



# FUND FACTS

Next Edge Capital Corp.

Next Edge AHL Fund – Class K

July 30, 2019

This document contains key information you should know about Next Edge AHL Fund (the “Fund”). You can find more details in the Fund’s simplified prospectus. Ask your representative for a copy, contact Next Edge Capital Corp. at 1-877-860-1080, [info@nextedgecapital.com](mailto:info@nextedgecapital.com) or visit [www.nextedgecapital.com](http://www.nextedgecapital.com).

**Before you invest in any fund, consider how the fund would work with your other investments and your tolerance for risk.**

**This Fund is an alternative mutual fund. It invests in asset classes and/or uses investment strategies that are not permitted for conventional mutual funds. The specific strategies that differentiate this Fund from conventional mutual funds include increased use of derivatives for hedging and non-hedging purposes; increased ability to sell securities short; and the ability to borrow cash to use for investment purposes. While these strategies will be used in accordance with the Fund’s investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.**

## Quick facts

<b>Fund code:</b>	NEC 209	<b>Fund manager:</b>	Next Edge Capital Corp.
<b>Date class started:</b>	December 16, 2014	<b>Portfolio manager:</b>	Next Edge Capital Corp.
<b>Total value of the fund on July 1, 2019:</b>	\$25,677,402	<b>Distributions:</b>	Net income, annually, in December
<b>Management expense ratio (MER):</b>	4.52%		Net realized capital gains, annually, in December
		<b>Minimum investment:</b>	\$5,000 initial / \$1,000 additional

## What does the Fund invest in?

The Fund seeks to realize capital appreciation through investment returns that have a low correlation to traditional forms of stock and bond securities. The aggregate gross exposure of the Fund shall not exceed the limits on the use of leverage described in the “Investment Strategies” section of the Fund’s simplified prospectus or as otherwise as permitted under applicable securities legislation.

The charts below give you a snapshot of the Fund’s investments on July 1, 2019. The Fund’s investments will change.

### Top 10 Investments (July 1, 2019)

1. AHL Evolution Ltd	6.68%
2. Palladium Future Sep19	0.54%
3. Euro-BTP Future Sep19	0.53%
4. NZD/CAD Forward	0.40%
5. US 10YR Note (CBT) Sep19	0.39%
6. CHF/USD Forward	0.35%
7. AUD/USD Forward	0.25%
8. CAD/USD Forward	0.21%
9. ZAR/USD Forward	0.19%
10. PLN/EUR Forward	0.18%

**Total percentage of top 10 investments** 9.73%

**Total number of investments** 99

### Investment Mix (July 1, 2019)

Cash	86.9%
Fixed Income	6.7%
Other Assets & Liabilities	3.8%
Credit	3.1%
Stocks	0.5%
Metals	0.5%
Energies	0.2%
Agricultural	0.1%
Currencies	-1.7%

## How risky is it?

The value of the Fund can go down as well as up. You could lose money.

One way to gauge risk is to look at how much a fund’s returns change over time. This is called “volatility.”

In general, funds with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. Funds with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

## Risk rating

Next Edge Capital Corp. has rated the volatility of the Fund as **medium**.

This rating is based on how much the Fund’s returns have changed from year to year. It doesn’t tell you how volatile the Fund will be in the future. The rating can change over time. A fund with a low risk rating can still lose money.



For more information about the risk rating and specific risks that can affect the Fund’s returns, see the “What are the Risks of Investing in a Mutual Fund” section of the Fund’s simplified prospectus.

## No guarantees

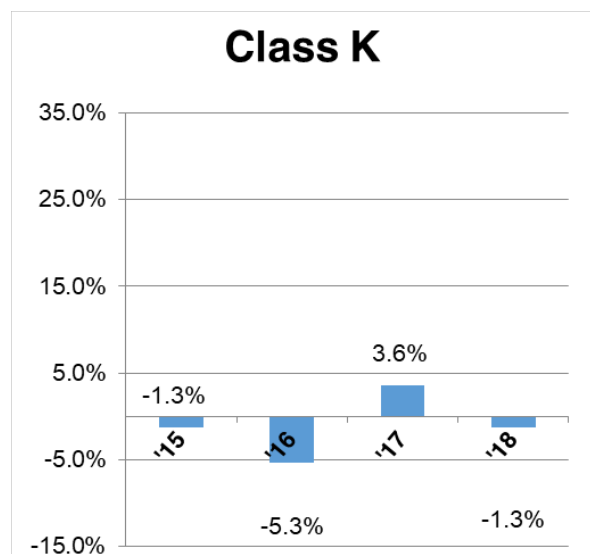
Like most mutual funds, this fund doesn't have any guarantees. You may not get back the amount of money you invest.

## How has the Fund performed?

This section tells you how Class K units of the Fund have performed over the past 4 calendar years. Returns are after expenses have been deducted. These expenses reduce the Fund's returns.

### Year-by-year returns

This chart shows how Class K units of the Fund performed in each of the past four calendar years. The Fund decreased in value last year and increased in value the prior year. The range of returns and change from year to year can help you assess how risky the Fund has been in the past. It does not tell you how the Fund will perform in the future.



### Best and worst 3-month returns

This table shows the best and worst returns for the Class K units of the Fund in a 3-month period over the past 4 calendar years. The best and worst 3-month returns could be higher or lower in the future. Consider how much of a loss you could afford to take in a short period of time.

	Return	3 months ending	If you invested \$1,000 at the beginning of the period
Best return	7.79%	January 29, 2018	Your investment would rise to \$1,078.
Worst return	-9.91%	April 30, 2018	Your investment would drop to \$901.

### Average return

The annual compounded return of Class K units of the Fund was -0.6% since inception. If you had invested \$1,000 in this class of the Fund since inception, your investment would now be worth \$977.

## Who is this fund for?

### Investors who:

- are investing for the medium and/or long term
- can tolerate medium risk
- want an opportunity for capital appreciation

### A word about tax

In general, you'll have to pay income tax on any money you make from your investment on a fund. How much you pay depends on the tax laws where you live and whether or not you hold the fund in a registered plan, such as a Registered Retirement Savings Plan or a Tax-Free Savings Account.

Keep in mind that if you hold your fund in a non-registered account fund distributions are included in your taxable income, whether you get them in cash or have them reinvested.

## How much does it cost?

The following tables show the fees and expenses you could pay to buy, own and sell Class F units of the Fund. The fees and expenses – including any commissions – can vary among classes of a fund and among funds. Higher commissions can influence representatives to recommend one investment over another. Ask about other funds and investments that may be suitable for you at a lower cost.

## 1. Sales charges

There are no sales charges applicable to the Class K Units.

## 2. Fund expenses

You don't pay these expenses directly. They affect you because they reduce the Fund's returns. As of December 31, 2018, the Fund's expenses were 4.54% of its value. This equals \$45 for every \$1,000 invested.

	Annual rate (as at a % of the Fund's value)
<b>Management expense ratio (MER)</b> – This is the Fund's management fee and operating expenses.	4.52%
<b>Trading expense ratio (TER)</b> – These are the Fund's trading costs.	0.02%
<b>Fund Expenses</b>	4.54%

In certain circumstances, the Fund will pay the Investment Manager a performance fee up to 20.00% of the Net New Appreciation per Class C CAD Shares (after deducting management fees for the period but prior to the calculation and deduction of the performance fee itself) multiplied by the number of Class C CAD Shares in issue. "Net New Appreciation per Class C CAD Share" is the excess of the net asset value per Class C CAD Share at the relevant Valuation Date over the previous highest net asset value per Class C CAD Share at any preceding Valuation Date on which the performance fee has been paid. Performance fees are only payable if the Net New Appreciation per Class C CAD Share exceeds a previously highest attained value.

### More about the trailing commission

There is no trailing commission associated with the purchase of Class K Units.

## 3. Other fees

You may have to pay other fees when you buy, hold, sell or switch units of the Fund.

Fee	What you pay
Short-term trading fee	At the discretion of Next Edge Capital Corp., up to 2.00% of the value of units you sell or switch within 90 days of buying them. This fee goes to the Fund.
Switch fee	Your representative's firm may charge you up to 3.00% of the value of units you switch to another Next Edge fund.
Fee based arrangements	Class K units require investors to participate in a fee-based arrangement with their representative's firm. Fees in connection with such arrangements are negotiated between you and your representative's firm.

### What if I change my mind?

Under securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy mutual funds within two business days after you receive a simplified prospectus or Fund Facts document, or
- cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, annual information form, Fund Facts document or financial statements contain a misrepresentation. You must act within the limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

### For more information

Contact Next Edge Capital Corp. or your representative for a copy of the Fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the Fund's legal documents.

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To learn more about investing in mutual funds, see the brochure Understanding mutual funds, which is available on the Canadian Securities Administrators website at [www.securities-administrators.ca](http://www.securities-administrators.ca).