ontario	Chief Executive Officer, HumanaCare Organizational Resources Inc. since 2017, Chief Executive Officer, First Health Care Services of Canada Inc. 2005-2012
Beat J. Guldemann (Chair) Kettleby, Ontario	President, Tribeca Consulting Group, since 2007

In accordance with NI 81-107, the mandate of the IRC is to consider and provide recommendations to Barometer on conflicts of interest to which Barometer is subject when managing the Funds. Barometer is required under NI 81-107 to identify conflicts of interest inherent in its management of the Funds, and request input from the IRC into how it manages those conflicts of interest, as well as its written policies and procedures outlining its management of those conflicts of interest.

The IRC provides its recommendations to Barometer with a view to the best interests of the Funds. The IRC will report annually to unitholders of the Funds as required by NI 81-107.

In addition, the auditors of the Funds may not be changed unless the IRC has approved the change in accordance with NI 81-107, and a written notice describing the change of auditors is sent to unitholders at least 60 days before the effective date of the change.

The compensation and other associated costs of the IRC, as well as the other costs of complying with NI 81-107, will be paid out of the assets of each Fund for which the IRC acts as an independent review committee. Barometer, at its discretion, will allocate such costs between the Funds.

Derivatives

The Funds may use derivatives. Derivatives are used by the Funds only as permitted by applicable securities legislation. Barometer maintains policies and procedures (including risk management procedures), trading limits and controls relating to such use of derivatives. These policies, procedures, limits and controls are set and reviewed from time to time by one or more officers designated by Barometer, who also generally review the risks associated with specific derivatives trading decisions.

Securities Lending and Repurchase Transactions

Each Fund has currently entered into securities lending transactions and may enter into repurchase transactions only as permitted under securities law. The Funds will not enter into a securities lending transaction or a repurchase transaction if, immediately thereafter, the aggregate market value of all securities loaned by a Fund and not yet returned to it or sold by the Fund in a repurchase transaction and not yet repurchased, would exceed 50% of the total assets of the Fund (exclusive of collateral held by the Fund for securities lending transactions and cash held by the Fund for repurchase transactions).

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

Barometer, the IRC and the agent will review at least annually, the policies and procedures described above to ensure that the risks associated with securities lending and repurchase transactions are being properly managed.

Proxy Voting Policy

Barometer, as portfolio advisor, has full responsibility for proxy voting and related duties in respect of each Fund. In fulfilling these duties, Barometer and the Funds have adopted proxy policies and procedures (the **Proxy Policies**) to ensure that proxies for units held by a Fund are voted consistently and solely in the best economic interests of the Fund. The Proxy Policies are more fully summarized below.

- The Proxy Policies set out the voting procedures to be followed in routine and non-routine matters, together with general guidelines suggesting a process to be followed in determining how and whether to vote proxies. Although the Proxy Policies allow for the creation of a standing policy for voting on certain routine matters, each routine and non-routine matter must be assessed on a case-by-case basis to determine whether the applicable standing policy or general guidelines should be followed.
- The Proxy Policies also address situations in which Barometer and the Funds may not be able to vote, or where the costs of voting outweigh the benefits. Where a Fund managed by Barometer is invested in an underlying Fund that is also managed by Barometer, the proxy of the underlying Fund will not be voted by us. However, we may arrange for you to vote your share of those units.

- Barometer is responsible for the oversight of each Fund's proxy voting process and has assigned a senior member of its staff to be responsible for this oversight.

Barometer will compile and maintain annual proxy voting records for the Funds for the annual periods beginning July 1st in each year and ending June 30 of the following year. After completion of an annual period, the proxy voting record will be made available on Barometer's website (www.barometercapital.ca) on August 31st following the annual period. A copy of the complete proxy voting procedures for each Fund is available to investors free of charge upon request. Requests can be made by calling toll-free 1-866-601-6888 or by sending an email to info@barometercapital.ca. Investors may also send a request by mail addressed to the attention of Barometer at 1 University Avenue, Suite 1800, P.O. Box 25, Toronto, Ontario M5J 2P1.

FEES AND EXPENSES

The aggregate management fees and performance fees payable by the Funds differ according to the class of units of the Funds and are set forth under "Management Fees" and "Performance Fees" in the simplified prospectus of the Funds. The Funds will pay all of their applicable taxes (such as income taxes, sales taxes and capital taxes) brokerage commissions and related transaction fees, costs associated with the IRC (including, without limitation, all member fees, insurance costs, legal or other advisory costs), and extraordinary expenses such as litigation expenses. Barometer may, from time to time, in its discretion, absorb some of the operating expenses of the Funds.

INCOME TAX CONSIDERATIONS FOR INVESTORS

The following is a general summary of the principal Canadian federal income tax rules in effect or proposed that apply to the Funds and its unitholders at the time we prepared this document. This summary assumes you are an individual (other than a trust) resident in Canada, are not affiliated with the Funds, and that you hold your Fund units as capital property for purposes of the Tax Act.

This summary is based upon the current provisions of the Tax Act and the regulations thereunder, all specific proposals to amend the Tax Act and such regulations publicly announced by the Minister of Finance (Canada) prior to the date of this annual information form, and an understanding of the current publicly available published administrative and assessing policies of the Canada Revenue Agency. This summary does not take into account or anticipate any other changes in the law whether by legislative, administrative or judicial action, and it does not take into account provincial or foreign income tax legislation or considerations.

This summary is not exhaustive of all possible federal income tax considerations. This summary is of a general nature only and does not constitute legal or tax advice to any particular investor. You should consult your own tax advisor to determine the impact of tax legislation on your investment.

Taxation of the Funds

Each Fund intends to qualify as a "mutual fund trust" for purposes of the Tax Act. In order to qualify as a mutual fund trust, among other requirements, a Fund must have at least 150

unitholders of a particular class of units each of whom holds a minimum number and value of units (the **Unitholder Requirement**). The Income Fund, the Equity Fund and the Balanced Fund currently meet all the conditions to be a mutual fund trust including the Unitholder Requirement.

Each of the Funds will be subject to tax under Part I of the Tax Act on the amount of its income for tax purposes for each taxation year, including net taxable capital gains, less the portion of such income that is paid or payable to its unitholders. Generally, each Fund will distribute to its unitholders in each taxation year enough of its net income and net realized capital gains so that it should not be liable for tax under Part I of the Tax Act. If a Fund is a mutual fund trust within the meaning of the Tax Act throughout a taxation year, it will be permitted to retain, without incurring a liability for tax, a portion of its net realized capital gains based on a formula that takes into account redemptions of its units during the year.

Losses incurred by the Funds cannot be allocated to investors but may, subject to certain limitations, be deducted by the Funds from its capital gains or other income realized in other years.

In certain situations, if a Fund disposes of property and would otherwise realize a capital loss, the loss will be classified as a “suspended loss” and denied. This may occur if a Fund disposes of and acquires the same property during the period that begins thirty (30) days before and ends thirty (30) days after the disposition of property and holds it at the end of that period.

The Tax Act contains “loss restriction event” (**LRE**) rules that could apply to the Funds. In general, a LRE occurs to a Fund if a person (or group of persons) acquires units of the Fund worth more than 50% of the fair market value of all the units of the Fund. If a LRE occurs to a Fund (i) the Fund will be deemed to have a year-end for tax purposes, (ii) to the extent possible, any net income and net realized capital gains of the Fund at such year-end will be distributed to its unitholders, and (iii) the Fund will be restricted in its ability to use tax losses (including any unrealized capital losses) that exist at the time of the LRE. However, a Fund will be exempt from the application of the LRE rules in most circumstances if the Fund is an “investment fund” which requires the Fund to satisfy certain investment diversification rules.

Units Held in a Non-Registered Account

If you do not hold your units of a Fund within a Registered Plan (as defined below), you are required to include in computing your income (in Canadian dollars) for purposes of the Tax Act:

- (i) all distributions of income and net taxable capital gains, if any, paid or payable to you by the Fund in a particular year, including any distributions reinvested in additional units of the Fund (including management fee distributions, if any); and,
- (ii) any net taxable capital gains realized on the redemption or other disposition by you of your units in the Fund.

The taxation of these items is discussed in more detail below.

Distributions

Your share of the distributions paid by a Fund to its unitholders will be based on the number of units of the Fund held by you on the record date for the distribution regardless of how long you have owned such units. The NAV of the units of a Fund, and therefore the price you pay for the units, may reflect income and gains that have accrued in the Fund but which have not yet been realized or distributed. When such income and gains are distributed by a Fund, you will be required to include your share of the distribution in computing your income even though some of the distribution received may reflect the purchase price you paid for the units of the Fund. This effect could be particularly significant if you purchase units of a Fund just before a record date for a distribution by the Fund.

Provided that appropriate designations are made by a Fund, the amount, if any, of foreign source income, net taxable capital gains and taxable dividends from taxable Canadian corporations of the Fund that are paid or payable to you (including such amounts invested in additional units of the Fund) will, effectively, retain their character for tax purposes and be treated as foreign source income, taxable capital gains and taxable dividends realized by you directly.

Where amounts distributed to you by a Fund arise from taxable dividends received by the Fund on shares of taxable Canadian corporations, you will be taxed on such amounts as if you had received the amounts as taxable dividends from taxable Canadian corporations and the gross-up and dividend tax credit mechanism in the Tax Act will apply (including the enhanced gross-up and dividend tax credit in respect of “eligible dividends”, if any).

To the extent that distributions (including management fee distributions) paid to you in any year exceed your share of the net income and net realized capital gains of a Fund allocated to you for that year, those distributions (except to the extent that they are proceeds of disposition of a unit of the Fund as described below) will not be taxable to you but will be treated as returns of capital and will reduce the adjusted cost base of your units of the Fund. If the adjusted cost base of your units of a Fund becomes a negative amount at any time in a taxation year, you will be deemed to have realized a capital gain equal to that amount and the adjusted cost base of your units of the Fund will be reset to zero.

Reclassifications

Generally, a reclassification of units of a Fund from one class to another class of units of the same Fund is not considered to be a disposition for tax purposes and, accordingly, you will not realize a gain or loss on such reclassification.

Switches

Any switch of units from one Fund to another Fund is also a disposition for tax purposes. If you hold your units of a Fund outside of a registered plan, you may realize a taxable capital gain.

Redemptions and Dispositions

Upon the disposition or deemed disposition of a unit of a Fund, whether by redemption, sale, or otherwise, you will realize a capital gain (or capital loss) to the extent that the proceeds of

disposition, less any costs of disposition, are greater (or less) than your adjusted cost base of the unit of the Fund (all computed in Canadian dollars).

One half of a capital gain (taxable capital gain) will be included in computing your income and one half of a capital loss (allowable capital loss) will be deductible against your taxable capital gains in accordance with the detailed rules in the Tax Act.

For details on computing your adjusted cost base see the heading “Income Tax Considerations for Investors” in the simplified prospectus of the Funds.

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

Alternative Minimum Tax

Depending on your personal circumstances, you may be liable to pay an alternative minimum tax on, distributions of taxable Canadian dividends and capital gains received from a Fund and on capital gains realized on the disposition of units of the Fund.

Advisory Fees

You should consult your tax advisor about the tax treatment in your particular circumstances of any investment advisory fees you pay to your dealer when investing in units of the Funds. The portion of the fees that you pay to Barometer for Class I units of a Fund that is in respect of services provided by us to the Fund, rather than directly to you, will generally not be deductible by you for income tax purposes.

Units Held in a Registered Plan

As long as a Fund is a mutual fund trust within the meaning of the Tax Act, units of the Fund will be qualified investments under the Tax Act for a registered tax plan, being a trust governed by a registered retirement savings plan (a **RRSP**), registered retirement income fund (a **RRIF**), deferred profit sharing plan, registered education savings plan (a **RESP**), registered disability savings plan (a **RDSP**) or tax-free savings account (a **TFSA**), (each a **Registered Plan**). Currently, each Fund qualifies as a mutual fund trust.

If you hold units of a Fund in a Registered Plan, as long as you do not make withdrawals from the plan and as long as such Fund is a mutual fund trust under the Tax Act, you pay no tax on:

- distributions from such Fund, whether or not they are reinvested in additional units; and

- any capital gains the Registered Plan makes from redeeming or otherwise disposing of units of such Fund.

However, withdrawals from Registered Plans (other than TFSAs and certain withdrawals from RESPs and RDSPs) are generally taxable.

Units of the Funds will not be a “prohibited investment” for a trust governed by a TFSA, a RESP, a RDSP, a RRSP or a RRIF provided the holder, the subscriber or the annuitant of the plan deals at arm’s length with the Funds for purposes of the Tax Act and does not have a significant interest (within the meaning of the Tax Act) in the Funds. If you intend to hold units of the Funds in a Registered Plan you should consult your own tax advisor regarding the “prohibited investment” rules.

REMUNERATION OF DIRECTORS, OFFICERS AND TRUSTEES

No Fund directly employs any directors or officers to carry out its operations. The operating expenses of the Funds are in addition to the management fees payable to Barometer. Where employees provide services to both the Funds and Barometer, only that portion of their expenses relating to the Fund’s operation is reimbursed by the Funds.

No compensation, pension, retirement or other benefits was paid by the Funds to officers, directors or employees of Barometer Capital Management Inc. or the Trustee.

Each IRC member is paid an annual retainer of \$5,000 as compensation for their services, plus \$1,000 for each meeting attended. Barry Myers, Beat Guldemann, and Paul Duffy are the members of the IRC. The Chairman of the IRC receives an additional \$1,000 per meeting attended. These amounts are shared by the Funds. For the fiscal year of the Funds ended December 31, 2019, the aggregate amount of fees and expenses payable by and charged to the Funds in connection with the IRC was approximately \$23,545.92.

MATERIAL CONTRACTS

The following are the material contracts of the Funds. These contracts may be inspected by you, either as a prospective investor or as an existing unitholder, at the offices of Barometer during normal business hours.

DECLARATION OF TRUST

The Declaration of Trust of each Fund includes the following key terms:

- Barometer has agreed to perform certain duties in relation to being manager, trustee and portfolio advisor of that Fund;
- Barometer is entitled to a management fee and a performance fee as set out in the simplified prospectus of the Funds;

- Barometer, as trustee, will be reimbursed for all expenses of that Fund paid by Barometer, in its capacity as trustee;
- Each Fund has agreed to indemnify Barometer and other parties subject to certain limitations and restrictions; and,
- Barometer may in its discretion and without unitholder approval terminate that Fund.

CUSTODY AGREEMENT

The custody agreement dated as of January 1, 2014 has been entered into between Barometer and the Custodian, as amended by an amending agreement no. 1 made as of the 5th day of November, 2014 and an amending agreement no. 2 made as of the 23rd day of December, 2014, and includes the following key terms:

- The Custodian has agreed to perform certain custodial services for the Funds;
- the Custodian is entitled to a fee, as agreed to with Barometer;
- the Funds have agreed to indemnify the Custodian subject to regulatory limitations and restrictions; and,
- either party may terminate the agreement on 30 days prior written notice to the other party.

VALUATION SERVICES AGREEMENT

The valuation services agreement dated October 19, 2012 has been entered into between Barometer and SGGG and includes the following key terms:

- SGGG has agreed to perform certain valuation and fund accounting services for each Fund;
- SGGG is entitled to a fee, as agreed to with Barometer;
- Barometer has agreed to indemnify SGGG, subject to regulatory limitations and certain restrictions;
- The agreement may be immediately terminated by SGGG if: (i) fees that are due are not paid within the appropriate time period; (ii) SGGG has given notice of the non-payment; and (iii) Barometer has not made the payment within three (3) business days of receipt of such notice;

- The agreement may be immediately terminated by Barometer if (i) SGGG is in breach of the agreement; (ii) Barometer has notified SGGG of the breach; and (iii) SGGG has not remedied the breach within three (3) business days; and,
- Other than as outlined above, the agreement may be terminated by either party at any time on three (3) months written notice.

**RECORDKEEPING
SERVICES AGREEMENT**

The recordkeeping services agreement dated October 19, 2012 has been entered into between Barometer and SGGG and includes the following key terms:

- SGGG has agreed to perform certain recordkeeping and fund accounting services for each Fund;
- SGGG is entitled to a fee, as agreed to with Barometer;
- Barometer has agreed to indemnify SGGG, subject to regulatory limitations and certain restrictions;
- The agreement may be immediately terminated by SGGG if (i) fees that are due are not paid within the appropriate time period; (ii) SGGG has given notice of the non-payment; and (iii) Barometer has not made the payment within three (3) business days of receipt of such notice;
- The agreement may be immediately terminated by Barometer if (i) SGGG is in breach of the agreement; (ii) Barometer has notified SGGG of the breach; and (iii) SGGG has not remedied the breach within three (3) business days; and,
- Other than as outlined above, the agreement may be terminated by either party at any time on three (3) months written notice.

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

January 28, 2020

This annual information form of the Barometer Group of Funds, 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 Province of Canada and do not contain any misrepresentations.

“Gregory Guichon”

Gregory Guichon
Chief Executive Officer and Director
Barometer Capital Management Inc.

“Paul Tesolin”

Paul Tesolin
Chief Financial Officer
Barometer Capital Management Inc.

On behalf of the Board of Directors of
BAROMETER CAPITAL MANAGEMENT INC.,
as trustee, manager and promoter of the Barometer Group of Funds

“David Burrows”

David Burrows
Director

“Ron Kelterborn”

Ron Kelterborn
Director



Respecting Class A, Class F and Class I Units of

Barometer Disciplined Leadership Equity Fund
Barometer Disciplined Leadership Tactical Income Growth Fund
Barometer Disciplined Leadership Balanced Fund

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

You can get a copy of these documents at your request, and at no cost, by calling toll-free 1-866-601-6888, or from your dealer or advisor or by email at info@barometercapital.ca.

These documents and other information about each Fund, such as information circulars and material contracts, are also available either on the Barometer Capital Management Inc. Internet site at www.barometercapital.ca or on the SEDAR internet site at www.sedar.com.

Managed by:

BAROMETER CAPITAL MANAGEMENT INC.

1 University Avenue, Suite 1800
P.O. Box 25
Toronto, Ontario M5J 2P1
1-866-601-6888
info@barometercapital.ca
www.barometercapital.ca