

Offering Series A, F, FB, O, PW, PWFB and PWX units.

## ALTERNATIVE FUND

Mackenzie Multi-Strategy Absolute Return Fund

Please see the footnotes on the inside front cover for footnote details.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. The Funds and the securities of the Funds offered under this Annual Information Form are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance on exemptions from registration.



**MACKENZIE**  
Investments

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## NAME, FORMATION AND HISTORY OF THE FUND

### Introduction

This annual information form contains information concerning the mutual fund listed on the cover (the “**Fund**”). The Fund is managed by Mackenzie Financial Corporation, which is also the promoter, registrar, transfer agent and trustee of the Fund.

To make this document easier to read and understand, we have used personal pronouns throughout much of the text. References to “**Mackenzie Investments**”, “**Mackenzie**”, “**our**”, “**we**” or “**us**” generally refer to Mackenzie Financial Corporation in its capacity as trustee and manager of the Fund. References to “**you**” are directed to the reader as a potential or actual investor in the Fund.

In this document, all of the mutual funds that we manage, including the Fund, are referred to collectively as the “**Mackenzie Funds**” or, each individually, as a “**Mackenzie Fund**”. The Fund is a mutual fund which is subject to National Instrument 81-102 *Investment Funds* (“**NI-81-102**”).

In Canada, a mutual fund can be established as a unit trust or as one or more classes of shares of a corporation. In this document, the Fund has been established as a unit and issues units to investors.

Units of the Fund are sold through independent registered broker and dealer representatives (“**financial advisors**”).

The following plans are collectively referred to as “**registered plans**”:

- registered retirement savings plans (“**RRSPs**”), including
  - locked-in retirement accounts (“**LIRAs**”),
  - locked-in retirement savings plans (“**LRSPs**”),
  - restricted locked-in savings plans (“**RLSPs**”),
- registered retirement income funds (“**RRIFs**”), including
  - life income funds (“**LIFs**”),
  - locked-in retirement income funds (“**LRIFs**”),
  - prescribed retirement income funds (“**PRIFs**”),
  - restricted life income funds (“**RLIFs**”),
- tax free savings accounts (“**TFSAs**”),
- registered education savings plans (“**RESPs**”),
- registered disability savings plans (“**RDSPs**”), and
- deferred profit sharing plans (“**DPSPs**”).

### Address of the Fund and Mackenzie Investments

Our head office and the sole office of the Fund, as well as its mailing address, is located at 180 Queen Street West, Toronto, Ontario M5V 3K1.

### Formation of the Fund

The Fund is currently governed by the terms of a master declaration of trust dated October 19, 1999, as amended (the “**Master Declaration of Trust**”). The Master Declaration of Trust is amended each time a new fund or series is created, in order to include the investment objectives and any other information specific to the new Mackenzie Fund.

## INVESTMENT RESTRICTIONS AND PRACTICES

### NI 81-102

The simplified prospectus contains detailed descriptions of the investment objectives, investment strategies and the fund risks for the Fund. In addition, the Fund is subject to certain restrictions and practices contained in securities legislation, including National Instrument 81-102, *Investment Funds* (“**NI 81-102**”), which 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. We intend to manage the Fund in accordance with these restrictions and practices or to obtain relief from the securities regulatory authorities before implementing any variations.

### Exemptions from NI 81-102

The following provides a description of the exemptions that the Fund has received from the provisions of NI 81-102, and/or a description of the general investment activity.

#### ETF relief

The Fund has obtained an exemption from the Canadian securities regulatory authorities which allows them to purchase and hold securities of the following types of ETFs (collectively, the “**Underlying ETFs**”):

- (a) ETFs that seek to provide daily results that replicate the daily performance of a specified widely quoted market index (the

ETF's "**Underlying Index**") by a multiple of up to 200% ("**Leveraged Bull ETFs**"), inverse multiple of up to 100% ("**Inverse ETFs**"), or an inverse multiple of up to 200% ("**Leveraged Bear ETFs**");

- (b) ETFs that seek to replicate the performance of gold or silver, or the value of a specified derivative whose underlying interest is gold or silver on an unlevered basis ("**Underlying Gold or Silver Interest**"), or by a multiple of up to 200% (collectively, the "**Leveraged Gold/Silver ETFs**"); and
- (c) ETFs that invest directly, or indirectly through derivatives, in physical commodities, including, but not limited to, agriculture or livestock, energy, precious metals and industrial metals, on an unlevered basis ("**Unlevered Commodity ETFs**", together with the Leveraged Gold/Silver ETFs, collectively, the "**Commodity ETFs**").

This relief is subject to the following conditions:

- a Fund's investment in securities of an Underlying ETF must be in accordance with its fundamental investment objectives;
- the securities of the Underlying ETF must be traded on a stock exchange in Canada or the United States;
- a Fund may not purchase securities of an Underlying ETF if, immediately after the transaction, more than 10% of the NAV of the Fund, taken at market value at the time of the transaction, would consist of securities of Underlying ETFs; and
- a Fund may not purchase securities of Inverse ETFs or securities of Leveraged Bear ETFs or sell any securities short if, immediately after the transaction, the Fund's aggregate market value exposure represented by all such securities purchased and/or sold short would exceed 20% of the NAV of the Fund, taken at market value at the time of the transaction.

#### **Cleared swaps relief**

The Fund has received an exemption from the counterparty credit rating requirement, the counterparty exposure threshold and the custodial requirements set out in NI 81-102, in order to

- permit the Funds to clear certain swaps, such as interest rate and credit default swaps, entered into with a futures commission merchant that is registered with the U.S. Commodity Futures Trading Commission and/or clearing member for purposes of European Market Infrastructure Regulation, and is a member of a clearing corporation ("**Futures Commission Merchant**"), and
- deposit cash and other assets directly with the Futures Commission Merchant, and indirectly with a clearing corporation, as margin for such swaps.

In the case of Futures Commission Merchants located in Canada, the Futures Commission Merchant must be a member of a self-regulatory organization that is a member of the Canadian Investor Protection Fund. In the case of Futures Commission Merchants

located outside of Canada, the Futures Commission Merchant must (i) have a net worth, determined from its most recent audited financial statements, of more than \$50 million, and (ii) be a member of a clearing corporation subject to a regulatory audit. In all instances, the amount of margin already held by the applicable Futures Commission Merchant must not exceed 10% of the NAV of the Fund at the time of deposit.

#### **Alternative Fund Investment relief**

The Fund has received the following exemptions from NI 81-102:

- subsection 2.1(1), to permit the Fund to invest more than 10% of its net asset value in the securities of a single issuer;
- subsections 2.3(d), (e), (f) and (g) to permit the Fund to invest in precious metal certificates other than permitted gold certificates, to invest in such certificates if, immediately after the purchase, more than 10 percent of its net asset value would be made up of precious metal certificates and to invest in physical commodities other than gold certificates;
- to purchase, sell or use specified derivatives and/or debt-like securities other than in compliance with subsections 2.7(1), (2), (3) and sections 2.8 and 2.11;
- section 2.6 to permit the Fund to borrow cash to use for investment purposes in excess of the limits set out in subsection 2.6(a) and to grant a security interest of its assets in connection therewith;
- subsections 2.6.1(1)(c) and 2.6.1(2) and (3) to permit the Fund to borrow securities from a borrowing agent to sell securities short within prescribed limitations; and
- section 6.8 to permit the Fund to deposit with its lender, assets over which it has granted a security interest in connection with borrowing cash above.

#### **Standard Investment Restrictions and Practices**

The remaining standard investment restrictions and practices set out in NI 81-102 are deemed to be included in this annual information form. A copy of the investment restrictions and practices adopted by the Fund will be provided to you upon request by writing to us at the address shown under "**Address of the Fund and Mackenzie Investments**".

As permitted under National Instrument 81-107 Independent Review Committee for Investment Funds ("**NI 81-107**"), the Fund may engage in inter-fund trades subject to certain conditions, including, for exchange-traded securities, that the trades are executed using the current market price of a security, rather than the last sale price before the execution of the trade. Accordingly, the Fund has obtained exemptive relief to permit the Fund to engage in inter-fund trades if the security is an exchange-traded security, executed at the last sale price immediately before the trade is executed, on an exchange upon which the security is listed or quoted.

## Approval of the Independent Review Committee

The Independent Review Committee (“IRC”) of the Mackenzie Funds under NI 81-107 has approved a standing instruction to permit the Funds to invest in certain issuers related to us as provided for in NI 81-107. Issuers related to us include issuers that control Mackenzie or issuers that are under common control with Mackenzie. We have determined that, notwithstanding the specific provisions of NI 81-107 and the standing instruction that has been adopted, it would be inappropriate for the Fund to invest in securities issued by IGM Financial Inc., which indirectly owns 100% of the outstanding common shares of Mackenzie. The IRC monitors the investment activity of the Fund in related issuers at least quarterly. In its review, the IRC considers whether investment decisions

- have been made free from any influence by, and without taking into account any consideration relevant to, the related issuer or other entities related to the Fund or us;
- represent our business judgment, uninfluenced by considerations other than the best interests of the Fund;
- have been made in compliance with our policies and the IRC’s standing instruction; and
- achieve a fair and reasonable result for the Fund.

The IRC must notify securities regulatory authorities if it determines that we have not complied with any of the above conditions.

For more information about the IRC, see “**Mackenzie Funds’ Independent Review Committee**”.

## Change of Investment Objectives and Strategies

A change in the Fund’s investment objectives can only be made with the consent of the investors in the Fund at a meeting called for that purpose. The investment strategies explain how the Fund intends to achieve its investment objectives. As manager of the Fund, we may change the investment strategies from time to time, but will give you notice, by way of a press release, of our intention to do so if it would be a material change as defined in National Instrument 81-106, *Investment Fund Continuous Disclosure* (“**NI 81-106**”). Under NI 81-106, a change in the business, operations or affairs of the Fund is considered to be a “material change” if a reasonable investor would consider it important in deciding whether to purchase or continue to hold units of the Fund.

## DESCRIPTION OF UNITS

The Fund is associated with a specific investment portfolio and specific investment objectives and strategies, and may offer new series, at any time, without notice to you and without your approval.

The Fund is entitled to the total return (including realized and unrealized gains) on the portfolio assets of the Fund, less the portion of management fees, administration fees and fund costs (as described in the simplified prospectus of the Fund) attributable to the Fund.

The series of the Fund are entitled to a *pro rata* share in the net return of the Fund. The series of the Fund also have the right to receive distributions, when declared, and to receive, upon redemption, the NAV of the series.

### Series of Units

The expenses of each series of the Fund are tracked separately, and a separate NAV is calculated for each series. Although the money which you and other investors pay to purchase units of each series, and the expenses of each series, are tracked on a series-by-series basis in the Fund’s administration records, the assets of all series of the Fund are combined into a single pool to create one portfolio for investment purposes.

There are currently 7 series of units available under the simplified prospectus: Series A, F, FB, O, PW, PWFB and PWX units. The minimum investment and eligibility requirements of the series are detailed in the simplified prospectus.

Series R units, where available, are only offered on an exempt-distribution basis. This series does not generally appear on the front cover of the annual information form and are not generally available under the simplified prospectus.

### Distributions

The Fund intends to distribute sufficient net income (including where applicable, Canadian dividends) and net capital gains to its investors each year to ensure that the Fund does not pay income tax. The Fund may also distribute returns of capital. The Fund may pay a distribution of net income, net capital gains and/or returns of capital at such time or times as we, acting as manager, in our discretion, determine.

The net income and net capital gains of the Fund will be distributed first to pay any management expense distributions to investors who are entitled to benefit from a reduction in the management fee. For more information, see “**Fees, Expenses and Management Expense Reductions**”. The Fund may allocate net capital gains as a redemption distribution to an investor who redeems the Fund’s units – including to an investor who redeems the Fund’s units in the course of switching to another Mackenzie Fund. Any remaining net income or net capital gains of the Fund to be distributed will be allocated among the series of units of the Fund based on the relative NAVs of the series and on each series’ expenses available to offset net income or net capital gains on or before the date of the distribution and distributed *pro rata* to investors in each series on the

distribution payment date. Any such distribution will occur on or about the business day following the distribution record date or dates, at our discretion.

Our Chief Investment Officer and lead portfolio managers who invest in Mackenzie Funds they manage do not pay any management fees in respect of their investment in Series F or O units. They may be entitled to special distributions from the Fund to effect the management fee reduction. For Series F, these individuals will receive a special distribution from the Fund if they manage the Fund, in order to reduce their allocation of management fees to zero.

### Liquidation or other termination rights

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

### Conversion and redemption rights

Units of the Fund may be exchanged for other units of the Fund or securities of another Mackenzie Fund (a "switch") as described under "**Purchases and Switches (Exchanges of Securities)**" and may be redeemed as described under "**How to Redeem Securities**".

### Voting rights and changes requiring investor approval

You have the right to exercise one vote for each unit held at meetings of all investors of the Fund and at any meetings held solely for investors of that series of units. We are required to convene a meeting of investors of the Fund to ask them to consider and approve, by not less than a majority of the votes cast at the meeting (either in person or by proxy), any of the following material changes if they are ever proposed for the Fund:

- a change in the management agreement of the Fund or the entering into of any new contract as a result of which the basis of the calculation of management fee rates or of other expenses that are charged to the Fund or to you could result in an increase in charges to the Fund or to you, unless
  - the contract is an arm's length contract with a party other than us or an associate or affiliate of ours for services relating to the operation of the Fund, and
  - you are given at least 60 days' written notice of the effective date of the proposed change;
- a change of the manager of the Fund (other than a change to an affiliate of ours);
- any change in the investment objectives of the Fund;
- any decrease in the frequency of calculating the NAV for each series of units;

- certain material reorganizations of the Fund; and
- any other matter which is required by the constating documents of the Fund, by the laws applicable to the Fund, or by any agreement to be submitted to a vote of the investors in the Fund.

### Other changes

You will be provided with at least 60 days' written notice of

- a change of auditor of the Fund; and
- certain reorganizations with, or transfer of assets to, another mutual fund, if the Fund will cease to exist thereafter and you will become a securityholder of the other Mackenzie Fund (otherwise an investor vote will be required).

We generally provide at least 30 days' notice to you (unless longer notice requirements are imposed under securities legislation) to amend the applicable Declaration of Trust in the following circumstances:

- when the securities legislation requires that written notice be given to you before the change takes effect; or
- when the change would not be prohibited by the securities legislation and we reasonably believe that the proposed amendment has the potential to adversely impact your financial interests or rights, so that it is equitable to give you advance notice of the proposed change.

We are generally also entitled to amend the applicable Declaration of Trust without prior approval from, or notice to, you if we reasonably believe that the proposed amendment does not have the potential to adversely affect you, or

- to ensure compliance with applicable laws, regulations or policies;
- to protect you;
- to remove conflicts or inconsistencies between the Declaration of Trust and any law, regulation or policy affecting the Fund, trustee or its agents;
- to correct typographical, clerical or other errors; or
- to facilitate the administration of the Fund or to respond to amendments to the *Income Tax Act* (Canada) (the "**Tax Act**") which might adversely affect the tax status of the Fund or you if no change is made.

## VALUATION OF PORTFOLIO SECURITIES

The portfolio securities of the Fund are valued as at the close of trading on the Toronto Stock Exchange (the “**TSX**”) (the “**valuation time**”) on each trading day. A “**trading day**” is any day that the TSX is open for trading. The value of the portfolio securities and other assets of the Fund is determined by applying the following rules:

- Cash on hand or on deposit, bills and notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received are generally valued at their full amount, unless we have determined that any of these assets are not worth the full amount, in which event, the value shall be deemed to be the value that we reasonably deem to be the fair value.
- Precious metals (certificates or bullion) and other commodities are valued at their fair market value, generally based on prevailing market prices as reported on exchanges or other markets.
- Portfolio securities listed on a public securities exchange are valued at their close price or last sale price reported before the valuation time on that trading day. If there is no close price and if no sale is reported to have taken place before the valuation time on that trading day, they are valued at the average of the last bid and ask prices reported before that time on that trading day.
- Unlisted portfolio securities of the Fund traded on an over-the-counter market are valued at the last sale price reported before the valuation time on that trading day. If no sale is reported to have taken place before the valuation time on that trading day, they are valued at the average of the last bid and ask prices reported before that time on that trading day.
- Notwithstanding the foregoing, if portfolio securities are interlisted or traded on more than one exchange or market, we shall use the close price or last sale price or the average of the last bid and ask prices, as the case may be, reported before the valuation time on the exchange or market that we determine to be the principal exchange or market for those securities.
- Fixed-income securities listed on a public securities exchange will be valued at their close price or last sale price before the valuation time on that trading day, or if there is no close price and if no sale is reported to have taken place before the valuation time on that trading day, at the average of the last bid and ask prices before that time on that trading day.
- Non-exchange-traded fixed-income securities of the Fund are valued at their fair value based on prices supplied by established pricing vendors, market participants or pricing models, as determined before the valuation time on that trading day.
- Where the Fund owns securities issued by another mutual fund (an “**Underlying Fund**”), the securities of the Underlying Fund are valued at the price calculated by the manager of the other mutual fund for the applicable series of securities of the other mutual fund for that trading day in accordance with the constating documents of the other mutual fund.
- Long positions in options, debt-like securities and warrants are valued at the current market value of their positions.
- Where an option is written by the Fund, the premium received by the Fund for those options is reflected as a deferred credit. The deferred credit is valued at an amount equal to the current market value of the option which would have the effect of closing the position. Any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment. The deferred credit shall be deducted in calculating the NAV of the Fund. The Fund’s portfolio securities which are the subject of a written option shall continue to be valued at their current market value as determined by us.
- Foreign currency hedging contracts are valued at their current market value on that trading day with any difference resulting from revaluation being treated as an unrealized gain or loss on investment.
- The value of a forward contract or swap is the gain or loss on the contract that would be realized if, on that trading day, the position in the forward contract or the swap were to be closed out.
- The value of a standardized future is,
  - if the daily limits imposed by the futures exchange through which the standardized future was issued are not in effect, the gain or loss on the standardized future that would be realized if, on that trading date, the position in the standardized future was closed out, or
  - if the daily limits imposed by the futures exchange through which the standardized future was issued are in effect, based on the current market value of the underlying interest of the standardized future.
- Margin paid or deposited on standardized futures or forward contracts is reflected as an account receivable, and margin consisting of assets other than cash is noted as held as margin.
- Portfolio securities, the resale of which are restricted or limited by law or by means of a representation, undertaking or agreement by the Fund, are valued at the lesser of:
  - their value based upon reported quotations in common use on that trading day; and
  - the market value of portfolio securities of the same class or series of a class, whose resale is not restricted (the “**related securities**”) less a discount which reflects the difference between the acquisition cost of the securities versus the market value of the related securities on the date of the purchase; this amount

decreases over the restricted period in proportion until the securities are no longer restricted.

- Portfolio securities that are quoted in foreign currencies are converted to Canadian dollars using an exchange rate as of the close of the North American markets on that trading day. In the case of a US Dollar Fund, portfolio securities that are quoted in non-U.S. dollar currencies are converted to U.S. dollars using an exchange rate as of the close of the North American markets on that trading day.
- Notwithstanding the foregoing, portfolio securities and other assets for which market quotations are, in our opinion, inaccurate, unreliable, not reflective of all available material information or not readily available, are valued at their fair value as determined by us.

If a portfolio security 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 will use a valuation that we consider to be fair, reasonable and in your best interest. In those circumstances, we would typically review current press releases concerning the portfolio security, discuss an appropriate valuation with other portfolio managers, analysts, the Investment Funds Institute of Canada 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, we will follow the valuation rules required under applicable securities laws.

The constating documents of the Fund contain details of the liabilities to be included in calculating the NAV for each series of units of the Fund. The liabilities of the Fund include, without limitation, all bills, notes and accounts payable, all management fees, administration fees and fund costs 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. We will determine in good faith whether such liabilities are series expenses or common expenses of the Fund. In calculating the NAV for each series of units, we will use the latest reported information available to us on each trading day. The purchase or sale of portfolio securities by the Fund will be reflected in the first calculation of the NAV for each series of units after the date on which the transaction becomes binding.

Within the past three (3) years, we have not exercised our discretion to deviate from the Mackenzie Funds' valuation practices described above.

### Differences from IFRS

In accordance with amendments to NI 81-106, the fair value of a portfolio security used to determine the daily price of the Fund's units for purchases and redemptions by investors will be based on the Fund's valuation principles set out above, which may not be the same as the requirements of International Financial Reporting Standards ("IFRS"). Hence, the reported value of securities held by the Fund may differ from what is reported in the annual and interim financial statements.

## CALCULATION OF NET ASSET VALUE

The NAV of the Fund, as of any valuation time, is the market value of the Fund's assets, less its liabilities.

After the close of business on each trading day, we will calculate a separate NAV for each series of units of the Fund because management fees, administration fees and fund costs for each series are different.

For each series of the Fund, the NAV per security is calculated by

- **adding** up the series' proportionate share of the cash, portfolio securities and other assets of the Fund;
- **subtracting** the liabilities applicable to that series of units (which includes the series' proportionate share of common liabilities, plus liabilities directly attributable to the series); and
- **dividing** the net assets by the total number of units of that series owned by investors.

The NAV per security applied to purchase and redemption orders of units of the Fund will generally increase or decrease on each trading day as a result of changes in the value of the portfolio securities owned by the Fund. When distributions (other than management expense distributions) are declared by a series of the Fund, the NAV per security of that series will decrease by the per-security amount of the distributions on the payment date.

The NAV per security for purchases and redemptions of units of the Fund is the value first calculated after the receipt by us of all appropriate documents pertaining to a purchase or redemption order.

The NAV of the Fund and the NAV per security is available to the public, at no cost, by calling **1-800-387-0614**.



## PURCHASES AND SWITCHES (EXCHANGES OF SECURITIES)

### Purchase of Units

Units of the Fund are sold only through independent financial advisors whose dealers are registered with the Investment Industry Regulatory Organization of Canada (“IIROC”) and where such dealer has entered into an agreement with us authorizing the dealer to sell units of the Fund. The financial advisor you select is your agent to provide you with investment recommendations to meet your own risk/return objectives and to place orders on your behalf. We are not liable for the recommendations given to you by your financial advisor. Units of the Fund may be redeemed through your financial advisor or us.

Series A and PW units may be purchased under the **sales charge purchase option**, where you may be required to pay a negotiable sales charge to your dealer.

The issue price of the units is based on the Fund’s NAV for that series of units next calculated after your purchase order has been received in good order. We must receive the application form and money within two (2) trading days of receiving your purchase order.

If we have not received payment by the end of the (2<sup>nd</sup>) second trading day after your purchase order is placed, we are required by law to redeem the units on the next trading day. If the amount received on the redemption exceeds what you would have paid for the units, the Fund must keep the surplus. However, if your purchase obligation exceeds the amount received on the redemption (which will occur if the Fund’s NAV has declined since the date of your purchase order), you or your dealer will be required to pay the Fund the amount of the deficiency, plus any additional expenses of processing the redemption order. Your dealer may require you to pay this amount if you were the cause of the failed purchase order.

Details of the purchase options and instructions on how to submit a purchase order are set out in the simplified prospectus under the heading “**Purchases, Switches and Redemptions**”.

There is no sales charge to purchase Series F, FB and PWFB units of the Fund; however, Series F, FB and PWFB units are only available if you have already entered into a fee-for-service advisory agreement or wrap program arrangement with your dealer, under which you will pay fees directly to your dealer.

### Compensation paid to your dealer

The sales charge purchase option will affect the level of compensation that your dealer is entitled to receive initially on the purchase transaction. More information on how we compensate

dealers for the sale of the Fund is set out in the “**Dealer Compensation**” section of the simplified prospectus.

### How to Switch Units between Mackenzie Funds

You can switch among the mutual fund securities of Mackenzie Funds for which you are eligible by contacting your financial advisor, who will pass your instructions on to us. You should know the following information about switches:

- You may not switch from a Mackenzie Fund to a mutual fund offered exclusively under the Quadrus Group of Funds simplified prospectus.
- Your dealer can charge you a switch fee of up to 2% of the value of the units switched for the services that it provides to you on the exchange.
- Securities of a Mackenzie Fund that you bought under a particular purchase option should only be switched for other securities under that same purchase option (if available). If the securities that you bought under a particular purchase option are not available in the Mackenzie Fund you want to switch to, then you may pay sales charges. If you follow these rules, you will avoid having to pay any unnecessary additional sales charges. Switches among purchase options are permitted under certain circumstances. Please read the simplified prospectus of the Mackenzie Funds.
- The security price on a switch of securities is based on the Mackenzie Fund’s first calculation of NAV for the series of securities after your switch order has been received in good order.

### How to switch units from one series to another series within the same Fund

You can switch your units of a series of the Fund into units of another series of the Fund by contacting your financial advisor, who will promptly pass your instructions on to us. You should know the following information about switches between series of the Fund:

- You can switch units of another series of the Fund into Series F, FB, PW, PWFB and PWX units only if you are an eligible investor for those series of units. For a list of the categories of investors who are eligible to purchase these units, see the heading “**Purchases, Switches and Redemptions**” in the simplified prospectus. To determine your eligibility, consult your financial advisor.
- You can switch units of a series of a Fund into Series O, PW, PWFB and PWX units of the Fund if you qualify to purchase those series of units.

You are also permitted to make switches between Mackenzie Funds among purchase options in accordance with our policies and procedures, which are non-taxable.

The following Table 1 summarizes which switch transactions will be taxable to you if your units are held outside a registered plan.

**Table 1: Taxable switches if units held outside a registered plan**

Type of Switch	Taxable	Non-Taxable
Between series of the Fund		✓
All other switches	✓	

**Delivery of Fund Facts, prospectuses, statements and reports**

We or your financial advisor or dealer will send you

- Fund Facts, and any amendments, other than as set out below;
- confirmation statements when you purchase, switch or redeem units of your Fund;
- account statements;
- at your request, the simplified prospectus, annual audited financial statements and/or semi-annual unaudited financial statements for the Fund and/or Fund annual management reports of fund performance and/or interim management reports of fund performance; and
- if the Fund paid a distribution, T3 tax slips annually (Quebec residents will also receive a Réleve 16), unless your units are held in a registered plan.

You should retain all your confirmations and account statements to assist with the preparation of your tax return and calculations of the adjusted cost base of your units for tax purposes. Please note that each of these documents is also available to you electronically at [www.mackenzieinvestments.com](http://www.mackenzieinvestments.com) through InvestorAccess (you must register for this service).

***Exemption from delivery Fund Facts requirement for investors in pre-authorized contribution plans***

Before you enrol in a regular investment program, referred to as a pre-authorized contribution plan (“**PAC**”), your dealer will deliver or send you a copy of the Fund’s current Fund Facts, along with a PAC form agreement. Upon request, you will also be provided with a copy of the Fund’s simplified prospectus.

Following your initial investment in the PAC, you will not receive any subsequent Fund Facts for the series of the Fund you are invested in, provided that your dealer sends you a notice advising you that (i) you will not receive the Fund Facts after the date of the notice unless you subsequently request that it be provided; (ii) upon your request,

and at no cost, you are entitled to receive the most recently filed Fund Facts by calling us toll-free at **1-800-387-0614**, by e-mailing us at [service@mackenzieinvestments.com](mailto:service@mackenzieinvestments.com), or by sending your request by mail to our address set out in the Fund Facts or simplified prospectus provided to you; (iii) you can also obtain copies of the Fund Facts at [www.sedar.com](http://www.sedar.com) or at our website address at [www.mackenzieinvestments.com](http://www.mackenzieinvestments.com); (iv) you will not have a statutory right to withdraw from subsequent purchases made under the PAC plan, but you will continue to have a right of action in the event there is a misrepresentation in the simplified prospectus or in any document incorporated by reference in the prospectus; and (v) you may change or terminate your PAC plan at any time before a scheduled investment date. You will also be reminded annually how you can request the most recently filed Fund Facts.

***Exemption from delivery of Fund Facts requirement for investors who are switched from Retail Series units into Private Wealth Series units***

When you purchase Retail Series (as defined below) units of a Fund, you will receive the Fund Facts for the series of the Fund. However, if you subsequently qualify for a Private Wealth Series (as defined below), which have lower combined management and administration fees, we will switch you into the applicable lower fee series and you will not receive a Fund Facts document for the lower fee series. However, you may request, at no cost, that we send you the most recently filed Fund Facts for the relevant series by calling us toll-free at **1-800-387-0614**, by e-mailing us at [service@mackenzieinvestments.com](mailto:service@mackenzieinvestments.com), or by sending your request by mail to our address set out in the Fund Facts or simplified prospectus provided to you. You can also obtain copies of the Fund Facts at [www.sedar.com](http://www.sedar.com) or at our website address at [www.mackenzieinvestments.com](http://www.mackenzieinvestments.com). You will not have a statutory right to withdraw from an agreement of purchase and sale in respect of a purchase of Private Wealth Series units made pursuant to the automatic switch, but you will continue to have a right of action for damages or rescission in the event any Fund Facts or document incorporated by reference into a simplified prospectus for the relevant series contains a misrepresentation, whether or not you request the Fund Facts.

## HOW TO REDEEM UNITS

### Redemption of Units

The instructions for submitting an order to redeem your units are set out in the simplified prospectus under the heading “**Purchases, Switches and Redemptions**”.

The amount that you will receive for your redemption order is based on the Fund's NAV for that series of units next calculated after your redemption order has been received in good order. Your redemption order must be in writing or, if you have made arrangements with your dealer, by electronic means through your dealer. If you have a security certificate, you must present the certificate at the time of your redemption request. To protect you from fraud, for redemptions above certain dollar amounts, your signature on your redemption order (and certificate, if applicable) must be guaranteed by one of a bank, trust company, member of a recognized stock exchange or any other organization satisfactory to us.

At times, it may be more convenient for you to telephone us directly to place a redemption order for your Mackenzie Investments account. Our telephone number is **1-800-387-0614**. Your financial advisor can give you our Telephone Redemption Service application form. This service is not available to redeem units of the Fund held in a registered plan or for units in accounts held in your dealer's or other intermediary's name. We recommend that you always consult your financial advisor before placing a redemption order. Your redemption proceeds will be transferred electronically to your bank account. There is no charge for the Telephone Redemption Service.

If you request more than one redemption at a time, your redemption requests will be processed in the order in which they are received. Redemption orders involving transfers to or from registered plans may be delayed until all administrative procedures involved with registered plans are complete.

If we do not receive everything we need to complete your redemption order within ten (10) trading days after the redemption date, under securities law, we are required on that tenth (10<sup>th</sup>) trading day to purchase the same number of units that you redeemed. We will apply your redemption proceeds to the payment required for those units. If the NAV per security has decreased since the redemption date, the Fund must keep the excess proceeds. If the NAV per security has increased since that date, you or your dealer will be required to pay the Fund the deficiency and any additional expenses of processing the repurchase order. Your dealer may require you to pay this amount if you were the cause of the failed redemption order.

If the market value of your investment no longer meets the specified minimum investment required because you redeem units, we may, at our discretion, redeem your units, close your account and return the proceeds of the redemption to you.

We will not redeem your units if their value drops below the specified minimum investment requirement as a result of a decline in the NAV per security rather than a redemption of your units.

### Sales charge purchase option

If you paid your dealer a sales charge at the time of purchase, there is no charge to redeem your units.

### Suspension of redemption rights

We may suspend the redemption of units of the Fund or may postpone the date of payment upon redemption

- during any period when normal trading is suspended on a stock exchange, options exchange or futures exchange within or outside Canada on which securities are listed and traded, or on which specified derivatives are traded, which represent more than 50%, by value or underlying market exposure, of the total assets of the Fund without allowance for liabilities, and if those portfolio securities or specified derivatives are not traded on any other exchange that represents a reasonably practical alternative for the Fund, or
- with the prior permission of the Ontario Securities Commission (the “**OSC**”).

For the purposes of making this determination, the Fund will also be considered to own directly the securities owned by any Underlying Fund whose securities are owned by the Fund.

During any period of suspension, there will be no calculation of the NAV for any series of units of the Fund, and the Fund will not be permitted to issue, redeem or switch any units.

The issue, redemption and switch of units and the calculation of the NAV for each series of units will resume,

- if the suspension resulted from the suspension of normal trading on one or more exchanges, when normal trading resumes on these exchanges, or
- if the suspension occurred with the prior permission of the OSC, when the OSC declares the suspension ended.

In the event of a suspension,

- if you have placed a purchase order for a series of units of the Fund, you may either withdraw the purchase order prior to termination of the suspension or receive units of the series based on the series NAV per security next calculated after the termination of the suspension; and

- if you have requested the redemption or switch of units of the Fund, but the redemption or switch proceeds cannot be calculated because of the suspension, you may either withdraw your request prior to termination of the suspension or,
  - in the case of redemption, receive payment based on the series NAV per security, less the applicable redemption charge, if any, next calculated after the termination of the suspension; or
  - in the case of a switch, have the securities switched on the basis of the series NAV per security next calculated after the termination of the suspension.

If we have received your redemption request and the redemption proceeds have been calculated prior to a suspension, but payment of the redemption proceeds has not yet been made, the Fund will pay your redemption proceeds to you during the suspension period.

## RESPONSIBILITY FOR FUND OPERATIONS

### Management Services

We are the manager, transfer agent/registrar and trustee of the Fund. You may contact us concerning the Fund or your accounts at:

Mackenzie Financial Corporation  
 180 Queen Street West  
 Toronto, Ontario M5V 3K1  
 Telephone: 1-800-387-0614  
 Fax: 1-416-922-5660  
 Website: [www.mackenzieinvestments.com](http://www.mackenzieinvestments.com)  
 E-mail: [service@mackenzieinvestments.com](mailto:service@mackenzieinvestments.com)

The documents comprising the Fund's permanent information record and the registers of investors of the Fund are maintained at our office in Toronto.

In our capacity as manager of the Fund, we provide the staff necessary to conduct the Fund's day-to-day operations under the terms of the Master Management Agreement described under "**Master Management Agreement**". The services that we provide to the Fund, as manager, include the following:

- in-house portfolio managers or arranging for external sub-advisors to manage the Fund's portfolios;
- fund administration personnel to process portfolio trades and to provide daily calculations of the value of the Fund's portfolio securities, the NAV of the Fund, and the NAV per security for each series of the Fund;
- transfer agent/registrar personnel to process purchase, switch and redemption orders;
- promoting the sales of the Fund's units through independent financial advisors in each province and territory of Canada;
- customer service personnel to respond to dealer and investor enquiries concerning investor accounts; and
- all other support personnel to ensure that the Fund's operations are conducted in an efficient manner.

B2B Trustco is the trustee of the registered plans sponsored by us.

### Directors and executive officers of Mackenzie Investments

The names, municipalities of residence and principal occupations during the preceding five years of each of the directors and executive officers of Mackenzie Investments are set out in Table 2 and Table 3. For executive officers who have been with us for more than five years, only their current position is shown.

Table 2: Directors of Mackenzie Investments

Name and municipality of residence	Position
Barry S. McInerney Toronto, Ontario	Director, Chairman, President and Chief Executive Officer of Mackenzie Investments;  previously Director, President and Chief Executive Officer of BMO Asset Management Corp.
Earl Bederman Toronto, Ontario	Director of Mackenzie Investments; retired Founder and Chief Executive Officer, Investor Economics Inc.
Brian M. Flood Toronto, Ontario	Director of Mackenzie Investments; retired Partner of Torys LLP
Karen L. Gavan Toronto, Ontario	Director of Mackenzie Investments; retired Director, President and Chief Executive Officer of Economical Mutual Insurance Company
Robert E. Lord Toronto, Ontario	Director of Mackenzie Investments; retired Partner of Ernst & Young LLP
Paul G. Oliver Markham, Ontario	Director of Mackenzie Investments; retired Partner of PricewaterhouseCoopers LLP
Mary L. Turner Beamsville, Ontario	Director of Mackenzie Investments; retired President, Chief Executive Officer and Director of Canadian Tire Bank; retired Chief Operating Officer of Canadian Tire Financial Services Limited

**Table 3: Executive Officers of Mackenzie Investments**

Name and municipality of residence	Position
Kathy Allan Etobicoke, Ontario	Executive Vice-President and Chief Human Resources Officer of Mackenzie Investments, IGM Financial Inc. <sup>1</sup> and Investors Group Inc. <sup>2</sup>  previously, Senior Vice-President, Human Resources of Mackenzie Investments and Senior Vice-President, Human Resources of Investors Group Inc. <sup>2</sup> ;
Chris Boyle Toronto, Ontario	Senior Vice-President, Institutional of Mackenzie Investments;  previously, Senior Vice-President Institutional of AGF Management
David Cheop Winnipeg, Manitoba	Chief Compliance Officer of Mackenzie Investments; Chief Compliance Officer of I.G. Investment Management, Ltd <sup>2</sup> .; and Vice-President, Corporate Compliance Group of Investors Group Inc. <sup>2</sup>
Michael Cooke Toronto, Ontario	Senior Vice-President, Head of Exchange Traded Funds of Mackenzie Investments;  previously, Head of Distribution – Power of Invesco
Michael Dibden Toronto, Ontario	Executive Vice-President, Chief Operating Officer of IGM Financial Inc. <sup>1</sup> , Mackenzie Investments and Investors Group Inc. <sup>2</sup> ;  previously, Senior Vice-President, Technology of CIBC
Tony Elavia Toronto, Ontario	Executive Vice President and Chief Investment Officer of Mackenzie Investments
Rhonda Goldberg Toronto, Ontario	Senior Vice-President, Client and Regulatory Affairs of Mackenzie Investments and IGM Financial Inc. <sup>1</sup> ;  previously, Vice-President, Regulatory Affairs of Mackenzie Investments; prior thereto Director, Investment Funds and Structured Products Division of the Ontario Securities Commission
Luke Gould Winnipeg, Manitoba	Executive Vice-President, Finance and Chief Financial Officer of Mackenzie Investments, IGM Financial Inc. <sup>1</sup> , Investors Group Inc. <sup>2</sup> ; Director of Investors Group Financial Services Inc. <sup>2</sup> , and Investors Group Securities Inc.;  previously, Senior Vice-President and Chief Financial Officer of Mackenzie Investments and Investors Group Inc. <sup>2</sup>
Donald J. MacDonald Winnipeg, Manitoba	Senior Vice-President, General Counsel and Secretary of Mackenzie Investments and Investors Group Inc. <sup>2</sup> ; Senior Vice-President, General Counsel, Secretary and Chief Compliance Officer of IGM Financial Inc. <sup>1</sup> ;  previously, Vice-President and Counsel, Investors Group Inc. <sup>2</sup>

Name and municipality of residence	Position
Barry S. McInerney Toronto, Ontario	Director, Chairman, President and Chief Executive Officer of Mackenzie Investments;  previously Director, President and Chief Executive Officer of BMO Asset Management Corp.
Douglas Milne Toronto, Ontario	Executive Vice-President, Chief Marketing Officer of Mackenzie Investments. IGM Financial Inc. <sup>1</sup> and Investors Group Inc. <sup>2</sup> ;  previously, Vice-President, Marketing, TD Bank Group
Damon Murchison Toronto, Ontario	Executive Vice-President, Head of Retail Sales, National Sales Manager of Mackenzie Investments;  previously Senior Vice-President and Head of Sales, prior thereto Retail Markets of Manulife Financial; and Vice-President and National Sales Manager of Manulife Investments
Terry Rountes Woodbridge, Ontario	Vice-President, Fund Services and Chief Financial Officer, Mackenzie Funds
Michael Schitman Wellesley Hills, Massachusetts	Senior Vice-President, Product of Mackenzie Investments;  previously, Director, Product Strategy and Development at Putnam Investment Management, LLC

**NOTES**

1. Our parent company.
2. An affiliate of ours.

**Portfolio Management Services**

We are the portfolio manager for the Fund and we manage the portfolio investments directly.

Each of the portfolio managers has primary responsibility for the investment advice given to the accounts that he/she manages or co-manages. On a continuing basis, each portfolio manager evaluates the accounts for which he/she has responsibility, including the percentage that is invested in a type of security generally or in a particular security, diversification of holdings among industries and, in general, the makeup of the account.

We also provide portfolio management services to other mutual funds and private accounts. If the availability of any particular portfolio security is limited and that security is appropriate for the investment objective of more than one mutual fund or private account, the securities will be allocated among them on a *pro rata* basis or other equitable basis having regard to whether the security is currently held in any of the portfolios, the relevant size and rate of growth of the accounts and any other factors that we consider reasonable.

The table below describe the portfolio manager and its principal location and, the lead portfolio managers for each Fund, their years of service with that firm and their most recent five (5) years' business experience.

**Mackenzie Financial Corporation, Toronto, Ontario**

Table 4 identifies the individuals who are principally responsible for portfolio investments for the Fund:

**Table 4: Portfolio Manager of Mackenzie Financial Corporation**

<b>Name and title</b>	<b>Fund</b>	<b>With the firm since</b>	<b>Principal occupation in the last 5 years</b>
Nelson Arruda, Vice-President, Investment Management	Mackenzie Multi-Strategy Absolute Return Fund	2017	Since January 2017, Portfolio Manager Prior thereto, Portfolio Manager, Canada Pension Plan Investment Board (2010-2017)
Alain Bergeron, Senior Vice-President, Investment Management	Mackenzie Multi-Strategy Absolute Return Fund	2013	Since September 2013, Portfolio Manager Prior thereto, Portfolio Manager and leading the Global Tactical Asset Allocation team, CPP Investment Board (2006-2013)
Konstantin Boehmer, Vice-President, Investment Management	Mackenzie Multi-Strategy Absolute Return Fund	2013	Since September 2013, Portfolio Manager Prior thereto, Portfolio Manager, Lazard Asset Management (2009-2013)
Matthew Cardillo, Vice-President, Investment Management	Mackenzie Multi-Strategy Absolute Return Fund	2012	Since April 2015, Portfolio Manager Associate Portfolio Manager (October 2012 – April 2015)
Dan Cooper, Vice-President, Investment Management	Mackenzie Multi-Strategy Absolute Return Fund	1997	Portfolio Manager
Michael Kapler, Associate Portfolio Manager, Investment Management	Mackenzie Multi-Strategy Absolute Return Fund	2016	Since June 2016, Associate Portfolio Manager Prior thereto, Vice-President, Bank of Montreal Capital Markets, Financial Products (2012-2016)
Steven Locke, Senior Vice-President, Investment Management	Mackenzie Multi-Strategy Absolute Return Fund	2008	Portfolio Manager
Movin Mokbel, Vice-President, Investment Management	Mackenzie Multi-Strategy Absolute Return Fund	2012	Since June 2013, Portfolio Manager Senior Investment Analyst (August 2012- June 2013)
Richard B. Weed, Senior Vice-President, Investment Management	Mackenzie Multi-Strategy Absolute Return Fund	2015	Since September 2015, Portfolio Manager Prior thereto, Managing Director and Portfolio Manager, F-Squared Investments, Inc. (2011-2015)
Felix Wong, Vice-President, Investment Management	Mackenzie Multi-Strategy Absolute Return Fund	2008	Portfolio Manager

## Brokerage Arrangements

Investment portfolio brokerage transactions for the Fund are arranged by us as manager/portfolio manager through a large number of brokerage firms. Brokerage fees for the Fund are usually paid at the most favourable rates available to us based on their respective entire volumes of Fund trading as managers and/or portfolio of significant mutual fund and other assets and subject to the rules of the appropriate stock exchange. Many of the brokerage firms who carry out brokerage transactions for the Fund may also sell units of the Fund to their clients.

From time to time, we also allocate brokerage transactions to compensate brokerage firms for general investment research (including provision of industry and company analysis, economic reports, statistical data pertaining to the capital markets, portfolio reports and portfolio analytics), trading data and other services that assist in carrying out investment decision-making services to the Fund for the portfolio management services that we provide. Such transactions will be allocated with appropriate regard to the principles of a reasonable brokerage fee, benefit to the Fund and best execution of the brokerage transactions. We will attempt to allocate the Fund's brokerage business on an equitable basis, bearing in mind the above principles. We are not under a contractual obligation to allocate brokerage business to any specific brokerage firm. Other than fund-on-fund investments for certain Mackenzie Funds, brokerage transactions are not carried out through us or any companies that are affiliated with us.

Certain third party companies may provide certain services to us, on behalf of the Fund, and contributions may be paid for by the Fund (also known as “**soft dollars**”), including the provision of industry and company analysis, economic reports, statistical data pertaining to the capital markets, portfolio reports and portfolio analytics. For more information and to obtain the name of these companies, you can contact us at **1-800-387-0614** or by email at **service@mackenzieinvestments.com**. Please note that we face a potential conflict of interest by obtaining services using soft dollars. This conflict exists because we are able to use these services to manage the Fund without paying cash for these services. This reduces our expenses to the extent that we would have paid for these services directly had they not been paid for using soft dollars. Certain Mackenzie Funds may generate soft dollars used to purchase services that ultimately benefit other Mackenzie Funds or other accounts managed by sub-advisors, as applicable, for which we, or the applicable sub-advisor, provides portfolio management services, effectively cross-subsidizing the other Mackenzie Funds or accounts that benefit directly from the service. For instance, fixed-income funds normally do not generate soft dollars to pay for products. Therefore, where services used to manage fixed-income funds are paid for using soft dollars, the soft dollars have been generated entirely by equity funds. In other words, the fixed-income funds receive the benefit of these services even though they have been paid for by the equity funds.

## Trustee

We are the trustee of the Fund. With certain exceptions, under the Declaration of Trust, the trustee may resign or may be removed by the manager upon 90 days' notice. Pursuant to the Declaration for the Fund, where the trustee resigns, is removed or is otherwise incapable of acting, the manager can appoint a successor trustee. Prior written notice and investor approval of the appointment of a successor trustee is not required if we resign in favour of an affiliate. See also “**Voting rights and changes requiring investor approval**”.

## Custodian

Pursuant to a Master Custodian Agreement (as defined below) between us, on behalf of the Mackenzie Funds, and Canadian Imperial Bank of Commerce (“**CIBC**”), Toronto, Ontario, CIBC has agreed to act as custodian for the Mackenzie Funds. For more information about the Master Custodian Agreement, see “**Master Custodian Agreement**”.

The custodian receives and holds all cash, portfolio securities and other assets of each Mackenzie Fund for safekeeping and will act upon our instructions with respect to the investment and reinvestment of each Mackenzie Fund's assets from time to time. Under the terms of the custodian agreement and subject to the requirements of the Canadian Securities Administrators, the custodian may appoint one or more sub-custodians to facilitate effecting portfolio transactions outside of Canada. The fees for custody safekeeping services are calculated on an individual-Mackenzie Fund basis according to that Mackenzie Fund's cash and securities on deposit with the custodian and paid by us out of the administration fee it receives from the Mackenzie Funds, except Mackenzie Emerging Markets Opportunities Class and Mackenzie Gold Bullion Class (for bullion only) (each offered under a separate simplified prospectus), which pay their own custody safekeeping fees. The fees for securities transactions are calculated on an individual-Mackenzie Fund basis according to the portfolio security transactions undertaken for the Mackenzie Fund and are paid by the Mackenzie Funds.

Other than gold bullion, silver bullion, platinum bullion, palladium bullion, and cash or securities that may be deposited as margin, CIBC will hold all of the Mackenzie Funds' Canadian cash, securities and other assets in Toronto. Foreign securities and related cash accounts will be held either at an office of CIBC or by its sub-custodians.

## Securities Lending Agent

We, on behalf of the Mackenzie Funds, have entered into a Securities Lending Authorization Agreement dated May 6, 2005, as amended, with CIBC of Toronto, Ontario, the custodian of the Mackenzie Funds (the “**Securities Lending Agreement**”).

The securities lending agent is not our affiliate or our associate. The Securities Lending Agreement appoints and authorizes CIBC to act as agent for securities lending transactions for those Mackenzie

Funds that engage in securities lending and to execute, in the applicable Mackenzie Fund's name and on its behalf, securities lending agreements with borrowers in accordance with NI 81-102. The Securities Lending Agreement requires that the collateral received by a Mackenzie Fund in a securities lending transaction must generally have a market value of 105%, but never less than 102%, of the value of the securities loaned. Under the Securities Lending Agreement, CIBC agrees to indemnify us from certain losses incurred in connection with its failure to perform any of its obligations under the Securities Lending Agreement. The Securities Lending Agreement may be terminated at any time at the option of either party upon 30 days' prior notice to the other party.

## Lenders

We, on behalf of the Fund, have entered into prime brokerage documentation with BMO Nesbitt Burns Inc. and Scotia Capital Inc., dated April 27, 2018 as amended (each, a "Prime Broker Agreement"). Pursuant to the terms of the Prime Broker Agreements,

the Fund may borrow money from BMO Nesbitt Burns Inc. and/or Scotia Capital Inc. for investment purposes in accordance with its investment objectives and strategies.

Neither BMO Nesbitt Burns Inc. nor Scotia Capital Inc. is an affiliate or associate of Mackenzie.

## Independent Review Committee

For information on the Mackenzie Funds' Independent Review Committee and the role it fulfils with respect to the Funds, see "Mackenzie Funds' Independent Review Committee".

## Auditor

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

# CONFLICTS OF INTEREST

## Principal Holders of Units

### Shares of Mackenzie Investments

IGM Financial Inc., Winnipeg, Canada indirectly owns all of the outstanding voting shares of Mackenzie Investments. As of April 13, 2018, Power Financial Corporation beneficially owned, directly or indirectly, 157,132,080 common shares of IGM Financial Inc. representing 65.25% of the outstanding voting shares of IGM Financial Inc. (excluding 0.015% held by The Great-West Life Assurance Company in its segregated funds or for similar purposes). Power Corporation of Canada owned, directly or indirectly, 467,839,296 common shares of Power Financial Corporation, representing 65.54% of the outstanding voting shares of Power Financial Corporation. The Desmarais Family Residuary Trust, a trust for the benefit of the members of the family of the late Mr. Paul G. Desmarais, has voting control, directly and indirectly, of Power Corporation of Canada.

### Directors and Executive Officers of Mackenzie Investments

As of April 13, 2018, the directors and executive officers of Mackenzie Investments beneficially owned, directly or indirectly, in aggregate, less than 1% of the common shares of IGM Financial Inc. and less than 1% of the common shares of any service provider to Mackenzie Investments or the Fund.

## Independent Review Committee

As of April 13, 2018, the members of the independent review committee beneficially owned, directly or indirectly, in aggregate, less than 1% of the common shares of IGM Financial Inc. and less than 1% of the common shares of any service provider to us or the Fund.

## Units of the Funds

As at the date of this annual information form, we or an officer of Mackenzie owns, beneficially and of record, units of the Fund as follows:

Table 5: Mackenzie ownership of securities of the Funds

Fund	Series	Number of Units	Percentage of Units of the Series Owned
Mackenzie Multi-Strategy Absolute Return Fund	A	15,000	100%

**As the Fund is new, the investment by us in these units of the Fund represents the initial investment in the Fund and may be redeemed in accordance with the regulatory requirements only when the Fund has investments of at least \$500,000 by investors not affiliated with us.**



**Investments by mutual funds and segregated funds managed by Mackenzie Investments and its affiliates**

Mutual funds and segregated funds managed by us and our affiliates, or other investors at our discretion, may invest in Series R units. As these series are intended solely for investment by these investors as a means to ensure that there is no duplication of fees payable to us, they will generally not pay sales charges, redemption fees or management fees. Up to 100% of Series R units of the Fund may be owned by one or more of these investors. Therefore, these investors may own (individually or collectively) more than 10% of all the outstanding units of the Fund.

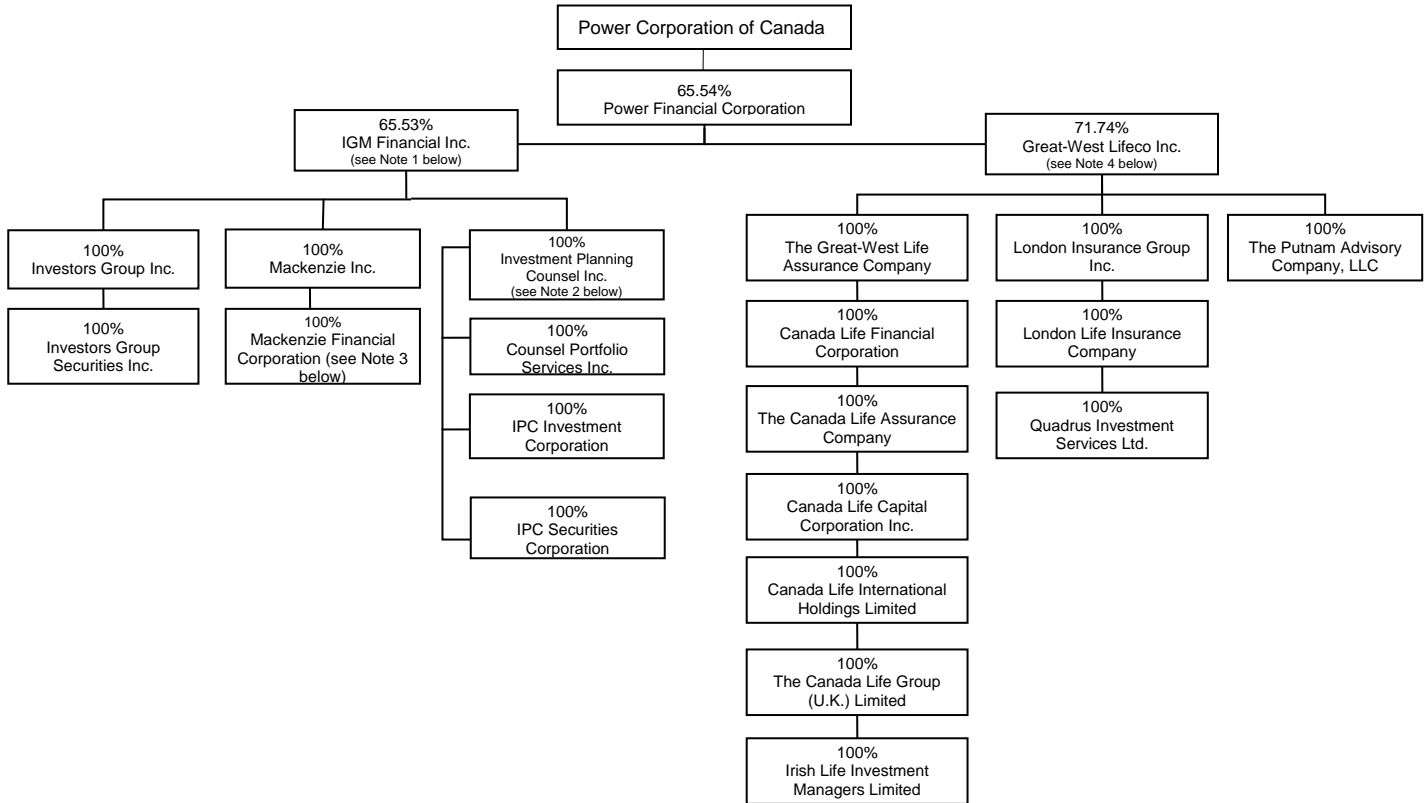
**Affiliated Entities**

As of the date of this annual information form, no person or company which is an “**affiliated entity**” to us (as this term is defined

in the form requirement under National Instrument 81-101) provides services to the Fund or to us in relation to the Fund, other than the companies listed below. The amount of fees received from the Fund by any “**affiliated entity**” is contained in the audited financial statements of the Fund.

As disclosed above under “**Directors and executive officers of Mackenzie Investments**”, in addition to being our senior officers, certain individuals also serve as senior officers of other affiliated entities, including Investors Group Inc.

The following diagram describes the relevant corporate relationships within the Power Group of Companies, as of April 13, 2018:



**NOTES:**

1. Power Financial Corporation, directly and indirectly, owns 65.25% (excluding 0.015% held by the Great-West Life Assurance Company in its segregated funds or for similar purposes).
2. Investment Planning Counsel Inc. directly owns 100% of each of the following affiliated dealers: IPC Securities Corporation (“**IPCSC**”) and IPC Investment Corporation (“**IPCIC**”).

3. Non-voting common and non-voting participating shares have also been issued.
4. Power Financial Corporation, directly and indirectly, owns 71.74% (including 4.02% held by IGM Financial Inc.).

## FUND GOVERNANCE

### Mackenzie Investments

As the manager of the Fund, we are under a statutory duty imposed by the *Securities Act* (Ontario) to act honestly, in good faith and in the best interests of all of our managed Mackenzie Funds, and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the same circumstances.

Our Board of Directors is responsible for overseeing our compliance with that statutory duty owed to the Mackenzie Funds. To assist with its duties, the Board has appointed an Audit Committee and a Fund Oversight Committee, as further described below.

The Board operates in accordance with the provisions of a Unanimous Shareholders Agreement (the “USA”) entered into by our shareholders. Pursuant to the USA, the Board generally supervises our functions as the manager of the Fund. Mackenzie Inc., the sole voting shareholder, has oversight responsibilities for all other matters related to us, including corporate governance, operating results, financial and strategic planning, product strategy, compensation and personnel decisions and overall corporate level risk management.

In addition, we have appointed an IRC, which reviews potential conflicts of interest matters referred to it by our management.

### Board of Directors of Mackenzie Investments

Our Board is currently comprised of seven directors, six of whom are independent of us and our subsidiaries and affiliates, and one of whom is a member of management. The Board’s mandate is for the most part limited to fund governance matters through the operation of the USA.

The Board reviews and makes decisions with respect to our mutual fund business, through the following activities:

- reviewing and approving all financial disclosure of the Mackenzie Funds, including interim and annual financial statements and management reports of fund performance. The Board considers the recommendations of the Audit Committee in making these determinations;
- discussing new fund proposals with management and approving the offering documents;
- receiving reports from management and other non-Board committees relating to the compliance by the Mackenzie Funds with securities laws and administrative practices and tax and financial reporting laws and regulations applicable to the Mackenzie Funds; and
- reviewing management reports on conflicts of interest, to which we are subject as manager and trustee of the Mackenzie Funds (where applicable). The Board receives

and reviews reports on the activities and recommendations of the IRC and the Fund Oversight Committee in determining how to manage those conflicts.

Members of the Board are compensated for their participation on the Board, through the payment of an annual retainer and meeting fees. The Board may, from time to time, engage consultants (legal, financial, or otherwise) to assist it in fulfilling its duties. We generally pay for these expenses.

Our Board is not responsible for overseeing the activities of our wholly owned subsidiaries. Our subsidiaries are overseen by their own Boards of Directors under applicable corporate statutes within their local jurisdiction.

### Audit Committee of the Board

Our Board of Directors has established an Audit Committee to oversee the financial reporting and controls of the Mackenzie Funds. The Audit Committee consists of three independent directors of Mackenzie Investments.

#### The Audit Committee

- reviews all financial reporting by the Mackenzie Funds, including the interim and annual financial statements and management reports of fund performance;
- meets with the Mackenzie Funds’ auditors regularly to discuss the financial reporting of the Mackenzie Funds and specific accounting issues that may arise and the effect of specific events on the Mackenzie Funds’ financial position. The Audit Committee also reviews with management and with the Mackenzie Funds’ auditor the adoption of specific accounting policies;
- receives reports from management with respect to our compliance with laws and regulations that affect us as a manager of mutual funds and that could have a material impact on fund financial reporting, including tax and financial reporting laws and obligations. The Audit Committee also reviews the income tax status of the Mackenzie Funds and Mackenzie Investments;
- reviews policies relating to financial risks established by management of Mackenzie Investments, as well as compliance with those policies, and reviews and assesses the insurance coverage maintained by us as it relates to our role of managing the Mackenzie Funds;
- reviews internal financial controls with management on a regular basis. The Audit Committee meets with our Internal Audit Department, outside the presence of management, to review and gain assurance that reasonable financial controls are in place and are effective;

- reviews the annual plan of our Internal Audit Department with respect to the Mackenzie Funds and their reports;
- oversees all aspects of the relationship between us and the auditor of the Mackenzie Funds. In addition to recommending their appointment to the Board, the Audit Committee reviews and approves the terms of auditor engagements, the audit and non-audit services provided by the auditor, sets its remuneration and reviews its performance annually or more frequently. The Audit Committee regularly meets with the auditor outside the presence of management of Mackenzie Investments; and
- reviews its mandate on a regular basis.

Members of the Audit Committee are compensated for their participation on the Audit Committee, which is in addition to the fees they receive for serving as members of the Board of Directors. The Audit Committee may, from time to time, engage consultants (legal, financial, or otherwise) to assist it in fulfilling its duties. We generally pay for these expenses.

#### **Fund Oversight Committee of the Board**

Our Board of Directors has established the Fund Oversight Committee to assist the Board and us to fulfil our obligations in our role as the manager and/or trustee of the Mackenzie Funds. The Fund Oversight Committee consists of all members of the Board of Directors and the Chair of the Fund Oversight Committee is a member of the Board that is independent of management.

##### The Fund Oversight Committee

- supervises our activities in respect of our obligations in managing the Mackenzie Funds, which are based on laws and regulations, the constating documents of the Mackenzie Funds and the continuous disclosure documents of the Mackenzie Funds (such as simplified prospectuses, annual information forms, Fund Facts documents, management reports of fund performance, etc.). The Fund Oversight Committee has also created sub-committees to review simplified prospectuses, information circulars and other continuous disclosure documents prepared for investors and potential investors;
- meets several times a year and reviews policies adopted by us and reports relating to our compliance with those policies, including policies relating to conflicts of interest as required by NI 81-107. The principal policies include valuation of portfolio securities for the Mackenzie Funds, the use of derivative instruments by the Mackenzie Funds, the use of securities lending by the Mackenzie Funds, short selling, proxy voting policies for the Mackenzie Funds, the allocation of trades on behalf of the Mackenzie Funds and the restrictions imposed on personal trading by officers and others with access to the Mackenzie Funds' trading activities (which are contained in the Business Conduct Policy). The restrictions on personal trading comply with the standards for the mutual fund industry set by the Investment Funds

Institute of Canada. Compliance monitoring with respect to these and other policies is carried out on an ongoing basis by the staff of our Legal and Compliance Departments, who report to the Fund Oversight Committee on a regular basis;

- receives reports regarding the compliance of the Mackenzie Funds with their investment objectives and strategies and securities legislation generally;
- reviews performance of the Mackenzie Funds. In this capacity, it receives regular reports from management with respect to the performance of the Mackenzie Funds and reviews with management the performance of specific portfolio managers and sub-advisors. However, the ultimate decisions regarding appointing or replacing specific portfolio managers or sub-advisors are the responsibility of management and overseen by Mackenzie Inc.;
- reviews proposals regarding material changes to the Mackenzie Funds and any continuous disclosure in respect of those changes;
- receives regular reports on, and reviews with management, the operations of the Mackenzie Funds. This includes oversight of fund valuation processes, the transfer agency function, the information systems used to support these operations, banking arrangements and investor services. The Committee also reviews material services provided by third party suppliers; and
- reviews its mandate on a regular basis.

Independent members of the Fund Oversight Committee are compensated for their participation on the Fund Oversight Committee, which is in addition to the fees they receive for serving as members of the Board of Directors. The Fund Oversight Committee may, from time to time, engage consultants (legal, financial, or otherwise) to assist it in fulfilling its duties. We generally pay for these expenses.

#### **Mackenzie Funds' Independent Review Committee**

Under NI 81-107, mutual funds are required to form an independent review committee to review, among other things, conflict-of-interest matters to provide impartial judgment on these matters to us, in our role as manager of the Mackenzie Funds. We have created the IRC, which consists of four members: Robert Hines (Chair), George Hucal, Martin Taylor and Scott Edmonds.

The IRC reviews potential conflicts of interest referred to it by us, as manager of the Mackenzie Funds, and makes recommendations on whether a course of action achieves a fair and reasonable result for the applicable Mackenzie Funds, and only upon making that determination does it recommend to us that the transaction proceed. This includes potential transactions, as well as regular review of our policies and procedures relating to conflicts of interest.

NI 81-107 specifically permits us to submit proposals to the IRC to cause a Mackenzie Fund to directly purchase or sell securities to another Mackenzie Fund without using a broker, although, to date, we have not taken advantage of this provision. Also, as stated under “**Investment Restrictions and Practices**”, the IRC has approved

standing instructions to permit the Mackenzie Funds to invest in securities of companies related to us.

NI 81-107 also permits the IRC, upon referral by us, to consider proposals to change the auditor of a Mackenzie Fund or to approve mergers between Mackenzie Funds. In most cases, if the IRC approves these changes, a vote of investors would not be required; rather, you would be given 60 days' prior notice of the changes.

### Supervision of Securities Lending, Repurchase and Reverse Repurchase Transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions consistent with its investment objectives and in compliance with the applicable provisions of NI 81-102. We have appointed the Fund's custodian as the Fund's agent and have entered into an agreement with that agent to administer any securities lending and repurchase transactions for the Fund (a "Securities Lending Agreement"). The Fund also may enter into reverse repurchase transactions directly or through an agent.

The Securities Lending Agreement complies with, and the agent is bound to comply with, the applicable provisions of NI 81-102. We will manage the risks associated with securities lending, repurchase and reverse repurchase transactions (which are described in the simplified prospectus under the heading "**What are the General Risks of Investing in a Mutual Fund?**") by requiring the agent to

- maintain internal controls, procedures and records, including a list of approved counterparties based on generally accepted creditworthiness standards, transaction and credit limits for each counterparty and collateral diversification standards;
- establish daily the market value of both the securities loaned by the Fund under a securities lending transaction or sold by the Fund under a repurchase transaction and the cash or collateral held by the Fund. 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, the agent will request that the counterparty provide additional cash or collateral to the Fund to make up the shortfall; and
- ensure that the Fund does not loan or sell more than 50% of the total assets of the Fund through securities lending or repurchase transactions (without including the collateral for loaned securities and cash for sold securities).

Securities lending and reverse repurchase transactions are entered into by the agent on behalf of the Funds and we monitor the risks of these transactions. To facilitate monitoring, the agent provides us with regular and comprehensive reports summarizing the transactions involving securities lending, repurchase and reverse repurchases.

Our Fund Services and Legal Departments have created written policies and procedures that set out the objectives and goals for securities lending, repurchase transactions or reverse repurchase

transactions, and the risk management and oversight procedures applicable where the Fund engages in these transactions.

Our Legal, Compliance and Fund Services Departments are responsible for reviewing the Securities Lending Agreement. Our Board of Directors will receive reports, if any, regarding compliance exceptions in connection with the Fund's use of securities lending, repurchase and reverse repurchase transactions.

At present, we do not simulate stress conditions to measure risk in connection with securities lending, repurchase or reverse repurchase transactions. Risk measurement procedures or simulations are conducted by the agent in respect of loans outstanding and the collateral lodged by each borrower and across all borrowers in the agents' overall securities lending and repurchase portfolios. These procedures and simulations include the Fund's securities but are not specific to the Fund.

### Supervision of Derivatives Trading

We have adopted various policies and internal procedures to supervise the use of derivatives within our Fund portfolio. All policies and procedures comply with the derivative rules set out in NI 81-102 or as modified by any exemptions to NI 81-102 granted by the Canadian Securities Administrators. These policies are reviewed at least annually by senior management.

We have established an approval process for the use of derivatives before derivatives can be used in the Fund to ensure compliance with NI 81-102 or any granted exemptions to NI 81-102 and to ensure that the derivative is suitable for the Fund within the context of the Fund's objectives and investment strategies.

Our Fund Services Department records, values, monitors and reports on the derivative transactions that are entered into the Fund's portfolio records. We have established threshold education and experience requirements for all staff who perform activities related to the valuation, monitoring, reporting and overall supervision of derivatives trading to ensure that those operations are carried out prudently and efficiently.

A Fund Services staff member enters all derivative trade information, and these trade entries and valuations are reviewed at the time of initial entry by a qualified staff member who has met threshold education and experience requirements. Valuations of derivative instruments are carried out according to the procedures described under "**Valuation of Portfolio Securities**".

The Compliance Department conducts ongoing monitoring of derivatives strategies for compliance with regulation designed to ensure (i) all derivatives strategies of the Mackenzie Funds meet regulatory requirements; and (ii) derivative and counterparty exposures are reasonable and diversified. New derivative strategies are subject to a standardized approval process involving members

from the Investment Management, Fund Services and Compliance Departments.

Under NI 81-102, mutual funds may engage in derivative transactions for both hedging and non-hedging purposes. When derivatives are used for hedging purposes, our internal policies require that the derivatives have a high degree of negative correlation to the position being hedged, as required by NI 81-102. Derivatives will be used to create leverage within the Fund's portfolio as permitted under the exemption from NI 81-102 the Fund has received. We do not simulate stress conditions to measure risk in connection with the Fund's use of derivatives.

The Compliance department will review monthly updates from the portfolio managers on outstanding derivative strategies including, the classification of hedging versus non-hedging strategies, identification of risks being hedged, and hedge effectiveness or correlation. Any non-compliance is escalated immediately to the portfolio manager and CIO (if required). The Compliance Department reports any identified exceptions to the derivatives policies and procedures described above. This reporting is provided to the Fund Oversight Committee of the Board of Directors on a quarterly basis.

### Proxy-Voting Policies and Procedures

The Fund is managed by our internal portfolio managers (“**Internal Managers**”) and follows the proxy-voting policies and procedures mandated by us.

Our objective is to vote the securities of companies for which we have proxy-voting authority in a manner most consistent with the long-term economic interest of Fund investors.

### Voting practices

We take reasonable steps to vote all proxies received. However, we cannot guarantee that we will vote in all circumstances. We may refrain from voting where administrative or other procedures result in the costs of voting outweighing the benefits. We may also refrain from voting if, in our opinion, abstaining or otherwise withholding our vote is in your best interests.

### Fund-of-Fund voting

We may vote the securities of an Underlying Fund owned by the Fund when the Underlying Fund is not managed by us. If an Underlying Fund is managed by us or one of our associates or affiliates, we will not vote the securities of the Underlying Fund but will decide if it is in your best interests for you to vote on the matter individually. Generally, for routine matters, we will decide that it is not in your best interests to vote individually. However, if we decide that it is in your best interests for you to vote, then we will ask you for instructions on how to vote your proportionate share of the Underlying Fund securities owned by the Fund and will vote accordingly. We will

only vote the proportion of the Underlying Fund securities for which we have received instructions.

### Summary of proxy voting policies

Below is a statement of principles that generally describe how we may vote on some commonly raised issues. We may elect to vote contrary to these guidelines, provided the vote is in the best economic interest of the Mackenzie Fund.

- We generally vote in favour of (i) proposals that support a majority of Board members being independent of management; (ii) the appointment of outside directors to an issuer Board or Audit Committee; as well as (iii) requirements that the Chair of the Board be separate from the office of the Chief Executive Officer.
- Proxies related to executive compensation are voted on a case-by-case basis. Generally, we will vote in favour of stock options and other forms of compensation that (i) do not result in a potential dilution of more than 10% of the issued and outstanding shares; (ii) are granted under clearly defined and reasonable terms; (iii) are commensurate with the duties of plan participants; and (iv) are tied to the achievement of corporate objectives.
- We will generally not support (i) the repricing of options; (ii) plans that give the Board broad discretion in setting the terms of the granting of options; or (iii) plans that authorize allocation of 20% or more of the available options to any individual in any single year.
- We will generally vote in favour of shareholder rights plans designed to provide sufficient time to undertake a fair and complete shareholder value maximization process and that do not merely seek to entrench management or deter a public bidding process. In addition, we will generally support plans that promote the interests and equal treatment of all investors, and that allow for periodic shareholder ratification.
- We will evaluate and vote on shareholder proposals on a case-by-case basis. All proposals on financial matters will be given consideration. Generally, proposals that place arbitrary or artificial constraints on the company will not be supported.

### Conflicts of interest

Circumstances may occur where a Mackenzie Fund has a potential conflict of interest relative to its proxy voting activities. Where an Internal Manager has a conflict or potential conflict, he or she will notify our Chief Investment Officer (“**CIO**”) and either the Vice-President, Legal (“**VP, Legal**”) or the Chief Compliance Officer (“**CCO**”). Should the CIO and either the VP, Legal or the CCO conclude that a conflict exists, the CCO will document the conflict and inform our Fund Services Department.

The Fund Services Department will maintain a Proxy Voting Watch List (“**Watch List**”) that includes the names of issuers that may be in conflict and will notify the CIO and either the VP, Legal or CCO

of any meeting circulars and proxies received from an issuer on the Watch List. The CIO and either the VP, Legal or CCO will discuss the voting matter(s) with the Internal Manager or sub-advisor and ensure that the proxy-voting decision is based on our proxy-voting policies and is in the best interests of the Mackenzie Fund.

All voting decisions made as described in the following section are documented and filed by the Fund Services Department.

### Proxy voting procedures

Upon receipt of a meeting circular, the Fund Services Department logs the issuer name, date of receipt, and other relevant information in a proxy database. The Fund Services Department then reviews the information and summarizes his/her findings.

The Internal Manager makes the voting decision and issues his/her direction to the Fund Services Department. The Fund Services Department logs the decision, forwards the completed proxy to the custodian or the custodian's voting agent, and files all related documentation.

The Fund Services Department retains files related to proxies, votes, and related research materials for a minimum two (2) years and off-site for a minimum five (5) years.

### Information requests

The policies and procedures that the Fund follows when voting proxies relating to portfolio securities are available upon request at any time, at no cost, by calling toll free at **1-800-387-0614** or by writing to Mackenzie Financial Corporation, **180 Queen Street West, Toronto, Ontario M5V 3K1**.

The Fund's proxy-voting record for the most recent 12-month period ending June 30 will be available free of charge to any investor of that Fund upon request at any time after August 31 of the same year by calling **1-800-387-0614**, and will also be available on our website at **www.mackenzieinvestments.com**.

### Short-Term Trading

We have adopted policies and procedures to detect and deter inappropriate and excessive short-term trading.

We define an inappropriate short-term trade as a combination of a purchase and redemption, including switches between Mackenzie Funds, made within 90 days which we believe is detrimental to Fund investors and that may take advantage of Mackenzie Funds with investments priced in other time zones or illiquid investments that trade infrequently.

We define excessive short-term trading as a combination of purchases and redemptions, including switches between Mackenzie

Funds that occurs with such frequency within a 30-day period that we believe is detrimental to Fund investors.

Inappropriate short-term trading may harm Fund investors who do not engage in these activities by diluting the NAV of the Fund units as a result of the market timing activities of other investors. Inappropriate and excessive short-term trading may cause the Fund to carry an abnormally high cash balance and/or high portfolio turnover rate, both of which may reduce the Fund's returns.

All trades that we determine to be inappropriate short-term trades will be subject to a 2% fee. All trades that we determine to be part of a pattern of excessive short-term trading will be subject to a 1% fee. The fees charged will be paid to the Fund.

We may take such additional action as we consider appropriate to prevent further similar activity by you. These actions may include the delivery of a warning to you; placing you or your account(s) on a watch list to monitor your trading activity; the subsequent rejection of further purchases by you if you continue to attempt such trading activity; and/or closure of your account.

In determining whether a short-term trade is inappropriate or excessive, we will consider relevant factors including the following:

- *bona fide* changes in investor circumstances or intentions;
- unanticipated financial emergencies;
- the nature of the Mackenzie Fund;
- past trading patterns;
- unusual market circumstances; and
- an assessment of harm to the Mackenzie Fund or to us.

The following types of redemptions (including switches) will be exempt from short-term trading fees:

- from money market or similar Mackenzie Funds. These Mackenzie Funds are exempt from short-term trading fees because they are unlikely to be exposed to the adverse effects of short-term trading;
- from an Underlying Fund by the Fund in a fund-of-funds program or other similar program;
- for our asset allocation programs, excluding manual rebalancing in our Guided Portfolio Service;
- for systematic withdrawal plans;
- redemptions of units received on the reinvestment of income or other distributions;
- redemptions of units to pay management fees, administration fees, operating expenses, fund costs and/or advisor fees with respect to Series O and PWX units; and
- automatic rebalancing of your holdings within our Guided Portfolio Service which will not, in any circumstances other than a manual rebalancing, result in short-term trading fees being charged.

We, the Mackenzie Funds and any other parties to the arrangements above do not receive any compensation or other consideration for the above arrangements. Other than as set out in

the simplified prospectus, we have not entered into any arrangements with any other entity (including other funds) that would permit short-term trading by that entity.

In making these judgments, we seek to act in a manner that we believe is consistent with your best interests. Your interests and the Mackenzie Funds' ability to manage their investments may be adversely affected by inappropriate or excessive short-term trading because, among other things, these types of trading activities can dilute the value of Mackenzie Fund securities, can interfere with the efficient management of a Mackenzie Fund portfolio and can result in increased brokerage and administrative costs.

While we will actively take steps to monitor, detect and deter inappropriate and excessive short-term trading, we cannot ensure that such trading activity will be completely eliminated. For example, certain financial institutions may offer alternative investment products to the public that are comprised, in whole or in part, of securities of Mackenzie Funds. These institutions may open accounts with us on behalf of multiple investors whose identity and trading activity is not normally recorded on our transfer agent system.

**We reserve the right to restrict, reject or cancel, without any prior notice, any purchase or switch order, including transactions that we deem to represent inappropriate or excessive short-term trading.**

### Short-Selling Policies and Procedures

The Fund may engage in short selling, where such short selling will be done in accordance with securities regulations or any exemptions received. We have adopted written policies and procedures that set out the objectives and goals for short selling and the risk management procedures applicable to short selling. These policies and procedures (which include trading limits and controls) are developed by our compliance department and the CIO, and are reviewed annually. The Board of Directors also reviews and approves the policies each year. The CIO is responsible for approving whether the Fund may use short selling, and for overseeing the Fund's short-selling activities. Short-selling activities are monitored by our compliance department. Risk measurement procedures or simulations generally are not used to test the portfolio of the Fund under stress conditions.

## FEES, EXPENSES AND MANAGEMENT EXPENSE REDUCTIONS

The fees and expenses payable by the Fund are set out in the simplified prospectus under the heading "**Fees and Expenses**".

We may authorize a reduction in the management fee rate, administration fee rate and/or fund costs that we charge with respect to any particular investor's units of the Fund. We will make a payment equal to the reduction directly to the Fund in which the investor has units. We will reduce the amount charged to the Fund and the Fund will then make a special distribution ("**Fee Distribution**") to the investor by issuing additional units of the same series of the Fund equal in value to the amount of the reduction or, at the request of the investor, by paying this amount in cash.

The Fee Distributions paid by the Fund will be paid, first, out of the Fund's income and capital gains and then, if necessary, out of capital.

The level of reduction is typically negotiable between you and us, and usually will be based on the size of your account and the extent of Fund services you require.

The tax consequences of Fee Distributions made by the Fund generally will be borne by the unitholders receiving these distributions.

### Switching between Retail Series and Private Wealth Series

We will automatically switch your Series A or FB units (the "**Retail Series**") into the applicable Private Wealth Series once either: (1) you

have within one account \$100,000 in one Retail Series of the Fund; or (2) you have \$250,000 in Eligible Investments (as defined in the simplified prospectus) within your Eligible Accounts (as described in the simplified prospectus) (the "**Eligibility Criteria**"), subject to certain exceptions outlined below and provided your dealer offers Private Wealth Series securities. These switches will occur so that you will be invested in the Private Wealth Series with the lowest combined management and administration fees for which you are eligible. Please note that Retail Series securities that are subject to a redemption charge will not be automatically switched.

Once you meet the Private Wealth Series Eligibility Criteria through a purchase or a switch transaction you will be automatically switched into the applicable Private Wealth Series the following business day. In addition, we will automatically switch your units into the applicable Private Wealth Series on or about the second Friday of every month if positive market movement has allowed you to meet the Eligibility Criteria. Please note you will never be moved out of a Private Wealth Series because of a decrease in market value.

Please note that your investment of at least \$100,000 in one Retail Series of the Fund has to come from a single account. We will make an exception if you have a DPSP and a group RRSP that are administered by us and have the same plan sponsor. In this case if your combined DPSP and group RRSP holdings in the Fund meet the \$100,000 threshold then we will automatically switch your units into the applicable Private Wealth Series.

You are responsible for ensuring your advisor is aware of all Eligible Accounts that should be linked in order to qualify for Private

Wealth Series. We will link your Eligible Accounts only after your advisor has communicated your Eligible Account information to us. Generally, neither Mackenzie nor your advisor have the ability to independently determine what accounts should be linked. Mackenzie will, however, automatically link accounts belonging to one individual if the address associated with each account is identical and they have the same dealer representative code. This means that if you have two or more accounts with the same advisor, provided your advisor maintains these accounts under the same dealer representative code, they will be automatically linked by us. **Accounts will not be automatically linked if you hold Funds with more than one advisor or dealer.** For example, if you also hold Mackenzie Funds in a discount brokerage account, that account will not be automatically linked with an account you hold with your advisor.

For purposes of determining whether you remain eligible for the Private Wealth Series, we consider the following:

- Only redemptions will decrease the amount of total investments with us for the purposes of the calculation.

Please note that redemptions from RDSPs and RRIFs, including: LIFs, LRIFs, PRIFs and RLIFs will not decrease the amount of total investments with us for the purposes of this calculation.

- Market value declines in your Private Wealth Series or Eligible Investments in your Eligible Accounts will not result in decreases of the amount of total investments with us for the purposes of the calculation.

If you no longer meet the Eligibility Criteria for Private Wealth Series, we may automatically switch your units back into the appropriate Retail Series, which will have higher management and administration fees than the Private Wealth Series.

We may, in our sole discretion, make changes to this program, including changing: (1) the Eligibility Criteria to qualify for automatic switching into Private Wealth Series; and (2) what qualifies as an Eligible Investment or Eligible Account. Please speak with your advisor for more details about this program.

## INCOME TAX CONSIDERATIONS

This is a general summary of certain Canadian federal income tax considerations applicable to you as an investor in the Fund. This summary assumes that you are an individual (other than a trust) resident in Canada and that you hold your units directly, as capital property or within a registered plan. **This summary is not intended to be legal advice or tax advice. We have tried to make this discussion easy to understand. As a result, it may not be technically precise or cover all the tax consequences that may be relevant to you. Accordingly, you should consult your own tax advisor, having regard to your own particular circumstances when you consider purchasing, switching or redeeming units of the Fund.**

This summary is based on the current provisions of the Tax Act the regulations under the Tax Act, all proposals for specific amendments to the Tax Act or the regulations that have been publicly announced by the Minister of Finance (Canada) before the date hereof and our understanding of the current published administrative practices and assessing policies of the Canada Revenue Agency. Except for the foregoing, this summary does not take into account or anticipate any change in law, whether by legislative, regulatory, administrative or judicial action. Furthermore, this summary does not take into account provincial, territorial or foreign income tax legislation or considerations.

### How the Fund is Taxed

The following paragraphs describe some of the ways in which mutual funds can earn income:

- Mutual funds can earn income in the form of interest, dividends or income from the investments they make,

including in other mutual funds, and can be deemed to earn income from investments in certain foreign entities. All income must be computed in Canadian dollars, even if earned in a foreign currency.

- Mutual funds can realize a capital gain by selling an investment for more than its adjusted cost base (“ACB”). They can also realize a capital loss by selling an investment for less than its ACB. A mutual fund that invests in foreign-denominated securities must calculate its ACB and proceeds of disposition in Canadian dollars based on the conversion rate on the date the securities were purchased and sold, as applicable. As a result, a mutual fund may realize capital gains and losses due to changes in the value of the foreign currency relative to the Canadian dollar.
- Mutual funds can realize gains and losses from using derivatives or engaging in short selling. Generally, gains and losses from derivatives are added to or subtracted from the mutual fund’s income. However, if derivatives are used by a mutual fund as a hedge to limit its gain or loss on a specific capital asset or group of capital assets, then the gains and losses from these derivatives are generally capital gains or capital losses. Generally, gains and losses from short selling Canadian securities are treated as capital, and gains and losses from short selling foreign securities are treated as income.
- Gains and losses from trading in precious metals and bullion will be treated on income account, rather than as capital gains and losses.

In certain circumstances, the Fund may be subject to loss restriction rules that deny or defer the deduction of certain losses. For



example, a capital loss realized by the Fund will be suspended if, during the period that begins 30 days before and ends 30 days after the date on which the capital loss was realized, the Fund or an affiliated person (as defined in the Tax Act) acquires property that is, or is identical to, the property on which the loss was realized and owns that property at the end of the period.

Since the Fund is organized as a trust, the following sections describe the taxation of these types of entities.

### Trust Fund

The Fund will be established in 2018 and is expected to qualify as a **“mutual fund trust”** for purposes of the Tax Act by the time it files its first tax return in which it will make an election to be deemed to be a mutual fund trust from the date it was created. The Fund is expected to be a mutual fund trust throughout its 2018 and later taxation years.

The Fund computes its income or loss separately. All of the Fund’s deductible expenses, including management fees, will be deducted in calculating the Fund’s income for each taxation year. The Fund will be subject to tax on its net income, including net taxable capital gains, not paid or payable to its investors for the taxation year after taking into consideration any loss carry-forwards and any capital gains refund. The Fund intends to pay to investors enough of its income and capital gains for each taxation year so that it will not be liable for ordinary income tax under Part I of the Tax Act.

The losses of the Fund may be restricted when a person or partnership becomes a “majority-interest beneficiary” of the Fund (generally by holding units representing more than 50% of NAV of the Fund) unless the Fund qualifies as an “investment fund” by satisfying certain investment diversification and other conditions. It is expected that the Fund will qualify as an “investment fund” under the Tax Act.

### Trust Fund that does not qualify as “mutual fund trust”

A trust fund that does not qualify as a **“mutual fund trust”** for purposes of the Tax Act throughout its taxation year is not eligible for the capital gains refund and could be subject to alternative minimum tax for the year, as well as other taxes under the Tax Act. In addition, if one or more **“financial institutions”**, as defined in the Tax Act, owns more than 50% of the fair market value of the units of such a trust fund, that trust fund will be a **“financial institution”** for the purposes of the **“mark-to-market”** tax rules. In this case, most of the trust fund’s investments would be considered mark-to-market property, with the result that

- it will be deemed to have disposed of and re-acquired its mark-to-market property at the end of each taxation year, as well as at such time as it becomes, or ceases to be, a financial institution; and
- the gains and losses from these deemed dispositions will be on income account, not capital account.

### Taxation of the Fund if Investing in Foreign-Domiciled Underlying Trusts

#### Section 94.2

The Fund may invest in foreign-domiciled underlying investment funds that qualify as “exempt foreign trusts” (the **“Underlying Trust Funds”**) for purposes of the non-resident trust rules in sections 94 and 94.2 of the Tax Act.

If the total fair market value at any time of all fixed interests of a particular class in an Underlying Trust Fund held by the Fund, persons or partnerships not dealing at arm’s length with the Fund, or persons or partnerships that acquired their interests in the Underlying Trust Fund in exchange for consideration given to the Underlying Trust Fund by the Fund, is at least 10% of the total fair market value at the time of all fixed interests of the particular class of the Underlying Trust Fund, the Underlying Trust Fund will be a “foreign affiliate” of the Fund and will be deemed by section 94.2 of the Tax Act to be at the time a “controlled foreign affiliate” (**“CFA”**) of the Fund.

If the Underlying Trust Fund is deemed to be a CFA of the Fund at the end of the particular taxation year of the Underlying Trust Fund and earns income that is characterized as “foreign accrual property income” as defined in the Tax Act (**“FAPI”**) in that taxation year of the Underlying Trust Fund, the Fund’s proportionate share of the FAPI (subject to deduction for grossed up “foreign accrual tax” as discussed below) must be included in computing its income for Canadian federal income tax purposes for the taxation year of the Fund in which that taxation year of the Underlying Trust Fund ends, whether or not the Fund actually receives a distribution of that FAPI. It is expected that the full amount of the income, as determined for Canadian federal income tax purposes, allocated or distributed to an Underlying Trust Fund by the issuers that it holds securities of will be FAPI. FAPI will also include any net realized taxable capital gains, as determined for Canadian federal income tax purposes, of the Underlying Trust Fund from the disposition of those securities.

To the extent an amount of FAPI will be required to be included in computing the income of the Fund for Canadian federal income tax purposes, a grossed-up amount may be deductible in respect of the “foreign accrual tax” as defined in the Tax Act (**“FAT”**), if any, applicable to the FAPI. Any amount of FAPI included in income (net the amount of any FAT deduction) will increase the adjusted cost base to the Fund of its units of the Underlying Trust Fund in respect of which the FAPI was included.

### How You Are Taxed on a Fund Investment

How you are taxed on an investment in the Fund depends on whether you hold the investment inside or outside a registered plan.

## If you own the Fund outside a registered plan

### Distributions

You must include in your income for a taxation year the taxable portion of all distributions (including Fee Distributions) paid or payable (collectively, “paid”) to you from the Fund during the year, computed in Canadian dollars, whether these amounts were paid to you in cash or reinvested in additional units. The amount of reinvested distributions is added to the ACB of your units to reduce your capital gain or increase your capital loss when you later redeem. This ensures that you do not pay tax on the amount again at a later date.

Distributions paid by the Fund may consist of capital gains, ordinary taxable dividends, foreign-source income, other income and/or return of capital.

Ordinary taxable dividends are included in your income, subject to the gross-up and dividend tax credit rules. Capital gains distributions will be treated as capital gains realized by you, one-half of which will generally be included in calculating your income as a taxable capital gain. The Fund may make designations in respect of its foreign-source income so that you may be able to claim any foreign tax credits allocated to you by the Fund.

You may receive a return of capital from your Fund. You will not be taxed on a return of capital, but it will reduce the ACB of your units of the Fund such that, when you redeem your units, you will realize a greater capital gain (or smaller capital loss) than if you had not received the return of capital. If the ACB of your units is reduced to less than zero, the ACB of your units will be deemed to be increased to zero and you will be deemed to realize a capital gain equal to the amount of this increase.

When you buy units of the Fund on or before the record date of a distribution, you will receive the distribution and be subject to tax on the taxable portion of the distribution, if any, even though the Fund may have earned the related income or realized the related gains before you owned the units.

The higher the portfolio turnover rate of the Fund in a year, the greater the chance that you will receive a capital gains distribution. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

### Sales charges and fees

A sales charge paid on the purchase of units is not deductible in computing your income but is added to the ACB of your units.

The fees that you pay for Series O and PWX units (“Unbundled Fees”) consist of advisory fees that you pay to your dealer and management fees that you pay to us. To the extent that such fees are collected by redemption of units, you will realize gains or losses in non-registered accounts. The deductibility of Unbundled Fees, for income tax purposes, will depend on the exact nature of services provided to

you and the type of investment held. Fees relating to services provided to registered accounts are not deductible for income tax purposes, regardless of whether such fees were charged to the registered account. You should consult with your tax advisor regarding the deductibility of Unbundled Fees paid in your particular circumstance.

### Switches

You will not realize a capital gain or capital loss when you switch between series of the Fund. The cost of the acquired units will be equal to the ACB of the units that you switched.

Other switches involve a redemption of the units being switched and a purchase of the units acquired on the switch.

### Redemptions

You will realize a capital gain (capital loss) if any of your units in the Fund are redeemed. Generally, your capital gain (capital loss) will be the amount by which the NAV of the redeemed units is greater (less) than the ACB of those units. You may deduct other expenses of redemption when calculating your capital gain (capital loss). Generally, one-half of your capital gain is included in your income for tax purposes as a taxable capital gain and one-half of your capital loss can be deducted against your taxable capital gains, subject to the provisions of the Tax Act.

In certain circumstances, loss restriction rules will limit or eliminate the amount of a capital loss that you may deduct. For example, a capital loss that you realize on a redemption of units will be deemed to be nil if, during the period that begins 30 days before and ends 30 days after the day of that redemption, you acquired identical units (including through the reinvestment of distributions or a Fee Distribution paid to you) and you continue to own these identical units at the end of that period. In this case, the amount of the denied capital loss will be added to the ACB of your units. This rule will also apply where the identical units are acquired and held by a person affiliated with you (as defined in the Tax Act).

### Calculating your ACB

Your ACB must be calculated separately for each series of units that you own in the Fund and must be calculated in Canadian dollars. The total ACB of your units of a particular series of the Fund is generally equal to

- the total of all amounts you paid to purchase those units, including any sales charges paid by you at the time of purchase;

plus

- the ACB of any units of another series and/or Mackenzie Fund that were switched on a tax-deferred basis into securities of the particular series;

**plus**

- the amount of any reinvested distributions on that series;

**less**

- the return of capital component of distributions on that series;

**less**

- the ACB of any units of the series that were switched on a tax-deferred basis into units of another series and/or Mackenzie Fund;

**less**

- the ACB of any of your units of that series that have been redeemed.

The ACB of a single security is the total ACB divided by the number of units.

For example, suppose you own 500 units of a particular series of the Fund with an ACB of \$10 each (a total of \$5,000). Suppose you then purchase another 100 units of the same series of the Fund for an additional \$1,200, including a sales charge. Your total ACB is \$6,200 for 600 units so that your new ACB of each unit of the series of the Fund is \$6,200 divided by 600 units or \$10.33 per unit.

**Alternative minimum tax**

Amounts included in your income as ordinary taxable dividends or capital gains distributed by the Fund, as well as any capital gains realized by you on the disposition of units, may increase your liability for alternative minimum tax.

**Tax statements and reporting**

If applicable, we will send tax statements to you each year identifying the taxable portion of your distributions, the return of capital component of distributions and redemption proceeds paid to you for each year. Tax statements will not be sent to you if you did not receive distributions or redemption proceeds, or if units are held in your registered plan. You should keep detailed records of your purchase cost, sales charges, distributions, and redemption proceeds in order to calculate the ACB of your units. You may wish to consult a tax advisor to help you with these calculations.

Generally, you will be required to provide your financial advisor with information related to your citizenship, tax residence and, if applicable, your foreign tax identification number. If you are identified as a U.S. citizen (including a U.S. citizen living in Canada), U.S. resident, or a foreign tax resident, details of your investment in the Fund will generally be reported to the Canada Revenue Agency unless units are held inside a registered plan. The Canada Revenue Agency may provide the information to the relevant foreign tax authorities under exchange of information treaties.

**If you own the Fund inside a registered plan**

When units of the Fund are held in your registered plan, generally, neither you nor your registered plan will be taxed on distributions received from the Fund or capital gains realized on the disposition of the units of the Fund provided the units are a qualified investment and are not a prohibited investment for the registered plan. However, a withdrawal from a registered plan may be subject to tax.

The units of the Fund are expected to be a qualified investment for registered plans at all times.

A unit of the Fund may be a prohibited investment for your registered plan (other than a DPSP) even though it is a qualified investment. If your registered plan holds a prohibited investment, you become liable to a 50% potentially refundable tax on the value of the prohibited investment and a 100% tax on income and capital gains attributable to, and capital gains realized on, the disposition of the prohibited investment. Under a safe harbour rule for new mutual funds, units of the Fund will not be a prohibited investment for your registered plan at any time during the first 24 months of the Fund's existence provided the Fund is a registered investment or deemed to be a mutual fund trust under the Tax Act during that time and is in substantial compliance with NI 81-102 or follows a reasonable policy of investment diversification.

**You should consult with your own tax advisor regarding the special rules that apply to each type of registered plan, including whether or not a particular unit of the Fund would be a prohibited investment for your registered plan. It is your responsibility to determine the tax consequences to you and your registered plan of establishing the registered plan and causing it to invest in the Fund. Neither we nor the Fund assume any liability to you as a result of making the Fund and/or series available for investment within registered plans.**

**REMUNERATION OF DIRECTORS, OFFICERS AND TRUSTEES**

The Fund does not directly employ any directors, officers or trustees to carry out its Fund operations. We, as manager of the Fund, provide all personnel necessary to conduct the Fund's operations.

Each IRC member is entitled to an annual retainer of \$40,000 (\$50,000 for the Chair) and a fee of \$1,500 for each meeting attended. In addition, the Chair of an IRC sub-committee is entitled to an annual retainer of \$5,000. Members are also entitled to be reimbursed for all

reasonable expenses incurred in the performance of their duties, including reasonable travel and accommodation expenses. We also purchase and maintain insurance liability coverage for the benefit of the IRC members. For the year ended March 31, 2018, the total amount expensed in this regard by the Mackenzie Funds was \$272,363.74. All fees and expenses were allocated among the Mackenzie Funds managed by us in a manner that was fair and reasonable.

The individual IRC members received total compensation and reimbursement of expenses by the Mackenzie Funds as follows:

**Table 6: IRC members' compensation**

IRC Member	Total individual compensation, including expense reimbursement
Robert Hines (Chair)	\$66,101.27
Martin Taylor	\$68,399.26
George Hucal	\$65,089.16
Scott Edmonds	\$72,774.04

For a description of the role of the IRC, see "**Mackenzie Funds' Independent Review Committee**".

## MATERIAL CONTRACTS

Set out below are particulars of the material contracts entered into by the Fund as of the date of this annual information form. Minor contracts entered into by the Fund in the ordinary course of business have been excluded.

You may inspect copies of the contracts listed below during normal business hours at our Toronto office at **180 Queen Street West, Toronto, Ontario M5V 3K1**.

### Declaration of Trust

The Declaration of Trust, which governs the Fund, and its effective date are set out under "**Name, Formation and History of the Fund**". The Declaration of Trust sets out the powers and duties of the manager and the trustee of the Fund, the attributes of units of the Fund, procedures for purchase, exchange and redemption of units, recordkeeping, calculation of the Fund's income and other administrative procedures. The Declaration also contains provisions for the selection of a successor trustee if we should resign and for termination of the Fund if no successor trustee can be found. We are not paid a fee in our capacity as trustee (as would be required if an outside trustee were hired), but we are entitled to be reimbursed for any costs incurred on the Fund's behalf.

### Master Management Agreement

We have entered into amended and restated master management agreement (the "**Master Management Agreement**") on October 19, 1999, as amended, to provide the management and administrative services to the Fund necessary to enable it to carry out its business operations.

Under the Master Management Agreement, we are responsible for providing directly, or for arranging other persons or companies to provide, administration services to the Fund; portfolio management services; distribution services for the promotion and sale of the Fund's

units; and other operational services. The Master Management Agreement contains details about fees and expenses payable by the Fund to us, including the management fee rates and Administration Fee rates, as applicable, and the Master Management Agreement is amended each time a new fund or new series of the Fund is added to the Master Management Agreement. The Master Management Agreement has been executed by us on our own behalf, as manager, and on behalf of the Fund for which we are trustee, in our capacity as trustee.

The Master Management Agreement generally continue from year to year, unless terminated on not less than 6 months' prior written notice. The Master Management Agreement may be terminated on shorter notice if any party to the Master Management Agreement is in breach of the terms of the Master Management Agreement and the breach has continued for at least 30 days without being remedied or if the other party goes bankrupt, ceases to hold appropriate regulatory approvals or commits an act which materially adversely affects its ability to perform the obligations under the Master Management Agreement.

### Master Custodian Agreement

We have entered into a master custodian agreement with CIBC, dated February 24, 2005, as amended, on behalf of the Fund to obtain custodial services for the Fund's assets ("**Master Custodian Agreement**").

The Master Custodian Agreement complies with the applicable provisions of NI 81-102 regarding custodial services and requires the custodian to hold the Fund's assets in trust and to separately identify the Fund's account assets. The agreement contains schedules which set out which Mackenzie Funds are governed by that agreement and the fees payable to the custodian for the range of services provided to the Mackenzie Funds. The agreement can be terminated by the Mackenzie Funds or by the custodian on 120 days' prior written notice.

## LEGAL AND ADMINISTRATIVE PROCEEDINGS

We are not aware of any ongoing legal and administrative proceedings material to the Mackenzie Funds to which we or any Mackenzie Fund is a party.

### Penalties and Sanctions

We entered into a settlement agreement with the OSC on April 6, 2018 ("**Settlement Agreement**").

The Settlement Agreement states that we failed to (i) comply with National Instrument 81-105 *Mutual Fund Sales Practices* ("**NI 81-105**") by not meeting the minimum standards of conduct expected of industry participants in relation to certain sales practices between May 2014 and December 2017; (ii) have systems of controls and supervision over our sales practices that were sufficient to provide reasonable assurances that we were complying with our obligations under NI 81-105; and (iii) maintain adequate books, records and other documents to demonstrate our compliance with NI 81-105.

We agreed to (i) pay an administrative penalty of \$900,000 to the OSC; (ii) submit to regular reviews of our sales practices, procedures and controls by an independent consultant until the OSC is satisfied our sales practices program is fully compliant with securities laws; and (iii) pay costs of the OSC's investigation in the amount of \$150,000.

The purpose of NI 81-105 is to discourage sales practices that could be perceived as inducing dealers and their representatives to

sell mutual fund securities on the basis of incentives they were receiving (such as promotional items or activities) rather than on the basis of what is suitable for and in the best interest of their clients.

In the Settlement Agreement, the OSC noted that, in response to the OSC investigation, we (i) have dedicated significant financial and human resources to enhance our systems of controls and supervision for sales practices; (ii) retained an independent consultant in September 2017 to assess the quality of our controls around our sales practices, and the consultant noted that, overall, we have demonstrated a continuously improving compliance culture, and since 2014 they have seen an increased investment in resources, in terms of both people and systems, focused on sales practices compliance; and (iii) have no disciplinary history with the OSC and cooperated with Staff in connection with Staff's investigation of the matters referred to in this Settlement Agreement.

We, and not any of our investment fund products (the "**Mackenzie Products**"), paid all monetary and non-monetary benefits at issue. The performance of the Mackenzie Products was not impacted by these matters and the management expense ratios of the Mackenzie Products were not affected. We, and not the Mackenzie Products, have paid all costs, fines and expenses relating to the resolution of this matter, including the above-noted administrative penalty, investigative costs and the fees relating to the independent compliance consultant.

## CERTIFICATE OF THE FUND AND THE MANAGER AND PROMOTER OF THE 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 all of the provinces and territories of Canada and do not contain any misrepresentations.

Dated the 27th day of April, 2018.

### Alternative Fund

Mackenzie Multi-Strategy Absolute Return Fund

(the “Fund”)

#### Barry S. McInerney

Barry S. McInerney  
Chairman, President and Chief Executive Officer  
Mackenzie Financial Corporation

#### Luke Gould

Luke Gould  
Executive Vice-President and Chief Financial Officer  
Mackenzie Financial Corporation

**ON BEHALF OF THE BOARD OF MACKENZIE FINANCIAL CORPORATION  
IN ITS CAPACITY AS MANAGER, PROMOTER AND TRUSTEE OF THE FUND**

#### Karen L. Gavan

Karen L. Gavan  
Director  
Mackenzie Financial Corporation

#### Brian M. Flood

Brian M. Flood  
Director  
Mackenzie Financial Corporation

# Mackenzie Mutual Funds

## Mackenzie Multi-Strategy Absolute Return Fund

Additional information about the Funds is available in each 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 **1-800-387-0614**, or from your financial advisor or by e-mail at **[service@mackenzieinvestments.com](mailto:service@mackenzieinvestments.com)**.

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

### Manager of the Funds:

Mackenzie Financial Corporation, 180 Queen Street West, Toronto, Ontario M5V 3K1



**MACKENZIE**  
Investments