Alternative Mutual Funds

NEWGEN ALTERNATIVE INCOME FUND

OFFERING

CLASS F, CLASS F (USD), CLASS G, CLASS G (USD) AND CLASS I UNITS

AND

NEWGEN FOCUSED ALPHA FUND

OFFERING

CLASS C FOUNDERS, CLASS F, CLASS G AND CLASS I UNITS

SIMPLIFIED PROSPECTUS

Dated February 8, 2022

The Funds and the units of the Funds are offered under this document in all of the provinces of Canada. The units are intended primarily for purchase by residents of Canada. The units offered under this Simplified Prospectus 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 registrations.

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

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PART A: GENERAL DISCLOSURE

INTRODUCTION

To make this document easier to read, we use the following terms throughout:

- **We**, **us**, **our, Manager, Portfolio Manager** and **NewGen** refer to NewGen Asset Management Limited in its capacity as trustee, manager and portfolio manager of the Funds.
- **You** refers to an individual investor and everyone who invests or may invest in one or more Funds.
- **Fund** or **Funds** refers to one or more of our NewGen funds that are offered to the public under this Prospectus and listed on the cover. The Funds are alternative mutual funds that are subject to National Instrument 81-101 *Mutual Fund Prospectus Disclosure* ("**NI 81-101**"), National Instrument 81-102 *Investment Funds* ("**NI 81-102**") and National Instrument 81-104 *Alternative Mutual Funds* ("**NI 81-104**").
- **Dealer** refers to both the dealer and the registered representative in your province who advises you on your investments.
- **Registered Plans** refer to RRSPs, RRIFs, TFSAs, RESPs and DPSPs, each as defined under the "*Taxation of Unitholders – Registered Plans*" section of this Prospectus.
- **Prospectus** refers to this Simplified Prospectus.

This document contains selected important information to help you make an informed investment decision about investing in the Funds and to help you understand your rights as an investor. This document is divided into two parts.

- **Part A**, from pages 1 through 37, contains general information applicable to all of the Funds.
- **Part B**, from pages 38 through 54, contains specific information about each of the Funds described in this document.

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

- The Annual Information Form;
- the most recently filed Fund Facts;
- the most recently filed annual financial statements;
- any interim financial statements filed after those annual financial statements;
- the most recently filed annual management report of fund performance; and
- any interim management report of fund performance filed after those annual management reports of fund performance.

These documents are incorporated by reference into this document, which means that they legally form part of this document just as if they were printed as a part of this document. These documents are available at your request, and at no cost, by calling us toll free at 1-833-5NEWGEN or at 416-941-9111 (collect calls are accepted), by emailing us at clientservice@newgenfunds.com or by contacting your Dealer.

These documents and other information about the Funds are available on our website at www.newgenfunds.com and are also available at www.sedar.com.

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

What is a mutual fund?

A mutual fund is an investment vehicle that pools money contributed by people with similar investment objectives and invests in a portfolio of securities to be managed by a professional investment manager. Investing in a mutual fund allows investors to hold a larger variety of securities than most investors could hold individually. By investing in a mutual fund, investors often increase their ability to diversify their investment portfolios. Unitholders share a mutual fund's income, common expenses, gains and losses in proportion to their interest in the mutual fund.

The value of an investment in a mutual fund is primarily realized through distributions paid by the mutual fund to its investors and through redeeming securities of the mutual fund.

Each Fund is an alternative mutual fund organized as an open-ended unit trust governed by the laws of the Province of Ontario and established pursuant to a declaration of trust dated January 2, 2019, as amended January 28, 2021 and February 9, 2021 (the "**Declaration of Trust**"). In this document, we refer to the securities issued by each Fund as "**units**". Each Fund is an alternative mutual fund with a specific investment objective and a portfolio of investments. As indicated on the face page of this Prospectus, NewGen Alternative Income Fund currently offers five classes of units and NewGen Focused Alpha Fund currently offers four classes of units (each, a "**class**" and together, "**classes**") but may, in the future, offer additional classes of units without notification to, or approval of, investors. Each class of units is intended for a different type of investor and may entail different fees. The owner of a unit is referred to as a "**unitholder**". The different classes of units available under this Prospectus are described under the section entitled "*Purchases, Reclassifications and Redemptions*".

What are the risks of investing in a mutual fund generally?

As an investor, there is always a risk you could lose money. Mutual funds are no exception, but the degree of risk varies considerably from one mutual fund to the next. As a general rule, the more investment risk you are willing to accept, the higher your potential returns and the greater your potential losses.

Mutual funds own different types of investments, depending upon their investment objectives. These can include stocks, bonds, securities of other mutual funds and/or exchange-traded fund, called "underlying funds", cash and cash equivalents like treasury bills and derivatives. There is no guarantee that a mutual fund will be able to achieve its investment objective. The value of these investments will change from day to day, reflecting changes in interest rates, economic conditions, and market and company news. As a result, the net asset value ("**NAV**") of a mutual fund's units may go up and down, and the value of your investment in a mutual fund may be more or less when you redeem it than when you purchased it.

The full amount of your original investment in any of the Funds is not guaranteed. Unlike bank accounts or guaranteed investment certificates, mutual fund units are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer. It is possible to lose money by investing in a mutual fund.

Under exceptional circumstances, a mutual fund may suspend redemptions. For more information, please refer to the section entitled "*Purchases, Reclassifications and Redemptions*" for further details.

What are the specific investment risks of investing in a mutual fund?

Mutual funds are subject to a variety of risk factors depending on their investment objectives. Set out below in alphabetical order is a general description of the specific risks that may be applicable to an investment in a Fund. The following does not purport to be a complete summary of all the risks associated with an investment in a particular Fund. Prospective unitholders should read this entire Prospectus and consult with their own advisors before deciding to subscribe.

Arbitrage Risk

Employing arbitrage involves the risk that anticipated opportunities may not play out as planned, resulting in potentially reduced returns or losses to a Fund as it unwinds failed trades.

Concentration Risk

A Fund may concentrate its investments in securities of a small number of issuers, sectors, countries or may use a specific investment style, such as growth or value. A relatively high concentration of assets in a small number of investments may reduce the diversification of the Fund's portfolio. Investment concentration may also increase the illiquidity of the Fund's portfolio if there is a shortage of buyers willing to purchase those investments, therefore, the Fund may be unable to satisfy redemption requests if it cannot sell these investments in a timely and orderly manner. The Fund's performance may be more volatile due to the impact of the changes in value of these investments on the Fund. The Fund may concentrate on a style or sector to either provide investors with more certainty about how the Fund will be invested or the style of the Fund or because a portfolio manager believes that specialization increases the potential for good returns. If the issuers, sectors, or countries face difficult economic times or if the investment approach used by the Fund is out of favour, the Fund will likely lose more than it would if it diversified its investments or style. If the Fund's investment objectives or strategies require concentration, it may continue to suffer poor returns over a prolonged period of time.

A Fund may be subject to increased concentration risk as each Fund is permitted to invest up to 10% or 20% of its net asset value, as indicated in its investment strategies: (i) in the securities of a single issuer, (ii) a specified derivative transaction, or (iii) in a purchase of an index participation unit. For more information please refer to the "*Investment Strategies*" section in Part B of this Prospectus. This restriction does not apply to investments in debt securities issued or guaranteed by the Canadian or U.S. government; securities issued by a clearing corporation; securities issued by an investment fund if the purchase is made in accordance with the requirements of section 2.5 of NI 81-102; index participation units issued by an investment fund; or an equity security if the purchase is made by a fixed portfolio investment fund in accordance with its investment objectives.

Convertible Securities Risk

Convertible securities are fixed-income securities, preferred stocks or other securities that are convertible into common stock or other securities. The market value of convertible securities tends to decline as interest rates increase and, conversely, to increase as interest rates decline. A convertible security's market value, however, tends to reflect the market price of the issuer's common stock when that price approaches or exceeds the convertible security's "conversion price". The conversion price is defined as the predetermined price at which the convertible security could be exchanged for the associated stock. As the market price of the common stock declines, the price of the convertible security tends to be influenced more by the yield of the convertible security. Thus, it may not decline in price to the same extent as the underlying common stock.

In the event of a liquidation of the issuing company, holders of convertible securities would be paid before the company's common stockholders but after holders of any senior debt obligations of the company. Consequently, the issuer's convertible securities generally entail less risk than its common stock but more risk than its senior debt obligations.

Coronavirus Pandemic Related Risk

The coronavirus disease 2019 (COVID-19), including its variants, global pandemic and the aggressive responses taken by many governments or voluntarily imposed by private parties, including closing borders, restricting travel and imposing prolonged quarantines or similar restrictions, as well as the closure of, or operational changes to, many retail and other businesses, have had negative impacts, and in many cases severe negative impacts, on markets worldwide. Businesses in major financial centres around the world have curtailed their travel and meeting plans. This is likely to slow consumer demand and both domestic and international business activity. The banking industry and, in particular, financial markets, may be significantly adversely affected by credit losses resulting from financial difficulties of borrowers impacted by the coronavirus. Certain international governmental regulatory authorities have imposed limitations on short sales of equity securities, which may impact the Manager's ability to trade in certain equities and/or equity index derivatives. The coronavirus may also require employees of the Manager or certain key service providers to the Fund to be absent from work or work remotely for prolonged periods of time. The ability of the employees of the Manager and/or other service providers to the Fund to work effectively on a remote basis may adversely impact the day-to-day operations of the Fund. The impact of this coronavirus, and other epidemics and pandemics that may arise in the future, could affect the economies of many nations, individual companies and the market in general in ways that cannot necessarily be foreseen at the present time. In addition, the impact of infectious diseases in emerging developing or emerging market countries may be greater due to less established health care systems. Health crises caused by the recent coronavirus outbreak may exacerbate other pre-existing political, social and economic risks in certain countries. It is not known how long such impacts, or any future impacts of other significant events described above, will or would last, but there could be a prolonged period of global economic slowdown, which may impact a unitholder's investment in the Fund.

Credit Risk

An issuer of a bond or other fixed income investment may not be able to pay interest or to repay the principal at maturity. The risk of this occurring is greater with some issuers than with others. The risk of such a failure to pay is known as credit risk. For example, the risk of default is quite low for most government and high quality corporate securities. Where this risk is considered greater, the interest rate paid by the issuer is generally higher than for an issuer where this risk is considered to be lower. This risk could increase or decline during the term of the fixed income investment. Credit risk can increase or decrease during the term of a fixed income investment.

Companies, governments and other entities, including special purpose vehicles, that borrow money, as well as their debt securities, may be rated by specialized rating agencies such as Dominion Bond Rating Service Limited and Standard & Poor's Corporation. A credit rating may prove to be wrong, which can lead to a downgrade in an issuer's credit rating or other adverse news regarding an issuer and can reduce a security's market value. Other factors can also influence a debt security's market value, such as the level of liquidity of the security or a change in the market perception of the creditworthiness of the security, the parties involved in structuring the security and the underlying assets, if any. Lower rated debt instruments such as an instrument that has a credit rating below investment grade or may not be rated at all (sometimes referred to as "high yield"), generally offer a better yield than higher-grade debt instruments, but have the potential for substantial loss as compared to higher grade instruments. Credit ratings are one factor used by the portfolio managers of mutual funds in making investment decisions.

The difference in interest rates between an issuer's bond and a government-issued bond, that are otherwise identical in all respects except for the credit rating, is known as the credit spread. Credit spreads widen if the market determines that a higher return is necessary to compensate for the increased risk of owning a particular fixed-income investment. An increase in credit spread after the purchase of a fixed-income investment decreases the value of that investment.

Currency Risk

The NAV of most mutual funds are calculated in Canadian dollars. Foreign investments are generally purchased in currencies other than Canadian dollars. When foreign investments are purchased in a currency other than Canadian dollars, the value of those foreign investments will be affected by the value of the Canadian dollar relative to the value of the foreign currency. If the Canadian dollar rises in value relative to the other currency but the value of the foreign investment otherwise remains constant, the value of the investment in Canadian dollars will have fallen. Similarly, if the value of the Canadian dollar has fallen relative to the foreign currency, the value of the mutual fund's investment will have increased.

Some mutual funds may use derivatives such as options, futures, forward contracts, swaps and customized types of derivatives to hedge against losses caused by changes in exchange rates. Please see the "*Investment Strategies*" section of each Fund's description in Part B of this Prospectus.

Cyber Security Risk

With the increased use of technology in the course of business, the Funds are susceptible to operational, information security and related risks. Generally, cyber security incidents can result from deliberate attacks or unintentional events that threaten the integrity, confidentiality or availability of the Funds' information resources. A cyber security incident includes, but is not limited to, gaining unauthorized access to the Funds' electronic systems (e.g., through hacking or malicious software) to corrupt data, disrupt business operations or steal confidential or sensitive information, or may involve denial of service attacks which may cause system failures and disrupt business operations. Failures or breaches of the electronic systems of the Funds, NewGen, other service providers (e.g., transfer agent, custodian, sub-custodians and prime brokers) or the issuers of securities in which the Funds invest have the ability to cause disruptions and negatively impact the Funds' business operations. These disruptions could potentially result in financial losses, interference with the Funds' ability to calculate its NAV, impediments to trading, an inability of the Funds to process transactions including redeeming units, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or compensation or additional compliance costs associated with corrective measures. Similar adverse consequences could result from cyber security incidents affecting the issuers of securities in which a Fund invests and counterparties with which the Fund engages in transactions with. In addition, substantial costs may be incurred to prevent any cyber security incidents in the future. While each Fund has established business continuity plans and risk management systems seeking to address system breaches or failures, there are inherent limitations in such plans and systems and there is no guarantee that such efforts will succeed. Furthermore, the Funds cannot control the cyber security plans and systems of the Funds' service providers or issuers of securities in which the Funds invest.

Derivatives Risk

The Funds may use derivative instruments to help them achieve their investment objectives. These investments usually take the form of a contract between two parties where the value of the payments required under the contract is derived from an agreed source, such as the market price (or value) of an asset (which could be, for example, currency or stocks) or from an economic indicator (such as a stock market index or a specified interest rate). Derivatives are not a direct investment in the underlying asset itself. If a Fund uses derivatives, applicable securities laws require that the Fund hold enough assets or cash to cover its commitments in the derivative contracts. This limits the amount of losses that could result from the use of derivatives.

The Funds may generally use four types of derivatives: options, forwards, futures, and swaps. An option gives the holder the right, but not the obligation, to buy or sell the underlying interest at an agreed price within a certain time period. A call option gives the holder the right to buy; a put option gives the holder the right to sell. A forward is a commitment to buy or sell the underlying interest for an agreed price on a future date. A future is similar to a forward, except that futures are traded on exchanges. A swap is a commitment to exchange one set of payments for another set of payments.

Some derivatives are settled by one party's delivery of the underlying interest to the other party; others are settled by a cash payment representing the value of the contract.

The Funds are expected to use derivatives for hedging and non-hedging purposes as described below and within its investment objectives and strategies as set out in Part B of this Prospectus.

The use of derivatives carries several risks:

- There is no guarantee that a hedging strategy will be effective or achieve the intended effect.
- There is no guarantee that a market will exist for some derivatives, which could prevent a Fund from selling or exiting the derivatives at the appropriate time. Therefore, the Fund may be unable to realize its profits or limit its losses.
- It is possible that the other party to the derivative contract will not meet its obligations under the contract. To minimize this risk, NewGen monitors all of the Funds' derivative transactions regularly to ensure that the credit rating of the contract counterparty or its guarantor will generally be at least as high as the minimum approved credit rating required under NI 81-102.
- When entering into a derivative contract, a Fund may be required to deposit funds with the contract counterparty. If the counterparty goes bankrupt, or if the counterparty is unable or unwilling to perform its obligations in respect of the Fund, the Fund could lose these deposits.
- The Funds may use derivatives to reduce certain risks associated with investments in foreign markets, currencies or specific securities. Using derivatives for these purposes is called hedging. Hedging may not be effective in preventing losses. Hedging may also reduce the opportunity for gain if the value of the hedged investment rises, because the derivative could incur an offsetting loss. Hedging may also be costly or difficult to implement.
- Securities and commodities exchanges could set daily trading limits on options and futures. This could prevent the Funds or the counterparty from carrying out its obligations under a derivative contract.

Changes in domestic and foreign tax laws, regulatory laws, or the administrative practices or policies of a tax or regulatory authority may adversely affect the Funds and their investors. For example, the domestic and foreign tax and regulatory environment for derivative instruments is evolving, and changes in the taxation or regulation of derivative instruments may adversely affect the value of derivative instruments held by a Fund and the ability of the Fund to pursue its investment strategies. In addition, interpretation of the law and the application of administrative practices or policies by a taxation authority may also affect the characterization of a Fund's earnings as capital gains or income. In such a case, the net income of the Fund for tax purposes and the taxable component of distributions to investors could be determined to be more than originally reported, with the result that investors or the Fund could be liable to pay additional income tax. Any liability imposed on a Fund may reduce the value of the Fund and the value of an investor's investment in the Fund. When a Fund invests in a derivative, the Fund could lose more than the initial amount invested.

Developed Countries Investments Risk

Investments in a developed country may subject the Funds to regulatory, political, currency, security, economic and other risks associated with developed countries. Developed countries generally tend to rely on services sectors (e.g., the financial services sector) as the primary means of economic growth. A prolonged slowdown in the services sectors is likely to have a negative impact on economies of certain developed countries, although individual developed country economies can be impacted by slowdowns in other sectors. In the past, certain developed countries have been targets of terrorism. Acts of terrorism in developed countries or against their interests may cause uncertainty in the financial markets and adversely affect the performance of the issuers to which the Funds have exposure. Heavy regulation of certain markets, including labour and product markets, may have an adverse effect on certain issuers. Such regulations may negatively affect economic growth or cause prolonged periods of recession. Many developed countries are heavily indebted and face rising healthcare and retirement expenses. In addition, price fluctuations of certain commodities and regulations impacting the import of commodities may negatively affect developed country economies.

Equity Investment Risk

Companies issue equity securities, or stocks, to help pay for their operations and to finance future growth. Stocks carry several risks and a number of factors may cause the price of a stock to fall. These include specific developments relating to the company, stock market conditions where the company's securities trade and general economic, financial and political conditions in the countries where the company operates. Since a Fund's unit price is based on the value of its investments, an overall decline in the value of the stocks it holds will reduce the value of the Fund and, therefore, the value of your investment. However, if the price of the stocks in the portfolio increases, your investment will be worth more. Equity funds generally tend to be more volatile than fixed income funds, and the value of their units can vary widely.

Mutual funds that invest in limited partnership units or trust units, such as oil and gas royalty trusts, real estate investment trusts and income trusts, will have varying degrees of risk depending on the sector and the underlying asset or business and may therefore be susceptible to risks associated with the industry in which the underlying business operates, to changes in business cycles, commodity prices, and to interest rate fluctuations and other economic factors.

European Investments Risk

Investing in European countries may expose a Fund to the economic and political risks associated with Europe in general and the specific European countries in which it invests. The economies and markets of European countries are often closely connected and interdependent, and events in one country in Europe can have an adverse impact on other European countries. A Fund may make investments in securities of issuers that are domiciled in, or have significant operations in, member countries of the European Union. The European Union requires compliance by member countries with restrictions on inflation rates, deficits, interest rates and debt levels, as well as fiscal and monetary controls, each of which may significantly affect every country in Europe, including those countries that are not members of the European Union. Changes in imports or exports, changes in governmental or European Union regulations on trade, changes in the exchange rate of the euro (the common currency of certain European Union countries), the default or threat of default by a European Union member country on its sovereign debt, and/or an economic recession in a European Union member country may have a significant adverse effect on the economies of European Union member countries and their trading partners. The European financial markets have experienced volatility and adverse trends in recent years due to concerns about economic downturns or rising government debt levels in several European countries, including, but not limited to, Greece, Ireland, Italy, Portugal, Spain and Ukraine. These events have adversely affected the exchange rate of the Euro and may continue to significantly affect other European countries. Responses to the financial problems by European governments, central banks and others, including austerity measures and reforms, may not produce the desired results, may result in social unrest and may limit future growth and economic recovery or have other unintended consequences. Further defaults or restructurings by governments and other entities of their debt could have additional adverse effects on economies, financial markets and asset valuations around the world.

In addition, one or more countries may abandon the Euro and/or withdraw from the European Union. The impact of these actions, especially if they occur in a disorderly fashion, is not clear but could be significant and far reaching, including in the United Kingdom, which is a significant market in the global economy. In a referendum held on June 23, 2016, the United Kingdom resolved to leave the European Union. The referendum may introduce significant new uncertainties and instability in the financial markets as the United Kingdom negotiates its exit from the European Union. Finally, the occurrence of terrorist incidents throughout Europe also could impact financial markets. The impact of these events is not clear but could be significant and far-reaching and adversely affect the value of the Funds. The investments of the Funds could be negatively impacted by any economic or political instability in any European country.

Fixed Income Investment Risk

Certain general investment risks can affect fixed income investments in a manner similar to equity investments. For example, specific developments relating to a company and general financial, political and economic (other than interest rate) conditions in the country in which the company operates. For government fixed income investments, general economic, financial and political conditions may affect the value of government securities. Since a Fund’s unit price is based on the value of its investments, an overall decline in the value of its fixed income investments will reduce the value of the Fund and therefore, the value of your investment. However, your investment will be worth more if the value of the fixed income investments in the portfolio increases.

Investment in the Funds should be made with an understanding that the value of the underlying debt securities will be affected by changes in the general level of interest rates. Generally, debt securities will decrease in value when interest rates rise and increase in value when interest rates decline. The value of the bonds held by the Funds will be affected by the risk of default in the payment of interest and principal and price changes due to such factors as general economic conditions and the issuer’s creditworthiness.

Foreign Investment Risk

The value of an investment in a foreign company or government may depend on general global economic factors or specific economic and political factors relating to the country or countries in which the foreign issuer operates. The regulatory environment in some foreign countries may be less stringent than in Canada, including legal and financial reporting requirements. In other words, depending on the country in which a foreign investment is made, there may be more or less information available with respect to foreign companies. Some foreign stock markets may also have lower trading volumes and have sharper price corrections than in other countries. In some countries that may be politically unstable, there also may be a risk of nationalization, expropriation, or currency controls. Some or all of these factors could make a foreign investment more volatile than a Canadian investment.

Certain countries may also have foreign investment or exchange laws that make it difficult to sell an investment or may impose withholding or other taxes that could reduce the return on the investment. Different financial, political and social factors could hurt the value of foreign investments. The information available to a Fund and portfolio manager relating to the characterization, for Canadian tax purposes, of the income realized or distributions received by the Fund from issuers of the Fund's foreign investments may be insufficient to permit the Fund to accurately determine its income for Canadian tax purposes by the end of a taxation year and to make sufficient distributions to ensure that it will not be liable to pay income tax in respect of that year. As a result, mutual funds that specialize in foreign investments may experience larger and more frequent price changes in the short term.

High Portfolio Turnover Risk

The investment techniques and strategies utilized by the Funds, including investments made on a shorter-term basis or in derivative instruments or instruments with a maturity of one year or less at the time of acquisition, may result in frequent portfolio trading and high portfolio turnover. High portfolio turnover rates will cause the Funds to incur higher levels of brokerage fees and commissions, which may reduce performance, and may cause higher levels of current tax liability to unitholders in the Funds. The amount of leverage that the Funds operate at also exaggerates the turnover rate of the Funds. The Funds have no limit on the rate of portfolio turnover, and portfolio securities may be sold without regard to the time that they have been held when, in the opinion of portfolio manager, investment considerations warrant such action. The high rate of portfolio turnover of the Funds involves correspondingly greater expenses than a lower turnover rate (e.g., greater transaction costs such as brokerage fees and market impact costs), and the greater the chance that a unitholder receiving distributions of income or capital gains from the Funds in a year. There is not necessarily a relationship between a high turnover rate and the performance of the Funds.

High Yield Security Risk

The Funds may be subject to high yield securities risk. High yield securities risk is the risk that securities that are rated below investment grade (below "BBB-" by Standard & Poor's or by Fitch Rating Service Inc., or below "Baa3" by Moody's® Investor's Services, Inc.) or are unrated at the time of purchase may be more volatile than higher rated securities of similar maturity. High yield securities may also be subject to greater levels of credit or default risk than higher-rated securities. The value of high-yield securities can be adversely affected by overall economic conditions, such as an economic downturn or a period of rising interest rates, and high yield securities may be less liquid and more difficult to sell at an advantageous time or price or to value than higher-rated securities. In particular, high yield securities are often issued by smaller, less creditworthy companies or by highly leveraged firms, which are generally less able than more financially stable firms to make scheduled payments of interest and principal. High yield securities may also be issued by sovereign governments of countries with less-well developed economies, political systems, and/or financial markets.

Illiquidity Risk

A mutual fund may hold up to 15% or more of its net assets in illiquid securities for a period of less than 90 days. A security is illiquid if it cannot be sold at an amount that at least approximates the amount at which the security is valued. Illiquidity can occur: (a) if the securities have sale restrictions; (b) if the securities do not trade through normal market facilities; (c) if there is simply a shortage of buyers; or (d) for other reasons. In highly volatile markets, such as in periods of sudden interest rate changes or severe market disruptions, securities that were previously liquid may suddenly and unexpectedly become illiquid. Illiquid securities are more difficult to sell, and a mutual fund may be forced to accept a discounted price.

Some high-yield debt securities, which may include but are not limited to security types commonly known as high-yield bonds, floating rate debt instruments and floating rate loans, as well as some fixed-income securities issued by corporations and governments in emerging market economies, may be more illiquid in times of market stress or sharp declines. In addition, the liquidity of individual securities may vary widely over time. Illiquidity in these instruments may take the form of wider bid/ask spreads (i.e., significant differences in the prices at which sellers are willing to sell and buyers are willing to buy that same security).

Illiquidity may take the form of extended periods for trade settlement and delivery of securities. In some circumstances of illiquidity, it may be more difficult to establish a fair market value for particular securities, which could result in losses to the fund that has invested in these securities.

Interest Rate Risk

Mutual funds that invest in fixed income securities, such as bonds, and money market instruments, are sensitive to changes in interest rates. In general, when interest rates are rising, the value of these investments tends to fall. When rates are falling, fixed income securities tend to increase in value. Fixed income securities with longer terms to maturity are generally more sensitive to changes in interest rates. Certain types of fixed income securities permit issuers to repay principal before the security's maturity date. There is a risk that an issuer will exercise this prepayment right after interest rates have fallen and a Fund, if holding these fixed income securities, will receive payments of principal before the expected maturity date of the security and may need to reinvest these proceeds in securities that have lower interest rates.

Changing interest rates can also indirectly impact the share prices of equity securities. When interest rates are high, it may cost a company more to fund its operations or pay down existing debt. This can impair a company's profitability and earnings growth potential, which can negatively impact its share price. Conversely, lower interest rates can make financing for a company cheaper, which can potentially increase its earnings growth potential. Interest rates can also impact the demand for goods and services that a company provides by impacting overall economic activity as described above.

IPO and New Issue Risk

"IPOs" or "New Issues" are initial public offerings of equity securities. "SEOs" are seasoned (i.e., secondary) equity offerings of equity securities. Securities issued in IPOs are subject to many of the same risks as investing in companies with smaller market capitalizations (see "*Small Company Risk*"). Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods. In addition, the prices of securities sold in IPOs or SEOs may be highly volatile or may decline shortly after the initial public offering or seasoned equity offering.

Lack of Operating History Risk

The Funds are newly-formed investment vehicles with a short operating history and earnings record. The Funds have a limited history of business operations and has nominal assets. There is no assurance that the Funds will be able to successfully achieve their investment objectives or operate profitably over the short or long-term. Investors will have to rely on the expertise and good faith of NewGen to carry on the business of the Funds.

Large Transaction Risk

If a unitholder has significant holdings in a Fund, the Fund is subject to the risk that such large unitholder may request a significant purchase or redemption of units of the Fund, which may impact the cash flow of the Fund. Large purchases and redemptions may result in: (a) the Fund maintaining an abnormally high cash balance; (b) large sales of portfolio securities impacting market value; (c) increased transaction costs (e.g., commissions); (d) significant changes to the composition of the Fund's portfolio; (e) purchase and/or sale of investments at unfavourable prices; and/or (f) capital gains being realized which may increase taxable distributions to investors. If this should occur, the returns of investors (including other mutual funds) that invest in the Fund may be adversely affected.

Legislation Risk

There can be no assurance that applicable laws, or other legislation, legal and statutory rights will not be changed in a manner which adversely affects the Funds or their unitholders. Securities, tax or other regulators may make changes to legislation, rules, interpretations, or administrative practices. Those changes may have an adverse impact on the value of a mutual fund.

Leverage Risk

When a Fund makes investments in derivatives, borrows cash for investment purposes, or uses physical short sales on equities, fixed income securities or other portfolio assets, leverage may be introduced into the Fund. Leverage occurs when the Fund's notional exposure to underlying assets is greater than the amount invested. It is an investment technique that can magnify gains and losses. Consequently, any adverse change in the value or level of the underlying asset, rate or index may amplify losses compared to those that would have been incurred if the underlying asset had been directly held by the Fund and may result in losses greater than the amount invested in the derivative itself. Leverage may increase turnover, transaction and market impact costs, volatility, or may impair the Fund's liquidity and may cause the Fund to liquidate positions at unfavourable times. The Fund is subject to a gross aggregate exposure limit of three times its net asset value which is measured on a daily basis and described in further detail within the "*Investment Objectives*" section in Part B of this Prospectus. This will operate to limit the extent to which the Fund is leveraged.

Pursuant to NI 82-102, the aggregate use of leverage by a Fund – through the use of cash borrowing, short selling, or specific derivatives – is limited to 300% of the Fund's NAV. The Fund's aggregate exposure is calculated as the sum of the following and divide the sum by NAV: (i) the aggregate value of the Fund's outstanding indebtedness under any borrowing agreements; (ii) the aggregate market value of all securities sold short by the Fund; and (iii) the aggregate notional amount of the Fund's specified derivative positions minus the aggregate notional amount of the specified derivative positions that are hedging transactions. The Fund must determine its aggregate gross exposure as of the close of business of each day it calculates NAV. If the Fund's aggregate gross exposure exceeds three times the Fund's NAV, the Fund must, as quickly as is commercially reasonable, take all necessary steps to reduce the aggregate gross exposure to three times the Fund's NAV or less.

A Fund may borrow cash or sell securities short whereby the aggregate value of cash borrowed combined with securities sold short will be limited to 50% of the Fund's NAV. If the aggregate value of cash borrowed combined with the aggregate market value of all securities sold short by the Fund exceeds 50% of the Fund's NAV, the Fund must, as quickly as commercially reasonable take all necessary steps to reduce the aggregate value of cash borrowed combined with the aggregate market value of securities sold short to 50% or less of the Fund's NAV.

Market Risk

Market risk is the risk of being invested in the equity and fixed income markets. The market value of a Fund's investments will rise and fall based on specific company developments and broader equity or fixed income market conditions. Market value will also vary with changes in the general economic, political, social and financial conditions in countries where the investments are based.

Multiple Classes Risk

Each Fund is available in more than one class of units. Each class has its own fees and expenses, which are tracked separately. Those expenses will be deducted in calculating the unit value for that class, thereby reducing its unit value. If one class is unable to pay its expenses or liabilities, the assets of the other classes will be used to pay those expenses or liabilities. As a result, the unit price of the other classes may also be reduced. Please refer to sections entitled "*Purchases, Reclassifications and Redemptions*" and "*Fees and Expenses*" for more information regarding each class and how their unit value is calculated.

Nature of Units Risk

Securities such as the units share certain attributes common to both equity securities and debt instruments. As holders of units, unitholders will not have the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring "oppression" or "derivative" actions. The units represent an undivided fractional interest in the applicable Fund. The unitholders will not take part in the management or control of the Funds' business, which is the sole responsibility of NewGen. NewGen will have wide latitude in making investment decisions. In certain circumstances, NewGen also has the right to dissolve the Funds. The unitholders have certain limited voting rights, including the right to amend the Declaration of Trust under certain circumstances, but do not have any authority or power to act for or bind the Funds. NewGen may require a unitholder, at any time, to withdraw, in whole or in part, from a Fund. Units holders may not be able to liquidate their investment in a timely manner and the units may not be readily accepted as collateral for a loan.

Performance Fee Risk

To the extent described in this Prospectus, NewGen receives a performance fee in respect of certain classes of units based upon the appreciation, if any, in the daily NAV of the applicable classes of units of the Funds during a calendar quarter over and above the prior high watermark. However, the performance fee theoretically may create an incentive for NewGen to make investments that are riskier than would be the case if such fee did not exist. In addition, because the performance fee is calculated on a basis that includes unrealized appreciation of the Funds' assets, it may be greater than if such compensation were based solely on realized gains.

Portfolio Manager Risk

A mutual fund is dependent on its portfolio manager or sub-advisor to select its investments. A balanced fund or an asset allocation fund is also dependent on its portfolio manager or sub-advisor to decide what proportion of the mutual fund's assets to invest in each asset class. Mutual funds are subject to the risk that poor security selection or asset allocation decisions will cause a mutual fund to underperform relative to its benchmark or other mutual funds with similar investment objectives.

Potential Conflicts of Interest Risk

NewGen is required to satisfy a standard of care in exercising its duties with the Funds. However, neither NewGen nor its partners, officers, or employees are required to devote all or any specified portion of their time to their responsibilities relating to the Funds. Certain inherent conflicts of interest arise from the fact that NewGen and its affiliates may carry on investment activities for other clients (including investment funds sponsored by NewGen and its affiliates) or on a proprietary basis in which the Funds will have no interest. Future investment activities by NewGen, including the establishment of other investment funds, may give rise to additional conflicts of interest.

The Manager and its affiliates may also engage in the promotion, management or investment management of any other fund or trust or engage in other activities. In addition, partners, officers and employees of NewGen may act as partners, directors or officers of other entities that provide services to other investment funds or clients.

The Manager has discretion regarding the selection of the broker-dealers and other intermediaries with and through which a Fund executes and clears portfolio transactions, the commissions and fees payable and the prices at which investments are bought and sold. Some allocations may be based in part on the provision of or payment for other products or services (including but not limited to investment research) to the Fund, NewGen or affiliated persons ("soft-dollars"). Such services may not be used for the direct or exclusive benefit of the Fund and may reduce the overhead and administrative expenses otherwise payable.

Prime Broker Risk

Some or all of the assets of the Funds may be held in one or more margin accounts due to the fact that the Funds may borrow cash for investment purposes, sell securities short and post margin as collateral for specified derivatives transactions. The margin accounts may provide less segregation of customer assets than would be the case with a more conventional custody arrangement. As a result, the assets of the Funds could be frozen and inaccessible for withdrawal or subsequent trading for an extended period of time if the prime broker experiences financial difficulty. In such case, the Funds may experience losses due to insufficient assets of the prime broker to satisfy the claims of its creditors. In addition, the possibility of adverse market movements while its positions cannot be traded could adversely affect the total return to the Funds.

Regulatory and Legal Risk

Some industries, such as telecommunications and financial services, are heavily regulated by governments and in some cases depend on government funding and favourable decisions made by those governments. Investments in such industries may be substantially affected by changes in government policy, regulation or deregulation, ownership restrictions, funding and the imposition of stricter operating conditions. The value of the securities of issuers in regulated industries may change substantially based on these factors.

Sector Risk

A Fund may concentrate its investments in a certain sector or industry of the marketplace. While this allows the Fund to better focus on a particular sector's potential, investment in the Fund may also be riskier than mutual funds with broader diversification. Sector specific funds tend to experience greater fluctuations in price because securities in the same industry tend to be affected by the same factors. The Fund must continue to follow its investment objectives by investing in their particular sector, even during periods when such sector is performing poorly.

Securities Lending, Repurchase and Reverse Repurchase Transaction Risk

A Fund may enter into securities lending, repurchase and reverse repurchase transactions in accordance with NI 81-102 and applicable tax legislation. In a securities lending transaction, the Fund lends its portfolio securities through an authorized agent to another party (a "counterparty") in exchange for a fee and a form of acceptable collateral. In a repurchase transaction, the Fund sells its portfolio securities for cash through an authorized agent while at the same time it assumes an obligation to repurchase the same securities for cash (usually at a lower price) at a later date. In a reverse repurchase transaction, the Fund buys portfolio securities for cash while at the same time it agrees to resell the same securities for cash (usually at a higher price) at a later date. We have set out below some of the general risks associated with securities lending, repurchase and reverse repurchase transactions:

- When entering into securities lending, repurchase and reverse repurchase transactions, a Fund is subject to the credit risk that the counterparty may default under the agreement and the Fund would be forced to make a claim in order to recover its investment.

- When recovering its investment on a default, a Fund could incur a loss if the value of the portfolio securities loaned (in a securities lending transaction) or sold (in a repurchase transaction) has increased in value relative to the value of the collateral held by the Fund.
- Similarly, a Fund could incur a loss if the value of the portfolio securities it has purchased (in a reverse repurchase transaction) decreases below the amount of cash paid by the Fund to the counterparty.

To address these risks, any such transactions entered into by a Fund will comply with NI 81-102 including the requirement that each agreement be, at a minimum, fully collateralized by investment grade securities or cash with a value of at least 102% of the market value of the securities subject to the transaction. The Fund will enter into these transactions only with parties that we believe, through conducting credit evaluation, have adequate resources and financial ability to meet their obligations under such agreements. In the case of securities lending transactions and repurchase transactions, the aggregate market value of all securities loaned pursuant to the securities lending transactions, together with those that have been sold pursuant to repurchase transactions by the Fund will not exceed 50% of the NAV of the Fund immediately after the Fund enters into the transaction.

Short Selling Risk

Certain mutual funds are permitted to engage in a limited amount of short selling. A short sale is a transaction in which a mutual fund sells, on the open market, securities that it has borrowed from a lender for this purpose. At a later date, the mutual fund purchases identical securities on the open market and returns them to the lender. In the interim, the mutual fund must pay compensation to the lender for the loan of the securities and provide collateral to the lender for the loan. If the value of the securities declines between the time that a Fund borrows the securities and the time it repurchases and returns the securities, the Fund makes a profit for the difference (less any interest the Fund is required to pay to the lender). The Fund is permitted to sell securities short up to a maximum of 50% of its net asset value, including up to 10% of its net asset value in the securities of one issuer, as described in further detail within the "*Investment Objectives*" section in Part B of this Prospectus. Short selling involves certain risks:

- There is no assurance that the borrowed securities will decline in value during the period of the short sale by more than the compensation paid to the lender, and securities sold short may instead increase in value.
- A Fund may experience difficulties in purchasing and returning borrowed securities if a liquid market for the securities does not exist at that time.
- A lender may require a Fund to return borrowed securities at any time. This may require the Fund to purchase such securities on the open market at an inopportune time.
- The lender from whom a Fund has borrowed securities, or the prime broker who is used to facilitate short selling, may become insolvent and the Fund may lose the collateral it has deposited with the lender and/or the prime broker.

Small Company Risk

A mutual fund may make investments in equities and, sometimes, fixed-income securities issued by smaller capitalization companies. These investments are generally riskier than investments in larger companies for several reasons. Smaller companies are often relatively new and may not have an extensive track record. This lack of history makes it difficult for the market to place a proper value on these companies. Some of these companies do not have extensive financial resources and, as a result, they may be unable to react to events in an optimal manner. In addition, securities issued by smaller companies are sometimes less liquid, meaning there is less demand for the securities in the marketplace at a price deemed fair by sellers.

SPAC Risk

A Fund may invest in stock, warrants, and other securities of special purpose acquisition companies ("**SPACs**") or similar special purpose entities that pool Fund to seek potential acquisition opportunities.

Unless and until an acquisition is completed, a SPAC generally invests its assets (less a portion retained to cover expenses) in U.S. Government securities, money market fund securities and cash; if an acquisition that meets the requirements for the SPAC is not completed within a pre-established period of time, the invested funds are returned to the entity's shareholders. Because SPACs and similar entities are in essence blank check companies without an operating history or ongoing business other than seeking acquisitions, the value of their securities is particularly dependent on the ability of the entity's management to identify and complete a profitable acquisition. Some SPACs may pursue acquisitions only within certain industries or regions, which may increase the volatility of their prices. In addition, these securities, which are typically traded in the over-the-counter market, may be considered illiquid and/or be subject to restrictions on resale.

Taxation of the Funds' Risk

Under special rules contained in the *Income Tax Act* (Canada) (the "**Tax Act**"), trusts that constitute "SIFT trusts" (as defined in the Tax Act) will generally be precluded from deducting certain amounts that would otherwise be deducted for tax purposes if they were paid or became payable to unitholders in a particular taxation year. If a Fund were found to be a "SIFT trust", the amounts available to be distributed by the Fund to its unitholders could be materially reduced.

If a Fund ceases to qualify as a "mutual fund trust" under the Tax Act, the income tax considerations described under the heading "*Certain Canadian Federal Income Tax Considerations*" would be materially and adversely different in certain respects. More generally, there can be no assurance that income tax laws and the treatment of the Fund will not be changed in a manner that adversely affects unitholders and the Fund.

All unitholders will be responsible for the preparation and filing of their own tax returns in respect of their investment in the Funds. Costs associated with the preparation and filing of such returns may be material. Potential investors should consult their own tax advisors for the specific Canadian federal and provincial and foreign tax consequences to them.

Trust Loss Restriction Rule Risk

A Fund may be subject to loss restriction rules (the "**Loss Restriction Rules**") contained in the Tax Act unless the Fund qualifies as an "investment fund" as defined in the Tax Act, which, among other things, requires that certain investment diversification restrictions are met, and that unitholders hold only fixed (and not discretionary) interests in the Fund. If the Fund experiences a "loss restriction event": (i) the Fund will be deemed to have a year-end for tax purposes (which would result in an allocation of the Fund's net income and net realized capital gains at such time to unitholders so that the Fund is not liable for income tax under Part I of the Tax Act on such amounts), and (ii) the Fund will be deemed to realize any unrealized capital losses and its ability to carry forward losses will be restricted. Generally, the Fund will have a loss restriction event when a person becomes a "majority-interest beneficiary" of the Fund, or a group of persons becomes a "majority-interest group of beneficiaries" of the Fund, as those terms are defined in the Tax Act.

U.S. Foreign Account Tax Compliance Act Risk

In March 2010, the U.S. enacted the Foreign Account Tax Compliance Act ("**FATCA**"), which imposes certain reporting requirements on non-U.S. financial institutions. The governments of Canada and the United States have entered into an Intergovernmental Agreement (the "**IGA**") which establishes a framework for cooperation and information sharing between the two countries and may provide relief from a 30% U.S. withholding tax under U.S. tax law (the "**FATCA Tax**") for Canadian entities such as the Funds, provided that (i) the Funds comply with the terms of the IGA and the Canadian legislation implementing the IGA in Part XVIII of the Tax Act, and (ii) the government of Canada complies with the terms of the IGA. The Funds will endeavor to comply with the requirements imposed under the IGA and Part XVIII of the Tax Act. Under Part XVIII of the Tax Act, unitholders of the Funds are required to provide identity and residency and other information to the Funds (and may be subject to penalties for failing to do so), which, in the case of "Specified U.S. Persons" or certain non-U.S. entities controlled by Specified U.S. Persons, such information and certain financial information (for example, account balances) will be provided by the Funds to the Canada Revenue Agency (the "**CRA**") and from the CRA to the U.S. Internal Revenue Service ("**IRS**"). However, the Funds may be subject to FATCA Tax if it cannot satisfy the applicable requirements under the IGA or Part XVIII of the Tax Act, or if the Canadian government is not in compliance with the IGA and if the Funds are otherwise unable to comply with any relevant and applicable U.S. legislation. Any such FATCA Tax in respect of a Fund would reduce the Fund's distributable cash flow and net asset value. In addition, there can be no assurance that applicable laws, or other legislation, legal and statutory rights will not be changed in a manner which adversely affects the Funds or their unitholders. There can be no assurance that income tax, securities, and other laws or the interpretation and application of such laws by courts or government authorities will not be changed in a manner which adversely affects the distributions received by the Funds or by the unitholders.

ORGANIZATION AND MANAGEMENT OF THE FUNDS

Manager, Trustee and Portfolio Manager NewGen Asset Management Limited Commerce Court North, Suite 2900 25 King Street West, P.O. Box 405 Toronto, ON M5L 1G3	The Manager is a corporation established under the laws of Ontario, with its office in Toronto, Ontario. As Manager, we manage the overall business and operations of the Funds, including such matters as administration services and fund accounting. Each Fund is organized as a unit trust. When you invest in a Fund, you are buying units of the trust. As Trustee, we are the legal owner of the assets of the Fund and hold those assets on your behalf. As Portfolio Manager, we are responsible for portfolio management and advisory services for the Funds. The Portfolio Manager makes the purchase and sale decisions for securities in the Funds' portfolios.
Custodian CIBC World Markets Inc. Toronto, Ontario	The Custodian has custody of each Fund's property. Each Fund has a single custodian, as identified in the Annual Information Form.
Prime Broker CIBC World Markets Inc. Toronto, Ontario	The Prime Broker provides prime brokerage services to one or more Funds, including trade execution and settlement, custody, margin lending and securities lending in connection with the short sale strategies of the Funds. The Manager may appoint additional prime brokers from time to time.

Securities Lending Agent CIBC World Markets Inc. Toronto, Ontario	The Securities Lending Agent arranges and administers loans of the applicable Fund's portfolio securities for a fee to qualified borrowers who have posted collateral.
Administrator and Registrar SGGG Fund Services Inc. Toronto, Ontario	The Administrator provides administrative services to the Funds, including maintaining the accounting records of the Funds, fund valuation and net asset value calculation and financial reporting services. The Registrar keeps track of the owners of units of each of the Funds, processes purchases, reclassification and redemption orders, maintains the unit register, issues investor account statements and trade confirmations and issues annual tax reporting information. The Manager continues to be responsible for the services provided by the Administrator.
Auditor KPMG LLP Toronto, Ontario	The Auditor is responsible for auditing the annual financial statements of the Funds.
Independent Review Committee	The Independent Review Committee (the "**IRC**") will provide independent oversight of conflict of interest matters that may arise between NewGen and the Funds. Among other things, the IRC prepares an annual report of its activities for unitholders of the Funds, which will be available on our website at www.newgenfunds.com or upon request by any unitholder, at no cost, by calling us toll free at 1-833-5NEWGEN or at 416-941-9111 (collect calls are accepted) or emailing clientservice@newgenfunds.com. The members of the IRC are independent of NewGen. Additional information concerning the IRC, including the names of the members, is available in the Funds' Annual Information Form.

PURCHASES, RECLASSIFICATIONS AND REDEMPTIONS

Description of Units

Each Fund is permitted to issue an unlimited number of classes and may issue an unlimited number of units of each class. NewGen Alternative Income Fund has created Class F, Class F (USD), Class G, Class G (USD) and Class I units. NewGen Focused Alpha Fund has created Class C Founders, Class F, Class G and Class I units.

The classes are subject to their respective minimum investment requirements, as detailed below under "Purchases". Each Fund is also only available with confirmation that your IIROC-registered dealer has signed an agreement with us authorizing the dealer to sell such units of the Fund.

In addition to the minimum investment requirements, the following describes the suggested class suitability (your financial advisor can best assist you with determining the right class for you) and any further class eligibility requirements you must meet to qualify to purchase the class.

- *Class C Founders units*: Available to certain investors on a case-by-case basis, all at the discretion of the Manager, until such time as the class reaches a net asset value of $50,000,000 (the "Founders Investment Period"). Class C Founders units will be available during the Founders Investment Period to investors who are enrolled in a dealer-sponsored fee for service or wrap program and who are subject to an annual asset-based fee rather than commissions on each transaction or, at the discretion of the Manager, any other investor for whom the Manager does not incur distribution costs. Holders of Class C Founders units may continue to purchase Class C Founders units through pre-authorized contribution plans established before the end of the Founders Investment Period or through reinvested distributions.
- *Class F units*: Available to investors who are enrolled in a dealer-sponsored fee for service or wrap program and who are subject to an annual asset-based fee rather than commissions on each transaction or, at the discretion of the Manager, any other investor for whom the Manager does not incur distribution costs.
- *Class F (USD) units*: Denominated in U.S. dollars and available to investors who are enrolled in a dealer-sponsored fee for service or wrap program and who are subject to an annual asset-based fee rather than commissions on each transaction or, at the discretion of the Manager, any other investor for whom the Manager does not incur distribution costs.
- *Class G units*: Available to all investors.
- *Class G (USD) units*: Denominated in U.S. dollars and available to all investors.
- *Class I units*: Available to institutional investors or to other investors on a case-by-case basis, all at the discretion of the Manager. Generally only available for certain individual investors who make large investments in the Funds. The management fees and performance fees for Class I units are paid directly by Class I unitholders, not by the Funds. Such investors who purchase Class I units must enter into an agreement with us that identifies the management fee and performance fee negotiated with the investor and payable by the investor directly to us. No sales commissions or trailing commissions are payable by us to a dealer for investments in Class I securities. Class I units are also available to certain of our employees and employees of affiliated entities and, at our discretion, to former employees and to relatives of current and former employees.

If you cease to satisfy criteria for holding units of a particular class, NewGen may reclassify your units as such number of units of another class of the same Fund that you are eligible to hold having an aggregate equivalent net asset value.

How We Price a Fund's Units

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

The net asset value of each Fund will be calculated in Canadian dollars. The Class C Founders, Class F, Class G, and Class I units of a Fund are denominated in Canadian dollars. The Class F (USD) and Class G (USD) units of a Fund are denominated in U.S. dollars and the returns of the Class F (USD) and Class G (USD) units are generally hedged back to the Canadian dollar. The returns on the Class F (USD) and Class G (USD) units will differ from the returns on the Class F and Class G units, respectively, because the effect and costs associated with employing the hedging strategy. A Fund may not be able to fully hedge the Canadian dollar exposure back to U.S. dollars in respect of Class F (USD) and Class G (USD) units, where applicable, at all times. Holders of Class F (USD) and Class G (USD) units who exchange those units for units of another class will do so at the prevailing Canadian/U.S dollar exchange rate.

The units of the NewGen Alternative Income Fund are divided into the Class F, Class F (USD), Class G, Class G (USD) and Class I units. The units of the NewGen Focused Alpha Fund are divided into the Class C Founders, Class F, Class G and Class I units.

Each class is divided into units of equal value. When you invest in a Fund, you are purchasing units of a specific class of the Fund.

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

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

- We take the fair value of all the investments and other assets allocated to the class.
- We then subtract the liabilities allocated to that class. This gives us the net asset value for the class.
- We divide this amount by the total number of units of the class that investors in the Fund are holding. That gives us the Unit Price for the class.

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

Each class pays its proportionate share of fund costs in addition to being attributed the relevant management fee and performance fee (as applicable). The difference in fund costs, management fees and performance fees between each class means that each class has a different Unit Price.

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

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

You can get the net asset values of the Funds or the Unit Price of a class of a Fund, at no cost, by sending an email to clientservice@newgenfunds.com, on NewGen's website at www.newgenfunds.com, by calling us toll free at 1-833-5NEWGEN or at 416-941-9111 (collect calls are accepted) or by asking your Dealer.

Purchases

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

The minimum initial investment in Class C Founders, Class F and Class G units is \$500, in Class F (USD) and Class G (USD) units is US\$500 and in Class I units is \$5,000,000. The minimum subsequent investment in Class C Founders, Class F and Class G units is \$100, in Class F (USD) and Class G (USD) units is US\$100 and Class I units is \$500 unless you buy through a pre-authorized contribution plan, in which case, the minimum subsequent investment is \$50 or US\$50, as the case may be**.** These minimum investment amounts may be adjusted or waived in the discretion of NewGen.

If we receive your purchase order before 4:00 p.m. (Eastern time) on a Valuation Day, we will process your order at the Unit Price calculated later that day. Otherwise, we will process your order at the Unit Price calculated on the next Valuation Day. We may process orders at an earlier time if the TSX closes for trading earlier on a particular day. Orders received after that earlier closing time would be processed on the next Valuation Day.

Please contact your Dealer to find out how to place an order. Please note that dealers may establish cut-off times for receiving purchase orders so that they may be properly processed prior to the 4:00 p.m. (Eastern Time) deadline on the applicable Valuation Day. When you submit money with a purchase order, the money will be held in our trust account and any interest the money earns before it is invested in a Fund is credited to such Fund, not to your account.

We must receive the appropriate documentation and payment in full within two business days of receiving your purchase order in order to process a purchase order. If a Fund does not receive payment in full within the required time, we will sell the units that you bought. If we sell them for more than you paid, the Fund will keep the difference. If we sell them for less than you paid, we will bill you for the difference plus any costs or interest. We do not issue certificates when you purchase a Fund. We are entitled to reject any purchase order, but we can only do so within one business day of receiving it. If we reject an order, we will return immediately to your dealer any monies we have received from you in connection with that order.

At NewGen's sole discretion, a Fund may suspend new subscriptions of the fund units.

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

Redemptions

If we receive your redemption order before 4:00 p.m. (Eastern Time) on any Valuation Day, we will process your order at the Unit Price calculated later that day. Otherwise, we will process your order at the Unit Price calculated on the next Valuation Day. We may process orders at an earlier time if the TSX closes for trading earlier on a particular day. Orders received after that earlier closing time would be processed on the next Valuation Day.

The latest we will send you your money will be two business days after the Valuation Day used to process your sell order. Required documentation may include a written order to sell with your signature, guaranteed by an acceptable guarantor. If you redeem through your Dealer, they will advise you what documents they require. Any interest earned on the proceeds of an order to redeem before you receive the money will be credited to the applicable Fund, not to your account. Redemption proceeds are paid in the applicable currency that the class of units is denominated.

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

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

There are no redemption fees for the Funds, except as described under "*Short-Term Trading Fee*".

Switches between Funds

You may switch all or part of your investment in a class of units of a Fund to units of the same class of another Fund. This is called a switch.

The Class F (USD) and Class G (USD) units of a Fund are denominated in U.S. dollars, and the returns of the Class F (USD) and Class G (USD) units are hedged back to the Canadian dollar, as described under "*What are the specific investment risks of investing in a mutual fund? – Currency Risk*" in this Prospectus. Holders of Class F (USD) and Class G (USD) units who exchange those units for units of another class will do so at the prevailing Canadian/U.S dollar exchange rate.

If we receive your switch order before 4:00 p.m. (Eastern Time) on any Valuation Day, we will process your order at the Unit Price calculated later that day. Otherwise, we will process your order at the Unit Price calculated on the next Valuation Day. We may process orders at an earlier time if the TSX closes for trading earlier on a particular day. Orders received after that earlier closing time would be processed on the next Valuation Day.

You may have to pay a fee to your Dealer to effect such a switch. You negotiate the fee with your investment professional. See "*Fees and Expenses*" for details.

A switch will be a disposition for tax purposes and may give rise to a taxable gain or loss. Please see "*Certain Canadian Federal Income Tax Considerations*" for details.

Reclassifications between Classes of the Same Fund

You may reclassify all or part of your investment from one class of units to another class of units of the same Fund, as long as you are eligible to hold that class of units. This is called a reclassification.

If we receive your reclassification order before 4:00 p.m. (Eastern Time) on any Valuation Day, we will process your order at the Unit Price calculated later that day. Otherwise, we will process your order at the Unit Price calculated on the next Valuation Day. We may process orders at an earlier time if the TSX closes for trading earlier on a particular day. Orders received after that earlier closing time would be processed on the next Valuation Day.

You may have to pay a fee to your Dealer to effect such a reclassification. You negotiate the fee with your investment professional. See "*Fees and Expenses*" for details.

The value of your investment, less any fees, will be the same immediately after the reclassification. You may, however, own a different number of units because each class may have a different Unit Price. Reclassifying units from one class to another class of the same Fund denominated in the same currency is generally not considered to give rise to a disposition for tax purposes. Please see "*Certain Canadian Federal Income Tax Considerations*" for details.

Short-Term Trading

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

Inappropriate short-term trading in units of a Fund can have an adverse effect on the Fund. Such trading can increase brokerage and other administrative costs of the Fund and interfere with our long-term investment decisions.

In order to protect the interest of the majority of unitholders in each Fund and to discourage inappropriate short-term trading in the Funds, investors may be subject to a short-term trading fee. If an investor redeems units of a Fund within 90 days of purchasing such units, the Fund may deduct and retain, for the benefit of the remaining unitholders in the Fund, two percent (2%) of the net asset value of the units of the particular class of the Fund being redeemed.

We also consider excessive short-term trading as a combination of purchases and redemptions that occurs with such frequency within a 30-day period that we believe is detrimental to a Fund's investors.

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

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 and 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 Fund;
- past trading patterns;
- unusual market circumstances; and
- an assessment of harm to the Fund or to us.

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

- redemptions of units by another fund managed by NewGen;
- redemptions of units purchased by the reinvestment of distributions;
- for systematic withdrawal plans;
- switch between NewGen Funds (unless we consider it to be part of excessive short-term trading);
- reclassification of units from one class to another class of the same Fund;
- redemptions initiated by NewGen or where redemption notice requirements have been established by NewGen;
- redemptions of units to pay management fees, administration fees, operating expenses, fund costs and/or advisor fees with respect to Class I units; or
- in the absolute discretion of NewGen.

OPTIONAL SERVICES

Pre-authorized Contribution Plan

You can make regular purchases of units of the Funds through a Pre-authorized Contribution Plan ("**PAC**"). You can invest weekly, bi-weekly or monthly. You can set up a PAC by contacting your Dealer. There is no administrative charge for this service.

When you enroll in a PAC, your Dealer will send you a complete copy of the applicable Fund's current Fund Facts, along with a PAC form agreement as described below. Upon request, you will also be provided with a copy of the Fund's simplified prospectus.

You will not receive the Fund Facts when you make any subsequent purchases under the PAC unless you request this at the time of your initial investment, or subsequently send a request. You can get copies of these documents at www.newgenfunds.com or at www.sedar.com, from your Dealer or by e-mailing us at clientservice@newgenfunds.com. We will only send you an updated copy of the Fund Facts annually upon renewal and any amendments if you have requested them.

You have a statutory right to withdraw from an initial purchase of a Fund under the PAC plan, but you do not have a statutory right to withdraw from subsequent purchases of the Fund under the PAC. However, you will continue to have all other statutory rights under securities law, including a right of action for damages or rescission in the event any Fund Facts or document incorporated by reference in any renewal simplified prospectus contains any misrepresentation, whether or not you have requested the Fund Facts.

You may change or terminate your PAC at any time before a scheduled investment date as long as we receive at least ten (10) business days' notice.

The Canadian Payments Association has implemented Rule H1, which is intended to protect consumers from unauthorized debits. On PAC enrolment by your Dealer, you must be given the form or disclosure that describes the PAC terms and conditions and investors' rights. By enrolling in a PAC, you are deemed to consent to:

- waive any pre-notification requirements;
- authorize us to debit your bank account;
- authorize us to accept changes from your registered dealer or financial advisor;
- agree to release your financial institution of all liability if your request to stop a PAC is not respected, except where the financial institution is grossly negligent;
- agree that a limited amount of your information will be shared with the financial institution for the purpose of administering your PAC;
- agree that you are fully liable for any charges incurred if the debits cannot be made due to insufficient funds or any other reason for which you may be held accountable; and
- be aware that you have rights and that you can change your instructions at any time, on ten (10) days' advance notice to us, and that you can find out more about your right to cancel a pre-authorized debit agreement by contacting your financial institution or by visiting www.cdnpay.ca.

Pledges

We have the right to refuse any requests made by an investor to pledge any of his/her/their or its units of a Fund.

Registered Plans

You can open certain registered plans through your Dealer. The following plans are eligible to invest in the Funds (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 fund ("**RRIFs**"), including
  - life income fund ("**LIFs**"),
  - locked-in retirement income fund ("**LRIFs**"),
  - prescribed retirement income fund ("**PRIFs**"),
  - restricted life income fund ("**RLIFs**"),
- tax-free savings accounts ("**TFSAs**"),
- registered education savings plans ("**RESPs**"), and
- deferred profit-sharing plans ("**DPSPs**").

We do not permit units of a Fund to be held within registered disability savings plans. Please see the "*Eligibility for Investment*" section in this Prospectus and the *"Eligibility for Registered Plans"* section in the Funds' Annual Information Form for more information.

FEES AND EXPENSES

The following sections list the fees and expenses that you may have to pay if you invest in a Fund. You may have to pay some of these fees and expenses directly. A Fund may have to pay some of these fees and expenses, which will therefore reduce the value of your investment in the Fund. Your financial advisor will assist you in choosing the appropriate purchase option for you. Some of these fees and expenses are subject to Goods and Services Tax ("**GST**") and may be subject to Harmonized Sales Tax ("**HST**"), including management fees, performance fees and fund costs. Interest and sales charges, if any, are not currently subject to GST or HST.

Each Fund is required to pay GST or HST on management fees payable to the Manager in respect of each applicable class, performance fees payable to the Manager in respect of each applicable class and on fund costs attributed to each class, based on the residence for tax purposes of the unitholders of the particular class. GST is currently charged at a rate of 5% and HST is currently charged at a rate of between 13% and 15% depending on the province.

Generally, (i) any changes to the basis of calculation of a fee or expense that is charged to a Fund or directly to its unitholders by a Fund or the Manager in connection with the holding of units of the Fund or (ii) the introduction of a new fee or expense that could, in either case, result in an increase in those charges is subject to unitholder approval except that, subject to applicable securities law requirements:

(a) no unitholder approval will be required if the Fund is at arm's length to the person or company charging the fee or expense to the Fund and if written notice is sent to all unitholders at least 60 days before the effective date of the change that could result in an increase in charges to the Fund; and

(b) no unitholder approval will be required for units that are purchased on a no load basis, if written notice is sent to all unitholders of such units at least 60 days before the effective date of the change that could result in an increase in charges to the Fund.

The table below lists the fees and expenses that you may have to pay if you invest in a Fund. You may have to pay some of these fees and expenses directly. A Fund may have to pay some of these fees and expenses, which will therefore reduce the value of your investment in the Fund.

<table>
<tr><th colspan="2">Fees and Expenses Payable by the Funds</th></tr>
<tr><td>Management Fees</td><td>The Manager receives a management fee payable by each Fund for providing its services to the Funds. The management fee varies based on each class of units. The management fee is calculated and accrued daily based on a percentage of the net asset value of each applicable class of units of each Fund, plus applicable taxes, and is payable on the last day of each calendar month.

As shown below, the annual management fees vary by class. You should make a specific request through your Dealer to purchase any applicable lower-fee class you may be eligible to purchase, or to switch your existing units to any applicable lower-fee class you may be eligible to purchase.

• Class C Founders units: 0.75% per annum
• Class F units: 1.00% per annum
• Class F (USD) units: 1.00% per annum
• Class G units: 2.00% per annum
• Class G (USD) units: 2.00% per annum
• Class I units: Negotiated by the investor and paid directly by the investor. The management fee rate would not exceed the management fee payable on Class G units of the applicable Fund.

The management fees for Class I units of the Funds are negotiable by you and payable directly to us. Parties related to us and our employees and employees of our affiliates may be charged no fees or fees that are lower than those available to other investors. For Class I units, this fee can be paid by: (1) cheque/wire or by the redemption of Class I units you hold, if (i) you have a minimum of $5,000,000 invested in Class I units and (ii) you hold your units outside of a registered plan; or (2) the redemption of Class I units you hold, if you have less than $5,000,000 invested in Class I units.

In consideration of the management fee, NewGen will provide investment management, clerical, administrative and operational services to the Funds, including: determining and implementing investment policies, practices, fundamental objectives and investment strategies applicable to each Fund; receiving and processing all subscriptions and redemptions; ensuring each Fund complies with regulatory requirements and filings; offering units of each Fund for sale to prospective purchasers; conducting foreign exchange transactions; purchase, retain, sell and call and put options, futures contracts or other similar financial instruments; daily operations and usual and ordinary office services; unitholder relations and communications; appointing or changing the auditor of each Fund; banking; establishing each Fund's operating expense budget and authorizing payment of expenses; authorizing contractual arrangements; recordkeeping; and allocating between each class of each Fund the net asset value of the Fund, any distribution of the Fund, the net assets of the Fund, the Fund's</td></tr>
</table>

	property, any liabilities of the Fund and any other items. The Manager may delegate the foregoing to third parties if it believes it is in the best interests of unitholders. In order to encourage very large investments in a Fund and to achieve effective management fees that are competitive for these large investments, the Manager may agree to waive a portion of the management fee that it would otherwise be entitled to receive from the Fund with respect to a unitholder's investment in the Fund. An amount equal to the amount so waived may be distributed to such unitholder by the Fund (called a "**Management Fee Distribution**"). In this way, the cost of a Management Fee Distribution is effectively borne by the Manager, not the Fund or the unitholder, as the Fund is paying a discounted management fee. Management Fee Distributions, where applicable, are calculated and credited to the relevant unitholder on each business day and distributed on a monthly basis, first out of net income and net realized capital gains of the Fund and thereafter out of capital. All Management Fee Distributions are automatically reinvested in additional units of the relevant class of the Fund. The payment of Management Fee Distributions by the Fund to a unitholder in respect of a large investment is fully negotiable between the Manager, as agent for the Fund, and the unitholder's financial advisor and/or dealer, and is primarily based on the size of the investment in the Fund. The Manager will confirm in writing to the unitholder's financial advisor and/or dealer the details of any Management Fee Distribution arrangement.
Performance Fees	The Manager receives from the Fund a performance fee in respect of each class of units of each Fund, excluding Class I Units. Each Fund will pay the Manager a performance fee each calendar quarter (a "**Performance Fee Determination Period**") equal to 15% of the Net Profit (as defined below) of each applicable class of units subject to the High Watermark (as defined below), plus applicable taxes. The performance fee will be calculated and accrued for each applicable class on a daily basis during each Performance Fee Determination Period and, with respect to an intra-quarter redemption of units of a class, on the relevant redemption date. Net Profit means, in respect of any class of units of a Fund for any Valuation Day, the positive amount (if any) calculated by deducting the NAV per unit of the class for that Valuation Day from the highest NAV per unit in respect of which a performance fee liability has previously arisen (the "**High Watermark**") (or the initial offering price of the units if no performance fee liability has previously arisen in respect of such class of units). The performance fee will be determined by multiplying the amount of Net Profit by the total number of the units of such class outstanding at the close of business on such Valuation Day. No performance fee shall be paid in respect of a class unless the class NAV per unit exceeds the High Watermark and, in such circumstances, a performance fee shall only be paid on that portion of the Net Profit that exceeds the High Watermark.

	Investors in Class I units may negotiate a performance fee (in accordance with applicable regulatory requirements) to be paid by the investor that is different than the one described in this table or no performance fee at all.
Operating Expenses	Each Fund pays its own operating expenses, other than advertising costs and costs of dealer compensation programs, which are paid by NewGen. Operating expenses include, but are not limited to, brokerage commissions and fees (if applicable), taxes, audit and legal fees, fees of the members of the IRC, costs and fees in connection with the operation of the IRC (including the costs of holding meetings and fees and expenses of any advisors engaged by the IRC), safekeeping and custodial fees, interest expenses, operating, administrative and systems costs, investor servicing costs and costs of financial and other reports to investors, as well as prospectuses, annual information forms and fund facts. Operating expenses and other costs of a Fund are subject to applicable taxes, including HST. Each Fund also pays a proportionate share of the total compensation paid to the IRC each year and reimburses members of the IRC for expenses incurred by them in connection with their services as members of the IRC. Each member of the IRC, other than the Chair, is paid, as compensation for his/her services, $6,000 (plus applicable taxes or other deductions) per annum. The Chair is paid $8,000 (plus applicable taxes or other deductions) per annum. Management expense ratios (“**MERs**”) are calculated separately for each class of units of a Fund and includes class management fees and/or operating expenses. Each Fund also pays its own brokerage commissions for portfolio transactions, fees associated with securities lending transactions and related transaction fees. These expenses are not included in the Fund’s MER but are, for tax purposes, added to the cost base or subtracted from the sale proceeds of its portfolio investments. These expenses constitute part of the Fund’s trading expense ratio (“**TER**”). Both the MER and the TER are disclosed in the Fund’s annual and semi-annual Management Report of Fund Performance.
Derivatives Transaction Costs	Each Fund may use a variety of derivatives, including options, futures, forward contracts and swaps to hedge against foreign currency risk among other risks. The Fund is responsible for paying the transaction costs associated with these derivative contracts.

Fees and Expenses Payable Directly by You	
Class I Units Management Fees and Performance Fees	Unitholders of Class I units pay directly to NewGen a negotiated management fee based on the net asset value of the Class I units of the Fund they own, which will not exceed the management fee payable on Class G units of that Fund. There may be no management fee at all for Class I units. This fee will be set out in an agreement between you and NewGen. Unitholders of Class I units may negotiate a performance fee (in accordance with applicable regulatory requirements) to be paid by the unitholder that is different than the one described above or no performance fee at all. The performance fee for Class I units will be paid directly to NewGen.
Sales Commissions	Your Dealer may charge you a sales commission of up to 5% based on the net asset value of the applicable class of units of the Fund you acquire when you buy Class G and Class G (USD) units. You may negotiate the amount with your Dealer. There are no sales commissions for Class C Founders, Class F, Class F (USD) and Class I units.
Switch and Reclassification Fees	Your Dealer may charge you a switch fee or reclassification fee, as applicable, of up to 2% based on the net asset value of the applicable class of units of the Fund you switch or reclassify. You may negotiate the amount with your Dealer. Dealers' fees for switches and reclassifications are paid by redeeming units held by you. See "*Certain Canadian Federal Income Tax Considerations – Taxation of Unitholders – Units Not Held in a Registered Plan*" section of this Prospectus.
Redemption Fees	The Funds do not charge a redemption fee. However, a Fund may charge a short-term trading fee if you redeem your units within 90 days of buying them. Please see "*Short-Term Trading Fee*" section of this Prospectus.
Short-Term Trading Fee	A fee of 2% of the amount redeemed may be charged if you redeem units of a Fund within 90 days of purchasing such units and/or your trading is part of a pattern of short-term trading that we believe is detrimental to Fund investors. For a description of NewGen's policy on short-term trading please see the disclosure under the subheading "*Short-Term Trading Fee*" under the heading "*Fund Governance*" in the Annual Information Form. The short-term trading fee charged will be paid directly to the applicable Fund, and is designed to deter excessive trading and offset its associated costs. For the purposes of determining whether the fee applies, we will consider the units that were held the longest to be units that are redeemed first. At NewGen's discretion, the fee will not apply in certain circumstances, such as: • redemptions of units by another fund managed by NewGen; • redemptions of units purchased by the reinvestment of distributions; • systematic withdrawal plans; • switches between NewGen Funds (unless we consider it to be part of excessive short-term trading);

	• a reclassification of units from one class to another class of the same Fund; • redemptions initiated by NewGen or where redemption notice requirements have been established by NewGen; or • in the absolute discretion of NewGen.
Pre-Authorized Contribution Plan Fees	Your Dealer may charge you an administrative fee for this service. You may negotiate the amount with your Dealer.
Registered Tax Plan Fees	Your Dealer may charge you a fee for this service. You may negotiate the amount with your Dealer.

Impact of Sales Commissions

The following table shows the amount of fees that you would have to pay under the different purchase options available to you if you made an investment of $1,000 in a Fund and if you held that investment for one, three, five or ten years and redeemed immediately before the end of that period.

Sales commissions may apply when you purchase Class G or Class G (USD) units of a Fund. The sales commissions may be negotiated between you and the Dealer. There are no sales commissions payable on Class C Founders, Class F, Class F (USD) or Class I units of the Funds.

	Sales Charge At Time of Purchase	Redemption Fee(1) Before End of			
		1 Year(1)	3 Years	5 Years	10 Years
Sales Charge Option	Up to $50	Nil	Nil	Nil	Nil

(1) There is no redemption fee. However, a short-term trading fee may apply only if you redeem your units within 90 days of purchasing them.

DEALER COMPENSATION

Your Dealer may receive three types of compensation – sales commissions, trailing commissions and switch/reclassification fees.

Sales Commissions – You pay this commission to your Dealer at the time of purchase of Class G or Class G (USD) units of a Fund. The maximum sales commission you may pay is 5% based on the net asset value of the applicable class of units of the Fund you acquire. You may negotiate this amount with your Dealer. There are no sales commissions payable to your Dealer for Class C Founders, Class F, Class F (USD) or Class I units of the Funds. Please see "*Purchases, Reclassifications and Redemptions*" section of this Prospectus for further details.

Trailing Commissions – For Class G or Class G (USD) units of a Fund, we pay dealers an ongoing annual service fee known as a "trailing commission," based on the total value of Class G or Class G (USD) units held in your account with the dealer. There are no trailing commissions paid on Class C Founders, Class F, Class F (USD) or Class I units of the Funds. The trailing commissions are paid quarterly at a current annual rate of up to 1.00% of the value of the Class G or Class G (USD) units held by clients of the dealer. In circumstances where NewGen Fund securities are purchased through discount brokerage accounts, we may also pay trailing commissions to the discount broker.

Switch/Reclassification Fees – You may pay the switch fee or reclassification fee, as applicable, to your Dealer at the time of switching your investment from one NewGen Fund to another NewGen Fund or reclassifying from one class of units to another class of units in the same Fund. The maximum switch/reclassification fee you may pay is 2% based on the net asset value of the applicable class of units of the Fund being switched or reclassified. You may negotiate this amount with your Dealer. Dealers' fees for switches and reclassifications are paid by redeeming units held by you. See "*Certain Canadian Federal Income Tax Considerations – Taxation of Unitholders – Units Not Held in a Registered Plan*" section of this Prospectus.

Other Kinds of Dealer Compensation

We may provide a broad range of marketing support programs to dealers that include research materials on the Funds and pre-approved advertising copy relating to the Funds. We may also provide advertising programs for the Funds that may indirectly benefit your Dealer, and, in some cases, may share with your Dealer the cost of local advertising and marketing activities (including investor conferences and seminars). The cost sharing is on a case-by-case basis and will not exceed 50% of the total direct costs incurred by your Dealer. We may reimburse dealers for the registration fees of financial advisors attending certain conferences, seminars and courses organized and presented by third parties. We also may reimburse dealers and certain industry associations for up to 10% of the total direct costs they incur for other kinds of conferences, seminars and courses they organize and present. We may organize and present, at our expense, educational conferences and seminars for financial advisors and provide to financial advisors nonmonetary benefits of a promotional nature and of minimal value.

It is important for you to know that all of the amounts described above are paid by us, not the Funds, and only in accordance with the our policies and the rules set out in National Instrument 81-105 *Mutual Fund Sales Practices*.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a general summary, at the time of filing, of certain of the principal Canadian federal income tax considerations generally applicable to you as an investor in units of a Fund offered under this Prospectus. This summary assumes you are an individual (other than a trust) who, for purposes of the Tax Act and at all times, (i) is a resident of Canada, (ii) deals at arm's length and is not affiliated with the Fund, and (iii) holds units as capital property.

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

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

This summary assumes that none of the issuers of securities held by a Fund will be a foreign affiliate of the Fund or any unitholder of the Fund, or a non-resident trust that is not an "exempt foreign trust" as defined in section 94 of the Tax Act. This summary also assumes that the Funds will not be (i) a "SIFT trust" for the purposes of the Tax Act, (ii) a "financial institution" for purposes of the mark-to-market rules in the Tax Act, or (iii) required to include any amounts in income pursuant to section 94.1 or section 94.2 of the Tax Act.

This summary is not exhaustive of all possible Canadian federal tax considerations applicable to you in respect of an investment in units of the Funds and does not describe the income tax consequences relating to the deductibility of interest on money borrowed to acquire units. This summary is not intended to be, nor should it be construed to be, legal or tax advice to any particular investor. Accordingly, you are urged to consult with your own tax advisors for advice with respect to the income tax consequences of an investment in units, based on your particular circumstances.

Tax Status of the Funds

This summary is based on the assumptions that (i) each Fund will qualify, at all times, as a "mutual fund trust" within the meaning of the Tax Act and has elected under the Tax Act to be a "mutual fund trust" from the date it was established, (ii) each Fund will not be maintained primarily for the benefit of non-residents, and (iii) not more than 50% (based on fair market value) of the units of each Fund will be held by non-residents of Canada or by partnerships that are not "Canadian partnerships" as defined in the Tax Act, or by any combination of such partnerships and non-residents.

In order to continue to qualify as a "mutual fund trust", each Fund must, among other things, comply on a continuous basis with certain minimum requirements respecting the ownership and dispersal of units. If a Fund does not qualify as a "mutual fund trust" at all times, the income tax considerations described below could be materially and adversely different.

Taxation of the Funds

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

Each Fund is required to include, in computing its income for each taxation year, the taxable portion of any net capital gains, any dividends received by it in that taxation year and all interest that accrues to it during the year, or which becomes receivable or is received by it before the end of the year, except to the extent that such interest was included in computing its income for a preceding taxation year. In computing its income, a Fund will take into account any loss carry-forwards, any capital gains refund and all deductible expenses, including management fees.

Gains and losses realized by a Fund on the disposition of securities will generally be reported as capital gains and capital losses. Each Fund has elected under subsection 39(4) of the Tax Act so that all gains or losses realized on the disposition of securities that are "Canadian securities" (as defined in the Tax Act), including Canadian securities acquired in connection with short sales, will be deemed to be capital gains or losses to the Fund. Generally, gains and losses realized by a Fund from derivatives and in respect of short sales of securities (other than Canadian securities) will be treated as being on income account, except where a derivative is used to hedge securities held on capital account provided there is sufficient linkage and the derivative is not subject to the derivative forward agreement rules ("**DFA Rules**") discussed below, and the Fund will recognize such gains or losses for tax purposes at the time they are realized by the Fund. An election to realize gains and losses on "eligible derivatives" (as defined in the Tax Act) of a Fund on a mark-to-market basis may be available. The Manager will consider whether such election, if available, would be advisable for the Fund. Whether gains or losses realized by a Fund on a particular transaction (other than a disposition of a Canadian security) is on income or capital account will depend largely on factual considerations.

The DFA Rules in the Tax Act deem gains on the settlement of certain forward agreements (described as "derivative forward agreements") to be included in ordinary income rather than treated as capital gains. Under the DFA Rules, the return on any derivative entered into by a Fund that is a "derivative forward agreement" within the meaning of the Tax Act will be taxed as ordinary income rather than capital gains. The Tax Act exempts from the application of the DFA Rules currency forward contracts, and certain other derivatives, that are entered into in order to hedge foreign exchange risk in respect of an investment held as capital property.

Losses incurred by a Fund in a taxation year cannot be allocated to unitholders, but may be deducted by the Fund in future years in accordance with the Tax Act.

Each Fund's portfolio may include securities that are not denominated in Canadian dollars. The cost and proceeds of disposition of securities, dividends, interest and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars at the exchange rate prevailing at the time of the transaction, as more particularly determined in accordance with section 261 of the Tax Act. Accordingly, each Fund may realize gains or losses by virtue of the fluctuation in the value of foreign currencies relative to Canadian dollars.

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

A Fund may be subject to alternative minimum tax in any taxation year throughout which the Fund is not a "mutual fund trust" for purposes of the Tax Act.

A Fund may be subject to the loss restriction rules contained in the Tax Act unless the Fund qualifies as an "investment fund" as defined in the Tax Act, which, among other things, requires that certain investment diversification restrictions are met, and that Unitholders hold only fixed (and not discretionary) interests in the Fund. If a Fund experiences a "loss restriction event" (i) the Fund will be deemed to have a year-end for tax purposes (which would result in an allocation of the Fund's net income and net realized capital gains at such time to Unitholders so that the Fund is not liable for income tax under Part I of the Tax Act on such amounts), and (ii) the Fund will be deemed to realize any unrealized capital losses and its ability to carry forward losses will be restricted. Generally, a Fund will have a loss restriction event when a person becomes a "majority-interest beneficiary" of the Fund, or a group of persons becomes a "majority-interest group of beneficiaries" of the Fund, as those terms are defined in the Tax Act.

A Fund may be subject to the "suspended loss" rules contained in the Tax Act, which would generally apply where the Fund disposes of property and subsequently reacquires the property or acquires an identical property within the time period that begins 30 days before the disposition and ends 30 days following the disposition, and the Fund continues to own the reacquired or newly-acquired property following that period.

Where the "suspended loss" rules apply, any losses arising from the initial disposition of property would be denied, but may be realized at a future point in time in accordance with the rules in the Tax Act.

Taxation of Unitholders

Units Held in a Registered Plan

If you hold units of a Fund in a Registered Plan, distributions from the Fund and capital gains from a redemption (or other disposition) of units in respect of the Registered Plan are generally not subject to tax under the Tax Act until withdrawals are made from the Registered Plan (however, withdrawals from a TFSA are generally not subject to tax).

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

You should consult with your own tax advisors to determine whether units of a Fund would be a "prohibited investment" for your TFSA, RRSP, RRIF, or RESP, based on your particular circumstances.

Units Not Held in a Registered Plan

If you hold units of a Fund outside a Registered Plan, you will generally be required to include in computing your income for a taxation year the portion of the net income of the Fund, including the taxable portion of any capital gains, if any, paid (or payable) to you by the Fund in that taxation year, whether such amounts are paid in cash or automatically reinvested in additional units.

Generally, any distributions to you in excess of your share of the net income and net capital gains of a Fund in a taxation year are a return of capital and will not be taxable to you, but will reduce the adjusted cost base of your units. To the extent that the adjusted cost base of your units would otherwise be a negative amount, the negative amount will be deemed to be a capital gain realized by you and your adjusted cost base will be nil immediately thereafter. The non-taxable portion of any net capital gains of a Fund that is distributed to you will not be taxable and will not, provided the appropriate designations are made by the Fund, reduce the adjusted cost base of your units.

The higher the portfolio turnover rate of a Fund in a year, the greater the chance that an amount will be declared payable or paid in respect of your units of the Fund prior to the end of the year. However, there is not necessarily a relationship between a high turnover rate of a Fund's portfolio and the performance of the Fund.

Provided that appropriate designations are made by each Fund, such portion of: (i) the taxable portion of any net capital gains of the Fund, and (ii) the taxable dividends received by the Fund on shares of taxable Canadian corporations as are paid or become payable to you will effectively retain their character and be treated as such in your hands. The gross-up and dividend tax credit rules contained in the Tax Act will apply to such amounts that are designated as taxable dividends from taxable Canadian corporations. If a Fund makes the appropriate designation, you may be entitled to claim a foreign tax credit in accordance with the provisions of, and subject to the general limitations under, the Tax Act for a portion of the foreign tax paid by the Fund in respect of income from foreign sources.

The NAV per unit of the applicable Fund at the time you acquire units may reflect income and gains of the Fund that have accrued prior to that time. Accordingly, if you acquire units, particularly late in a calendar year, you may become taxable on the income or gains of the Fund that accrued before those units were acquired by you.

We will provide you with prescribed information in the form required by the Tax Act to assist you in preparing your tax return.

Upon the redemption (or other disposition) of a unit of a particular class of units of a Fund, including on a redemption of units to pay any applicable switch or reclassification fees, you will realize a capital gain (or capital loss) to the extent that your proceeds of disposition (i.e., the amount you receive for that unit) exceed (or are less than) your adjusted cost base of the unit and any reasonable costs of disposition. Your adjusted cost base of a single unit of a particular class of units of a Fund at any particular time will generally be the average cost of all such units held by you at that time. For the purpose of determining the adjusted cost base of your units of a particular class of units of a Fund, when units are acquired, including on the reinvestment of distributions, the cost of the newly acquired units will generally be averaged with the adjusted cost base of all such units owned by you as capital property immediately before that time.

One-half of any capital gain realized by you in a taxation year on the disposition of units will be included in your income for that taxation year and one-half of any capital loss realized by you must be deducted from the taxable portion of any capital gains realized in that taxation year. One-half of any unused capital losses may be deducted by you against the taxable portion of any capital gains arising in the three immediately preceding taxation years or in subsequent taxation years, subject to the rules in the Tax Act.

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

A reclassification of units of a Fund denominated in the same currency should not generally be considered to give rise to a taxable disposition for the purposes of the Tax Act. However, based on the current published administrative policies and assessing practices of the CRA, a reclassification of Units denominated in U.S. dollars into units denominated in Canadian dollars, and vice versa, will likely be considered to constitute a disposition of such Units for the purposes of the Tax Act.

Management fees and performance fees paid directly to NewGen by holders of Class I units will generally not be deductible by those unitholders.

Calculating the Adjusted Cost Base of a Unit of the Funds

You must separately compute the adjusted cost base in respect of each class of units of a Fund you own. The adjusted cost base in respect of any class of units of a Fund that you own must be calculated in Canadian dollars.

The total adjusted cost base of your units of a particular class of units of a Fund (the "subject class") 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 adjusted cost base of any units of another class of units of the Fund that you hold that were reclassified as units of the subject class;

  plus

- the fair market value of units of the subject class that were acquired on an exchange or "switch" of units of another Fund (as at the time of the "switch");

  plus

- the amount of any reinvested distributions in respect of units of the subject class;

  less

- the return of capital component of distributions paid to you in respect of your units of the subject class; and

  less

- the adjusted cost base of any of your units of the subject class that have been redeemed.

The adjusted cost base of a single unit of a subject class is the total adjusted cost base of units of the subject class held by you divided by the number of units of the subject class that you hold at the relevant time.

Tax Reporting

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 a Fund will generally be reported to the CRA unless units are held inside a Registered Plan. The CRA may provide the information to the relevant foreign tax authorities under exchange of information treaties or other agreements.

International Tax Reporting

Part XIX of the Tax Act implements the Organisation for Economic Co-operation and Development Common Reporting Standard. Pursuant to Part XIX of the Tax Act, "Canadian financial institutions" that are not "non-reporting financial institutions" (as both terms are defined in Part XIX of the Tax Act) are required to have procedures in place to identify accounts held by residents of foreign countries (other than the U.S.) or by certain entities the "controlling persons" of which are resident in a foreign country and to report required information to the CRA. Such information is expected to be exchanged on a reciprocal, bilateral, basis with the tax authorities of the foreign country in which the account holders or such controlling persons are resident, pursuant to the Multilateral Convention on Mutual Administrative Assistance in Tax Matters or the relevant bilateral tax treaty. Pursuant to Part XIX of the Tax Act, unitholders are required to provide certain information regarding their investment in a Fund for the purpose of such information exchange, unless the investment is held within certain Registered Plans.

U.S. Foreign Account Tax Compliance Act

In March 2010, the U.S. enacted FATCA, which imposes certain reporting requirements on non-U.S. financial institutions. The governments of Canada and the United States have entered into the IGA, which establishes a framework for cooperation and information sharing between the two countries and may provide relief from the FATCA Tax for Canadian entities, such as a Fund, provided that: (i) the Fund complies with the terms of the IGA and the Canadian legislation implementing the IGA in Part XVIII of the Tax Act, and (ii) the government of Canada complies with the terms of the IGA. The Fund will endeavour to comply with the requirements imposed under the IGA and Part XVIII of the Tax Act. Under

Part XVIII of the Tax Act, holders of units of a Fund are required to provide identity and residency and other information to the Fund (and may be subject to penalties for failing to do so), which, in the case of "Specified U.S. Persons" or certain non-U.S. entities controlled by "Specified U.S. Persons", will be provided, along with certain financial information (for example, account balances), by the Fund to the CRA and from the CRA to the IRS. A Fund may be subject to FATCA Tax if it cannot satisfy the applicable requirements under the IGA or Part XVIII of the Tax Act, or if the Canadian government is not in compliance with the IGA and if the Fund is otherwise unable to comply with any relevant and applicable U.S. legislation.

Eligibility for Investment

Provided that a Fund qualifies as a "mutual fund trust" for purposes of the Tax Act, units of the Fund offered hereby will be "qualified investments" under the Tax Act for Registered Plans.

WHAT ARE YOUR LEGAL RIGHTS?

Securities legislation in some provinces gives you the right to withdraw from an agreement to buy a mutual fund within two business days of receiving the Fund Facts, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces also allows you to cancel an agreement to buy securities of a mutual fund and get your money back, or to make a claim for damages, if: (i) the Fund Facts are not sent or delivered to you within the time required under securities legislation, or (ii) the simplified prospectus, annual information form, Fund Facts or financial statements misrepresent any facts about the mutual fund. These rights must usually be exercised within certain time limits.

For more information, refer to the securities legislation of your province or consult your lawyer.

PART B: SPECIFIC INFORMATION ABOUT THE ALTERNATIVE MUTUAL FUNDS DESCRIBED IN THIS DOCUMENT

This Part provides specific descriptions of the Funds in this Prospectus. This introduction explains most of the terms and assumptions that appear in the Fund descriptions and information about the Funds.

Fund Details

This is a summary of some basic information about the Fund, such as when it was started, the type of fund that the Fund is best characterized as, the nature of the securities offered by the Fund, and whether the Fund is eligible as an investment for Registered Plans, such as RRSPs, TFSAs, RESPs, etc.

What does the Fund invest in?

This section describes the Fund's fundamental investment objectives and the principal investment strategies that the Portfolio Manager uses in trying to achieve those objectives. It also describes the types of securities the Fund can invest in and how the Portfolio Manager chooses the investments and manages the portfolio.

What are the risks of investing in the Fund?

This section explains some of the risks of investing in the Fund. Please refer to "*What are the specific investment risks of investing in a mutual fund?*" section of this Prospectus for a description of each risk factor.

Investment Risk Classification Methodology

The methodology used to determine the investment risk level of each Fund for purposes of disclosure in this Prospectus is the historical volatility risk as measured by the standard deviation of fund performance, which is the standard methodology outlined in Appendix F *Investment Risk Classification Methodology* to NI 81-102.

The investment risk level for a fund with at least 10 years of performance history will be based on such fund's historical volatility, as measured by its 10-year standard deviation of performance. The investment risk level for a fund with less than 10 years of performance history will be based on the historical volatility of a reference index that reasonably approximates such fund's historical performance, as measured by the reference index's 10-year standard deviation of performance.

However, NewGen recognizes that other types of risk, both measurable and non-measurable, may exist and we remind you that the historical performance of a fund (or a reference index used as its proxy) may not be indicative of future returns and that the historical volatility of a fund (or a reference index used as its proxy) may not be indicative of its future volatility.

The risk rating categories of this methodology are:

- **Low (standard deviation range of 0 to less than 6) -** for a fund with a level of risk that is typically associated with investments in Canadian fixed-income funds and in money market funds;
- **Low to Medium (standard deviation range of 6 to less than 11) -** for a fund with a level of risk that is typically associated with investments in balanced funds and global and/or corporate fixed income funds;

- **Medium (standard deviation range of 11 to less than 16) -** for a fund with a level of risk that is typically associated with investments in equity portfolios that are diversified among a number of large-capitalization Canadian and/ or international equity securities;
- **Medium to High (standard deviation range of 16 to less than 20) -** for a fund with a level of risk that is typically associated with investments in equity funds that may concentrate their investments in specific regions or in specific sectors of the economy; and
- **High (standard deviation range of 20 or greater) -** for a fund with a level of risk that is typically associated with investment in equity portfolios that may concentrate their investments in specific regions or in specific sectors of the economy where there is a substantial risk of loss (e.g., emerging markets, precious metals).

The investment risk level of a fund is determined when the fund is first created and is reviewed annually. The methodology that NewGen uses to identify the investment risk level of the Fund is available on request, at no cost, by calling us toll free at 1-833-5NEWGEN or at 416-941-9111 (collect calls are accepted) or by writing to us at NewGen Asset Management Limited, Commerce Court North, Suite 2900, 25 King Street West, P.O. Box 405 Toronto, Ontario, M5L 1G3.

Who should invest in this Fund?

The information is our assessment of the type of investor and the type of portfolio for which the Fund would be most suitable. In this section, we state what type of investor should consider an investment in the Fund having regard to that investor's objectives, i.e., whether the investor is looking to grow their capital over the long term as opposed to an investor who is investing to receive current income; whether an investor should be in a non-registered account; and whether the investor is looking to invest in a specific region or industry. In addition to stating the type of investor for whom an investment in the Fund is suitable, we have also stated the degree of risk tolerance that an investor requires to invest in the Fund.

Distribution Policy

This section explains when the Fund will make distributions. You earn money from the Fund when the Fund distributes amounts to you out of interest, dividend and other income earned and capital gains realized on its underlying investments. Mutual fund trusts may make distributions that are treated as ordinary income, dividend income, capital gains, foreign source income or non-taxable amounts (including returns of capital).

Fund Expenses indirectly borne by investors

The information below is intended to help investors compare the cost of investing in this Fund with the cost of investing in other mutual funds. Mutual funds pay certain expenses out of fund assets. That means investors in a mutual fund indirectly pay for these expenses through lower returns.

NEWGEN ALTERNATIVE INCOME FUND

FUND DETAILS

Type of Fund	Canadian Multi-Strategy Long/Short
Date Fund Started:	January 22, 2019
Classes Offered	Class F – January 22, 2019 Class F (USD) – February 2, 2021 Class G – January 22, 2019 Class G (USD) – February 2, 2021 Class I – January 22, 2019
Nature of Securities Offered:	Units of a mutual fund trust
Registered Plan Eligibility:	Eligible for Registered Plans
Annual Management Fee:	Class F: 1.00% Class F (USD): 1.00% Class G: 2.00% Class G (USD): 2.00% Class I: negotiated and paid by each Class I unitholder
Performance Fee:	15% of performance above the perpetual high-water mark with respect to all classes except Class I units Negotiated and paid by each Class I unitholder, as applicable

WHAT DOES THE FUND INVEST IN?

Investment Objective

The investment objective of the Fund is to provide investors with a combination of steady long-term capital appreciation and a stable stream of income. The Portfolio Manager will place a strong emphasis on risk management and defensive market positioning in order to reduce beta (i.e., systemic risk) and preserve capital in adverse market conditions. As a result, the objective is to deliver a unique return profile that has a low correlation and low volatility when compared to traditional equity market indices.

The fund will use leverage. The leverage will be created through the use of cash borrowings, short sales and derivative contracts. The aggregate gross exposure of the Fund shall not exceed the limits on the use of leverage described in the "*Investment Strategies*" section of this Prospectus or as otherwise permitted under applicable securities legislation.

The fundamental investment objective of the Fund will not change without the consent of a majority of the voting unitholders of the Fund.

Investment Strategies

In order to achieve its investment objective, the Fund intends to invest both long and short in an actively managed diversified portfolio of predominantly Canadian securities (approximately 70%), with the balance being traded on globally recognised stock exchanges. The portfolio will be comprised of equities, convertible debentures, fixed income, preferred shares, SPACs, options, and warrants.

The Fund will employ a broad range of alternative investment strategies including:

- *Fundamental Long*: The Portfolio Manager may employ screening methodologies and fundamental analysis designed to identify company securities that may offer inexpensive valuations, strong business tailwinds, growing cash flow profiles, attractive sustainable dividends/coupons and strong management teams with track records of capital discipline. The Fund may then invest in these companies over a medium to long-term time horizon.

- *Fundamental Short*: The Portfolio Manager may employ screening methodologies and fundamental analysis designed to identify company securities that may offer expensive valuations, business headwinds, lack of cash flow visibility, weakening balance sheets, and unsophisticated management teams with track records of destructive capital allocation. The Fund may then establish short positions in these companies over a medium to long-term time horizon. These short positions must be listed on a recognized stock exchange and may comprise up to 50% (at the time of investment) of the Fund's NAV.

- *Opportunistic Equity Long / Short*: The Fund may establish opportunistic short-term positions to take advantage of opportunities that tend to arise in Canadian securities markets surrounding company-specific events / catalysts, such as corporate updates, primary and secondary financings, index additions / deletions, clean-up / block trades, and mergers & acquisitions.

- *Pairs Trading*: The Fund may invest long in an undervalued security, while shorting an overvalued security with similar characteristics, while maintaining market neutrality.

- *Short Selling for Hedging*: The Fund may short sell a specific equity or a basket of equities for hedging purposes with the aim of reducing the Fund's market exposure.

- *Options Strategies*: The Fund may opportunistically utilize options for both hedging and non-hedging strategies. These non-hedging strategies may include writing puts or calls to generate additional income, buying puts or calls to gain directional leverage, or employing various spread strategies to gain exposure to asymmetric return profiles or to take advantage of mispriced volatility.

The Fund is an "alternative mutual fund" pursuant to NI 81-102 as the Fund may borrow cash up to a maximum of 50% of its NAV and to sell securities short, whereby the aggregate market value of securities sold short will be limited to 50% of its NAV. The combined use of short-selling and cash borrowing by the Fund is subject to an overall limit of 50% of its NAV. The Fund may also use derivatives as described below.

The Fund may invest up to 20% of its NAV: (i) in the securities of a single issuer, (ii) a specified derivative transaction, or (iii) in a purchase of an index participation unit. This restriction does not apply to investments in debt securities issued or guaranteed by the Canadian or U.S. government; securities issued by a clearing corporation; securities issued by an investment fund if the purchase is made in accordance with the requirements of section 2.5 of NI 81-102; index participation units issued by an investment fund; or an equity security if the purchase is made by a fixed portfolio investment fund in accordance with its investment objectives.

Through the use of cash borrowing, short selling or specified derivatives, the Fund's aggregate leverage will not exceed 300% of the Fund's NAV. The Fund's aggregate exposure is calculated as the sum of the following and divided by the Fund's NAV: (i) the aggregate value of the Fund's outstanding indebtedness under any borrowing agreements; (ii) the aggregate market value of all securities sold short by the Fund; and (iii) the aggregate notional amount of the Fund's specified derivative positions minus the aggregate notional amount of the specified derivative positions that are hedging transactions.

The Fund utilizes borrowing by purchasing securities on margin to enhance the returns of its investment portfolio by enabling gross margin in excess of 100%, or to manage the risk of its investment portfolio by enabling short selling up to a limit of 50% of the Fund's net asset value. The Portfolio Manager believes this is an effective strategy to achieve its investment objective because it aims to leverage the potential return of the long portfolio while lowering the market exposure through the short portfolio.

The Fund may engage in securities lending, repurchase and reverse repurchase transactions with the aim of earning additional income for the Fund. On any securities lending, repurchase and reverse repurchase transaction, the Fund must, unless it has been granted relief:

- deal only with counterparties who meet generally accepted creditworthiness standards and who are unrelated to the Fund's portfolio manager, manager or trustee as defined in NI 81-102;
- hold collateral equal to a minimum 102% of the market value of the portfolio securities loaned (for securities lending transactions), sold (for repurchase transactions) or purchased (for reverse repurchase transactions);
- adjust the amount of the collateral on each business day to ensure the value of the collateral relative to the market value of the portfolio securities loaned, sold or purchased remains at or above the minimum 102% limit; and
- limit the aggregate value of all portfolio securities loaned or sold through securities lending and repurchase transactions to no more than 50% of the total assets of the Fund (without including the collateral for loaned securities and cash for sold securities).

The Fund may use derivatives such as futures, forwards, options, and swaps for "hedging" purposes to reduce the Fund's exposure to changes in securities prices, interest rates, exchange rate or other risks. Derivatives may also be used for "non-hedging" purposes, which may include the following: (i) as substitute investments for stocks or a stock market; (ii) to gain exposure to other currencies; (iii) to seek to generate additional income; or (iv) for any other purpose that is consistent with the Fund's investment objective. Additionally, pursuant to NI 81-102, the Fund may deal with counterparties without a designated rating and the Fund may enter into over the counter derivative transactions with a wider variety of counterparties. The Fund will be permitted to exceed the 10% of NAV mark-to-market limit on specified derivatives exposure to a single counterparty, only if either: (i) the specified derivative is a clear specified derivative; or (ii) the counterparty has a designated rating (generally, a rating of "A" or higher for the counterparty's long-term debt).

For more information on derivatives used by the Fund for hedging and non-hedging purposes as at the last day of the applicable financial reporting period, please refer to the Fund's most recent financial statements. Please also refer to the explanation of risks that accompany the use of derivatives under "*Currency Risk*" and "*Derivatives Risk*" in the "*What are the Risks of Investing in a Mutual Fund?*" section of this Prospectus.

The Fund may hold a portion of its net assets in securities of other investment funds, including ETFs, in accordance with its investment objectives. The types of underlying funds held by the Fund will be selected with consideration for the underlying fund's investment objectives and strategies, past performance and operational efficiencies.

Depending on market conditions, the Portfolio Manager's investment styles may result in a higher portfolio turnover rate than less actively managed funds. Generally, the higher the Fund's portfolio turnover rate, the higher its trading expenses. The higher the portfolio turnover rate, the greater the probability that you will receive a distribution of capital gains from the Fund, which may be taxable if you hold the Fund outside a registered plan. There is no proven relationship between a high turnover rate and the performance of a mutual fund.

The Fund may engage in short selling as long as:

- the aggregate market value of the securities of the issuer sold short by the Fund, other than government securities sold short, does not exceed 10% of the Fund's NAV, and
- the aggregate market value of all the securities sold short by the Fund does not exceed 50% of the Fund's NAV.

The specific strategies that differentiate this Fund from conventional mutual funds include: increased use of derivatives for hedging and non-hedging purposes, increased ability to sell securities short, and the ability to borrow cash to use for investment purposes. While these strategies will be used in accordance with the Fund's the ability to borrow and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value. Please also refer to the explanation of these risks under *"Derivatives Risk", "Short Selling Risk"* and *"Leverage Risk"* in the *"What are the Risks of Investing in a Mutual Fund?"* section of this Prospectus.

As Manager of the Fund, we may change the investment strategies from time to time, but will give Fund investors notice 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.

The Portfolio Manager may actively trade the Fund's investments. This can increase trading costs, which lower the Fund's returns. It also increases the possibility that you will receive distributions, which are taxable if you hold the Fund in a non-registered account.

WHAT ARE THE RISKS OF INVESTING IN THE FUND?

Please see "*What are the specific investment risks of investing in a mutual fund?*" section of this Prospectus for a full discussion of the risks associated with investing in the Fund. The Fund is generally exposed to the following risks:

- Arbitrage Risk
- Concentration Risk
- Convertible Securities Risk
- Coronavirus Pandemic Related Risk
- Credit Risk
- Currency Risk
- Cyber Security Risk
- Derivatives Risk
- Developed Countries Investment Risk
- Equity Investment Risk
- European Investments Risk
- Fixed Income Investment Risk
- Foreign Investment Risk
- High Portfolio Turnover Risk
- High Yield Security Risk
- Illiquidity Risk
- Interest Rate Risk
- IPO and New Issue Risk
- Lack of Operating History Risk
- Large Transaction Risk
- Legislation Risk
- Leverage Risk
- Market Risk
- Multiple Classes Risk
- Nature of Units Risk
- Performance Fee Risk
- Portfolio Manager Risk
- Potential Conflicts of Interest Risk
- Prime Broker Risk
- Regulatory and Legal Risk
- Sector Risk
- SPAC Risk
- Taxation of the Fund Risk

- Securities Lending, Repurchase and Reverse Repurchase Transaction Risk
- Short Selling Risk
- Small Company Risk
- Trust Loss Restriction Rule Risk
- U.S. Foreign Account Tax Compliance Risk

WHO SHOULD INVEST IN THIS FUND

This Fund may be right for you if:

- you plan to hold your investment for the medium-term or longer;
- you want to gain exposure to an actively managed portfolio of Canadian, U.S. and global equities;
- you want low correlation to the equity market in your portfolio; and
- you can tolerate a low to medium level of risk.

This Fund is not suitable for investors who are investing for the short term or who are not willing to accept periodic volatility.

INVESTMENT RISK CLASSIFICATION METHODOLOGY

The Manager has rated the Fund's risk as low to medium risk. Please see "Investment Risk Classification Methodology" on page 35 for a description of the rating methodology used by the Manager to identify the risk rating of the Fund. As the Fund has less than 10 years of performance history, the Fund's investment risk level is based on the returns of a blended reference index consisting of the following reference indices:

Reference Index	% Weighting of Reference Index	Description
S&P/TSX Canadian Dividend Aristocrats Index	50%	S&P/TSX Canadian Dividend Aristocrats Index measures the performance companies included in the S&P Canada BMI (Broad Market Index) that have followed a policy of consistently increasing dividends every year for at least five years.
HFRI Event-Driven (Total) Index	25%	HFRI Event-Driven (Total) Index tracks investment managers who maintain positions in companies currently or prospectively involved in corporate transactions of a wide variety including but not limited to mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance or other capital structure adjustments.

Reference Index	% Weighting of Reference Index	Description
HFRI EH Multi-Strategy Index	25%	HFRI EH Multi-Strategy Index tracks investment managers who maintain positions both long and short in primarily equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques.

There may be times when we believe this methodology produces a result that does not reflect the Fund's risk based on other qualitative factors. As a result, we may place the Fund in a higher risk rating category, but the Fund can never be placed in a lower risk rating category.

You should know that other types of risks, both measurable and non-measurable, exist. Also, just as historical performance may not be indicative of future returns, historical volatility may not be indicative of future volatility. The risk rating of the Fund is identified under the sub-heading "*Who Should Invest in this Fund?*" and is reviewed annually and at any time that the risk rating is no longer reasonable in the circumstances. A more detailed explanation of the risk classification methodology used to identify the risk ratings of the Fund is available on request, at no cost, by contacting us toll free at 1-833-5NEWGEN or at 416-941-9111 (collect calls are accepted) or at clientservice@newgenFund.com.

DISTRIBUTION POLICY

The Fund has a policy to make distributions monthly at a rate determined from time to time by the Manager. These distributions are not guaranteed and may change at any time at our discretion. The Fund will also distribute, in respect of each taxation year, any net income and net realized capital gains in excess of the monthly distributions at the end of each taxation year (normally December 31), or at such other times as may be determined by the Manager. If the monthly distributions exceed the Fund's net income and net realized capital gains for the year, a portion of the Fund's distributions to unitholders may represent return of capital.

The following information applies to all classes of units of the Fund, as applicable:

- The record date for a dividend or distribution is the Valuation Day prior to the payment date.
- All distributions by the Fund to its unitholders will be automatically reinvested in additional units of the same class of the Fund. You may, by written request, elect to receive cash payment by electronic transfer to your bank account, however the Manager may, in respect of certain distributions and/or dividends, cause any such cash payment to be automatically reinvested in additional units of the same class of the Fund. Cash distributions are not available for Registered Plans. The Manager reserves the right to change this policy, and may elect to have distributions paid in cash.
- Units acquired through the reinvestment of dividends or distributions are not subject to any sales charges.
- As the Fund may dispose of some of its portfolio each year, the amount of dividends or distributions may be material.

FUND EXPENSES INDIRECTLY BORNE BY INVESTORS

The following information is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The management fees, performance fees and fund costs described under the "*Fees and Expenses*" section are generally paid out of the Fund's assets and constitute the MER of the Fund, which reduces the investment return on your units. The fees and expenses that you pay directly, and that are not included in the Fund's MER, are described in the "*Fees and Expenses Payable Directly by You*" section in this document.

This example is based on an initial investment of $1,000 and a total annual return of 5% in each year, and assumes the management expense ratio of the Fund was the same throughout each period shown as it was during the most recently completed financial year. See the "*Fees and Expenses*" section in this document for more information about the cost of investing in this Fund.

Cumulative fund expenses payable over the period	**1 year**	**3 years**	**5 years**	**10 years**
Class F Units	$16.27	$53.00	$95.89	$235.58
Class G Units	$27.83	$89.61	$160.38	$383.66
Class I Units	$4.62	$15.21	$27.83	$70.27

The Class F (USD) and Class G (USD) units were issued and outstanding for less than one calendar year as of February 8, 2022.

NEWGEN FOCUSED ALPHA FUND

FUND DETAILS

Type of Fund:	Equity long/short
Date Fund Started:	February 2, 2021
Classes Offered:	Class C Founders – February 2, 2021 Class F – February 2, 2021 Class G – February 2, 2021 Class I – February 2, 2021
Nature of Securities Offered:	Units of a mutual fund trust
Registered Plan Eligibility:	Eligible for Registered Plans
Annual Management Fee:	Class C Founders: 0.75% Class F: 1.00% Class G: 2.00% Class I: Negotiated and paid by each Class I unitholder
Performance Fee:	15% of performance above the perpetual high-water mark with respect to Class C Founders, Class F and Class G units. Negotiated and paid by each Class I unitholder, as applicable

WHAT DOES THE FUND INVEST IN?

Investment Objective

The investment objective of the Fund is to provide investors with long-term capital gains.

The Fund may use leverage. The leverage will be created through the use of cash borrowings, short sales and derivative contracts. The aggregate gross exposure of the Fund shall not exceed the limits on the use of leverage described in the "*Investment Strategies*" section of this Prospectus or as otherwise permitted under applicable securities legislation. The Fund may also employ derivative strategies to seek to manage market volatility.

The fundamental investment objective of the Fund will not change without the consent of a majority of the voting unitholders of the Fund.

Investment Strategies

In order to achieve its investment objective, the Fund intends to invest in a concentrated portfolio of high-quality equities predominantly listed in Canada. The Fund will primarily invest long, but it may also opportunistically short equities that offer the potential to generate outsized returns and to offset market risk.

The Fund will hold a portfolio of approximately 25 core equity positions. Portfolio construction will rely on in-depth fundamental analysis with the aim of identifying attractive equity opportunities in the Canadian investment universe. It may also invest up to 20% of its NAV in securities of listed in the U.S. or in U.S. issuers when compelling risk-reward opportunities arise. Positions will be weighted in the portfolio relative to their estimated potential return as estimated by the Portfolio Manager, as well as the securities' underlying liquidity and risk profiles.

The Fund may also invest in non-public securities, convertible debentures, special purpose acquisition companies (SPACs), options, private investments in public equity (PIPEs), warrants and special warrants.

The Fund may also opportunistically implement short-term trading strategies with the aim of generating additional return including investing in event-driven situations such as private placements and initial public offerings (IPOs).

The Fund will employ a broad range of alternative investment strategies including:

- *Fundamental Long*: The Portfolio Manager may employ screening methodologies and fundamental analysis designed to identify company securities that may offer inexpensive valuations, strong business tailwinds, growing cash flow profiles, attractive sustainable dividends/coupons and strong management teams with track records of capital discipline. The Fund may then invest in these companies over a medium to long-term time horizon.

- *Fundamental Short*: The Portfolio Manager may employ screening methodologies and fundamental analysis designed to identify company securities that may offer expensive valuations, business headwinds, lack of cash flow visibility, weakening balance sheets and unsophisticated management teams with track records of destructive capital allocation. The Fund may then establish short positions in these companies over a medium to long-term time horizon. These short positions must be listed on a recognized stock exchange and may comprise up to 50% (at the time of investment) of the Fund's NAV.

- *Pairs Trading*: The Fund may invest long in an undervalued security, while shorting an overvalued security with similar characteristics, while maintaining market neutrality.

- *Short Selling for Hedging*: The Fund may short sell a specific equity or a basket of equities for hedging purposes with the aim of reducing the Fund's market exposure.

- *Options Strategies*: The Fund may opportunistically utilize options for both hedging and non-hedging strategies. These non-hedging strategies may include writing puts or calls to generate additional income, buying puts or calls to gain directional leverage or employing various spread strategies to gain exposure to asymmetric return profiles or to take advantage of mispriced volatility.

The Fund is an "alternative mutual fund" pursuant to NI 81-102 as the Fund may borrow cash up to a maximum of 50% of its NAV and to sell securities short, whereby the aggregate market value of securities sold short will be limited to 50% of its NAV. The combined use of short-selling and cash borrowing by the Fund is subject to an overall limit of 50% of its NAV. The Fund may also use derivatives as described below.

The Fund may invest up to 10% of its NAV: (i) in the securities of a single issuer, (ii) a specified derivative transaction, or (iii) in a purchase of an index participation unit. This restriction does not apply to investments in debt securities issued or guaranteed by the Canadian or U.S. government; securities issued by a clearing corporation; securities issued by an investment fund if the purchase is made in accordance with the requirements of section 2.5 of NI 81-102; index participation units issued by an investment fund; or an equity security if the purchase is made by a fixed portfolio investment fund in accordance with its investment objectives.

Through the use of cash borrowing, short selling or specified derivatives, the Fund's aggregate leverage will not exceed 300% of the Fund's NAV. The Fund's aggregate exposure is calculated as the sum of the following and divided by the Fund's NAV: (i) the aggregate value of the Fund's outstanding indebtedness under any borrowing agreements; (ii) the aggregate market value of all securities sold short by the Fund; and (iii) the aggregate notional amount of the Fund's specified derivative positions minus the aggregate notional amount of the specified derivative positions that are hedging transactions.

The Fund utilizes borrowing by purchasing securities on margin to enhance the returns of its investment portfolio by enabling gross margin in excess of 100%, or to manage the risk of its investment portfolio by enabling short selling up to a limit of 50% of the Fund's net asset value. The Portfolio Manager believes this is an effective strategy to achieve its investment objective because it aims to leverage the potential return of the long portfolio while lowering the market exposure through the short portfolio.

The Fund may engage in securities lending, repurchase and reverse repurchase transactions with the aim of earning additional income for the Fund. On any securities lending, repurchase and reverse repurchase transaction, the Fund must, unless it has been granted relief:

- deal only with counterparties who meet generally accepted creditworthiness standards and who are unrelated to the Fund's portfolio manager, manager or trustee as defined in NI 81-102;
- hold collateral equal to a minimum 102% of the market value of the portfolio securities loaned (for securities lending transactions), sold (for repurchase transactions) or purchased (for reverse repurchase transactions);
- adjust the amount of the collateral on each business day to ensure the value of the collateral relative to the market value of the portfolio securities loaned, sold or purchased remains at or above the minimum 102% limit; and
- limit the aggregate value of all portfolio securities loaned or sold through securities lending and repurchase transactions to no more than 50% of the total assets of the Fund (without including the collateral for loaned securities and cash for sold securities).

The Fund may use derivatives such as futures, forwards, options and swaps for "hedging" purposes to reduce the Fund's exposure to changes in securities prices, interest rates, exchange rate or other risks. Derivatives may also be used for "non-hedging" purposes, which may include the following: (i) as substitute investments for stocks or a stock market; (ii) to gain exposure to other currencies; (iii) to seek to generate additional income; or (iv) for any other purpose that is consistent with the Fund's investment objective. Additionally, pursuant to NI 81-102, the Fund may deal with counterparties without a designated rating and the Fund may enter into over the counter derivative transactions with a wider variety of counterparties. The Fund will be permitted to exceed the 10% of NAV mark-to-market limit on specified derivatives exposure to a single counterparty, only if either: (i) the specified derivative is a clear specified derivative; or (ii) the counterparty has a designated rating (generally, a rating of "A" or higher for the counterparty's long-term debt).

For more information on derivatives used by the Fund for hedging and non-hedging purposes as at the last day of the applicable financial reporting period, please refer to the Fund's most recent financial statements. Please also refer to the explanation of risks that accompany the use of derivatives under "*Currency Risk*" and "*Derivatives Risk*" in the "*What are the Risks of Investing in a Mutual Fund?*" section of this Prospectus.

The Fund may hold a portion of its net assets in securities of other investment funds, including ETFs, in accordance with its investment objectives. The types of underlying funds held by the Fund will be selected with consideration for the underlying fund's investment objectives and strategies, past performance and operational efficiencies.

Depending on market conditions, the Portfolio Manager's investment styles may result in a higher portfolio turnover rate than less actively managed funds. Generally, the higher the Fund's portfolio turnover rate, the higher its trading expenses. The higher the portfolio turnover rate, the greater the probability that you will receive a distribution of capital gains from the Fund, which may be taxable if you hold the Fund outside a registered plan. There is no proven relationship between a high turnover rate and the performance of a mutual fund.

The Fund may engage in short selling as long as:

- the aggregate market value of the securities of the issuer sold short by the Fund, other than government securities sold short, does not exceed 10% of the Fund's NAV, and

- the aggregate market value of all the securities sold short by the Fund does not exceed 50% of the Fund's NAV.

The specific strategies that differentiate this Fund from conventional mutual funds include: increased use of derivatives for hedging and non-hedging purposes, increased ability to sell securities short and the ability to borrow cash to use for investment purposes. While these strategies will be used in accordance with the Fund's the ability to borrow and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value. Please also refer to the explanation of these risks under *"Derivatives Risk", "Short Selling Risk"* and *"Leverage Risk"* in the *"What are the Risks of Investing in a Mutual Fund?"* section of this Prospectus.

As Manager of the Fund, we may change the investment strategies from time to time, but will give Fund investors notice 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.

The Portfolio Manager may actively trade the Fund's investments. This can increase trading costs, which lower the Fund's returns. It also increases the possibility that you will receive distributions, which are taxable if you hold the Fund in a non-registered account.

WHAT ARE THE RISKS OF INVESTING IN THE FUND?

Please see "*What are the specific investment risks of investing in a mutual fund?*" section of this Prospectus for a full discussion of the risks associated with investing in the Fund. The Fund is generally exposed to the following risks:

- Arbitrage Risk
- Concentration Risk
- Convertible Securities Risk
- Coronavirus Pandemic Related Risk
- Credit Risk
- Currency Risk
- Cyber Security Risk
- Derivatives Risk
- Developed Countries Investment Risk
- Equity Investment Risk
- Interest Rate Risk
- IPO and New Issue Risk
- Lack of Operating History Risk
- Large Transaction Risk
- Legislation Risk
- Leverage Risk
- Market Risk
- Multiple Classes Risk
- Nature of Units Risk
- Performance Fee Risk

- Fixed Income Investment Risk
- Foreign Investment Risk
- High Portfolio Turnover Risk
- High Yield Security Risk
- Illiquidity Risk
- Securities Lending, Repurchase and Reverse Repurchase Transaction Risk
- Short Selling Risk
- Small Company Risk
- Portfolio Manager Risk
- Potential Conflicts of Interest Risk
- Prime Broker Risk
- Regulatory and Legal Risk
- Sector Risk
- SPAC Risk
- Taxation of the Fund Risk
- Trust Loss Restriction Rule Risk
- U.S. Foreign Account Tax Compliance Risk

WHO SHOULD INVEST IN THIS FUND

This Fund may be right for you if:

- you plan to hold your investment for the medium to long term;
- you want to gain exposure to an actively managed portfolio of Canadian equities;
- you want correlation to the equity market in your portfolio; and
- you can tolerate a medium level of risk.

This Fund is not suitable for investors who are investing for the short term or who are not willing to accept periodic volatility.

INVESTMENT RISK CLASSIFICATION METHODOLOGY

The Manager has rated the Fund's risk as medium risk. Please see "Investment Risk Classification Methodology" on page 35 for a description of the rating methodology used by the Manager to identify the risk rating of the Fund. As the Fund is a new fund the Fund's investment risk level is based on the returns of a blended reference index consisting of the following reference indices:

Reference Index	% Weighting of Reference Index	Description
S&P/TSX SmallCap Index	50%	The S&P/TSX SmallCap Index measures the performance of small cap Canadian equity securities listed on the Toronto Stock Exchange. Securities in the index are selected by S&P using its industrial classifications and guidelines for evaluating issuer capitalization, liquidity and fundamentals. The index is float adjusted and market cap weighted.
S&P/TSX Composite Index	50%	The S&P/TSX Composite Index is a capitalization weighted index that represents some of the largest float adjusted stocks trading on the Toronto Stock Exchange.

There may be times when we believe this methodology produces a result that does not reflect the Fund's risk based on other qualitative factors. As a result, we may place the Fund in a higher risk rating category, but the Fund can never be placed in a lower risk rating category.

You should know that other types of risks, both measurable and non-measurable, exist. Also, just as historical performance may not be indicative of future returns, historical volatility may not be indicative of future volatility. The risk rating of the Fund is identified under the sub-heading "*Who Should Invest in this Fund?*" and is reviewed annually and at any time that the risk rating is no longer reasonable in the circumstances. A more detailed explanation of the risk classification methodology used to identify the risk ratings of the Fund is available on request, at no cost, by contacting us toll free at 1-833-5NEWGEN or at 416-941-9111 (collect calls are accepted) or at clientservice@newgenFund.com.

DISTRIBUTION POLICY

The Fund has a policy to make distributions monthly at a rate determined from time to time by the Manager. These distributions are not guaranteed and may change at any time at our discretion. The Fund will also distribute, in respect of each taxation year, any net income and net realized capital gains in excess of the monthly distributions at the end of each taxation year (normally December 31), or at such other times as may be determined by the Manager. If the monthly distributions exceed the Fund's net income and net realized capital gains for the year, a portion of the Fund's distributions to unitholders may represent return of capital.

The following information applies to all classes of units of the Fund, as applicable:

- The record date for a dividend or distribution is the Valuation Day prior to the payment date.

- All distributions by the Fund to its unitholders will be automatically reinvested in additional units of the same class of the Fund. You may, by written request, elect to receive cash payment by electronic transfer to your bank account, however the Manager may, in respect of certain distributions and/or dividends, cause any such cash payment to be automatically reinvested in additional units of the same class of the Fund. Cash distributions are not available for Registered Plans. The Manager reserves the right to change this policy, and may elect to have distributions paid in cash.

- Units acquired through the reinvestment of dividends or distributions are not subject to any sales charges.

- As the Fund may dispose of some of its portfolio each year, the amount of dividends or distributions may be material.

FUND EXPENSES INDIRECTLY BORNE BY INVESTORS

The following information is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The management fees, performance fees and fund costs described under the "*Fees and Expenses*" section are generally paid out of the Fund's assets and constitute the MER of the Fund, which reduces the investment return on your units. The fees and expenses that you pay directly, and that are not included in the Fund's MER, are described in the "*Fees and Expenses Payable Directly by You*" section in this document.

There is no table provided of Fund expenses indirectly borne by investors for the Fund because the Fund is new. See the "*Fees and Expenses*" section in this document for more information about the cost of investing in this Fund.

Additional information about the Funds is available in the Funds' Annual Information Form, Fund Facts, Management Reports of Fund Performance and Financial Statements. These documents are incorporated by reference in this Simplified Prospectus, which means that they legally form part of this document just as if they were printed in it.

You can get a copy of these documents at your request, and at no cost, by calling us toll free at 1-833-5NEWGEN or at 416-941-9111 (collect calls are accepted), online at www.newgenfunds.com, or by email to clientservice@newgenfund.com.

These documents and other information about the Funds, such as material contracts and information circulars, are also available at www.sedar.com.

Alternative Mutual Funds

NEWGEN ALTERNATIVE INCOME FUND

NEWGEN FOCUSED ALPHA FUND

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