

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

## ALTERNATIVE MUTUAL FUND

Mackenzie Private Equity Replication Fund

No securities regulatory authority has expressed an opinion about these units, and it is an offence to claim otherwise. The Fund and the units of the Fund offered under this 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 registration.



**MACKENZIE**  
Investments



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## PART A: GENERAL DISCLOSURE

### INTRODUCTION

This simplified prospectus contains selected important information to help you make an informed decision about investing in the Fund listed on the cover (the “Fund”).

It is important that you select the appropriate series in which to invest, in order to properly address your personal circumstances and investment needs.

This simplified prospectus will help you understand your rights as an investor in the Fund.

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

In this document we refer to “financial advisors” and “dealers”. The financial advisor is the individual with whom you consult for investment advice and the dealer is the company or partnership that employs your financial advisor and may include, at our discretion, a company or partnership that has received an exemption from the dealer registration requirements from the Canadian securities regulators.

In this document, all of the mutual funds that we manage, including the Fund, are referred to, collectively, as the “Mackenzie Funds” or, each individually, as a “Mackenzie Fund”. The other Mackenzie Funds are not offered under this simplified prospectus. The Fund is a mutual fund which is subject to National Instrument 81-102 *Investment Funds* (“NI-81-102”).

This simplified prospectus contains information about the Fund, including the series that comprise the Fund, and the risks of investing in mutual funds generally.

This document is divided into two parts:

- **Part A**, from pages 1 to 27, contains general information about all Mackenzie Funds.
- **Part B**, from pages 28 to 34, contains specific information about the Fund described in this document.

Additional information about the 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 reports 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 that annual management report 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. You can get a copy of these documents at your request, and at no cost, by calling us toll-free at **1-800-387-0614**, e-mailing us at **service@mackenzieinvestments.com** or from your financial advisor.

These documents are available on our website at **www.mackenzieinvestments.com** and are also available on the website of SEDAR 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 a pool of money contributed by people with similar investment objectives. Investors share the fund’s income and expenses, and also the gains and losses that the fund makes on its investments, in proportion to their investment in the fund.

The Fund was established as a unit trust and issues units to investors.

Please refer to the front cover of this simplified prospectus, or to the specific information about the Fund in Part B, for the series that are available for the Fund pursuant to this document. The Fund may also offer series which are only available on an exempt-distribution basis. The different series of units available under this simplified prospectus are described under the heading “**Purchases, Switches and Redemptions**”. We may offer additional series of units of the Fund in the future without notification to, or approval of, investors.

### WHAT ARE THE GENERAL RISKS OF INVESTING IN A MUTUAL FUND?

A mutual fund may own many different types of investments – stocks, bonds, securities of other mutual funds, derivatives, cash – depending on the fund’s investment objectives. The values of these investments vary from day to day, reflecting changes in interest rates, economic conditions, stock market developments and individual company news. As a result, a mutual fund’s net asset value (“NAV”) will go up and down on a daily basis, and the value of your investment in a mutual fund may be more, or less, when you redeem it than when you purchased it.

We do not guarantee that the full amount of your original investment in a Fund will be returned to you. Unlike bank accounts or guaranteed investment certificates, mutual fund securities are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

Under exceptional circumstances, mutual funds may suspend redemptions. Please see the heading “**Purchases, Switches and Redemptions**” for more details.

The Fund is considered an “alternative mutual fund” according to NI 81-102, meaning it is permitted to invest in asset classes and use strategies generally prohibited by conventional mutual funds, such as the ability to invest more than 10% of its net asset value in securities of a single issuer; the ability to invest up to 100% or more of its net asset value in physical commodities either directly or through the use of specified derivatives; borrow, up to 50% of its net asset value, cash to use for investment purposes; sell, up to 50% of its net asset value, securities short (the combined level of cash borrowing and short selling is limited to 50% in aggregate); and aggregate exposure up to 300% of its net asset value; among other things. While these strategies will be used in accordance with the Fund’s investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value. For more information regarding the risks associated with these strategies, please see “**Concentration Risk**”, “**Commodity Risk**”, “**Derivatives Risk**”, “**Leverage Risk**” and “**Short-Selling Risk**”, below.

Mutual funds are subject to a variety of risks. These risks may cause you to lose money on your mutual fund investment. This section provides a list of the risks of investing in mutual funds. The risks that apply to the Fund offered by this simplified prospectus are listed under the sub-heading “**What are the Risks of Investing in the Fund?**” for the Fund described in Part B. To the extent that a Fund invests, directly or indirectly, in another mutual fund, the risks of investing in that Fund are similar to the risks of investing in the other mutual fund in which such Fund invests.

### Commodity Risk

A mutual fund may invest in commodities or in companies engaged in commodity-focused industries and may obtain exposure to commodities using derivatives or by investing in exchange-traded funds, the underlying interests of which are commodities. Commodity prices can fluctuate significantly in short time periods, which will have a direct or indirect impact on the value of such a mutual fund. The Fund is permitted to invest up to 100% of its net asset value in physical commodities as further described in Part B of this simplified prospectus.

### Company Risk

Equity investments, such as stocks and investments in trusts, and fixed-income investments, such as bonds, carry several risks that are specific to the company that issues the investments. A number of factors may cause the price of these investments to fall. These factors include specific developments relating to the company, conditions in the market where these investments are traded, and general economic, financial and political conditions in the countries where the company operates. While these factors impact all securities issued by a company, the values of equity securities generally tend to change more frequently and vary more widely than fixed-income securities. As a mutual fund’s NAV is based on the value of its portfolio securities, an overall decline in the value of

portfolio securities that it holds will reduce the value of the mutual fund and, therefore, the value of your investment.

### Concentration Risk

A mutual fund may invest a large portion of its net assets in a small number of issuers, in a particular industry or geographic region, or may use a specific investment style, such as growth or value. A relatively high concentration of assets in or exposure to a single issuer, or a small number of issuers, may reduce the diversification of a mutual fund and may result in increased volatility in the mutual fund’s NAV. Issuer concentration may also increase the illiquidity of the mutual fund’s portfolio if there is a shortage of buyers willing to purchase those securities.

A mutual fund concentrates on a style or sectors either to provide investors with more certainty about how the mutual fund will be invested or the style of the mutual fund or because a portfolio manager believes that specialization increases the potential for good returns. If the issuer, industry or region faces difficult economic times or if the investment approach used by such mutual fund is out of favour, the mutual fund will likely lose more than it would if it diversified its investments or style. If a mutual fund’s investment objectives or strategies require concentration, it may continue to suffer poor returns over a prolonged period of time.

The Fund is subject to increased concentration risk as it is permitted to invest up to 20% of its net asset value in the securities of a single issuer.

### 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.

### Credit Risk

An issuer of a bond or other fixed-income investment, including asset-backed securities, may not be able to pay interest or to repay the principal at maturity. The risk of such a failure to pay is known as credit risk. Some issuers have more credit risk than others. Issuers with higher credit risk typically pay higher interest rates than

interest rates paid by issuers with lower credit risk because higher credit risk companies expose investors to a greater risk of loss. Credit risk can increase or decline during the term of the fixed-income investment.

Companies, governments and other entities, including special purpose vehicles that borrow money, and the debt securities they issue, are assigned credit ratings by specialized rating agencies. The ratings are a measure of credit risk and take into account many factors, including the value of any collateral underlying a fixed-income investment. Issuers with low or no ratings typically pay higher yields but can subject investors to substantial losses. Credit ratings are one factor used by the portfolio managers of the mutual funds in making investment decisions. A credit rating may prove to be wrong, which can lead to unanticipated losses on fixed-income investments. If the market perceives that a credit risk rating is too high, then the value of the investments may decrease substantially. A downgrade in an issuer's credit rating or other adverse news regarding an issuer can reduce a security's market value.

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.

## Cyber Security Risk

Due to the widespread use of technology in the course of business, the Fund has become potentially more susceptible to operational risks through breaches in cyber security. Cyber security is the risk of harm, loss, and liability resulting from a failure, disruption or breach of an organization's information technology systems. It refers to both intentional and unintentional events that may cause a Fund to lose proprietary information, suffer data corruption, or lose operational capacity, which could cause us and/or a Fund to experience disruptions to business operations; reputational damage; difficulties with a Fund's ability to calculate its NAV; or incur regulatory penalties, additional compliance costs associated with corrective measures, and/or financial loss. Cyber attacks may involve unauthorized access to a Fund's digital information systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, or corrupting data, equipment or systems. Other cyber attacks do not require unauthorized access, such as denial-of-service attacks (i.e., efforts to make network services unavailable to intended users). In addition, cyber attacks on a Fund's third-party service providers (e.g., administrators, custodians and sub-advisors) or issuers that a Fund invests in can also subject a Fund to many of the same risks associated with direct cyber attacks. Similar to operational risks in general, we have established risk management systems designed to reduce the risks associated with cyber security. However, there is no guarantee that such efforts will be successful.

## Derivatives Risk

Some mutual funds may use derivatives to pursue their investment objectives. Generally, a derivative is a contract between two parties, whose value is determined with reference to the market price of an asset, such as a currency, commodity or stock, or the value of an index or an economic indicator, such as a stock market index or a specified interest rate (the "underlying interest").

Most derivatives are options, forwards, futures or 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 Fund is 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 simplified prospectus.

The use of derivatives carries several risks:

- There is no guarantee that a market will exist for some derivatives, which could prevent the Fund from selling or exiting the derivative prior to the maturity of the contract. This risk may restrict the Fund's ability to realize its profits or limit its losses.
- It is possible that the other party to the derivative contract ("**counterparty**") will fail to perform its obligations under the contract, resulting in a loss to the Fund. The Fund may engage in derivatives trades with certain counterparties that do not have a "designated rating" under NI 81-102, which may increase the risk that such counterparty may fail to perform its obligations, resulting in a loss to the Fund.
- When entering into a derivative contract, the Fund may be required to provide margin or collateral to the counterparty. If the counterparty becomes insolvent, the Fund could lose its margin or its collateral or incur expenses to recover it.
- The Fund 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. Such rule changes

could prevent the Fund from completing a futures or options transaction, causing the Fund to realize a loss because it cannot hedge properly or limit a loss.

- Where the Fund holds a long or short position in a future whose underlying interest is a commodity, the Fund will always seek to close out their position by entering into an offsetting future prior to the first date on which the Fund might be required to make or take delivery of the commodity under the future. There is no guarantee the Fund will be able to do so. This could result in the Fund having to make or take delivery of the commodity.
- the *Income Tax Act* (Canada) (the “**Tax Act**”), or its interpretation, may change in respect of the tax treatment of derivatives.

### Emerging Markets Risk

Emerging markets have the risks described under foreign currency risk and foreign markets risk. In addition, they are more likely to experience political, economic and social instability and may be subject to corruption or have lower business standards. Instability may result in the expropriation of assets or restrictions on payment of dividends, income or proceeds from the sale of a mutual fund's securities. In addition, accounting and auditing standards and practices may be less stringent than those of developed countries, resulting in limited availability of information relating to a mutual fund's investments. Further, emerging market securities are often less liquid and custody and settlement mechanisms in emerging market countries may be less developed, resulting in delays and the incurring of additional costs to execute trades of securities and/or reduce liquidity.

### ESG Investment Objective or Strategy Risk

Some Mackenzie Funds have fundamental investment objectives based on one or more environmental, social and governance (“**ESG**”) criteria. Other Funds use ESG criteria as a component of their investment strategies. Applying ESG criteria to the investment process may limit the number and types of investment opportunities available and as a result, a Fund that has an ESG focus may perform differently compared to similar funds that do not focus on ESG or apply ESG criteria. Funds that apply ESG criteria to their investment process may forgo opportunities to buy certain securities when it might otherwise be economically advantageous to do so or may sell securities for ESG reasons when it might otherwise be economically disadvantageous to do so. Furthermore, ESG criteria are subject to uncertainty, discretion and subjective application. The determination of the ESG criteria to apply and the assessment of the ESG characteristics of a company or industry by a portfolio management team may differ from the criteria or assessment applied by others. As a result, securities selected by a portfolio management team may not always reflect the values or principles of any particular investor.

### ETF Risk

A mutual fund may invest in a fund whose securities are listed for trading on an exchange (an “**exchange-traded fund**” or “**ETF**”). The

investments of ETFs may include stocks, bonds, commodities and other financial instruments. Some ETFs, known as index participation units (“**IPUs**”) attempt to replicate the performance of a widely quoted market index. Not all ETFs are IPUs. While investment in an ETF generally presents the same risks as investment in a conventional mutual fund that has the same investment objectives and strategies, it also carries the following additional risks, which do not apply to investment in conventional mutual funds:

- The performance of an ETF may be significantly different from the performance of the index, assets, or financial measure that the ETF is seeking to track. There are several reasons that this might occur, including that ETF securities may trade at a premium or a discount to their NAV or that ETFs may employ complex strategies, such as leverage, making tracking with accuracy difficult.
- An active trading market for ETF securities may fail to develop or fail to be maintained.
- There is no assurance that the ETF will continue to meet the listing requirements of the exchange on which its securities are listed for trading.

Also, commissions may apply to the purchase or sale of ETF securities. Therefore, investment in ETF securities may produce a return that is different than the change in the NAV of these securities.

### Extreme Market Disruptions Risk

Certain extreme events, such as natural disasters, war, civil unrest, terrorist attacks, and public health crises like epidemics, pandemics or outbreaks of new infectious diseases or viruses (including, most recently, the novel coronavirus (COVID-19)) can materially adversely affect a Fund's business, financial condition, liquidity or results of operations. The current COVID-19 pandemic is significantly impacting the global economy and commodity and financial markets. The COVID-19 pandemic has resulted in a slowdown in economic activity, higher unemployment, reduced consumer activity, extreme volatility in financial markets and commodity prices, and a global recession. Public health crises, such as the COVID-19 outbreak, can also result in operating, supply chain and project development delays that can materially adversely affect the operations of third parties in which a Fund has an interest. The duration of any business disruptions and related financial impact of the COVID-19 outbreak is unknown. It is difficult to predict how a Fund may be affected if a pandemic, such as the COVID-19 outbreak, persists for an extended period of time. Similarly, the effects of terrorist acts (or threats thereof), military action or similar unexpected disruptive events on the economies and securities markets of countries cannot be predicted. Natural disasters, war and civil unrest can also have materially adverse impacts on economic enterprises in the impacted countries. All such extreme events may impact Fund performance.

### Foreign Currency Risk

The NAVs 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 the Fund description in Part B of this simplified prospectus.

### Foreign Markets Risk

Certain Funds invest in global equity or debt securities or may focus their investments in a particular region or country. The value of an investment in a foreign issuer depends on general global economic factors and 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. There may also be less information available with respect to foreign companies. Further, the legal systems of some foreign countries may not adequately protect investor rights and laws may change without sufficient warning. Stock markets in foreign countries may have lower trading volumes and sharper price corrections. Some or all of these factors could make a foreign investment more volatile than a Canadian investment.

In some countries, the political climate might be less stable and social, religious and regional tensions may exist. There could also be a risk of nationalization, expropriation or the imposition of currency controls. Certain foreign economies may be susceptible to market inefficiency, volatility and pricing anomalies that may be connected to government influence, a lack of publicly available information, political and social instability and/or the potential application of trade tariffs or protectionist measures with key trading partners. These risks and others can contribute to larger and more frequent price changes among foreign investments. As a result, the value of certain foreign securities, and potentially the value of the funds that hold them, may rise or fall more rapidly and to a greater degree than Canadian investments.

Many foreign countries impose tax on dividends and interest paid or credited to persons who are not resident in such countries. While the Fund generally aims to make investments in such a manner as to minimize the amount of foreign taxes incurred, investments in global equity and debt securities may subject the Fund to foreign taxes on dividends and interest paid or credited to them or any gains realized on the disposition of such securities. Any foreign taxes incurred by the Fund will generally reduce the value of the Fund's portfolio. Under certain tax treaties, the Fund may be entitled to a reduced rate of tax on foreign income. Some countries require the filing of a tax reclaim or other forms to receive the benefit of the reduced tax rate. Whether or when a Fund will receive the tax reclaim is within the control of the particular foreign country. If a Fund obtains a refund of foreign taxes, the net asset value of the Fund will not be

repeated, and the amount will remain in the Fund to the benefit of the then-existing securityholders.

### High Yield Securities Risk

Mutual 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 S&P 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.

### Illiquidity Risk

A mutual fund may hold up to 15% or more of its net assets in illiquid securities. 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 a fund that has invested in these securities.

### Interest Rate Risk

Interest rates have an impact on a whole range of investments. Interest rates impact the cost of borrowing for governments, companies and individuals, which in turn impacts overall economic activity. Interest rates may rise during the term of a fixed-income investment. If interest rates rise, then the value of that fixed-income investment generally will fall. Conversely, if interest rates fall, the value of the investment will generally increase.

Longer-term bonds and strip bonds are generally more sensitive to changes in interest rates than other kinds of securities. The cash flow from debt instruments with variable rates may change as interest rates fluctuate.

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.

### Large Transaction Risk

The securities of some mutual funds are bought by: (a) other mutual funds, investment funds or segregated funds, including Mackenzie Funds; (b) financial institutions in connection with other investment offerings; and/or (c) investors who participate in an asset allocation program or model portfolio program. Independently or collectively, these other parties may, from time to time, purchase, hold or redeem a large proportion of a mutual fund's securities.

A large purchase of a mutual fund's securities will create a relatively large cash position in that mutual fund's portfolio. The presence of this cash position may adversely impact the performance of the mutual fund, and the investment of this cash position may result in significant incremental trading costs, which are borne by all of the investors in the mutual fund.

Conversely, a large redemption of a mutual fund's securities may require the mutual fund to sell portfolio investments so that it can pay the redemption proceeds. This sale may impact the market value of those portfolio investments and result in significant incremental trading costs, which are borne by all of the investors in the mutual fund, and it may accelerate or increase the payment of capital gains distributions to these investors.

### Legislation Risk

Securities, tax, or other regulators make changes to legislation, rules, and administrative practice. Those changes may have an adverse impact on the value of a mutual fund.

### Leverage Risk

When the 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 volatility, may impair the Fund's liquidity and may cause the Fund to liquidate positions at unfavourable times. The Fund is subject to an

aggregate exposure limit of 300% of 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 simplified prospectus. This will operate to limit the extent to which the Fund is leveraged.

### Market Risk

There are risks associated with being invested in the equity and fixed-income markets generally. The market value of a mutual 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 and financial conditions in the countries where the investments are based.

### 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.

### Prepayment Risk

Certain fixed-income securities, including mortgage-backed or other asset-backed securities, can be prepaid before maturity. If a prepayment is unexpected or if it occurs faster than predicted, the fixed-income security may pay less income and its value may decrease. In addition, because issuers generally choose to prepay when interest rates are falling, the mutual fund may have to reinvest this money in securities that have lower rates.

### Securities Lending, Repurchase and Reverse Repurchase Transaction Risk

Certain mutual funds are eligible to enter into securities lending, repurchase and reverse repurchase transactions. In a securities lending transaction, the mutual fund lends its securities through an authorized agent to another party (often called a "counterparty") in exchange for a fee and a form of acceptable collateral. In a repurchase transaction, the mutual fund sells its 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 mutual fund buys 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, the mutual fund is subject to the credit risk that the counterparty may go bankrupt or may default under the agreement and the

mutual fund would be forced to make a claim in order to recover its investment.

- When recovering its investment on a default, a mutual fund could incur a loss if the value of the securities loaned (in a securities lending transaction) or sold (in a repurchase transaction) has increased relative to the value of the collateral held by the mutual fund.
- Similarly, a mutual 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 such mutual fund to the counterparty, plus interest.

### Senior Loans Risk

The risks associated with senior loans are similar to the risks of high-yield bonds, although senior loans are typically senior and secured, whereas high-yield bonds are often subordinated and unsecured. Investments in senior loans are typically below investment grade and are considered speculative because of the credit risk of their issuers.

Historically, such companies have been more likely to default on their payments of interest and principal owed than companies that issue investment-grade securities, and such defaults could reduce the NAV and monthly income distributions of mutual funds. These risks may be more pronounced in the event of an economic downturn. Under certain market conditions, the demand for senior loans may be reduced, which may, in turn, reduce prices. No active trading market may exist for certain senior loans, which may impair the ability of a holder of a senior loan to realize full value in the event of the need to liquidate such asset. Adverse market conditions may impair the liquidity of some actively traded senior loans. Although these loans are generally secured by specific collateral, there can be no assurance that such collateral would be available or would otherwise satisfy the borrower's obligation in the event of non-payment of scheduled interest or principal or that such collateral could be readily liquidated. In these circumstances, the holder of a loan may not receive payments to which it is entitled.

Senior loans may also be subject to certain risks due to longer settlement periods than the settlement periods associated with other securities. Settlement of transactions in most securities occurs two days after the trade date and is referred to as "T+2" settlement. In contrast, transactions in senior loans may have longer than normal settlement periods and have settlement periods that exceed T+2. Unlike equities trades, there is no central clearinghouse for loans, and the loan market has not established enforceable settlement standards or remedies for failure to settle. This potentially longer settlement timeline may create a mismatch between the settlement time for a senior loan and the time in which an investment fund holding the senior loan as an investment must settle redemption requests from its investors.

### Series Risk

A mutual fund may offer more than one series, including series that are sold under different simplified prospectuses. If one series of such a mutual fund is unable to pay its expenses or satisfy its liabilities, then the assets of the other series of that mutual fund will

be used to pay the expenses or satisfy the liability. This could lower the investment returns of the other series.

### Short-Selling Risk

Certain mutual funds are permitted to engage in 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. The Fund is permitted to sell securities short up to a maximum of 50% of its net asset value as described in further detail within the "Investment Objectives" section in Part B of this simplified 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.
- The 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 the 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 the 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.

### Small/New Fund Risk

A new or smaller mutual fund's performance may not represent how the mutual fund is expected to or may perform in the long term if and when it becomes larger and/or has fully implemented its investment strategies. For both new mutual funds or smaller mutual funds, investment positions may have a disproportionate impact, either positive or negative, on the mutual fund's performance. New and smaller mutual funds may also require a period of time before they

are fully invested in a representative portfolio that meets their investment objectives and strategies. A mutual fund's performance may be more volatile during this "ramp-up" period than it would be after the mutual fund is fully invested. Similarly, an investment strategy of a new or smaller mutual fund may require a longer period of time to show returns that are representative of the strategy. New mutual funds have limited performance histories for investors to evaluate and they may not attract sufficient assets to achieve investment and trading efficiencies. If a new or smaller mutual fund were to fail to successfully implement its investment objective or strategies, performance may be negatively impacted, and any resulting redemptions could create larger transaction costs for the mutual fund and/or tax consequences for investors.

### Taxation Risk

The Fund is expected to qualify at all material times as a "mutual fund trust" under the Tax Act. If the Fund does not qualify or ceases to qualify as a mutual fund trust under the Tax Act, the income tax

considerations described under the heading "Income Tax Considerations" could be materially and adversely different in some respects. For example, if a Fund does not qualify or ceases to qualify as a mutual fund trust (and is not a registered investment) the units of the Fund will not be qualified investments for registered plans under the Tax Act. The Tax Act imposes penalties on the annuitants of an RRSP or RRIF, the holder of a TFSA or RDSP or the subscriber of an RESP (each as defined below) for the acquisition or holding of non-qualified investments.

There can be no assurance that the Canada Revenue Agency (the "CRA") will agree with the tax treatment adopted by the Fund in filing its tax return. The CRA could reassess the Fund on a basis that results in tax being payable by the Fund or in an increase in the taxable component of distributions considered to have been paid to securityholders. A reassessment by the CRA may result in the Fund being liable for unremitted withholding tax on prior distributions to non-resident securityholders. Such liability may reduce the NAV of units of the Fund.

## ORGANIZATION AND MANAGEMENT OF MACKENZIE PRIVATE EQUITY REPLICATION FUND

<p><b>Manager</b> Mackenzie Financial Corporation 180 Queen Street West Toronto, Ontario M5V 3K1</p>	<p>We manage the overall business of the Fund, including selecting the portfolio management team for the Fund's portfolio, providing the Fund with accounting and administration services and promoting sales of the Fund's units through independent financial advisors in each province and territory of Canada.</p>
<p><b>Trustee</b> Mackenzie Financial Corporation Toronto, Ontario</p>	<p>The Fund is organized as a unit trust. When you invest in the Fund, you are buying units of the trust. The trustee holds the actual title to the cash and units owned by the Fund on your behalf.</p>
<p><b>Portfolio Manager</b> Mackenzie Financial Corporation Toronto, Ontario</p>	<p>In our capacity as manager, we have ultimate responsibility for and directly provide, the portfolio management services provided to the Fund.</p> <p>The Fund also uses a sub-advisor appointed by us to provide advice for all or a portion of the portfolio. The sub-advisor is named in the Fund's "Fund Details".</p> <p>The portfolio manager makes the purchase and sale decisions for securities in the Fund's portfolio.</p> <p>Under securities law, we are required to advise you that where portfolio management services are provided by a portfolio manager or sub-advisor located outside of Canada, it may be difficult to enforce any legal rights against them because all or a substantial portion of their assets are likely to be outside of Canada. The sub-advisor PEO Partners, LLC is located outside of Canada. International sub-advisors are not fully subject to the requirements of Canadian securities legislation including proficiency, capital, insurance, record keeping, segregation of funds and securities, and statements of account and portfolio. Mackenzie Investments is responsible for the investment advice given to the Fund by international sub-advisors.</p>
<p><b>Custodian</b> Canadian Imperial Bank of Commerce ("CIBC") Toronto, Ontario</p>	<p>The custodian has custody of the securities in the Fund's portfolio.</p>
<p><b>Registrar</b> Mackenzie Financial Corporation Toronto, Ontario</p>	<p>As registrar, we keep track of the owners of units of the Fund, process purchase, switch and redemption orders, issue investor account statements and issue annual tax-reporting information.</p>
<p><b>Auditor</b> Deloitte LLP Toronto, Ontario</p>	<p>The auditor audits the annual financial statements of the Fund and provides an opinion on whether or not the annual financial statements are fairly presented in accordance with International Financial Reporting Standards.</p>

## ORGANIZATION AND MANAGEMENT OF MACKENZIE PRIVATE EQUITY REPLICATION FUND

<b>Securities Lending Agents</b> CIBC Toronto, Ontario The Bank of New York Mellon New York, New York	CIBC and The Bank of New York Mellon act as agents for securities lending transactions for the Fund.
<b>Mackenzie Funds' Independent Review Committee</b>	<p>The mandate of the Mackenzie Funds' Independent Review Committee ("IRC") is to review and provide input on our written policies and procedures that deal with conflict-of-interest matters in respect of a Mackenzie Fund and to review and, in some cases, approve conflict-of-interest matters. This includes reviewing a Mackenzie Fund's holdings, purchases and sales of securities of companies related to us. The IRC may also approve certain mergers involving the Mackenzie Funds and any change of the auditor of the Mackenzie Funds. Investor approval will not be obtained in these circumstances, but the affected Mackenzie Fund's investors will be sent a written notice at least 60 days before the effective date of any such merger or change of auditor. The IRC presently consists of the following four members: Robert Hines (Chair), George Hucal, Scott Edmonds and Atul Tiwari.</p> <p>Each member of the IRC is independent of us, the Mackenzie Funds and any party related to us. The IRC prepares, at least annually, a report of its activities for investors. This report is available on our website at <a href="http://www.mackenzieinvestments.com">www.mackenzieinvestments.com</a>, or you may request a copy, at no cost to you, by contacting us at <a href="mailto:service@mackenzieinvestments.com">service@mackenzieinvestments.com</a>.</p> <p>Additional information about the IRC is available in the annual information form.</p>

### FUND OF FUNDS

Under NI 81-102, a mutual fund may invest some or all of its assets in other funds (each an "**Underlying Fund**").

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

### PURCHASES, SWITCHES AND REDEMPTIONS

#### Fund

The Fund is entitled to the total return (including realized and unrealized gains) on the portfolio assets of the Fund less certain fees and expenses.

#### Series of Units

The Fund may issue an unlimited number of series of units and may issue an unlimited number of units within each series. The Fund may

offer new series, or cease to offer existing series, at any time, without notification to, or approval from, you. The expenses of each series of the Fund are tracked separately and a separate NAV is calculated for each series. Although the money which you and other investors pay to purchase units of each series, and the expenses of each series, are tracked on a series-by-series basis in your Fund's administration records, the assets of all series of your Fund are combined into a single pool to create one portfolio for investment purposes.

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

#### Series Eligibility and/or Suitability Requirements

The series are subject to their respective minimum investment requirements, as detailed below under "**Minimum Initial and Subsequent Investment Requirements**".

In addition to the minimum investment requirements, the table below describes the suggested series suitability (your financial advisor can best assist you with determining the right series for you) and any further series eligibility requirements you must meet to qualify to purchase the series. Mackenzie does not monitor the appropriateness of any particular series of a Fund for you.

SERIES	SUGGESTED SUITABILITY	ADDITIONAL ELIGIBILITY REQUIREMENTS
Series A	Retail investors.	None.
Series F	Retail investors.	Only permitted with confirmation from your dealer that you are enrolled in a dealer-sponsored fee-for-service or wrap program, you are subject to an asset-based fee rather than commissions on each transaction and your dealer has entered into an agreement with us relating to the distribution of these units. Also available to our employees and employees of our subsidiaries*, our directors, and, at our discretion, to former employees of our subsidiaries.
Series FB	Retail investors.	Only permitted if you negotiate an advisor service fee with your dealer, which is specified within a Series FB agreement with us, and if your dealer has entered into an agreement with us relating to the distribution of these units.
Series O	For certain investors determined at our discretion including investors enrolled in Mackenzie Portfolio Architecture Service or Open Architecture Service, investors in a Qualified Group Plan, certain institutional investors and certain high-net-worth investors. Individual clients may hold Series O through an account with a dealer pursuant to a separate agreement with such dealer.	Only permitted if you have entered into a Series O account agreement with us, which specifies the fees applicable to your account. Qualified Group Plans are group plans with a minimum of \$10,000,000 in assets. Also available to certain of our employees and employees of our subsidiaries and, at our discretion, to former employees and to relatives of current and former employees.
Series PW	For certain high-net-worth investors through our Mackenzie Private Wealth program (“ <b>Private Wealth Program</b> ”). These investors typically have large investments in the Fund and may include high-net-worth investors, institutional investors, other investment funds and other investors.	None.
Series PWFB	For certain high-net-worth investors through our Private Wealth Program. These investors typically have large investments in the Fund and may include high-net-worth investors, institutional investors, other investment funds and other investors.	Only permitted if you negotiate an advisor service fee with your dealer, which is specified within a Series PWFB agreement with us, and if your dealer has entered into an agreement with us relating to the distribution of these units.
Series PWX	For certain high-net-worth investors through our Private Wealth Program. These investors typically have large investments in the Fund and may include high-net-worth investors, institutional investors, other investment funds and other investors.	Only permitted if you negotiate an advisor service fee with your dealer, which is specified within a Series PWX agreement with us.

\* If the employee is the Chief Investment Officer or lead portfolio manager of the Fund, then, for Series F, the employee will receive a management fee reduction, as described in the “**Management Fees**” section of the “**Fees and Expenses Payable by the Fund**” table. The effect of this management fee reduction is that the employee will not pay management fees but will still bear his or her *pro rata* share of fund administration fees and fund costs borne by all Series F investors.

### Minimum Initial and Subsequent Investment Requirements

The minimum initial investment requirements for each series are described in the table below. **Please note that we reserve the right to increase, decrease, waive or remove the minimum initial investment requirement to purchase any series of the Fund at any time.**

Table 1: Minimum Initial Investment Requirements

Series	Minimum Initial Investment
Series A, F and FB	\$500
Series PW, PWFB and PWX	\$100,000
Series O	\$500,000

The minimum subsequent investment amount is \$100, unless you buy through a pre-authorized contribution plan, in which case, the minimum is \$50.

**We reserve the right to change or waive the minimum subsequent investment requirement to purchase any series of the Fund.**

### Account Aggregation Rules for Minimum Investment Requirements

For the purpose of satisfying the minimum investment requirements described in this section, each of the following is an “**Eligible Account**”:

- an account belonging to you;
- an account belonging to your spouse, or a family member residing at the same address;

- an account belonging to you and your spouse jointly;
- an account belonging to your dependent minor(s);
- an account belonging to a corporation of which you or your spouse own more than 50% of the equity, and control more than 50% of the voting shares.
- Mackenzie Investments Charitable Giving Program account(s) for which you, or any family member residing at the same address as you, act as a donor.

For Series O units, you may combine the value of up to two Eligible Accounts, excluding the value of any of our segregated funds held in these accounts, to satisfy the minimum initial investment requirements. If you satisfy the minimum initial investment requirements in this way, you may purchase any of these series in any of your Eligible Accounts, provided you meet all other eligibility requirements for those series.

In this Prospectus, Series PW, PWFB and PWX are collectively referred to as the “**Private Wealth Series**”. For the Private Wealth Series of the Fund, if you invest more than \$100,000 in units of Mackenzie Funds across your Eligible Accounts, we may waive the minimum initial investment amount for an Eligible Account in any Private Wealth Series of the Fund. You are responsible for ensuring your advisor is aware of all Eligible Accounts that should be linked in order to waive the minimum initial investment amount. We will link your Eligible Accounts only after your advisor has communicated your Eligible Account information to us. Generally, neither Mackenzie nor your advisor have the ability to independently determine what accounts should be linked. Mackenzie will, however, automatically link accounts belonging to one individual if the address associated with each account is identical and they have the same dealer representative code. This means that if you have two or more accounts with the same advisor, provided your advisor maintains these accounts under the same dealer representative code, they will be automatically linked by us. **Accounts will not be automatically linked if you hold the Fund with more than one advisor or dealer.** For example, if you also hold the Fund in a discount brokerage account, that account will not be automatically linked with an account you hold with your advisor.

### Failure to Maintain the Minimum Investment Requirements

The Table below sets out the switches or redemptions that we may process if the market value of your investment in a series falls below the specified minimum investment because you redeem units:

Table 2

If you are invested in this series:	We may redeem your investment or switch it into this series:
Series A, F and FB	We may redeem your units, close the account and return the proceeds of redemption to you.
Series PW	Series A
Series PWX <sup>1</sup>	Series A

If you are invested in this series:	We may redeem your investment or switch it into this series:
Series PWFB	Series FB
Series O <sup>1</sup>	Series PWX, if available, as applicable. Otherwise, Series A, as applicable.

<sup>1</sup> The switch or redemption will only be processed after we have provided you with 30 days' prior notice.

**You should be aware that the management fee rate and administration fee rate charged to the series you are switched to may be higher than the series of units in which you were invested.** You should discuss investing additional money in your account with your financial advisor or dealer during the notice period so that the status of your investment can be maintained. We will not switch or redeem your investment or ask for the increase to the specified minimum investment amount if the account has fallen below that level as a result of a decline in the NAV rather than a redemption of your units.

### Failure to Maintain Eligibility Requirements

The table below set out the switches that we may process if you are no longer eligible for Series F, FB or PWFB units because, as applicable you are no longer enrolled in a dealer-sponsored fee-for-service or wrap program; or you no longer pay a negotiated advisor service fee to your dealer.

Table 3

If you are invested in this series:	We may redeem your investment or switch it into this series:
Series F, FB or PWFB	Series A

### Changes in Series Minimum Investment Requirements or Eligibility Conditions

We may change the minimum investment requirements or terms of eligibility for prospective investors in the various series of units at any time.

We may redeem your units, without notice, if we determine in our discretion that

- you are engaging in inappropriate or excessive short-term trading;
- for purposes of applicable securities law or tax law, you have become a resident of a foreign jurisdiction where such foreign residency may have negative legal, regulatory or tax implications for the Fund; or
- it would be in the best interest of the Fund to do so.

You remain responsible for all tax consequences, costs and losses, if any, associated with the redemption of units of the Fund upon the exercise by us of our right to switch or redeem your units.

## Buying, Selling and Switching Units of the Fund

You may purchase units of the Fund or request switches through your financial advisor or dealer. You may redeem units of the Fund through your financial advisor or dealer or through us. The financial advisor or dealer you select is your agent to provide you with investment recommendations to meet your own risk/return objectives and to place orders to purchase, switch, or redeem on your behalf. We are not liable for the recommendations given to you by your financial advisor and we are entitled to rely on electronic or other instructions that a financial advisor or dealer provides to us without verifying your instructions.

If we receive your order before 4:00 p.m. (Toronto time) on any day on which the Toronto Stock Exchange (the “**TSX**”) is open for trading (a “**trading day**”), we will process your order at the NAV calculated later that day. Otherwise, we will process your order at the NAV calculated on the next trading 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 trading day.)

We calculate the NAV of the Fund at the close of trading on the TSX on each trading day. We calculate a NAV for each series of units of the Fund in the following manner:

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

We must receive the appropriate documentation and payment for the units purchased within two (2) trading days of receiving your purchase order. We are entitled to reject any purchase order, but we can only do so within one (1) 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, without interest.

If we have received your payment but the documentation for your purchase is incomplete, we will invest your money in Series SC securities of Mackenzie Canadian Money Market Fund (offered under a separate simplified prospectus).

Once we know the Mackenzie Fund(s) you have selected and we have received your documentation in good order, we will switch this investment into the Mackenzie Fund(s) you have selected, without any additional charge, at the NAV(s) of the Mackenzie Fund(s) on that switch date.

The Fund is available under the sales charge purchase option. The amount that you will receive for your redemption order is based on the Fund’s NAV for the series of units next calculated after your redemption order has been received in good order. Your redemption order must be in writing or, if you have made arrangements with your dealer, by electronic means through your dealer. If you have a security certificate, you must present the certificate at the time of your redemption request. To protect you from fraud, redemptions

above certain dollar amounts require that your signature on your redemption order (and certificate, if applicable) be guaranteed by one of a bank, trust company, member of a recognized stock exchange or any other organization satisfactory to us.

Under exceptional circumstances we may be unable to process your redemption order of the Fund. 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 the Fund’s assets are listed and if the Fund’s portfolio units cannot be traded on any other exchange that represents a reasonably practical alternative to that Fund. During these periods, units of the Fund will also not be issued or switched. For the purposes of making this determination, the Fund will be considered to own directly the securities owned by any Underlying Funds whose securities are owned by the Fund.

You can switch your investment among the series of the Fund available for sale within the Fund or from the Fund to another Mackenzie Fund available through your dealer.

We have created Series GP units of Mackenzie Canadian Money Market Fund (offered under a separate simplified prospectus) to assist you in making investments into our Guided Portfolio Service. By signing our GPS Client Agreement, when you purchase Series GP units of Mackenzie Canadian Money Market Fund, you have instructed us, on the business day following the settlement of your purchase (and subject to the receipt of a signed Schedule “A” to your Mackenzie GPS Client Agreement, if applicable) to automatically switch your Series GP units to units of the Fund and, where applicable, other Mackenzie Funds, that comprise your chosen portfolio, according to your target allocations. “**Business day**” means any day the Fund is open to accept orders to purchase or redeem units. Please refer to the “**Optional Services**” section of this document for a full description of this service.

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

Table 4

Type of Switch	Taxable	Non-Taxable
From any series and/or purchase option to any other series and/or purchase option of the same Fund		✓
All other switches	✓	

## Short-Term Trading

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

We define an inappropriate short-term trade as a combination of a purchase and redemption, including switches between Mackenzie Funds, made within 30 days, which we believe is detrimental to Fund investors and that may take advantage of Mackenzie Funds with investments priced in other time zones or illiquid investments that trade infrequently.

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

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

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

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

We may take such additional action as we consider appropriate to prevent further similar activity by you. These actions may include the delivery of a warning to you, placing you or your account(s) on a watch list to monitor your trading activity 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 Mackenzie Fund;
- past trading patterns;
- unusual market circumstances; and
- an assessment of harm to the Mackenzie Fund or to us.

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

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

other than a manual rebalancing, result in short-term trading fees being charged.

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

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

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

## OPTIONAL SERVICES

### Guided Portfolio Service

Our Guided Portfolio Service ("GPS") is an automatic portfolio rebalancing service that allows you to invest in any number of Mackenzie Funds with specific target fund allocations selected by you, creating your own customized portfolio of investments. We will then rebalance these holdings from time to time, based on your chosen frequency and rebalancing range, to make sure that your portfolio mix is allocated in line with your initial target instructions. Rebalancing is achieved by switching your investments among the Mackenzie Funds selected by you. This may result in a redemption of your securities and cause you to realize a capital gain or loss. Please see the "**Purchases, Switches and Redemptions**" section of this document.

All of the series of the Fund are eligible for this service. You may also hold securities of other Mackenzie Funds within the same account and keep them separate from the funds you wish to comprise your rebalancing portfolio.

To participate in this service, you must first complete and sign our GPS Client Agreement. By completing this form, you authorize us to monitor your portfolio and to rebalance it at intervals selected by you (together with the help of your financial advisor), which can be monthly, quarterly, semi-annually, or annually.

In order to facilitate investing in the service, we have created Series GP securities of Mackenzie Canadian Money Market Fund (offered under a separate simplified prospectus). When you enrol in the service, you have the option of using this series to direct your investment into your selected Mackenzie Funds upon the activation of your portfolio rebalancing service. Series GP securities are available for purchase under all purchase options, to coincide with

your preferred purchase option for the Mackenzie Funds that will comprise your portfolio.

Upon activation of your rebalancing service, your Series GP securities of Mackenzie Canadian Money Market Fund will automatically be switched (at no cost) and allocated amongst the various Mackenzie Funds you have elected to include in your Portfolio.

Series GP securities are only available for investment to facilitate portfolio construction using this service. If you invest in Series GP and have not submitted the GPS Client Agreement specifying your target fund allocations and rebalancing preferences within 30 days, we will switch your investment to a different series of Mackenzie Canadian Money Market Fund as follows:

- to Series SC if you held your Series GP securities under the sales charge purchase option; or
- to Series A if you held your Series GP securities under any other purchase option.

Rebalancing will occur at the intervals you specify, provided the current fund allocations are outside of a range anywhere between 2% and 10% (you select the rebalancing range, which must be in increments of 0.5%) above or below your stated target allocation at the time you enroll in the service. Your portfolio will be rebalanced to be within the tolerance range you have selected and not to the target allocation.

If you redeem all of your investments in a Mackenzie Fund that was part of your target fund allocation without providing us with an amended GPS Client Agreement, then, at the time of your next scheduled rebalancing, we will rebalance the remaining Mackenzie Funds in your portfolio and proportionately reallocate your investments amongst the same Mackenzie Funds in your current target fund allocation (including the redeemed Mackenzie Fund).

You always retain the option of changing your target allocation, rebalancing ranges or rebalancing frequency of your portfolio upon further written instructions to us or through your dealer using an Amendment Form to our GPS Client Agreement. You may also request a manual rebalancing of your portfolio outside of the scheduled automatic rebalancing period at any time. Be advised that, in some cases, a manual rebalancing may trigger short-term trading fees. Please see the **“Short-Term Trading”** section of this document, under **“Purchases, Switches and Redemptions”**, for details of our short-term trading policy.

There are no separate fees for this program. Any applicable mutual fund charges will apply. There is no minimum investment requirement in this service.

All of the terms and conditions of the service are on the GPS Client Agreement, which is available from your dealer or at [www.mackenzieinvestments.com](http://www.mackenzieinvestments.com).

## Open Architecture Service

If you meet the minimum investment requirement for the Portfolio Architecture Service (discussed below) you may wish to construct portfolios solely in conjunction with your financial advisor. In this case, we offer certain administrative services that are available in

the Portfolio Architecture Service, namely, personalized client statements and portfolio monitoring services, based on instructions provided by you and your financial advisor.

Your financial advisor can provide you with additional details about the Open Architecture Service. The fees payable for this service are listed under **“Open Architecture Service Fees”** in the **“Fees and Expenses Payable Directly by You”** table, in the **“Fees and Expenses”** section of this document.

## Portfolio Architecture Service

The Portfolio Architecture Service is a portfolio service that we offer. We have developed a number of model portfolios (the **“Model Portfolios”**) comprised exclusively of a selection of Mackenzie Funds. The Mackenzie Funds in the Model Portfolios may consist of equity funds, fixed-income funds, alternative funds or a combination of such funds. There are Model Portfolios suitable for investors with different time horizons and tolerances for risk. Utilizing a Model Portfolio gives you the ability to invest in a portfolio of investments that are maintained to your specific needs.

To be eligible for this service, you must

- (a) invest a minimum of \$500,000 in Mackenzie Funds, exclusive of any investments in Series AR securities; and
- (b) invest at least 51% of your portfolio in Series O, O5 and/or one or more of the: (i) Private Wealth Series; or (ii) series described as “private wealth series” in other simplified prospectuses under which the Mackenzie Funds are offered.

You may combine the value of all your Eligible Accounts in order to satisfy the minimum initial investment requirement for this service.

Under this service, you will meet with your financial advisor to determine your investment objectives, your investment time horizon and your level of appropriate investment risk. To aid in this process, we make available to you and your financial advisor a dedicated Portfolio Architecture Service questionnaire.

Once you complete the questionnaire with your financial advisor, your financial advisor will score the questionnaire and suggest to you an appropriate percentage weighting for the relevant asset classes. Exposure to the different asset classes in a Model Portfolio will be achieved using a recommended list of Mackenzie Funds with specified minimum and maximum percentage ranges (**“Permitted Ranges”**) to be invested in each Mackenzie Fund. Your financial advisor will then propose a Model Portfolio for your consideration.

Your financial advisor will review the proposed Model Portfolio with you and, with your approval, changes may be made with respect to Mackenzie Fund selection, Permitted Ranges and asset class weightings based on your financial advisor’s knowledge of your overall financial circumstances and taking into account what is considered suitable to meet your particular investment needs and requirements. **The responsibility for achieving this rests with your dealer and financial advisor.** Once an acceptable Model Portfolio is agreed upon, an agreement is entered into between you, the dealer, your financial advisor and us that sets out the agreed upon Model Portfolio and the terms and conditions under which it will be managed for you. We will also prepare an Investment Policy

Statement for you that we will deliver to your financial advisor for your review. We will then prepare an investment allocation sheet (“IAS”) which sets out how your assets will be invested among your various accounts under the Model Portfolio. Once you have reviewed the IAS with your financial advisor, the necessary mutual fund trades to implement your Model Portfolio solution will be executed by your dealer.

We will monitor your agreed upon Model Portfolio, rebalance holdings in the Mackenzie Funds within the Permitted Ranges, which may be adjusted in our discretion. We may, from time to time, replace a Mackenzie Fund (a) due to it being terminated, or for any other similar reason that no longer allows the Mackenzie Fund to participate as part of a Model Portfolio, or (b) when another Mackenzie Fund is considered by us to be more appropriate, provided that the investment objectives and strategies of the two Mackenzie Funds are substantially similar. We may also make changes to the asset classes and Permitted Ranges upon providing you with 60 days prior written notice. All of these changes will be done under the terms of the agreement entered into with you. Changes to your Model Portfolio arising from changes in your financial circumstances or risk profile, which have been reviewed with you by your financial advisor, will be made, with your approval.

Your financial advisor can provide you with additional details about the Portfolio Architecture Service. The fees payable for this service are listed under “**Portfolio Architecture Service Fees**” in the “**Fees and Expenses Payable Directly by You**” table, in the “**Fees and Expenses**” section of this document.

### Pre-Authorized Contribution Plans

You can make regular purchases of the Fund through a pre-authorized contribution plan (“PAC”). You can invest weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annually or annually. Each investment must be at least \$50. Ask your financial advisor for an authorization form to start the plan. There is no administrative charge for this service.

When you enrol in a PAC, your dealer will send you a complete copy of the Fund’s or other Mackenzie Funds’ current Fund Facts, along with a PAC form agreement (a “Form”) 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.mackenzieinvestments.com](http://www.mackenzieinvestments.com) or at [www.sedar.com](http://www.sedar.com), from your dealer, by calling us toll-free at **1-800-387-0614** or by e-mailing us at [service@mackenzieinvestments.com](mailto:service@mackenzieinvestments.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 the 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, 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

- 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](http://www.cdnpay.ca).

### Registered Plans

You can open certain registered plans offered by us through your dealer. We offer the following plans (collectively referred to as “registered plans”):

- registered retirement savings plans (“RRSPs”), including
  - locked-in retirement accounts (“LIRAs”),
  - locked-in retirement savings plans (“LRSPs”),
  - restricted locked-in savings plans (“RLSPs”),
- registered retirement income funds (“RRIFs”), including
  - life income funds (“LIFs”),
  - locked-in retirement income funds (“LRIFs”),
  - prescribed retirement income funds (“PRIFs”),
  - restricted life income funds (“RLIFs”),
- tax-free savings accounts (“TFSA”),
- registered education savings plans (“RESPs”),

- registered disability savings plans (“RDSPs”), and
- deferred profit-sharing plans (“DPSPs”).

B2B Trustco is the trustee of our registered plans.

### Systematic Transfer and Exchange Program

Our Systematic Transfer and Exchange Program (“STEP”) allows you to periodically and systematically move money from the Starting Fund to the Target Fund, within the same account or a different account. STEP is applicable to all series offered under this simplified prospectus. You may switch an amount of your choice to another Mackenzie Fund on a weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annual and annual basis and you may make changes to (a) the Target Fund; (b) the frequency of the switch; and (c) the amount switched, upon three (3) business days’ written notice to us. **We will automatically sell securities of the Starting Fund and use the proceeds to buy securities of the Target Fund.** Short-term trading fees do not apply to securities switched through this service; however, you may have to pay a negotiable switch fee to your financial advisor. If you hold your securities outside a registered plan, you may realize a capital gain or loss. Capital gains are taxable. Where the selected switch date is not a trading day, the switch will be moved forward to the next trading day.

You may change or terminate a STEP at any time before a scheduled investment date as long as we receive at least three (3) business days’ notice.

### Systematic Withdrawal Plans

You can set up a systematic withdrawal plan (“SWP”) if you have at least \$5,000 invested in the Fund in your account. You can choose when to withdraw (weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annually or annually) and how much to redeem each time. There is no administrative charge for this program. The program is not available for some types of registered plans and for certain series of securities. **Please understand that regular withdrawals could eventually eliminate your entire investment if you do not make additional purchases in your account.**

You may change or terminate your SWP at any time before a scheduled withdrawal date as long as we receive at least three (3) business days’ notice.

### Telephone Redemption Service

At times, it may be more convenient for you to telephone us directly to place a redemption order for the Fund. The telephone number is

**1-800-387-0614.** Your financial advisor can give you our Telephone Redemption Service application form. **This service is not available to redeem securities held in a registered plan or for securities in accounts held in your dealer’s or other intermediary’s name.** We recommend that you always consult your financial advisor before placing a redemption order.

Your redemption proceeds will be transferred electronically to your bank account. To protect both you and us from fraud, for redemptions above certain dollar thresholds, your signature on the application form must be guaranteed by one of a bank, trust company, member of a recognized stock exchange or any other organization satisfactory to us. There is no additional charge for using the Telephone Redemption Service.

### FEES AND EXPENSES

The tables below list the fees and expenses that you may have to pay if you invest in the Fund. You may have to pay some of these fees and expenses directly. Alternatively, the Fund may have to pay some of these fees and expenses directly, which will therefore reduce the value of your investment in the Fund. Unless otherwise indicated, the Fund pays management fees, administration fees and fund costs. The management fees and any administration fees are paid to us as manager of the Fund. The management fee is paid in exchange for the investment advisory services provided to the Fund, including portfolio analysis and decision-making, ensuring that all activities of the Fund are in compliance with their investment objectives and strategies, as well as marketing and promotion of the Fund.

As shown in the tables below, the annual management fees and administration fees vary by series. You should make a specific request to purchase any applicable lower-fee series that you are eligible to purchase, or switch your existing units to any applicable lower-fee series you are eligible to purchase, through your dealer.

The fees for Series O units of the Fund are negotiable by you and payable directly to us. Parties related to us and our employees and employees of our subsidiaries may be charged fees that are lower than those available to other investors. For Series O units, this fee can be paid (a) by cheque or by the redemption of Series O units you hold, if you have a minimum of \$5,000,000 invested in Series O units; or (b) by the redemption of Series O units you hold, if you have less than \$5,000,000 invested in Series O units. In addition, fund costs will be charged to Series O units.

The management and administration fees for Series PWX units of the Fund are payable by you directly to us and will be paid by the redemption of Series PWX units you hold. Fund costs will be charged to Series PWX units.

Table 5: Fees and Expenses Payable by the Fund

FEES AND EXPENSES PAYABLE BY THE FUND				
Annual Management Fee Rate by Series (%)				
FUND	A	F/PWFB	FB	PW
<b>ALTERNATIVE MUTUAL FUND</b>				
Mackenzie Private Equity Replication Fund	2.10%	1.00%	1.10%	2.00%

\* Management fees are subject to applicable taxes, including G.S.T. / H.S.T.

### Management Fee, Administration Fee and Fund Cost Reductions

We may reduce the management fee rate, administration fee rate and/or fund costs that we charge with respect to the Fund units you may hold.

We will implement any reduction of fees and/or fund costs by reducing the amount charged to the Fund, and the Fund will then make a special distribution (“**Fee Distribution**”) to you that will be reinvested, without charge, in additional units of the series on which they were paid, unless you elect in advance to receive the Fee Distribution in cash. The Fee Distributions paid by the Fund will be paid first out of the Fund’s income and capital gains and then, if necessary, out of capital.

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

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

### Negotiated Trailing Commissions Implemented by Management Fee Reductions

If you hold Series A or PW units, you may negotiate with your dealer to reduce the amount of trailing commission that we pay your dealer out of the management fees that we collect. Your dealer will submit to us a form describing the reduced trailing commission amount they are willing to accept, requesting that we reduce your management fee rate accordingly.

We will subtract the reduced trailing commission, to which you and your dealer have agreed, from the maximum trailing commission described within the “**Trailing Commissions**” section of this document. We will then reduce your management fee rate for the applicable series that you hold to reflect the difference. These management fee reductions will be implemented as described under the “**Management Fee, Administration Fee and Fund Cost Reductions**” section of this document. Ask your financial advisor for more information on this program.

**We may discontinue or change the terms of this program at our discretion and dealers that choose to participate may instruct us to discontinue the program in relation to your investment(s) at any time. It is your dealer’s obligation to provide you with**

**notice in both cases. Your dealer has no obligation to participate in this program.**

### Switching between Retail Series and Private Wealth Series

We will automatically switch your Series A or FB units (the “**Retail Series**”) into the applicable Private Wealth Series once you have \$100,000 in Eligible Investments (as defined below) within your Eligible Accounts (the “**Eligibility Criteria**”), subject to certain exceptions outlined below and provided your dealer offers Private Wealth Series securities. These switches will occur so that you will be invested in the Private Wealth Series with the lowest combined management and administration fees for which you are eligible.

Eligible Investments are (i) the Private Wealth Series that you hold within your Eligible Account(s), and (ii) any Series A, AR, B, C, D, DA, DF, F, F5, F8, FB, FB5, G, GP, I, O, O5, S5, S8, SC, T5, T8 or Investor Series units of Mackenzie Funds (some of which are offered under a different prospectus) and other series of selected Mackenzie Funds that you hold within your Eligible Account(s).

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

The following Retail Series units will be excluded from the automatic switches:

- Units held in our Portfolio Architecture Service or Open Architecture Service program; and
- Series C of Mackenzie Canadian Money Market Fund (offered under a different simplified prospectus).

You are responsible for ensuring your advisor is aware of all Eligible Accounts that should be linked in order to qualify for Private Wealth Series. We will link your Eligible Accounts only after your advisor has communicated your Eligible Account information to us. Generally, neither Mackenzie nor your advisor has the ability to independently determine what accounts should be linked. Mackenzie will, however, automatically link accounts belonging to one individual if the address associated with each account is identical and they have the same

dealer representative code. This means that, if you have two or more accounts with the same advisor, provided your advisor maintains these accounts under the same dealer representative code, they will be automatically linked by us. **Accounts will not be automatically linked if you hold Funds with more than one advisor or dealer.** For example, if you also hold Funds in a discount brokerage account, that account will not be automatically linked with an account you hold with your advisor.

The calculation of your total investments with us for purposes of determining whether you are or remain eligible for Private Wealth Series will be determined in accordance with the calculation of a 'high watermark'. A "high watermark" is the highest peak in value that a fund or account has reached since we began automatically switching investors to Private Wealth Series in April 2017. The 'high watermark' is calculated daily and is the greater of either the previous days' high watermark plus the current day's additional purchases and minus the current day's redemptions, or the current day's market value.

Redemptions of your units (except for redemptions from RDSPs and RRIFs, including LIFs, LRIFs, PRIFs and RLIFs) will decrease the

'high watermark'. However, market value declines in your Private Wealth Series or Eligible Investments in your Eligible Accounts will not decrease your 'high watermark'.

If you no longer meet the Eligibility Criteria for Private Wealth Series, we will automatically switch your units back into the appropriate Retail Series, which will have higher management and administration fees than the Private Wealth Series. Such switches will occur on or about the second Friday of every month. Unless your Eligible Investments fall below \$75,000 (for reasons other than a decrease in market value), we do not automatically switch your units back to the applicable Retail Series. This is intended to provide you with flexibility in connection with major life events. We reserve the right to switch your Private Wealth Series to Retail Series if, in our view, you are misusing this flexibility to fall below the Eligibility Criteria for Private Wealth Series.

Please speak with your advisor for more details about this program.

## FEES AND EXPENSES PAYABLE BY THE FUND

### Administration Fee

We pay all operating expenses, other than "fund costs", for each series, in exchange for a fixed-rate annual administration fee (the "**Administration Fee**"). Administration Fees are paid by each series of the Fund except for Series PWX units, for which Administration Fees are charged directly to you. Administration Fees are subject to applicable taxes, such as G.S.T./H.S.T. We provide the majority of services required for the Fund to operate, although we retain third parties to provide certain services.

In exchange for the Administration Fee, the expenses borne by us on behalf of the series include (i) recordkeeping, accounting and fund valuation costs; (ii) custody safekeeping fees; (iii) audit and legal fees; and (iv) the costs of preparing and distributing Fund financial reports, simplified prospectuses, and other investor communications we are required to prepare to comply with applicable laws (other than the costs of complying with any new regulatory requirements, as described in Fund Costs below).

The Administration Fee is charged separately from the management fee for each series. It is calculated as a fixed annual percentage of the NAV of each series as indicated below.

There are no Administration Fees charged to Series O units of the Fund, although fund costs will still be allocated.

As stated above, the Administration Fees for Series PWX are charged directly to you. Please see the "**Fees and Expenses Payable Directly by You**" table in this section for more details. For all other series, Administration Fees are charged at the rates shown in the following table.

Fund	F/PW/PWFB	A/FB
<b>ALTERNATIVE MUTUAL FUND</b>		
Mackenzie Private Equity Replication Fund	0.15%	0.28%

## FEES AND EXPENSES PAYABLE BY THE FUND

<b>Fund Costs</b>	<p>Each series of the Fund pays “<b>fund costs</b>”, which include interest and borrowing costs, brokerage commissions and related transaction fees, taxes (including, but not limited to G.S.T./H.S.T. and income tax), all fees and expenses of the Mackenzie Funds’ IRC, costs of complying with the regulatory requirement to produce Fund Facts, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Fund, new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after November 18, 2021, and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after November 18, 2021. Interest and borrowing costs and taxes will be charged to each series directly based on usage. Costs of complying with new regulatory requirements will be assessed based on the extent and nature of these requirements. The remaining fund costs will be allocated to each series of the Fund based on their net assets relative to the net assets of all series of the Fund. We may allocate fund costs among each series of the Fund based on such other method of allocation as we consider fair and reasonable to the Fund.</p> <p>Mackenzie may decide, in its discretion, to pay for some of these fund costs that are otherwise payable by the Fund, rather than having the Fund incur such fund costs. Mackenzie is under no obligation to do so and, if any fund costs are reimbursed by Mackenzie, it may discontinue this practice at any time.</p> <p>Fund costs are charged separately from the management fee and administration fee for each series.</p> <p>Each IRC member is entitled to an annual retainer of \$40,000 (\$50,000 for the Chair) and a fee of \$1,500 for each meeting attended. In addition, the Chair of an IRC sub-committee is entitled to an annual retainer of \$5,000. Members are also entitled to be reimbursed for all reasonable expenses incurred in the performance of their duties, including reasonable travel and accommodation expenses. We also purchase and maintain insurance liability coverage for the benefit of the IRC members. For the year ended March 31, 2021, the total amount expensed in this regard by the Mackenzie Funds was \$255,268. All fees and expenses were allocated among the Mackenzie Funds managed by us in a manner that was fair and reasonable. Effective July 1, 2021, each IRC member is entitled to an annual retainer of \$50,000 (\$60,000 for the Chair) and a fee of \$3,000 for each quarterly meeting attended. In addition, the IRC members are entitled to \$1,500 for each additional meeting.</p>
<b>General Information on Fees/Expenses of All Mackenzie Funds</b>	<p>We may reduce any Administration Fees or other fees and/or expenses for you, as described in the preceding section of this table (see “<b>Management Fees</b>”). There will be no duplication of expenses payable by the Fund as a result of its investments in Underlying Funds. <b>Management expense ratios (“MERs”) are calculated separately for each series of units of the Fund and include that series’ management fees, Administration Fees and/or fund costs, if applicable (except as specified below).</b></p> <p>The Fund pays its own brokerage commissions for portfolio 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 the Fund’s trading expense ratio (“<b>TER</b>”). Both the MER and the TER are disclosed in the Fund’s annual and semi-annual Management Report of Fund Performance.</p> <p>We will give you 60 days’ written notice of any change to the basis of the calculation of the fees or expenses that are charged to the Fund by an arm’s length party that could result in an increase in charges, or the introduction of a fee or expense to be charged to the Fund by an arm’s length party that could result in an increase in charges.</p>

## FEES AND EXPENSES PAYABLE BY THE FUND

### Fund of Funds

Where the Fund invests in Underlying Funds, the fees and expenses payable in connection with the management of the Underlying Fund are in addition to those payable by the Fund. However, there will be no management fees or administration fees payable by the Fund that to a reasonable person would duplicate a fee payable by an Underlying Fund for the same service. Where the Fund invests in ETFs that qualify as IPU's, the fees and expenses payable in connection with the management of ETFs are in addition to those payable by the Fund. Currently, where we are the manager of such ETFs, we will waive these fees for at least one year from the date of this prospectus. This arrangement is subject to change thereafter.

Except as described below in respect of ETFs managed by Mackenzie, there will not be sales fees (i.e., brokerage commissions or trading expenses) or redemption fees payable by the Fund with respect to the purchase or redemption by it of securities of an Underlying Fund managed by us or by one of our affiliates. In addition, the Fund will not pay sales fees or redemption fees with respect to the purchase or redemption by it of securities of an Underlying Fund that, to a reasonable person, would duplicate a fee payable by you in the Fund.

Where the Fund invests in ETFs managed by Mackenzie, the Fund is permitted to pay brokerage commissions and trading expenses in connection with investing in these ETFs, in accordance with NI 81-102.

## FEES AND EXPENSES PAYABLE DIRECTLY BY YOU

### Sales Charge Purchase Option

If you purchase Series A or PW units under the sales charge purchase option, you will pay a sales charge which you negotiate with your financial advisor and which is payable to your dealer at the time you purchase your units. The table below sets out the sales charges applicable to each series offered by the Fund:

Series/Option	Maximum Sales Charge (% of Purchase Amount)
Series A	5%
Series PW	2%

The Fund will not pay sales charges if it purchases securities of any other Mackenzie Fund, unless otherwise indicated.

### Switch Fees

If you switch between series of the Fund or to other Mackenzie Funds, then you may pay a switch fee of 0-2%. This fee is negotiable with your dealer in the circumstances described in the **"Dealer Compensation – Sales Commissions"** section of this simplified prospectus.

### Inappropriate Short-Term Trading Fee

A fee of 2% of the amount switched or redeemed will be charged by the Fund for inappropriate short-term trading. Inappropriate short-term trading is defined as a combination of a purchase and redemption, including switches between Mackenzie Funds, within 30 days, that we believe is detrimental to Fund investors and that may take advantage of Mackenzie Funds with investments priced in other time zones or illiquid investments that trade infrequently.

For further information about our policies on inappropriate short-term trading, please see the **"Short-Term Trading"** section of this simplified prospectus.

### Excessive Short-Term Trading Fee

A fee of 1% of the amount switched or redeemed will be charged by the Fund if you invest in the Fund for less than 30 days and your trading is part of a pattern of short-term trading that we believe is detrimental to Fund investors.

The short-term trading fees will be paid to the Fund. Under no circumstances will automatic switches out of Series GP (offered under a separate simplified prospectus), automatic switches in STEP, automatic rebalancing of your holdings within our Guided Portfolio Service, Open Architecture Service or Portfolio Architecture Service be subject to short-term trading fees.

For further information about our policies on excessive short-term trading, please see the **"Short-Term Trading"** section of this simplified prospectus.

## FEES AND EXPENSES PAYABLE DIRECTLY BY YOU

<p><b>Series FB and PWFB Advisor Service Fee</b></p>	<p>You may negotiate an advisor service fee with your dealer for services provided in connection with your FB and PWFB series investments. This service fee will be set out in your FB/PWFB series Account Agreement.</p> <p>We will pay the advisor service fee on your behalf by redeeming units of the Funds from your account for an amount equal to the advisor service fee agreed to in your FB//PWFB series Account Agreement and remitting the proceeds to your dealer. In all instances, the maximum advisor service fee is 1.50%.</p>									
<p><b>Series O: Fees and Advisor Service Fees</b></p>	<p>The maximum fee (excluding advisor service fee) payable by you directly to us for Series O units is an amount of up to 1.50% of the units purchased, plus applicable taxes, for the Fund. Series O fees are paid to us in consideration for the management and administration services provided to the Fund.</p> <p>These fees will be described in your Series O Account Agreement.</p> <p>In addition, you may pay an advisor service fee, which is negotiated between you and your financial advisor (on behalf of the dealer). This fee is stipulated in your Portfolio Architecture Service or Open Architecture Service Agreement, in which you may agree to allow us to redeem units of the Fund from your account for an amount equal to that fee and remit the proceeds to the dealer. In all instances, the maximum advisor service fee for Series O units is 1.50%</p>									
<p><b>Series PWX Fees: Management Fees, Administration Fees and Advisor Service Fees</b></p>	<p>The maximum fees (excluding advisor service fees) payable by you directly to us for Series PWX units are disclosed in the table below. The advisor service fee will be described in your Series PWX Account Agreement.</p> <p>We will pay the advisor service fee on your behalf by redeeming units of the Fund from your account, in an amount equal to the advisor service fee, and remitting the proceeds to your dealer. You are required to negotiate your advisor service fee with your financial advisor on behalf of the dealer. In all instances, the maximum advisor service fee for Series PWX units is 1.50%.</p> <table border="1" data-bbox="380 947 1490 1066"> <thead> <tr> <th data-bbox="380 947 889 995">Fund</th> <th data-bbox="889 947 1192 995">Management Fee</th> <th data-bbox="1192 947 1490 995">Administration Fee</th> </tr> </thead> <tbody> <tr> <td colspan="3" data-bbox="380 995 1490 1031"><b>ALTERNATIVE MUTUAL FUND</b></td> </tr> <tr> <td data-bbox="380 1031 889 1066">Mackenzie Private Equity Replication Fund</td> <td data-bbox="889 1031 1192 1066">1.00%</td> <td data-bbox="1192 1031 1490 1066">0.15%</td> </tr> </tbody> </table>	Fund	Management Fee	Administration Fee	<b>ALTERNATIVE MUTUAL FUND</b>			Mackenzie Private Equity Replication Fund	1.00%	0.15%
Fund	Management Fee	Administration Fee								
<b>ALTERNATIVE MUTUAL FUND</b>										
Mackenzie Private Equity Replication Fund	1.00%	0.15%								
<p><b>Portfolio Architecture Service (“PAS”) Fees</b></p>	<p>A quarterly PAS portfolio fee of up to 0.0375% (0.15% annually), payable to us, is charged on all assets in your PAS portfolio. We will waive this fee where your PAS assets reach \$1.25 million. This fee may also be reduced or waived by us at our discretion.</p> <p>In addition, a negotiable PAS advisory fee, payable quarterly is charged by your dealer for the ongoing service of your accounts. The PAS advisory fee may not exceed 1.50%</p> <p>The PAS advisory fee is not payable on assets that are subject to (a) trailing commissions or (b) an asset-based fee associated with dealer-sponsored-fee based accounts.</p> <p>The quarterly PAS portfolio fee, quarterly PAS advisory fee and any other applicable advisor service fees can be paid by the redemption of securities in your portfolio. Please see <b>“Portfolio Architecture Service”</b> in the <b>“Optional Services”</b> section of this simplified prospectus for more details about this service.</p>									
<p><b>Open Architecture Service (“OAS”) Fees</b></p>	<p>A quarterly OAS portfolio fee of up to 0.0175% (0.07% annually), payable to us, is charged on all assets in your OAS portfolio. We will waive this fee where your OAS assets reach \$1.25 million. This fee may also be reduced or waived by us at our discretion.</p> <p>In addition, a negotiable OAS advisory fee, payable quarterly is charged by your dealer for the ongoing service of your accounts. The OAS advisory fee may not exceed 1.50%</p> <p>The OAS advisory fee is not payable on assets that are subject to (a) trailing commissions or (b) an asset-based fee associated with dealer-sponsored-fee based accounts.</p> <p>The quarterly OAS portfolio fee, quarterly OAS advisory fee and any other applicable advisory fees can be paid by the redemption of securities in your portfolio. Please see <b>“Open Architecture Service”</b> in the <b>“Optional Services”</b> section of this simplified prospectus for more details about this service.</p>									

## Impact of Sales Charges

The following table shows the maximum sales charges that you would pay under the sales charge purchase option available to you if you made an investment of \$1,000 in units of the Fund and if you held that investment for periods of one, three, five or ten years, and then redeemed your entire investment immediately before the end of the period.

**Table 6: Sales charge purchase option**

	At time of purchase	1 year	3 years	5 years	10 years
Sales charge purchase option <sup>1</sup>	Up to \$50	–	–	–	–

<sup>1</sup> Based on a maximum sales charge rate of 5%, generally. There are no sales charges to purchase Series F, FB and PWFB units, and these units are generally available only if you are enrolled in a dealer-sponsored fee-for-service or wrap program and you are subject to an asset-based fee rather than commissions on each transaction, among other eligibility rules. There are no sales charges to purchase Series O and PWX units. The maximum sales charge to purchase Series PW units is 2%.

## DEALER COMPENSATION

### Sales Commissions

The table below sets out the sales commissions that are payable to your dealer when you purchase the Fund units identified below. Sales commissions are based on the purchase amount and are negotiated and paid by you. Mackenzie does not monitor or make any determination as to the appropriateness of any series of a Fund for any investor purchased through a registered dealer.

**Table 7: Sales Commissions payable to your dealer**

Series of the Fund	Sales Charge Purchase Option
Series A units	Maximum of 5%
Series PW units	Maximum of 2%
Series F, FB and PWFB units	No sales charge but you will generally be required to pay your dealer an advisory or asset-based fee in addition to the management fees payable by that series
Series O and PWX units	Nil

We do not pay commissions when you switch between Mackenzie Funds and your new Mackenzie Fund units are issued under the same purchase option as your previous Mackenzie Fund units. A switch fee of up to 2% of the amount you switch may be charged and retained by your dealer. The Fund will not pay sales commissions if it purchases units of any other Mackenzie Fund.

No sales commissions are paid when you receive units from your reinvested Fund distributions.

## Trailing Commissions

We may pay dealers a trailing commission at the end of each month or calendar quarter as a percentage of the value of units of the Fund held in your account with your dealer. The table below shows the maximum trailing commission annual rates applicable to the series of units offered under this simplified prospectus.

Series A and PW trailing commissions are paid out of the management fees collected by us. No trailing commissions are paid in respect of Series F, FB, O, PWFB and PWX units.

You may negotiate an advisor service fee with your financial advisor on behalf of the dealer in your Series O Account Agreement. The maximum advisor service fee for Series O units is 1.50%. Under that agreement, you may agree to allow us to redeem units of the Fund from your account for an amount equal to that fee and remit the proceeds to the dealer. Please see the “**Series O**” section in the “**Fees and Expenses Payable Directly by You**” table in this simplified prospectus for more details.

For Series FB, PWFB or PWX, you are subject to an advisor service fee that we will pay on your behalf by redeeming units of the Fund from your account in an amount equal to the advisor service fee and remitting the proceeds to your dealer. You are required to negotiate your advisor service fee with your financial advisor on behalf of the dealer. These advisor service fees are disclosed within a Series FB, PWFB or PWX Account Agreement with us. In all instances, the maximum advisor service fee for Series FB, PWFB or PWX units is 1.50%.

**Table 8: Trailing Commission Annual Rates**

TRAILING COMMISSION ANNUAL RATE FOR THE FUND	
Series	A, PW
Purchase Option*	SCS
Mackenzie Private Equity Replication Fund	1.00%

\*“SCS” means the Sales Charge Purchase option.

In the event that B2B Bank Securities Services Inc. or its affiliate acts as a dealer for an account held by our employees or directors or our subsidiary, in addition to the amounts set out above, we may pay B2B Bank Securities Services Inc. up to an extra 0.25% for administering that particular staff account.

In circumstances where Mackenzie Fund units are purchased through discount brokerage accounts, we may also pay trailing commissions to the discount broker.

We may change the terms of the trailing commission program or cancel it at any time.

### Other Kinds of Dealer Compensation

We pay for marketing materials that we give to dealers to help support their sales efforts. These materials include reports and commentaries on securities, the markets, Mackenzie Funds and the services we offer to you.

We may share with dealers up to 50% of their costs in marketing the Mackenzie Funds. For example, we may pay a portion of the costs of a dealer in advertising the availability of the Mackenzie Funds through the financial advisors of the dealer. We may also pay part of the costs of a dealer in running a seminar to inform you about the Mackenzie Funds or generally about the benefits of investing in mutual funds.

We may pay up to 10% of the costs of some dealers to hold educational seminars or conferences for their financial advisors to teach them about, among other things, new developments in the mutual fund industry, financial planning or new financial products. The dealer makes all decisions about where and when the conference is held and who can attend.

We also arrange seminars and conferences for financial advisors where we inform them about new developments in the Mackenzie Funds, our products and services and mutual fund industry matters. We invite dealers to send their financial advisors to our seminars and conferences, but we do not decide who attends. The financial advisors must pay their own travel, accommodation and personal expenses for attending our seminars and conferences.

### Disclosure of Equity Interests

We are an indirect, wholly owned subsidiary of IGM Financial Inc. (“**IGM**”), a financial services company listed on the TSX. IGM is a majority-owned subsidiary of Power Corporation of Canada (“**Power**”). Great-West Lifeco Inc. (“**GWL**”) is also a majority-owned subsidiary of Power. IGM’s activities are principally carried out through us, Investors Group Inc. and Investment Planning Counsel Inc. (“**IPC**”). Other indirect, wholly owned subsidiaries of IGM who are therefore affiliated with us and who, as dealers, may hold, sell and/or recommend units of the Mackenzie Funds include (a) Investors Group Securities Inc. and IPC Securities Corporation (each an investment dealer), and (b) Investors Group Financial Services Inc. and IPC Investment Corporation (each a mutual fund dealer). Each of the Investors Group companies is wholly owned by Investors Group Inc. Each of the IPC companies is wholly owned by IPCI.

GWL’s activities are principally carried out through its subsidiary, The Canada Life Assurance Company. Other indirectly owned subsidiaries of GWL who are therefore affiliated with us and who, as dealers, may hold, sell and/or recommend units of the Mackenzie Funds include Quadrus Investment Services Ltd. (a mutual fund dealer). All investment dealers and mutual fund dealers referenced above are, collectively, “**participating dealers**”. From time to time, representatives of any of the participating dealers may own, directly or indirectly, shares of IGM, GWL or Power.

Please refer to the annual information form for additional details on the relevant corporate relationships within the Power Group of Companies.

### DEALER COMPENSATION FROM MANAGEMENT FEES

During our financial year ended December 31, 2020, we paid to dealers who distributed units of Mackenzie Funds total cash compensation (sales commissions, trailing commissions and other kinds of cash compensation) representing approximately 43.87% of

the total management fees which we received from all of our funds in that year.

### INCOME TAX CONSIDERATIONS

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

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

This summary is also based on the assumptions that (i) none of the issuers of securities held by a Fund will be a foreign affiliate of the Fund or any unitholder, (ii) none of the securities held by a Fund will be a “tax shelter investment” within the meaning of section 143.2 of the Tax Act; (iii) none of the securities held by the Fund will be an interest in a trust (or a partnership which holds such an interest) which would require the Fund (or the partnership) to report significant amounts of income in connection with such interest pursuant to the rules in section 94.1 or 94.2 of the Tax Act, or an interest in a non-resident trust other than an “exempt foreign trust” as defined in the Tax Act; and (iv) no Fund will enter into any arrangement where the result is a dividend rental arrangement for the purposes of the Tax Act.

### How the Fund is Taxed

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

- Mutual funds can earn income in the form of interest, dividends or other income from the investments they make, including in other mutual funds, and can be deemed to earn income from investments in certain foreign entities. All income must be computed in Canadian dollars, even if earned in a foreign currency.
- Mutual funds can realize a capital gain by selling an investment for more than its adjusted cost base (“**ACB**”). They can also realize a capital loss by selling an investment for less than its ACB. A mutual fund that invests in foreign-denominated securities must calculate

its ACB and proceeds of disposition in Canadian dollars based on the conversion rate on the date the securities were purchased and sold, as applicable. As a result, a mutual fund may realize capital gains and losses due to changes in the value of the foreign currency relative to the Canadian dollar.

- Mutual funds can realize gains and losses from using derivatives or engaging in short selling. Generally, gains and losses from derivatives are added to or subtracted from the mutual fund's income. However, if derivatives are used by a mutual fund as a hedge to limit its gain or loss on a specific capital asset or group of capital assets and there is sufficient linkage, then the gains and losses from these derivatives are generally capital gains or capital losses. Generally, gains and losses from short selling Canadian securities are treated as capital, and gains and losses from short selling foreign securities are treated as income. The derivative forward agreement rules in the Tax Act (the "DFA Rules") target certain financial arrangements (described in the DFA Rules as "derivative forward agreements") that seek to reduce tax by converting, through the use of derivative contracts, the return on investments that would have the character of ordinary income to capital gains. The DFA Rules will generally not apply to derivatives used to closely hedge gains or losses due to currency fluctuations on underlying capital investments of a Fund. Hedging, other than currency hedging on underlying capital investments, which reduces tax by converting the return on investments that would have the character of ordinary income to capital gains through the use of derivative contracts, will be treated by the DFA Rules as on income account.
- Gains and losses from trading in precious metals and bullion will be treated on income account, rather than as capital gains and losses.

In certain circumstances, the Fund may be subject to loss restriction rules that deny or defer the deduction of certain losses. For example, a capital loss realized by the Fund will be suspended if, during the period that begins 30 days before and ends 30 days after the date on which the capital loss was realized, the Fund or an affiliated person (as defined in the Tax Act) acquires property that is, or is identical to, the property on which the loss was realized and continues to own that property at the end of the period.

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

### **The Fund**

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

income and capital gains for each taxation year so that it will not be liable for ordinary income tax under Part I of the Tax Act.

The losses of the Fund may be restricted when a person or partnership becomes a "majority-interest beneficiary" of the Fund (generally by holding units representing more than 50% of NAV of the Fund) unless the Fund qualifies as an "investment fund" by satisfying certain investment diversification and other conditions.

The Fund will be entitled for each taxation year throughout which it is a mutual fund trust, to reduce (or receive a refund in respect of) its liability, if any, for tax on its net realized capital gains by an amount determined under the Tax Act, based on the redemptions of its units during the year ("capital gains refund"). The Manager may, in its discretion, utilize the capital gains refund mechanism for a Fund in any particular year. The capital gains refund in a particular taxation year may not completely offset the tax liability of the Fund for such taxation year which may arise upon the sale of its investments in connection with redemption of units.

### **Funds that does not qualify as "mutual fund trusts"**

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

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

In any year throughout which the Fund does not qualify as a mutual fund trust under the Tax Act, the Fund could be subject to tax under Part XII.2 of the Tax Act. Part XII.2 of the Tax Act provides that certain trusts (excluding mutual fund trusts) that have an investor who is a "designated beneficiary" under the Tax Act at any time in the taxation year are subject to a special tax under Part XII.2 of the Tax Act on the trust's "designated income" under the Tax Act. "Designated beneficiaries" generally include non-resident persons, non-resident owned investment corporations, certain trusts, certain partnerships, and certain tax-exempt persons in certain circumstances where the tax-exempt person acquires units from another beneficiary. "Designated income" generally includes income from businesses carried on in Canada and taxable capital gains from dispositions of taxable Canadian property. Where the Fund is subject to tax under Part XII.2, provisions in the Tax Act are intended to ensure that Unitholders who are not designated beneficiaries receive an appropriate refundable tax credit.

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

### Section 94.2

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

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

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

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

### How You Are Taxed on a Fund Investment

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

### If you own the Fund outside a registered plan

#### Distributions

You must include in your income for a taxation year the taxable portion of all distributions (including Fee Distributions) paid or payable (collectively, “**paid**”) to you from the Fund during the year,

computed in Canadian dollars, whether these amounts were paid to you in cash or reinvested in additional units. The amount of reinvested distributions is added to the ACB of your units to reduce your capital gain or increase your capital loss when you later redeem. This ensures that you do not pay tax on the amount again at a later date.

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

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

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

When units of the Fund are acquired by purchasing or switching into the Fund, a portion of the acquisition price may reflect income and capital gains of the Fund that have not yet been realized or distributed. Accordingly, unitholders who acquire units of a Fund just before a distribution date, including at year-end, may be required to include in their income amounts distributed from the Fund, even though these amounts were earned by the Fund before the unitholder acquired the units and were included in the price of the units.

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

### Sales charges and fees

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

The fees that you pay for Series O and PWX units (“**Unbundled Fees**”) consist of advisory fees that you pay to your dealer and management fees that you pay to us. To the extent that such fees are collected by redemption of units, you will realize gains or losses in non-registered accounts. The deductibility of Unbundled Fees, for income tax purposes, will depend on the exact nature of services provided to you and the type of investment held. Fees relating to services provided to registered accounts are not deductible for income tax purposes, regardless of whether such fees were charged to the registered account. You should consult with your tax advisor regarding the deductibility of Unbundled Fees paid in your particular circumstance.

## Switches

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

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

## Redemptions

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

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

## Calculating Your ACB

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

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

**plus**

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

**plus**

- the amount of any reinvested distributions on that series;

**less**

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

**less**

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

## **less**

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

The ACB of a single security is the average of the total ACB. Where you switch between series of the Fund, the cost of the new units acquired on the switch will generally be equal to the ACB of the previously owned units switched for those new securities.

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

## Alternative minimum tax

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

## Tax statements and reporting

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

Generally, you will be required to provide your financial advisor with information related to your citizenship or residence for tax purposes and, if applicable, your foreign tax identification number. If you or your controlling person(s) are (i) identified as a U.S. Person (including a U.S. resident or citizen); (ii) identified as a tax resident of a country other than Canada or the U.S.; or (iii) do not provide the required information and indicia of U.S. or non-Canadian status are present, details about you and your investment in the Fund will be reported to the CRA unless units are held inside a registered plan. The CRA will provide the information to the relevant foreign tax authorities under exchange of information treaties.

## If you own the Fund inside a registered plan

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

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

A unit of the Fund may be a prohibited investment for your registered plan (other than a DPSP) even though it is a qualified investment. If your registered plan holds a prohibited investment, you become

liable to a 50% potentially refundable tax on the value of the prohibited investment and a 100% tax on income and capital gains attributable to, and capital gains realized on, the disposition of the prohibited investment.

Under a safe harbour rule for new mutual funds, units of the Fund will not be a prohibited investment for your registered plan at any time during the first 24 months of the Fund's existence provided that the Fund is a mutual fund trust under the Tax Act during that time and is in substantial compliance with NI 81-102 or follows a reasonable policy of investment diversification.

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

## WHAT ARE YOUR LEGAL RIGHTS?

Securities legislation in some provinces gives you the right to withdraw from an agreement to buy securities of a mutual fund within two (2) Business Days of receiving the Fund Facts, or to cancel your purchase within forty-eight (48) hours of receiving confirmation of your order.

Securities legislation in some provinces and territories 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 territory or consult your lawyer.

## PART B: SPECIFIC INFORMATION ABOUT MACKENZIE PRIVATE EQUITY REPLICATION FUND

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### INTRODUCTION TO PART B

Part B provides specific descriptions of the Fund and supplements the general information concerning the Fund that is contained in Part A.

This **Introduction to Part B** explains most of the terms and assumptions which appear in this Part B.

### Fund Details

This section of the Fund's Part B gives you information such as the Fund's type, its start date or when it was first publicly sold to investors, the nature of the units offered by the Fund, the series offered by the Fund, whether units are qualified investments under the Tax Act for registered plans, and the name of the Fund's sub-advisor(s) (if no sub-advisor is cited, then we directly provide portfolio management services to the Fund).

### What Does the Fund Invest In?

#### *Investment Objectives and Strategies*

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

#### *Use of Derivatives*

The Fund may use derivatives for “**hedging**” purposes to reduce its exposure to changes in exchange rates, securities prices, interest rates 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 objectives.

As the Fund is considered an “Alternative Mutual Fund” pursuant to NI 81-102, the Fund is permitted to invest in specified derivatives, in uncovered derivatives or to enter into derivatives contracts with counterparties that do not have a designated rating as defined in NI 81-102. If the Fund intends to use derivatives as part of its investment strategy, we have indicated in the Fund's description of

investment strategies whether derivatives may be used for hedging purposes, non-hedging purposes or both. Please visit our website at [www.mackenzieinvestments.com/currency](http://www.mackenzieinvestments.com/currency) for more information about a Fund's use of currency hedging. 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 “**Derivatives Risk**” in the “**What are the General Risks of Investing in a Mutual Fund?**” section of this document.

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

The Fund may engage in securities lending, repurchase and reverse repurchase transactions. Securities-lending, repurchase and reverse-repurchase transactions may earn additional income for mutual funds. That income comes from the fees paid by the transaction counterparty and interest paid on the cash or securities held as collateral.

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).

#### *Short Selling*

The Fund may engage in a limited amount of short selling in accordance with securities regulations. 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. The Fund's short selling activity is subject to the following limits and conditions:

- the aggregate market value of all securities sold short by the Fund will not exceed 50% of the total net assets of the Fund;
- the aggregate market value of all securities of any particular issuer sold short by the Fund will not exceed 10% of the total net assets of the Fund;
- the Fund will not deposit collateral with a dealer in Canada unless the dealer is registered in a jurisdiction of Canada and is a member of the Investment Industry Regulatory Organization of Canada (“IIROC”); and
- the Fund will not deposit collateral with a dealer outside Canada unless that dealer (i) is a member of a stock exchange that requires the dealer to be subjected to a regulatory audit; and (ii) has a net worth in excess of CDN \$50 million.

The Fund is also permitted to invest in gold, silver or other physical commodities or instruments (such as derivatives and ETFs) that provide exposure to physical commodities.

### Exemptions from NI 81-102

The Fund is subject to certain restrictions and practices contained in securities legislation, including NI 81-102, which are designed, in part, to ensure that the investments of mutual funds are diversified and relatively liquid and to ensure the proper administration of mutual funds. We intend to manage the Fund in accordance with these restrictions and practices or to obtain relief from the securities regulatory authorities before implementing any variations. The following provides a description of the exemptions that the Fund has received from the provisions of NI 81-102, and/or a description of the general investment activity:

### U.S. Listed ETF Relief

Given the incorporation of the alternative mutual funds into NI 81-102, this ETF Relief is only relevant for U.S. listed exchange traded funds.

1. The Fund has obtained regulatory approval for an exemption from certain requirements in NI 81-102 in order to invest in ETFs, as described below. An exemption from the Canadian securities regulatory authorities which allows it to purchase and hold securities of the following types of ETFs (collectively, the “**Underlying ETFs**”):
  - (a) ETFs that seek to provide daily results that replicate the daily performance of a specified widely quoted market index (the ETF’s “**Underlying Index**”) by a multiple of up to 200% (“**Leveraged Bull ETFs**”), inverse multiple of up to 100% (“**Inverse ETFs**”), or an inverse multiple of up to 200% (“**Leveraged Bear ETFs**”);
  - (b) ETFs that seek to replicate the performance of gold or silver, or the value of a specified derivative whose underlying interest is gold or silver on an unlevered basis (“**Underlying Gold or Silver Interest**”), or by a multiple of up to 200% (collectively, the “**Leveraged Gold/Silver ETFs**”); and

- (c) ETFs that invest directly, or indirectly through derivatives, in physical commodities, including but not limited to agriculture or livestock, energy, precious metals and industrial metals, on an unlevered basis (“**Unlevered Commodity ETFs**”, and, together with the Leveraged Gold/Silver ETFs, the “**Commodity ETFs**”).

This relief is subject to the following conditions:

- the Fund’s investment in securities of an Underlying ETF must be in accordance with its fundamental investment objectives;
- the securities of the Underlying ETF must be traded on a stock exchange in Canada or the United States;
- the Fund may not purchase securities of an Underlying ETF if, immediately after the transaction, more than 10% of the NAV of the Fund, taken at market value at the time of the transaction, would consist of securities of Underlying ETFs; and
- the Fund may not purchase securities of Inverse ETFs or securities of Leveraged Bear ETFs or sell any securities short if, immediately after the transaction, the Fund’s aggregate market value exposure represented by all such securities purchased and/or sold short would exceed 20% of the NAV of the Fund, taken at market value at the time of the transaction; and
- immediately after entering into a purchase, derivatives or other transaction to obtain exposure to physical commodities, the Fund’s aggregate market value exposure (whether direct or indirect including through Commodity ETFs) to all physical commodities (including gold) does not exceed 10% of the NAV of the Fund, taken at market value at the time of the transaction.

### What are the Risks of Investing in the Fund?

We provide a list of the risks of mutual fund investing in the “**What are the General Risks of Investing in a Mutual Fund?**” section of this document. The risks that apply to the Fund are identified under the sub-heading “**What are the General Risks of Investing in a Mutual Fund?**”. Those risks are based upon the Fund’s expected investments, investment practices and are related to the material risks of investing in the Fund under normal market conditions when considering the Fund’s portfolio as a whole, and not each individual investment within the portfolio.

We have classified each of the applicable risks as either “primary”, “secondary” or “low or not a risk”. We consider the primary risks to be the more significant risks in respect of the Fund because they occur more frequently and/or because their occurrence will have a more significant impact on the Fund’s value. We consider the secondary risks relatively less significant because they occur less frequently and/or because their occurrence will have a less significant impact on the Fund’s value. Low or not a risk means that we consider the risk to be either very remote or non-existent. **All of the applicable risks should be understood and discussed with your financial advisor before making any investment in the Fund.**

## Risk classification methodology

The risk ratings referred to in this section help you decide, along with your advisor, whether the Fund is right for you. This information is only a guide. The investment risk level of the Fund is required to be determined in accordance with the Canadian Securities Administrators' standardized risk classification methodology, which is based on the historical volatility of the Fund, as measured by the most recent 10-year standard deviation of the returns of the Fund. Standard deviation is used to quantify the historical dispersion of returns around the average returns over the 10-year period. In this context, it can provide an indication of the amount of variability of returns that occurred relative to the average return over the 10-year measurement period. The higher the standard deviation of the Fund, the greater the range of returns it experienced in the past. In general, the greater the range of returns, the higher the risk.

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, especially since the risk rating is based on the standard deviation of the most recent 10-year period.

For any Fund that is new, or for a Fund that has less than 10 years of performance history, we calculate the investment risk level of the Fund using a reference index that reasonably approximates or, for a newly established Fund, that is reasonably expected to approximate, the standard deviation of the Fund. If the Fund has less than 10 years of performance history but there is another mutual fund with 10 years of performance history that is managed by us and that is highly similar to the Fund (a "Reference Fund"), we calculate the investment risk level using the return history of the Reference Fund rather than that of the reference index. For a Fund that has 10 years of performance history, the methodology will calculate the standard deviation of the Fund using the return history of the Fund rather than that of the reference index. In each case, the Fund is assigned an investment risk rating in one of the following categories: low, low to medium, medium, medium to high or high risk.

- **Low** – for a Fund with a level of risk that is typically associated with investments in money market funds and/or Canadian fixed-income funds;
- **Low to Medium** – 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** – 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** – 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 specific sectors of the economy; and
- **High** – 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 specific sectors of the economy where there is a

substantial risk of loss (e.g., emerging markets, precious metals).

We may exercise discretion and assign a Fund a higher risk classification than indicated by the 10-year standard deviation if we believe that the Fund may be subject to other foreseeable risks that the 10-year standard deviation does not reflect. The following chart sets out a description of the reference index used for the Fund since it has less than 10 years of performance history:

Table 9:

Mackenzie Fund	Reference Index/Reference Fund
Mackenzie Private Equity Replication Fund	Russell 2500 TR CAD

## Reference Index Definitions

The **Russell 2500 Index** measures the performance of the small to midcap segment of the US equity universe, commonly referred to as "smid" cap. The Russell 2500 Index is a subset of the Russell 3000 Index. It includes approximately 2500 of the smallest securities based on a combination of their market cap and current index membership.

**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 we will never place a Fund 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?" for the Fund described in this Part B 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 calling toll free at 1-800-387-0614 or by writing to Mackenzie Financial Corporation, 180 Queen Street West, Toronto, Ontario M5V 3K1.

## Who Should Invest in this Fund?

This section will help you decide, with your financial advisor's help, whether the Fund is right for you. **This information is only a guide.** In this section, we state the risk rating of the Fund, as based on the categories discussed above, and what type of investor should consider an investment in the Fund. For example, you may want to grow your capital over the long term or want to protect your investment or receive regular cash flows. You may wish to invest outside of a registered plan or may wish to invest in a specific region or industry.

The Fund may be suitable for you as an individual component within your entire portfolio, even if the Fund's risk rating is higher or lower

than your personal risk tolerance level. When you choose investments with your financial advisor, you should consider your whole portfolio, investment objectives, your investment time horizon, and your personal risk tolerance level.

## Distribution Policy

This section explains the frequency, amount and composition of distributions that you may receive from the Fund. It also explains when you may receive these distributions in cash.

Each December, the Fund may distribute any undistributed net income and any net capital gains for the year to investors who own units on the distribution record date, but only to the extent required to ensure that the Fund themselves will not pay income tax.

The distributions described above will be reinvested, without charge, in additional units of the series on which they were paid, unless you elect in advance to receive them in cash. You may not elect to receive these distributions in cash if your securities are held in a Mackenzie Investments sponsored registered plan (unless that registered plan is a TFSA, in which case, you may elect to have these distributions paid outside of the TFSA).

## Fund Expenses Indirectly Borne by Investors

Fund costs are generally paid out of the Fund's assets, reducing the investment return on your units. This section contains an example table of the amount of expenses that would be payable by the Fund (for each series of the Fund's units) on a \$1,000 investment, assuming that the Fund earns a constant 5% per year and the MERs for each series of units remain the same as for the past year, for the complete 10 years shown in the example. In the event we have waived a portion of our management fees or Administration Fees, or absorbed some of the Fund's fund costs during the past financial year, the MER would have been higher had it not done so and, consequently, that would have increased the Fund expenses indirectly borne by you. The fees and expenses which you pay directly, and which are not included in the Fund's MERs, are described in the "**Fees and Expenses Payable Directly by You**" section of this document.

The example table will help you to compare the cumulative costs of investing in the Fund with the similar costs of investing in other mutual funds. Please remember that it is only an example and that the Fund's actual expenses will vary each year.

## ADDITIONAL INFORMATION

### Sustainable Investment at Mackenzie

We define **sustainable investing** as:

- (i) investment approaches that integrate financially material ESG factors that aim to mitigate investment risk and enhance financial returns, which we consider to be **Responsible Investing** and/or
- (ii) investment approaches that seek to generate a positive impact on one or more ESG factors, which we consider to

be **Sustainable Solutions** or Funds with ESG as part of their fundamental investment objective.

At Mackenzie, all of our investment teams and sub-advisors aim to follow the **Responsible Investing** approach, regardless of their investment objective and they use both internal and external evaluation metrics to evaluate investment decisions.

With respect to our **Sustainable Solutions**, these Funds fall into three categories:

- a) sustainable core funds which invest in companies or issuers with positive ESG practices that are expected to enhance overall value,
- b) sustainable thematic funds which target specific ESG macro-trends or themes that aim to generate competitive returns and
- c) sustainable impact funds that target specific ESG challenges or opportunities, while also aiming to generate financial return.

As part of our process to incorporate ESG factors into our investment process of all of our funds, we are committed to engaging companies and issuers. As long-term investors and stewards of capital, we believe in company and debt issuer engagement and proxy voting to promote good governance and management of material ESG issues. The use of shareholder rights to influence company or issuer behaviour, including through engagement is key to our process. Rather than applying broad based exclusions across all our portfolios, we believe that our role as owners is best suited for constructive dialogue with companies or issuers that are deemed to present the highest ESG risks. Portfolio managers engage in dialogue with companies held in the portfolio of certain Funds with the aim of alerting companies to identified ESG risks, proposing solutions to ESG challenges and improving the outcomes of ESG performance. From a debt perspective, our portfolio managers will engage with corporate debt issuers and sovereign debt agencies to encourage greater ESG-labeled debt issuances and reinforce the values associated with sustainable investing. We vote proxies in the best interests of the Funds, taking into consideration material ESG risks. When appropriate, we work with industry peers and partners to bring attention to specific ESG risks and opportunities.

Mackenzie Investments is

- (i) a participant of the Climate Action 100+,
- (ii) a signatory to the Principles for Responsible Investment (PRI),
- (iii) a founding signatory of the Responsible Investment Association's Canadian Diversity and Inclusion Investor Statement,
- (iv) a signatory to the BlackNorth Initiative Pledge, and
- (v) a signatory of the Women's Empowerment Principles.

We also require that sub-advisors of our funds adhere to the PRI by becoming signatories.

For more information, please see our Sustainable Investing Policy, available on our website at <https://www.mackenzieinvestments.com/content/dam/mackenzie/e>

[n/mutual-funds/mi-sustainable-investing-policy-en.pdf](https://www.mackenzieinvestments.com/content/dam/mackenzie/en/mutual-funds/mi-sustainable-investing-policy-en.pdf) which sets out our overall approach to sustainable investing.

## MACKENZIE PRIVATE EQUITY REPLICATION FUND

### Fund Details

<b>Type of Fund</b>	Alternative Fund
<b>Start Date</b>	December 17, 2020
<b>Units Offered</b>	<b>Series Start Date</b>
Series A	December 17, 2020
Series F	December 17, 2020
Series FB	December 17, 2020
Series O	December 17, 2020
Series PW	December 17, 2020
Series PWFB	December 17, 2020
Series PWX	December 17, 2020
<b>Registered Plan Qualified</b>	Yes
<b>Sub-Advisor</b>	Mackenzie Investments Corporation, Boston Massachusetts, USA PEO Partners LLC, Boston Massachusetts, USA

### What Does the Fund Invest In?

#### Investment Objectives

The Fund seeks to provide long-term capital appreciation and to replicate the long-term returns of diversified U.S. private equity investments by investing primarily in listed U.S. equity securities. The Fund may engage in cash borrowing, and/or use derivatives for hedging and investment purposes.

The Fund's aggregate exposure to its sources of leverage shall not exceed the limit described in the "Investment Strategies" section of this Simplified Prospectus or as otherwise permitted under applicable securities legislation.

Any proposed change in the fundamental investment objectives of the Fund must be approved by a majority of the votes cast at a meeting of the Fund's investors called for that purpose.

#### Investment Strategies

In order to achieve Fund's investment objectives, the portfolio managers use a quantitative approach to stock selection, portfolio construction and transaction cost measurement. Stock selection is driven by proprietary quantitative models based on private equity buyout company characteristics, such as industry, valuation, quality, and leverage. The Fund invests mainly in mid-cap and small-cap U.S. listed equity securities.

Leverage can be used to amplify the effect of certain allocations and may be created through cash borrowings, or derivative contracts.

The Fund may borrow cash up to a maximum of 50% of its net asset value for investment purposes.

The Fund may, directly or indirectly through investments in other mutual funds, use derivative instruments to reduce overall volatility

with a focus on mitigating downside risk. For example, the Fund may employ a collar strategy which involves buying put options and selling call options. Buying put options mitigates negative returns during down markets, while selling call options typically pays for a portion of the put option cost and mitigates negative returns through the collection of premiums, but also limits the upside return potential of the Fund. The Fund will employ a flexible approach to its use of derivative instruments and may opportunistically use options, swaps, futures and forward contracts for hedging or non-hedging purposes under different market conditions. The Fund may use derivative instruments where the underlying interest of the derivative is an exchange-traded fund.

The Fund, when taking a "short" position, may sell an instrument that it does not own before borrowing to meet its settlement obligations. The Fund may also take "short" positions in options, swaps, futures, and forward contracts. A "short" position will benefit from a decrease in price of the underlying instrument and will lose value if the price of the underlying instrument increases. A "long" position will benefit from an increase in price of the security and will lose value if the price of the security decreases.

The Fund's aggregate exposure to its sources of leverage, calculated as the sum of the following sources of leverage, must not exceed 300% of its net asset value: (i) the aggregate market value of securities sold short; (ii) the value of indebtedness under any borrowing arrangements for investment purposes; and (iii) the aggregate notional value of the Fund's specified derivatives positions excluding any specified derivatives used for hedging purposes. However, the Fund's aggregate exposure to those sources of leverage is generally expected to be less than 200% of its net asset value.

The Fund may invest up to 20% of its net asset value in securities of a single issuer including exposure to that single issuer through specified derivative transactions or index participation units.

The Fund may hold cash and/or short-term debt securities in anticipation of, or in response to, unfavourable market conditions; and/or for liquidity purposes.

The Fund considers material environmental, social and/or governance factors in its investment evaluation process, except with respect to derivatives.

The Fund may hold a portion of its net assets in securities of other investment funds, including ETFs, which may be managed by us, in accordance with its investment objectives. For more information, see the "Fund of Funds" disclosure under "Fees and Expenses."

In accordance with applicable securities regulations or as permitted by the exemptions from these regulations, and as further described in the "Introduction to Part B – What Does the Fund Invest In?" section of this simplified prospectus, the Fund may:

- use derivatives for hedging and non-hedging purposes;
- engage in securities lending, repurchase and reverse repurchase transactions;
- engage in short selling; and
- invest in gold, silver, other physical commodities, and other instruments (such as derivatives and ETFs) that provide exposure to these metals.

If the Fund employs any of these strategies, it will do so in conjunction with its other investment strategies in a manner considered appropriate to pursuing its investment objectives and enhancing its returns.

### What are the Risks of Investing in the Fund?

This Fund invests directly or indirectly in equity securities, which subjects the Fund to market risk and company risk. Since the Fund invests outside of Canada, it is subject to foreign market risk and foreign currency risk. The Fund uses derivatives for hedging and non-hedging purposes, which subjects the Fund to derivatives risk and leverage risk. These and other risks are described starting on page 1. The following table shows which risks apply to this Fund:

#### Risk Checklist

	Primary Risk	Secondary Risk	Low or Not a Risk
Commodity		●	
Company	●		
Concentration		●	
Convertible Securities		●	
Credit		●	
Cyber Security		●	
Derivatives	●		
Emerging Markets			●
ESG Investment Objective or Strategy		●	
ETF		●	
Extreme Market Disruptions		●	
Foreign Currency	●		
Foreign Markets	●		
High Yield Securities		●	
Illiquidity		●	
Interest Rate		●	
Large Transaction		●	
Legislation		●	
Leverage	●		
Market	●		
Portfolio Manager		●	
Prepayment		●	
Securities Lending, Repurchase and Reverse Repurchase Transaction		●	

	Primary Risk	Secondary Risk	Low or Not a Risk
Senior Loans			●
Series		●	
Short Selling		●	
Small Company		●	
Small/New Fund		●	
Taxation		●	

As of October 31, 2021, Symmetry Moderate Growth Portfolio held 31.27%, Symmetry Balanced Portfolio held 26.54%, Symmetry Growth Portfolio held 15.92% and Symmetry Conservative Portfolio held 11.16% of the Fund by market value. This may subject the Fund to **Large Transaction Risk**.

### Who Should Invest in this Fund?

You should consider this Fund if you

- are looking for a medium-risk, leveraged long U.S. equity alternative mutual fund to hold as part of your portfolio,
- want a medium- to long-term investment,
- can handle the volatility of stock markets.

### Distribution Policy

Refer to the “**Introduction to Part B**” – “**Distribution Policy**” section of this simplified prospectus.

### Fund Expenses Indirectly Borne by Investors

Estimated cumulative expenses payable by each series of securities of the Fund for each \$1,000 investment (see “**Introduction to Part B**” for an explanation of the assumptions used in this example) for the time periods shown:

Series (\$)	For 1 Year	For 3 Years	For 5 Years	For 10 Years
Series A	27	84	148	337
Series F	13	41	72	164
Series FB	21	67	117	267
Series O	0	0	0	0
Series PW	24	76	134	304
Series PWFB	18	56	99	224
Series PWX	0	0	0	0



**MACKENZIE**  
Investments

### Mackenzie Private Equity Replication Fund

Additional information about the Fund is available in the fund facts, annual information form, 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 as part of this document.

You can get a copy of these documents, at your request, and at no cost, by calling toll-free 1-800-387-0614, or from your financial advisor or by e-mail at [service@mackenzieinvestments.com](mailto:service@mackenzieinvestments.com).

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

### **MANAGER OF THE FUND:**

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