

**AMENDMENT NO. 1** dated January 16, 2018 to the simplified prospectus dated May 11, 2017 (the “Prospectus”) of:

**Marijuana Opportunities Fund**  
**(formerly Redwood Infrastructure Income Fund)**  
**(the “Fund”)**

*Class A units, Class F units and ETF units*

This amendment to the Prospectus of the Fund provides certain additional information relating to the Fund, and the Prospectus, as amended, should be read subject to this information.

All capitalized terms not defined herein have the respective meanings set out in the Prospectus.

**REASON FOR AMENDMENT**

Redwood Asset Management Inc., the manager of the Fund, is amending the Prospectus in order to inform investors of the following changes to the Fund which are each expected to be effective on or about January 23, 2018:

- change of name
- termination of sub-advisor
- lowering of management fee structure of the Fund
- change of investment objective
- change of investment strategies
- change in fund category
- change of risk rating of the Fund
- modification of the applicable risk factors
- modification of the description of who should invest in the Fund
- change in distribution policy of the Fund

Each of such changes and modifications are described herein.

**AMENDMENTS TO THE PROSPECTUS**

The technical amendments made to the Prospectus to reflect these changes are as follows:

1. All references in the Prospectus to the Fund name “Redwood Infrastructure Income Fund” are deleted and replaced with “Marijuana Opportunities Fund”.
2. The following disclosure relating to additional risk factors applicable to the Fund is added under the heading “What are the specific risks of investing in a mutual fund?” beginning on page 10:

***“Canadian Marijuana Industry Risk***

Canada has regulated medical use and commercial activity involving cannabis and recently released Bill C-45, which proposes the enactment of the *Cannabis Act*, to regulate the production, distribution and sale of cannabis for unqualified adult use. On November 27, 2017, the House of Commons passed Bill C-45, and on December 20, 2017, the Prime Minister communicated that the Canadian Federal Government intends to legalize cannabis in the summer of 2018, despite previous reports of a July 1, 2018 deadline.

There can be no assurance that Bill C-45 will be passed into law, or passed into law substantially in its current form. Further, even if Bill C-45 is passed into law, the importation, exportation, production, testing, packaging, labelling, sending, delivery, transportation, sale, possession or disposal of cannabis or any class of cannabis will remain subject to extensive regulatory oversight. Such extensive controls and regulations may significantly affect the financial condition of market participants, and prevent the realization of such market participants of any benefits from an expanded market for recreational cannabis products.

### ***Marijuana Sector Risk***

#### **General**

The marijuana industry is subject to various laws, regulations and guidelines relating to the manufacture, management, transportation, storage and disposal of medical marijuana, as well as subject to laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. For example, and as discussed further below, the regulatory environment governing the medical and marijuana industries in the United States where state law permits such activities are, and will continue to be, subject to evolving regulation by governmental authorities. Accordingly, there are a number of risks associated with investing in businesses in an evolving regulatory environment, including, without limitation, increased industry competition, rapid consolidation of industry participants and potential bankruptcy of industry participants.

The issuers included in Marijuana Opportunities Fund's portfolio may incur ongoing costs and obligations related to regulatory compliance.

Failure to comply with regulations may result in additional costs for corrective measures, penalties or in restrictions of operations. In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the issuers and, therefore, on Marijuana Opportunities Fund's prospective returns.

As a result of perceived reputational risk, companies in the marijuana sector may in the future have difficulty establishing or maintaining bank accounts, or other business relationships. Failure to establish or maintain business relationships could have a material adverse effect on companies in this sector.

#### **Global Issuers**

With respect to global issuers that may be invested in by Marijuana Opportunities Fund, as in North America, such issuers are subject to various laws, regulations and guidelines relating to the manufacture, management, transportation, storage and disposal of marijuana, as well as being subject to laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. Even if an issuer's operations are permitted under current law, they may not be permitted in the future, in which case such issuer may not be in a position to carry on its operations in its current locations. Additionally, controlled substance legislation differs between countries and legislation in certain countries may restrict or limit the ability of certain companies in which Marijuana Opportunities Fund invests to sell their products. In addition, issuers involved in the marijuana industry face intense competition, may have limited access to the services of banks, may have substantial burdens on company resources due to litigation, complaints or enforcement actions, and are heavily dependent on receiving necessary

permits and authorizations to engage in medical marijuana research or to otherwise cultivate, possess or distribute marijuana.

Generally, the marijuana industry is subject to extensive controls and regulations, which may significantly affect the financial condition of market participants. The marketability of any product may be affected by numerous factors that are beyond the control of the portfolio issuers and which cannot be predicted, such as changes to government regulations, including those relating to taxes and other government levies which may be imposed. Changes in government levies, including taxes, could reduce the a portfolio issuer's earnings and could make future capital investments or the portfolio issuer's operations uneconomic. The industry is also subject to numerous legal challenges, which may significantly affect the financial condition of market participants and which cannot be reliably predicted.

#### Risks Related to North American Issuers

As discussed further below, subject to further guidance from the Canadian Securities Administrators with respect to the permissibility of investments in issuers with U.S. marijuana-related activities and further clarity on the position of the U.S. Federal Government on the enforcement of U.S. federal laws relating to the marijuana industry, Marijuana Opportunities Fund is expected to invest in, and indirectly derive a portion of its revenues from, the marijuana industry in certain U.S. states, which industry is illegal under U.S. federal law. Marijuana Opportunities Fund may therefore be indirectly involved (through investments in third party corporate entities in Canada and the United States) in the marijuana industry in the United States where local state law permits such activities, as well as the marijuana industry in Canada. *Marijuana Opportunities Fund will not, however, be directly engaged in the manufacture, importation, possession, use, sale or distribution of cannabis in the recreational cannabis marketplace in either Canada or the United States.*

**As discussed under “United States Marijuana Industry Risk”, as a result of the conflicting views between state legislatures and the U.S. federal government regarding marijuana, marijuana businesses in the United States are subject to inconsistent legislation and regulation. Unless and until the United States Congress amends the CSA (as defined below) with respect to marijuana (there can be no assurance as to the timing or scope of any such potential amendments), there is a risk that U.S. federal authorities may enforce current federal law, which may adversely affect the current and future investments of Marijuana Opportunities Fund in the United States. As such, there are a number of risks associated with Marijuana Opportunities Fund’s future investments in the United States, and such investments may become the subject of heightened scrutiny by regulators, stock exchanges and other authorities in Canada. As a result, Marijuana Opportunities Fund may be subject to significant direct and indirect interaction with public officials. There can be no assurance that this heightened scrutiny will not in turn lead to the imposition of certain restrictions on Marijuana Opportunities Fund’s ability to invest in the United States or any other jurisdiction and its ability to achieve its investment objective as a result.**

To date, Canada has legalized medical use of marijuana. As noted above, on November 27, 2017, the House of Commons passed Bill C-45 which is intended to create a legal framework for controlling the production, distribution, sale and possession of non-medical marijuana in Canada. On December 20, 2017, the Prime Minister communicated that the Canadian Federal Government intends to legalize cannabis in the summer of 2018, despite previous reports of a July 1, 2018 deadline.

There can be no assurance that Canadian or U.S. federal, provincial or state laws legalizing and regulating the sale and use of marijuana will not be repealed or overturned, that proposed federal, provincial or state laws legalizing and regulating the sale and use of marijuana will become law, or that governmental authorities will not limit the application of such laws within their respective jurisdictions. If governmental authorities begin to enforce certain laws relating to marijuana in jurisdictions where the sale and use of marijuana is currently legal, or if existing laws are repealed or curtailed, Marijuana Opportunities Fund's investments in such businesses may be materially and adversely affected notwithstanding the fact that Marijuana Opportunities Fund is not directly engaged in the sale or distribution of marijuana. Actions by governmental authorities against any individual or entity engaged in the marijuana industry, or a substantial repeal of marijuana related legislation, could adversely affect Marijuana Opportunities Fund and its investments.

### ***No Assurance of Meeting Investment Objective***

The success of Marijuana Opportunities Fund will depend on a number of conditions that are beyond the control of Marijuana Opportunities Fund. There is a substantial risk that the investment objectives of Marijuana Opportunities Fund will not be met.

### ***Small Exchange Risk***

Marijuana Opportunities Fund may invest in securities of issuers listed on smaller or junior exchanges. Smaller exchanges may have different clearance and settlement procedures and may involve unique risks not typically associated with investing in securities of issuers listed on a major stock exchange. The securities of issuers listed on smaller exchanges may be more volatile or lack liquidity than the types of issuers typically listed on a major exchange, and some exchanges may have higher transaction costs or potential for delay in settlement procedures. Delays in settlement may increase risk to Marijuana Opportunities Fund's portfolio, limit the ability of Marijuana Opportunities Fund to reinvest the proceeds of a sale of securities, hinder the ability of Marijuana Opportunities Fund to lend its portfolio securities, and potentially subject Marijuana Opportunities Fund to penalties for its failure to deliver.

### ***United States Anti-Money Laundering Laws and Regulations Risk***

The Manager and Marijuana Opportunities Fund are subject to a variety of laws and regulations domestically and in the United States that relate to money laundering, financial recordkeeping and proceeds of crime, including the *Currency and Foreign Transactions Reporting Act of 1970* (commonly known as the Bank Secrecy Act), as amended by Title III of the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001* (USA PATRIOT Act), the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)*, as amended and the rules and regulations thereunder, the *Criminal Code (Canada)* and any related or similar rules, regulations or guidelines, issued, administered or enforced by governmental authorities in the United States and Canada.

In February 2014, the Financial Crimes Enforcement Network ("FCEN") of the Treasury Department issued a memorandum providing instructions to banks seeking to provide services to cannabis-related businesses. The FCEN memo states that in some circumstances, it is permissible for banks to provide services to cannabis-related businesses without risking prosecution for violation of federal money laundering laws. It refers to supplementary guidance that Deputy Attorney General Cole issued to federal prosecutors relating to the prosecution of money laundering offenses predicated on cannabis-related violations of the CSA (as defined below). It is unclear whether the current administration will follow the guidelines of the FCEN memo.

In the event that any of Marijuana Opportunities Fund's investments, or any proceeds thereof, any dividends or distributions therefrom, or any profits or revenues accruing from such investments in the United States were found to be in violation of money laundering legislation or otherwise, such transactions may be viewed as proceeds of crime under one or more of the statutes noted above or any other applicable legislation. This could restrict or otherwise jeopardize the ability of Marijuana Opportunities Fund to declare or pay dividends, effect other distributions or subsequently repatriate such funds back to Canada.

### ***United States Marijuana Industry Risk***

Almost half of the U.S. states have enacted legislation to regulate the sale and use of medical cannabis without limits on tetrahydrocannabinol (“**THC**”), while other states have regulated the sale and use of medical cannabis with strict limits on the levels of THC.

Unlike Canada, which has federal legislation uniformly governing the cultivation, distribution, sale and possession of medical cannabis under the *Access to Cannabis for Medical Purposes Regulations*, as noted above, the United States largely regulates cannabis at the state level. To the Manager's knowledge, there are approximately 30 states, plus the District of Columbia, Puerto Rico and Guam that have legalized cannabis in some form. Notwithstanding the permissive regulatory environment of medical cannabis at the U.S. state level, cannabis continues to be categorized as a controlled substance under the *Controlled Substances Act* (the “**CSA**”) in the U.S. and as such, it is illegal under federal law in the United States.

The U.S. Congress has passed appropriations bills in each of the last three years that have not appropriated funds for prosecution of cannabis offenses of individuals who are in compliance with state medical cannabis laws. American courts have construed these appropriations bills to prevent the federal government from prosecuting individuals when those individuals comply with state law. However, because this conduct continues to violate federal law, American courts have observed that should Congress at any time choose to appropriate funds to fully prosecute the CSA, any individual or business - even those that have fully complied with state law - could be prosecuted for violations of federal law. If Congress restores funding, the U.S. federal government will have the authority to prosecute individuals for violations of the law before it lacked funding under the CSA's five-year statute of limitations. Violations of any U.S. federal laws and regulations could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings conducted by either the federal government or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, cessation of business activities or divestiture. This could have a material adverse effect on Marijuana Opportunities Fund and the Manager, including its reputation and ability to conduct business, its holding (directly or indirectly) of issuers that have obtained medical cannabis licenses in the United States, the listing of its securities on various stock exchanges, its financial position, operating results, profitability or liquidity or the market price of its publicly traded shares. In addition, it is difficult for the Manager to estimate the time or resources that would be needed for the investigation of any such matters or its final resolution because, in part, the time and resources that may be needed are dependent on the nature and extent of any information requested by the applicable authorities involved, and such time or resources could be substantial.

As a result of the conflicting views between state legislatures and the U.S. federal government regarding cannabis, investments in cannabis businesses in the United States are subject to inconsistent legislation and regulation. The response to this inconsistency was addressed in August 2013 when then Deputy Attorney General, James Cole, authored a memorandum (the “**Cole Memorandum**”) addressed to all U.S. district attorneys acknowledging that notwithstanding the designation of cannabis as a controlled substance at the federal level in the

U.S., several U.S. states have enacted laws relating to cannabis for medical purposes. The Cole Memorandum outlined certain priorities for the Department of Justice relating to the prosecution of cannabis offenses. In particular, the Cole Memorandum noted that in jurisdictions that have enacted laws legalizing cannabis in some form and that have also implemented strong and effective regulatory and enforcement systems to control the cultivation, distribution, sale and possession of cannabis, conduct in compliance with those laws and regulations is less likely to be a priority at the federal level. Notably, however, the Department of Justice has never provided specific guidelines for what regulatory and enforcement systems it deems sufficient under the Cole Memorandum standard.

However, on January 4, 2018, the U.S. federal government rescinded all previous nationwide guidance specific to marijuana enforcement, including the Cole Memorandum. With the Cole Memorandum rescinded, U.S. federal prosecutors may exercise their discretion in determining whether to prosecute cannabis-related violations of U.S. federal law. It is possible that further regulatory developments in the U.S. could significantly adversely affect the business, financial condition and results of businesses involved in the cannabis industry

Notwithstanding the foregoing, pursuant to the Rohrabacher Blumenauer Amendment (“**RBA**”), until September 2018, the Department of Justice is prohibited from expending any funds for the prosecution of medical cannabis businesses operating in compliance with state and local laws. Thereafter, if the RBA or an equivalent thereof is not successfully amended to the next or any subsequent federal omnibus spending bill, there can be no assurance that the U.S. federal government will not seek to prosecute cases involving medical cannabis businesses that are otherwise compliant with state law. Such potential proceedings could involve significant restrictions being imposed upon Marijuana Opportunities Fund or third parties, while diverting the attention of key executives. Such proceedings could have a material adverse effect on Marijuana Opportunities Fund’s business, revenues, operating results and financial condition as well as Marijuana Opportunities Fund’s reputation, even if such proceedings were concluded successfully in favour of Marijuana Opportunities Fund.

In addition, given the heightened risk profile associated with cannabis in the United States, CDS may implement procedures or protocols that would prohibit or significantly curtail the ability of CDS to settle trades for cannabis companies that have marijuana businesses or assets in the United States. It is not certain whether CDS will decide to enact such measures, nor whether it has the authority to do so unilaterally. However, if CDS were to decide that it will not handle trades in our securities, it could have a material adverse effect on the ability of investors to settle trades in a timely manner and on the liquidity of generally.”

3. Nuveen Asset Management, LLC is terminated as sub-advisor of the Fund. All references and ancillary disclosure relating to Nuveen Asset Management, LLC as sub-advisor of the Fund are therefore deleted, including, but not limited to, in the table on page 24 relating to portfolio advisors and sub-advisors of the funds offered by the Prospectus. Redwood Asset Management Inc. will remain as portfolio advisor of the Fund.
4. The first paragraph under the heading “Issuance of ETF Securities” on page 30 is deleted in its entirety and replaced with the following:

“The Manager, on behalf of Marijuana Opportunities Fund, has applied to list the ETF Securities of such Fund on a Designated Exchange and has received conditional approval for such listing. Subject to meeting the Designated Exchange’s original listing requirements in respect of such ETF Securities, and a receipt being issued for the final simplified prospectus (or an applicable amendment thereto) of Marijuana Opportunities Fund by the securities regulatory authorities, the

ETF Securities of Marijuana Opportunities Fund will be listed on the Designated Exchange and offered on a continuous basis, and an investor will be able to buy or sell such ETF Securities on the Designated Exchange through registered brokers and Dealers in the Province where the investor resides. Investors will incur customary brokerage commissions in buying or selling the ETF Securities. ETF Securities of Redwood Canadian Preferred Share Fund, Redwood Tactical Asset Allocation Fund and Redwood Core Income Equity Fund are already listed and trade on a Designated Exchange.”

5. The entirety of the Part B section of the Prospectus related to the Fund is deleted in its entirety and replaced with the disclosure commencing on the following page:

**“Marijuana Opportunities Fund  
(formerly Redwood Infrastructure Income Fund)**

<b>Fund Type</b>	Global Marijuana Equity								
	Class A units - May 11, 2017 Class F units - May 11, 2017 ETF units - May 11, 2017								
<b>Type of Securities</b>	Class A units, Class F units and ETF units								
<b>Management Fee</b>	<table> <thead> <tr> <th>Series</th> <th>Management Fee</th> </tr> </thead> <tbody> <tr> <td>Class A units</td> <td>1.75%<sup>(1)</sup></td> </tr> <tr> <td>Class F units</td> <td>0.75%<sup>(1)</sup></td> </tr> <tr> <td>ETF units</td> <td>0.75%<sup>(1)</sup></td> </tr> </tbody> </table>	Series	Management Fee	Class A units	1.75% <sup>(1)</sup>	Class F units	0.75% <sup>(1)</sup>	ETF units	0.75% <sup>(1)</sup>
Series	Management Fee								
Class A units	1.75% <sup>(1)</sup>								
Class F units	0.75% <sup>(1)</sup>								
ETF units	0.75% <sup>(1)</sup>								
<b>Registered Plan Eligibility</b>	Expected to be Eligible								
<b>Portfolio Advisor</b>	Redwood Asset Management Inc. (Toronto, Ontario)								

**Note:**

(1) Plus applicable HST.

**What does the fund invest in?**

***Investment Objectives***

The Fund seeks to provide unitholders with attractive long-term capital appreciation by investing in global issuers with interest in the marijuana or marijuana related industries. While the Fund will primarily invest in equity securities, it may also acquire other types of securities of publicly listed companies, including, but not limited to, ADRs, preferred shares, convertible securities, debt securities, subscription receipts, options and warrants.

In accordance with Canadian securities legislation, the fundamental investment objective may only be changed with the approval of a majority of securityholders at a meeting called specifically for that purpose.

***Investment Strategies***

The Fund will primarily invest in equity securities from global issuers that are involved in marijuana and marijuana related businesses, including research and development and other ancillary businesses to the marijuana industry. The business activities of these companies may include marijuana production and distribution, edible and infused marijuana products, hemp products, consumption devices, biopharmaceuticals, biotechnology, nutraceuticals, real estate, technology, security solutions, investing and financing, delivery systems, retail distribution, media, entertainment and technology. The number of holdings and percentages by region will vary over time and will be based on the most attractive risk/reward opportunities across each region. The Fund will only invest in global issuers involved in marijuana and marijuana related businesses where such activities are legal.

The Fund may invest in various types securities of publicly listed companies, including, but not limited to, common shares, ADRs, preferred shares, convertible securities, debt securities, subscription receipts, options and warrants.

The Portfolio Advisor will employ a multi-faceted investment approach that is intended to create long term value over the investment period. The Portfolio Advisor will primarily use top-down analysis in determining the overall asset allocation of the Fund and such allocation will be based on technical analysis, industry trends and regulations, behavioural research and prevailing economic and investment conditions, including the Portfolio Advisor's view on valuation and outlook of the marijuana industry and related industries.

The Portfolio Advisor will primarily use a bottom-up process for security selection, including techniques such as fundamental analysis to assess growth potential and to make an evaluation of the financial condition and management of an issuer, its industry and the overall economy. The Portfolio Advisor will also use a growth approach to identify companies that have better than average current or prospective earnings growth relative to the market and their peer group. The Portfolio Advisor may also employ alternative investment strategies, including event-related special situations investing including, for instance, investment in securities of issuers undergoing or undertaking tenders, mergers and acquisitions, liquidations, and spin-offs.

As a complement to the Fund's primary discipline of buying securities with the expectation that they will appreciate in value, the Fund may engage in a limited amount of short selling in accordance with Canadian securities laws. Short selling may occur in circumstances where securities are expected to depreciate in value, or where securities are believed to be overvalued in relation to their intrinsic value, but will occur only within certain controls and limitations. Securities will be sold short only for cash and the Fund will receive the cash proceeds within normal trading settlement periods for the market in which the short sale is made.

The Fund may hold all or a portion of its assets in cash or cash equivalents or invest in short term bonds or money market instruments in response to adverse market, economic and/or political conditions or for liquidity, defensive or other purposes. As a result, the Fund may not be fully invested in accordance with its investment objectives.

The portfolio holdings may be reconstituted and rebalanced from time to time in the discretion of the Portfolio Advisor. The Fund may be exposed to securities traded in foreign currencies and may, in the Portfolio Advisor's discretion, enter into currency hedging transactions (including currency forward contracts) to reduce the effects of changes in the value of foreign currencies relative to the value of the Canadian dollar.

In addition, when appropriate, the Fund may use derivatives for both hedging and non-hedging purposes in compliance with NI 81-102, including but not limited to repurchase agreements or reverse repurchase agreements, options, futures contracts, forward contracts and swaps as permitted by Canadian securities laws, to hedge market exposure to protect capital, to hedge against interest rate risk and foreign currency exposure, hedge against losses from changes in the prices of the Fund's investments and/or as a substitute for direct investment.

In order to generate additional returns, the Fund may lend securities included in the Fund's portfolio to securities borrowers acceptable to the Fund pursuant to the terms of a Securities Lending Agreement.

Under a Securities Lending Agreement: (i) the borrower will pay to the Fund a negotiated securities lending fee and will make compensation payments to the Fund equal to any distributions received by the

borrower on the securities borrowed; (ii) the securities loans must qualify as “securities lending arrangements” for the purposes of the Tax Act; and (iii) the Fund will receive collateral security.

The Fund will not invest in securities of companies that serve or have exposure to, the medical and/or recreational cannabis industries in the United States or the recreational cannabis industry in Canada, unless and until such time as these activities become legal. With respect to investment in U.S. issuers, the Fund may, in the future, invest in securities of companies that currently, or in the future, derive some portion of their revenues from the medical and/or recreational cannabis industries in those U.S. states where such activities have been legalized by state law (at present, Alaska, California Colorado, Maine, Massachusetts, Nevada, Oregon and Washington), notwithstanding that the prescription, marketing and sale of cannabis remains illegal under U.S. federal law. However, any investments in U.S. issuers will only be made if further clarifications are provided by the U.S. federal government regarding its position on marijuana and marijuana businesses in the United States. In addition, on January 12, 2018, the Canadian Securities Administrators issued a statement that they are considering whether the disclosure-based approach for issuers with U.S. marijuana-related activities remains appropriate in light of the rescission of the Cole Memorandum. As a result, the Fund will limit its investments to entities that are not engaged in any U.S. marijuana related activities (as such term is defined in CSA Staff Notice 51-352 – *Issuers with U.S. Marijuana-Related Activities*), until such time as the Canadian Securities Administrators communicate a position regarding issuers with U.S. marijuana-related activities.

#### **What are the risks of investing in the fund?**

The risks of investing in the fund include:

- Canadian marijuana industry risk
- Cease trading of constituent securities risk
- Concentration risk
- Credit risk
- Currency risk
- Debt securities risk
- Depository securities and receipts risk
- Derivatives risk
- Equity securities risk
- Foreign and emerging market investment risk
- Income trust risk
- Interest rate risk
- Liquidity risk
- Marijuana sector risk
- Multi-Series/Class risk
- No assurance of meeting investment objective
- Portfolio manager risk
- Preferred share risk
- Regulatory risk
- Sector risk
- Securities lending and repurchase and reverse repurchase transaction risk
- Short selling risk
- Small capitalization company risk
- Small exchange risk
- Substantial securityholder risk
- Tax risk

- Underlying fund risk
- United States anti-money laundering laws and regulations risk
- United States marijuana industry risk
- Valuation risk

Additional risks associated with an investment in the ETF Securities include:

- Absence of an active market for the ETF Securities
- Rebalancing and adjustment risk
- Trading price of ETF Securities

We have classified this Fund's risk level as high. The Fund is new and the Fund's risk classification is based on benchmark index called the North American Marijuana Index, which is an index calculated and published by Solactive AG. The North American Marijuana Index tracks the performance of a basket of North American publicly listed companies with significant business activities in the marijuana industry. A company is deemed to be eligible for inclusion in the index by the Index Provider if the company is a producer and/or supplier of marijuana and/or cannabis, biotechnology companies that are engaged in research and development of cannabinoids, companies that offer hydroponics supplies and equipment clearly aiming to increase efficiency in marijuana cultivation and companies mainly engaged in leasing property to cannabis growers. The index is calculated as a gross total return index in CAD and adjusted quarterly.

#### **Who should invest in this fund?**

This Fund may be right for you if:

- (a) you want capital growth over the long term;
- (b) you want distributions payable to you annually;
- (c) you are investing for the medium and/or long term; and
- (d) you can tolerate high risk.

Please see "Specific information about each of the mutual funds described in this document – Investment risk classification methodology" on page 65 for a description of how we determined the classification of this fund's risk level.

#### **Distribution Policy**

The Fund expect to make distributions annually, if any. In each calendar year, the Fund will distribute to its investors a sufficient amount of the Fund's net investment income and net realized capital gains so that the Fund will not pay any income tax. The net investment income and the net realized capital gains of the Fund will be distributed annually in December to the Fund's investors. Annual distributions may include a return of capital. Unless you tell us in writing that you would prefer to receive cash distributions, we will automatically invest Fund distributions on mutual fund units in additional mutual fund units of the same class of the Fund at the applicable NAV per unit thereof on the date of distribution, without any fee. Please see "Income Tax Considerations For Investors" commencing on page 53 for more details as to taxation matters which may be relevant to you. The Fund may at its discretion change its distribution policy from time to time. Distributions by this Fund are not guaranteed to occur on a specified date and

the Fund is not responsible for any fees or charges incurred by you because the Fund did not effect a distribution on a particular date.

For more information see “Specific information about each of the mutual funds described in this document – Dividend/distribution policy” on page 66 of the simplified prospectus.

**Fund Expenses Indirectly Borne By Investors**

Information regarding fund expenses indirectly borne by investors is not available as the Fund is new.

For more information about fees and expenses, see “Fees and expenses” on page 44.”

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## **Purchasers' Statutory Rights**

### *Mutual Fund Units*

Securities legislation in some provinces and territories gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the Simplified Prospectus or fund facts, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy mutual fund units and receive your money back, or to make a claim for damages, if the Simplified Prospectus, Annual Information Form, fund facts or financial statements misrepresent any facts about a Fund. These rights must usually be exercised within certain time limits. For more information, refer to the securities legislation of your province or consult your lawyer.

### *ETF Securities*

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase mutual fund securities offered in a distribution within two (2) business days after receipt of a prospectus and any amendment. In addition, securities legislation in certain of the provinces and territories of Canada provides purchasers of mutual fund securities with a limited right to rescind the purchase within 48 hours after receipt of a confirmation of such purchase. If the purchase of mutual fund securities is made under a contractual plan, the time period during which the right to rescind is exercisable may be longer. In most of the provinces and territories of Canada, the securities legislation further provides a purchaser with remedies for rescission or damages, or, in Québec, revision of the price, if the prospectus and any amendment is not delivered to the purchaser, provided that the remedies for rescission, damages or revision of the price are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory.

Notwithstanding the foregoing, purchasers of ETF Securities will not have the right to withdraw from an agreement to purchase the ETF Securities after the receipt of a prospectus and any amendment, and will not have remedies for rescission, damages or revision of the price for non-delivery of the prospectus or any amendment, if the dealer receiving the purchase order has obtained an exemption from the prospectus delivery requirement under a decision pursuant to National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* ("NP 11-203"). However, purchasers of ETF Securities will, in the applicable provinces and territories of Canada, retain their right under securities legislation to rescind their purchase within 48 hours (or, if purchasing under a contractual plan, such longer time period as applicable) after the receipt of a confirmation of purchase.

In several of the provinces and territories of Canada, the securities legislation further provides a purchaser with remedies for rescission or damages if the prospectus, together with any amendment to the prospectus, contains a misrepresentation, provided that such remedies are exercised by the purchaser within the time limits prescribed by the securities legislation of the purchaser's province or territory. Any remedies under securities legislation that a purchaser of ETF Securities may have for rescission or damages, if the prospectus and any amendment to the prospectus contains a misrepresentation, remain unaffected by the non-delivery of the prospectus pursuant to reliance by a dealer upon the decision referred to above.

However, Redwood may rely on exemptive relief from the requirement in securities legislation to include an underwriter's certificate in the prospectus under a decision pursuant to NP 11-203. As such, purchasers of ETF Securities will not be able to rely on the inclusion of an underwriter's certificate in the prospectus or any amendment for the statutory rights and remedies that would otherwise have been available against an underwriter that would have been required to sign an underwriter's certificate.

Purchasers should refer to the applicable provisions of the securities legislation and the decisions referred to above for the particulars of their rights or consult with a legal advisor.