

**SIMPLIFIED PROSPECTUS
DATED MARCH 15, 2016**

Offering Series A, F and I shares of

AIP GLOBAL MACRO CLASS

AIP CANADIAN ENHANCED INCOME CLASS

Each a class of shares of AIP Mutual Funds Corporation.

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

The securities of the funds 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 upon exemptions from registration.

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INTRODUCTION

In this document, “we”, “us”, “our”, the “**Manager**” and the “**Portfolio Advisor**”, refers to AIP Asset Management Inc., the manager of AIP Mutual Funds Corporation (the “**Corporation**”). The Corporation is a corporation governed by the laws of Ontario. “**AIP Global Macro Class**” refers to the AIP Global Macro Class of shares of the Corporation. “**AIP Canadian Enhanced Income Class**” refers to the AIP Canadian Enhanced Income Class of shares of the Corporation. AIP Global Macro Class and AIP Canadian Enhanced Income Class are also each referred to in this document as a “**Fund**” or, together, as the “**Funds**”. A reference in this document to “**you**” refers to anyone who invests in a Fund. “**Dealer**” refers to both the dealer firm and the representative registered in your province or territory who advises you on your investments. Each Fund offers Series A shares, Series F shares and Series I shares. Series A shares are available to all investors, Series F shares are designed for investors who participate in fee-based programs and Series I shares are available to investors that invest a minimum initial investment of \$1,000,000 in the Fund, subject to the discretion of the Manager. This document contains selected important information to help you make an informed investment decision and to help you understand your rights as an investor. This document contains information about the Funds and the risks of investing in mutual funds generally, as well as the institutional names of those responsible for the management of the Funds.

This document is divided into two parts:

- pages 1 to 22 contain general information about the Funds; and
- pages 23 to 34 contain specific information about the Funds.

Additional information about the Funds is available in: the Annual Information Form of the Funds; the most recently filed Fund Facts of the Funds; the most recently filed annual financial statements of the Funds; any interim financial statements of the Funds filed after those annual financial statements; the most recently filed annual management report of fund performance of a Fund; and any interim management report of fund performance of a Fund filed after its annual management report of fund performance.

These documents are incorporated by reference into 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 may obtain copies of these documents, including a statement of portfolio transactions, upon request, and at no charge, by calling 416-601-0808, from your investment adviser directly, via email at info@aipassetmanagement.com, or from the Funds’ website at www.aipassetmanagement.com. These documents and other information about the Funds will also be available on the Internet site of SEDAR (the System for Electronic Document Analysis and Retrieval) at www.sedar.com.

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

What is a Mutual Fund?

A mutual fund is an investment vehicle that pools money of many individuals who have similar investment goals, and invests it in a variety of securities in an effort to achieve a specific investment objective over time. Individuals who contribute money become shareholders of the mutual fund and share the mutual fund’s income, expenses, gains and losses in proportion to the number of shares they own. The value of an investment in a mutual fund is realized upon redeeming the shares held. Mutual funds are managed by professional money managers who invest on behalf of the fund shareholders as a group.

Mutual funds are available in many varieties that are designed to meet the differing needs of investors. A fund may own different types of investments such as stocks, bonds, cash, derivatives or any combination of these investments, depending upon its investment objective.

How mutual funds are structured

A mutual fund can be set up as a mutual fund trust or as a mutual fund corporation. Both allow you to pool your money with other investors, but there are some differences. When you invest in a mutual fund trust, you buy units of a trust. When you invest in a mutual fund corporation, you buy shares of a corporation. A mutual fund corporation can issue several classes of shares. Simply put, each share class works like a separate mutual fund with its own investment objectives.

The main difference between an investment in a mutual fund trust and an investment in a mutual fund corporation is how your investment is taxed, which may be important if you're investing outside a registered plan. Unlike mutual funds trusts, you can switch between classes of securities of a mutual fund corporation without paying taxes on capital gains at the time of the switch. A mutual fund corporation distributes its earnings by declaring ordinary dividends or capital gains dividends. A mutual fund trust distributes all of its income and sufficient net realized capital gains so that the fund will not be subject to tax. These distributions to unitholders will retain the same character for tax purposes (i.e. income or capital gain) as experienced by the mutual fund trust.

What are the risks of investing in a Mutual Fund?

Investors should take into account that the value of these investments will change from day to day, reflecting changes in numerous factors, including interest rates, exchange rates, economic conditions, markets and company news. As a result, the value of a mutual fund's shares may go up or down, and the value of your investment in a mutual fund may be worth more or less upon redemption than when the shares were first purchased.

Risk varies from one mutual fund to another. You can measure risk by how often the mutual fund's value changes and how big the changes tend to be. This is called volatility.

Every individual has a different tolerance for risk. Some investors are more conservative than others. It is important to evaluate your personal tolerance for risk, as well as the amount of risk suitable for your financial goals and time horizon, when making investment decisions.

Every mutual fund has a different degree of volatility, which depends largely on the securities in which the mutual fund invests. For example, if a mutual fund invests only in interest-paying money market instruments offered by the Canadian government, it will be subject to very little volatility. That's because the government guarantees to pay a certain interest rate and there's little chance it will fail to keep its promise. On the other hand, some mutual funds invest heavily in technology stocks. Technology stocks can have frequent, large changes in value as their products go in and out of favour, so mutual funds that invest mostly in technology stocks can be quite volatile.

Risk is the chance that your investment may not perform as expected over a certain period of time. Investment risk represents the chance of investment loss. There are different degrees and types of risks but, in general, the more risk you are willing to accept as an investor, the higher the potential returns and the greater the potential losses. Mutual funds that invest in highly liquid, short-term securities, such as treasury bills, usually offer the lowest risk because their potential returns are tied to short-term interest rates. Mutual funds that invest mainly in bonds typically have higher long-term returns, by they carry more risk because their prices can change when interest rates change. Mutual funds that invest in equity securities expose investors to the highest level of risk because the prices of these securities can rise and fall significantly in a short period of time. The key to reducing the overall volatility of your portfolio is to hold a wide variety of investments.

Fluctuation

Mutual funds own different types of investments, depending upon their investment objectives. Like all investments, mutual funds involve risk. Changes in interest rates, economic and stock market conditions or new company information, for example, may influence the value of securities held by a mutual fund. The price

of a mutual fund security will generally vary with the value of the securities it holds. When you redeem mutual fund securities, their value may be less than your original investment. Changes in rates and market conditions may also cause the value of securities of the mutual fund to change from day to day.

The net asset value (“NAV”) of a Fund is determined by subtracting a mutual fund’s liabilities from its total assets (which include the cash and securities in its portfolio). By dividing this figure (net assets) by the total number of shares outstanding in the fund, one arrives at the NAV per share for the mutual fund. The NAV of a fund, and the price of your shares, will fluctuate with changes in the market value of the fund’s particular investments. As a result, the value of your investment in a mutual fund may be more or less when you redeem it than when you purchased it.

Your investment is not guaranteed

There is no guarantee that the full amount of your original investment in a Fund will be returned to you. The value of your investment in a Fund is not guaranteed. Unlike bank accounts or guaranteed investment certificates, mutual funds are not covered by the Canadian Deposit Insurance Corporation or any other government deposit insurer.

Redemptions may be suspended

Under exceptional circumstances, a Fund may suspend redemptions. Please see “*Redemptions for all Series of Shares*” on page 14 for more information.

GENERAL INVESTMENT RISKS

Listed below are some risks that can affect the value of an investment in a Fund. To find out which of these risks apply to an investment in each of the Funds, please refer to “*What are the risks of investing in the Fund?*” in Part B of this simplified prospectus.

Commodity Risk

Some mutual funds invest indirectly in physical commodities, including precious metals (such as gold, silver, platinum and palladium), energy (such as crude oil, gasoline, heating oil and natural gas), industrial metals (such as aluminum, copper, nickel and zinc), livestock (such as hogs and cattle) and agricultural products (such as coffee, corn, cotton, livestock, soybeans, soybean oil, sugar and wheat). To obtain exposure to these commodities, a mutual fund may invest in companies involved in commodity sectors. Mutual funds exposed to commodities will be affected by changes in the prices of the commodities, which can fluctuate significantly in short time periods, causing volatility in the mutual fund’s net asset value. Commodity prices can change as a result of a number of factors, including supply and demand, speculation, central bank and international monetary activities, political or economic instability, changes in interest rates and currency values, new discoveries or changes in government regulations affecting commodities.

Concentration Risk

Some mutual funds concentrate their investment holdings in specialized industries, market sectors, asset classes or in a limited number of issuers. Investments in these mutual funds involve greater risk and volatility than broadly based investment portfolios since the performance of one particular industry, market, asset class or issuer could significantly and adversely affect the overall performance of the entire mutual fund.

Credit Risk

Some borrowers are less likely to pay off a loan than others. These borrowers will have a low credit rating assigned by specialized credit rating agencies. Mutual funds may invest in securities issued by these borrowers to earn the higher returns that these securities offer. However, these mutual funds face a higher possibility of loss if the borrower defaults on payment.

Currency Risk

Each Fund's investments are valued in Canadian dollars. When a Fund buys foreign securities, however, they are purchased with foreign currency. As foreign currencies fluctuate in value against the Canadian dollar, an unfavourable move in exchange rates may reduce, or even eliminate, any return on a foreign security. The opposite can also be true, namely, the Fund can benefit from changes in exchange rates.

Sometimes certain foreign governments may restrict the ability to exchange currencies. Our ability to make distributions or process redemptions assumes the continuing free exchange of the currencies to which a Fund is invested.

Derivatives Risk

What is a derivative? A derivative is a security whose value is based on or derived from the price of some other asset such as a stock, currency, commodity, index or basket of securities. A derivative usually takes the form of a contract between two parties. Some examples:

- An *option* is the right – but not the obligation – to buy or sell currency, commodities or securities at an agreed price within a certain time period.
- A *forward* contract is an agreement to buy or sell currencies, commodities or securities for an agreed price at a future date or to pay an amount at a future date based on the value of a currency, commodity or security at such future time.
- A *swap* is an agreement between two parties to exchange one stream of cash flow against another stream on specified future dates. Swaps can be used to hedge certain risks such as interest rate risk, or to speculate on changes in the underlying interest.
- Like a forward contract, a *futures contract* is an agreement between two parties to buy or sell an asset at an agreed-upon price at a future date or to pay the difference in value between the contract date and the settlement date. Futures contracts are normally traded on a registered futures exchange. The exchange usually specifies certain standardized features of the contract including the basket of securities.

The Funds each may invest in clearing corporation options and listed warrants to the extent and for the purposes permitted by Canadian securities authorities. The Funds may also write covered clearing corporation call options. An investment in a derivative may be a means of obtaining a leveraged position in the underlying security. The value of a derivative may change more than proportionately to changes in value of the underlying security. Writing covered clearing corporation call options is a means of obtaining income related to the premium associated with the option at the time of writing, although any capital gains would be limited by the exercise price of the option. The Funds may use derivatives for both hedging and non-hedging purposes.

The primary risk associated with an investment in a derivative instrument is that its value can be reduced to nil or a nominal amount if the price of the underlying security should decrease significantly below the exercise price (in the case of a call option or warrant) or increase significantly above the exercise price (in the case of a put option). Also, because permitted derivatives have a limited term, their value is influenced by the length of time to expiry. Some other risks of investing in derivatives are described below. No assurances can be provided that a portfolio's hedging strategies will be effective. There may be an imperfect historical correlation between changes in the market value of the investment or attributes of the investment (including currency exposure) being hedged and the instrument with which the investment or attribute is hedged.

Any historical correlation may not continue for the period during which the hedge is in place. Hedging against changes in stock markets or interest rates does not eliminate fluctuations in the prices of portfolio securities or prevent losses if the prices of such securities decline. Similarly, no assurances can be provided that a liquid

exchange or over-the-counter market will exist to permit the Funds to realize their profits or limit their losses by closing out positions.

The Funds are subject to the credit risk that their counterparties may be unable to meet their obligations. There is also a risk of loss of margin deposits in the event of bankruptcy of a dealer with whom the Funds have an open position in an option or futures or forward contract.

Derivative investments traded in foreign markets may offer less liquidity and greater credit risk than comparable instruments traded in North American markets. The Funds' ability to close out their positions may also be affected by stock exchange imposed daily trading limits on options and futures contracts. If the Funds are unable to close out a position, they will be unable to realize profits or limit losses until such time as the option becomes exercisable or expires or the futures or forward contract terminates, as the case may be. If the Funds are unable to close out options, futures or forward positions, that could have an adverse impact on the Funds' ability to use derivatives to hedge its portfolio effectively or implement its investment strategy.

Stock index options and futures contracts present the additional risk that index prices may be distorted if trading of certain stocks included in the index is interrupted. Trading in these derivative instruments also may be interrupted if trading is halted in a substantial number of stocks included in the index. If this occurred, the Funds would be unable to close out their options and futures positions, and if restrictions on exercise of the options or performance of the futures contracts were imposed, the Funds might experience substantial losses.

Equity Securities Risk

Common and preferred stocks represent equity ownership in a company. Stock markets are volatile. The price of equity securities will fluctuate and can decline and reduce the value of a portfolio investing in equities. The value of equity securities purchased by the Fund could decline if the financial condition of the companies the Fund invests in declines or if overall market and economic conditions deteriorate. The value of equity may also decline due to factors that affect a particular industry or industries, such as labor shortages or an increase in production costs and competitive conditions within an industry. In addition, the value may decline due to general market conditions that are not specifically related to a company or industry, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or generally adverse investor sentiment.

Exchange of Tax Information Risk

Part XVIII of the *Income Tax Act* (Canada) (the "**Tax Act**") imposes due diligence and reporting obligations on "reporting Canadian financial institutions" in respect of their "U.S. reportable accounts". Each Fund is a "reporting Canadian financial institution" and may be required to provide information to the Canada Revenue Agency (the "**CRA**") in respect of its shareholders who are "US reportable accounts". If shareholders hold their shares of a Fund through a dealer, the dealers will be subject to due diligence and reporting obligations with respect to financial accounts they maintain for their clients. Accordingly, shareholders may be requested to provide information to a Fund or their dealers to identify U.S. persons holding the shares. If a shareholder is a U.S. person (including a U.S. citizen) or if a shareholder does not provide the requested information, Part XVIII of the Tax Act will generally require information about the shareholder's investments held in the financial account maintained by the fund or the dealer to be reported to the CRA, unless the investments are held within a RRSP, RRIF, DPSP, TFSA, RDSP or RESP. The CRA is expected to provide that information to the U.S. Internal Revenue Service.

Fixed Income Securities Risk

Fixed income securities are subject to risks resulting from changes in interest rates and from credit risk. Prices of fixed income securities generally increase when interest rates decline, and decrease when interest rates rise. Prices of longer-term fixed income securities generally fluctuate more in response to interest rate changes than do shorter-term securities. Credit risk is the risk that the company or government that issued a bond or other fixed-income security is unable to pay interest or repay principal when due or at all.

Foreign and Emerging Market Investment Risk

If a Fund invests a significant portion of its assets in foreign instruments, the value of Fund shares can be adversely affected by changes in currency exchange rates and political, economic and market developments abroad. In emerging or less developed countries, these risks can be more significant. Investment markets in emerging market countries are typically substantially smaller, less liquid and more volatile than the major markets in developed countries. As a result, Fund share values may be more volatile than if the Fund invested only in developed markets. Emerging market countries may have relatively unstable governments and economies. Emerging market investments often are subject to speculative trading, which typically contributes to volatility. Trading in foreign and emerging markets typically involves higher expense than trading in the United States. The Funds may have difficulties enforcing its legal or contractual rights in a foreign country. The value of investments denominated in foreign currencies can be adversely affected by changes in foreign currency exchange rates. Depositary receipts are subject to many of the risks associated with investing directly with foreign securities, including political, economic and market risks. Companies in these markets may have limited product lines, markets or resources, making it difficult to measure the value of the company. Political instability and possible corruption, as well as lower standards of regulation for business practices, increase the possibility of fraud and other legal problems. The value of investments in these countries may rise and fall substantially.

Fund Corporation Risk

The Funds are separate share classes of the Corporation. The liabilities of the Funds are liabilities of the Corporation as a whole. If the liabilities of a Fund are greater than its assets, the other classes of the corporation may be responsible for those liabilities.

A mutual fund corporation, like a mutual fund trust, is permitted to flow through certain income to investors but in the form of dividends rather than distributions. These are capital gains and dividends from taxable Canadian corporations. However, unlike a mutual fund trust, a mutual fund corporation cannot flow through other income including interest, trust income, foreign source dividends and certain income from derivatives. If this type of income, calculated for the corporation as a whole, is greater than the expenses of the corporation and other tax deductible amounts, then the corporation would become taxable. We track the income and expenses of each Fund separately so that if the corporation becomes taxable, we would have the ability (although we would not be obligated) to allocate the tax to those Funds whose taxable income exceeded expenses.

If a Fund becomes taxable, this could be disadvantageous for two types of investors: investors in a registered plan and investors with a lower marginal tax rate than the Fund. Investors in registered plans do not immediately pay income tax on income received, so if a Fund earned that income it would distribute it, and the investors in a registered plan would not immediately pay income tax; since the Fund cannot distribute the income, the investors in a registered plan will pay the income tax indirectly. The corporate tax rate applicable to mutual fund corporations is higher than some personal income tax rates, depending on the province or territory in which you live and your marginal tax rate. As such, if the income is taxed inside the corporation rather than distributed to you (and you pay the tax), you may indirectly pay a higher rate of tax on that income than you otherwise might.

High Yield Security Risk

High yield securities involve greater risk than investment grade securities, including the possibility of default or bankruptcy. They tend to be more sensitive to economic conditions than higher-rated debt securities and, as a result, are generally more sensitive to credit risk than securities in the higher-rated categories. High yield securities are considered primarily speculative with respect to the issuer's continuing ability to make principal and interest payments. Periods of economic uncertainty generally result in increased volatility in the market prices of these securities.

Income Trust Risk

Income trusts generally hold debt and/or equity securities of an underlying active business or are entitled to receive a royalty on revenues generated by such business. Funds that invest in income trusts such as oil, gas and other commodity-based royalty trusts, real estate investment trusts and pipeline and power trusts will have varying degrees of risk depending on its sector and the underlying asset or business. Returns on income trusts are neither fixed nor guaranteed. Typically, trust securities are more volatile than bonds (corporate and government) and preferred securities. Many of the income trusts that a Fund invests in are governed by laws of a province of Canada or of a state of the United States which limit the liability of unitholders of the income trust from a particular date. A Fund may, however, also invest in income trusts in Canada, the U.S. and other countries that are not governed by similar laws. There is a risk that unitholders of an income trust, including a Fund, could be held liable for any claims against the income trust that are not governed by these laws. Income trusts generally try to minimize this risk by including provisions in their agreements that their obligations won't be personally binding on unitholders, including a Fund. However, the income trust may still have exposure to other legal liabilities.

Inflation Risk

Mutual funds are investment vehicles which generally have a long-term horizon. Many investors use them for retirement purposes. As a result of the long-term outlook for a mutual fund investment, the effects of inflation could significantly erode the value of an investor's money over time. Managing inflation risks involves creating a diversified mix of investments with emphasis on equity securities, which have historically outperformed all other types of investments over the long-term.

Interest Rate Risk

Interest rates affect the value of fixed-income securities, including bonds, mortgages, treasury bills and commercial paper. These securities will generally rise if interest rates fall and fall if interest rates rise. Therefore, the value of a Fund which invests in fixed-income securities will change with fluctuating interest rates. Changes in interest rates may also affect the value of equity securities as investors shift between investment vehicles.

Large Transaction Risk

Any large transaction made by an institutional or individual investor could significantly impact a Fund's cash flow. If the investor buys a large amount of securities of a Fund, the Fund could temporarily have a high cash balance. Conversely, if the investor redeems a large amount of securities of a Fund, the Fund may be required to fund the redemption by selling securities at an inopportune time. This unexpected sale may have a negative impact on the performance of your investment.

Legal Risk

Companies that provide products or services to consumers may face the financial risk from uncertainty in laws, regulations or legal actions.

Liquidity Risk

Investors often describe the speed and ease with which an asset can be sold and changed into cash as its liquidity. Most of the securities owned by a mutual fund can usually be sold promptly at a fair price and so can be described as relatively liquid. But a mutual fund may also invest in securities that are illiquid, which means they can't be sold quickly or easily.

Some securities are illiquid because of legal restrictions, the nature of the investment itself, settlement terms or for other reasons. Sometimes there may simply be a shortage of buyers. In addition, 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. A mutual fund that has trouble selling a security can lose money or incur extra costs.

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, floating rate loans, senior secured debt obligations, convertible securities, high yield commercial mortgage-backed securities 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 a particular security and buyers are willing to buy that same security).

Liquidity is a measure of how quickly a security can be sold at a fair price and converted to cash. Fund values will be affected by those securities that are difficult to sell because they may be small companies with limited outstanding shares or they may be unknown to investors and are not traded regularly. Difficulty in selling securities may result in a loss or a costly delay.

Long-Term Viability Risk

There can be no assurance that a Fund will grow to an economically viable size, in which case the Fund may cease operations. In such an event, investors may be required to liquidate or transfer their investments at an inopportune time. You should consider your own investment goals and risk tolerance before investing in any Fund.

Market Risk

The value of equity securities will change based on specific company developments and stock market conditions. Market value also varies with changes in the general economic and financial conditions in countries where investments are made.

Portfolio Manager Risk

The Funds are dependent on their portfolio management teams to select individual securities and, therefore, may be subject to the risk that a portfolio management team selects poorly which could cause a Fund to underperform relative to other funds with similar investment objectives.

Private Company Risk

There are risks associated with investing in private company securities. For example, there is typically less available information concerning private companies than for public companies. The valuation of private company securities is also more subjective and private company securities are very illiquid as there are no established markets for such securities. As a result, in order to sell this type of holding, a Fund may need to discount the securities from recent prices or dispose of the securities over a long period of time.

Regulatory Risk

Regulatory risk is the potential revenue impact on a company due to laws, regulation and policies of regulatory agencies. Governmental or regulatory permits and approvals may be required to proceed with planned projects. Any delay or failure in achieving the required permits or approvals would reduce the company's growth prospects and, in turn, the value of a Fund that invests in such companies.

Securities Lending and Repurchase and Reverse Repurchase Transaction Risk

Mutual funds may engage in securities lending, repurchase and reverse repurchase transactions. A securities lending transaction is where a fund lends portfolio securities that it owns to a third party borrower. The borrower promises to return to the fund at a later date an equal number of the same securities and to pay a fee to the fund for borrowing the securities. While the securities are borrowed, the borrower provides the fund

with collateral consisting of a combination of cash and securities. In this way, the fund retains exposure to changes in the value of the borrowed securities while earning additional fees.

A repurchase transaction is where a fund sells portfolio securities that it owns to a third party for cash and simultaneously agrees to buy back the securities at a later date at a specified price using the cash received by the fund from the third party. While the fund retains its exposure to changes in the value of the portfolio securities, it also earns fees for participating in the repurchase transaction.

A reverse repurchase transaction is where a fund purchases certain types of debt securities from a third party and simultaneously agrees to sell the securities back to the third party at a later date at a specified price. The difference between the fund's purchase price for the debt instruments and the resale price provides the fund with additional income.

The risks associated with securities lending, repurchase or reverse repurchase transactions arise when a counterparty defaults under the agreement evidencing the transaction and the mutual fund is forced to make a claim in order to recover its investment. In a securities lending or a repurchase transaction, a mutual fund could incur a loss if the value of the securities loaned or sold has increased in value relative to the value of the collateral held by the mutual fund. In the case of a reverse repurchase transaction, a mutual fund could incur a loss if the value of the securities purchased by the mutual fund decreases in value relative to the value of the collateral held by the mutual fund.

To limit these risks:

- the collateral held by the mutual fund must equal at least 102% of the market value of the security sold, loaned or cash paid (the collateral is adjusted on each business day to ensure that this value is maintained)
- repurchase transactions and securities lending agreements are limited to 50% of a mutual fund's assets. Collateral held for loaned securities and cash paid for received securities are not included when making this calculation.

The Funds are not presently engaged in securities lending but may do so in the future.

Short Selling Risk

The Funds may engage in a limited amount of short selling. A "short sale" is where a Fund borrows securities from a lender, which are then sold in the open market (or "sold short"). At a later date, the same number of securities are repurchased by the Fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the Fund pays interest to the lender. If the value of the securities declines between the time that the Fund borrows securities and the time it repurchases and returns the securities, the Fund makes a profit for the difference (less any interest the Fund is required to pay to the lender). Short selling involves certain risks. There is no assurance that securities will decline in value during the period of the short sale sufficient to offset the interest paid by the Fund and make a profit for the Fund, and securities sold short may instead appreciate in value. The Fund may also experience difficulties repurchasing and returning the borrowed securities if a liquid market for the securities does not exist. The lender from whom the Fund has borrowed securities may go bankrupt and the Fund may lose the collateral it has deposited with the lender. Each Fund that engages in short selling will adhere to controls and limits that are intended to offset these risks by short selling only those securities of larger issuers for which a liquid market is expected to be maintained and by limiting the amount of exposure for short sales. The Funds will also deposit collateral only with lenders that meet certain criteria for creditworthiness and only up to certain limits.

Small Capitalization Company Risk

Some mutual funds invest in securities of small capitalization companies. The business models for these companies involve significant risks including the entire loss of the investment in the company. These

companies can also provide significant returns if their underlying business grows at a substantial rate. Small capitalization companies typically have limited market and financial resources. They are less able to sustain adverse competitive and market changes.

Substantial Shareholder Risk

A single investor may buy or sell large numbers of shares of a Fund. As a result, a Fund may have to alter its portfolio significantly to accommodate large fluctuations in assets. A Fund may have one or more substantial investors who hold a significant amount of shares of the Fund. If a substantial investor decides to redeem its investment in the Fund, the Fund may be forced to sell its investments at an unfavourable market price in order to accommodate such request. The Fund may also be forced to change the composition of its portfolio significantly. Such actions may result in considerable price fluctuations to the Fund’s net asset value and negatively impact on its returns. Such risk is higher where a substantial shareholder engages in short term trading or excessive trading. The Fund does, however, have policies and procedures designed to monitor, detect and deter inappropriate short-term or excessive trading. See “*Short-Term Trading*” on page 14.

Valuation Risks

Securities held by Funds are generally priced by an independent pricing service and may also be priced using dealer quotes or fair valuation methodologies in accordance with valuation procedures adopted by the Fund. The prices provided by the independent pricing service or dealers or the fair valuations may be different from the prices used by other mutual funds or from the prices at which securities are actually bought and sold.

Also, mutual funds may invest a limited amount of its portfolio in illiquid assets. The valuation of these investments is determined daily. Illiquid assets may or may not be available for sale in the public marketplace. Illiquid assets available for sale in the public marketplace are valued using the exchange specific closing price unless there was no trading activity for the investment in which case the mid (average of bid and ask) price may be used. For illiquid assets where no published market exists, valuations shall be determined using fair value principles (see additional information in the AIF under “**Valuation of Portfolio Securities**”). The valuation of illiquid assets that have not had recent trading activity or for which market quotations are not publicly available has inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for the investment. The fair value process is subjective to a degree and, to the extent that these valuations are inaccurate, investors in the mutual fund may gain a benefit or suffer a loss when they purchase or redeem securities of a mutual fund that invests in illiquid assets.

ORGANIZATION AND MANAGEMENT OF THE FUNDS

<p>Manager AIP Asset Management Inc. 77 King Street West Suite 4140, P.O. Box 340 Toronto, Ontario M5K 1E7</p>	<p>The Manager is responsible for the overall day-to-day management and administration of the Funds, including providing or arranging for investment management, fund accounting and administrative services, including registrar and transfer agency services, to the Funds.</p>
<p>Portfolio Advisor AIP Asset Management Inc. Toronto, Ontario</p>	<p>The Portfolio Advisor is responsible for the investment portfolio of a Fund. The Portfolio Advisor conducts research, selects, purchases, sells, and makes all investment decisions with regard to the portfolio securities of each Fund. The Portfolio Advisor is responsible for any loss that arises out of any failure of the Portfolio Advisor: (i) to exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the Fund and the Portfolio Advisor; or (ii) to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances.</p>

<p>Custodian CIBC Mellon Trust Company Toronto, Ontario</p>	<p>The Custodian holds the Funds’ cash and securities on behalf of each Fund and is responsible for ensuring that they are safe and secure. The Custodian is independent of the Manager and the Funds.</p>
<p>Recordkeeper DataCore Fund Services Inc. Toronto, Ontario</p>	<p>The Recordkeeper keeps a register of the owners of securities of the Funds, processes purchase and redemption orders, issues investor account statements and issues annual tax reporting information. The Recordkeeper is independent of the Funds and Manager.</p>
<p>Auditors KPMG LLP Toronto, Ontario</p>	<p>The auditor annually audits in all material respects, the financial position of the Funds, and their financial performance and their cash flows in accordance with International Financial Reporting Standards.</p> <p>If a decision is ever made to change auditors, you will not be asked to approve this change; however, we will provide you at least 60 days written notice before the effective date of the change in auditors. The auditors are independent of the Funds and Manager.</p>
<p>Independent Review Committee</p>	<p>In accordance with National Instrument 81-107 – <i>Independent Review Committee for Investment Funds</i> (“NI 81-107”), the Manager of the Funds has appointed an Independent Review Committee (the “IRC”) comprised of three independent members. The mandate of the IRC is to review, and provide input on, the Manager’s written policies and procedures that deal with conflict of interest matters in respect of the Funds and to review, and in some cases approve, conflict of interest matters referred to it by the Manager.</p> <p>Certain reorganizations of a Fund or transfers by a Fund of its assets to another mutual fund will not require the approval of shareholders provided certain criteria are met. Such criteria include, obtaining the approval of the IRC, as well as delivering a written notice to shareholders describing such activities at least 60 days before the effective date of the reorganization or transfer. In addition, the auditors of the Funds may not be changed unless the IRC has approved the change in accordance with NI 81-107, and a written notice describing the change of auditors is sent to shareholders at least 60 days before the effective date of the change.</p> <p>The compensation and other reasonable expenses of the IRC are paid <i>pro rata</i> out of the assets of the Fund and the other investment funds managed by the Manager or its affiliates for which the IRC acts as the independent review committee. The main components of compensation for members of the IRC are an annual retainer and a fee for each committee meeting attended. Expenses of the IRC may include premiums for insurance coverage, legal fees, travel expenses and reasonable out-of-pocket expenses. The fees and expenses of the IRC are allocated among the AIP mutual funds in a manner that is considered by the IRC to be fair and reasonable to the Funds.</p> <p>Each member of the IRC is independent of us, the Funds and any party related to us or the Manager. The IRC reports annually to securityholders of the Funds as required by NI 81-107. The reports of the IRC are available free of charge from the Manager, on request, by contacting the Manager at 416-601-0808, or by emailing us at info@aipassetmanagement.com and are posted on the Manager’s website at www.aipassetmanagement.com.</p>

	Additional information regarding the IRC, including the names of the members, is available in the Annual Information Form.
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PURCHASES, SWITCHES AND REDEMPTIONS

Each Fund is permitted to issue an unlimited number of Series of shares and may issue an unlimited number of shares of each Series. Each Fund currently has Series A shares, Series F shares, and Series I shares. We reserve the right, from time to time, to “cap” or “close” a Fund or any series of a Fund if it is determined to be in the best interest of a Fund or series of a Fund and the shareholders. If we do “cap” or “close” a Fund or a series of a Fund, it may be re-opened for investment at our sole discretion. Any “capping” or “closing” of a Fund or any series of a Fund will not impact redemption rights of shareholders.

Although the money which you and other investors pay to purchase shares of any Series is tracked on a Series by Series basis in the applicable Fund’s administrative records, the assets are combined in a single pool to create one portfolio for investment purposes.

The Funds are available in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. You may purchase, switch or redeem securities of a Fund by contacting your dealer. Shares of the Funds are not registered for sale in any jurisdiction outside Canada. You may not purchase shares of the Funds outside Canada, for yourself if you live outside Canada, on behalf of a person living outside Canada, if this practice is against the law where you live or the other person resides, or such foreign residency has negative legal, regulatory or tax implications for a Fund. In some jurisdictions outside Canada, a purchase of a Fund is not against the law as long as the purchase is unsolicited. In these jurisdictions, you and your dealer are responsible for submitted only those purchase orders that have been initiated by you.

The purchase or redemption price of a share of a Fund is the net asset value per share of a Series prevailing at the time of purchase, switch or redemption. The net asset value per share for each Series of shares of a Fund is based on the Series’ proportionate share of the assets of a Fund less the proportionate share of common expenses allocated to that Series and less any Series expenses attributable to that Series, divided by the total number of shares of that Series outstanding. The price for a Fund share is calculated at the end of each business day.

All requests for any purchases, switches or redemptions of the applicable Series of shares in a Fund must be received by the Fund, prior to 4:00 p.m. (Eastern Standard time) on a regular business day in order to receive that business day’s share price for that Series, which is calculated as the net asset value as of close of business on that day. If your request is received after 4:00 p.m. (Eastern Standard time), the share price applied to your request will be determined at the close of business on the following day. You and your adviser are responsible for the completeness and accuracy of your order. Orders will only be processed if complete.

Your dealer may seek reimbursement from you for any of its losses caused by you in connection with a failed settlement of either a purchase or redemption of the applicable Series of shares of a Fund where such dealer has the contractual right to do so.

The Funds are valued in Canadian dollars. Further information on the calculation of the net asset value of a Fund is described in the Fund’s Annual Information Form. Please note that as shares are available for purchase or redemption through registered dealers approved by the Manager, investors may be required to pay different fees and expenses. Please refer to Fees and Expenses below.

A Fund will not issue shares, other than in respect of certain investments by the Manager or other entities connected to the Fund (“**Seed Capital Investors**”), unless subscriptions aggregating not less than \$500,000 (the “**Seed Amount**”) have been received by the Fund from investors other than Seed Capital Investors. With respect to AIP Global Macro Class, it is anticipated that the Seed Amount will be received in connection with the Merger (as discussed and defined below).

Purchases of Series A Shares

Series A shares are available to all investors. The minimum initial investment in a Fund is \$1,000. The minimum subsequent investment in a Fund is \$100. These minimum investment amounts may be adjusted or waived in the absolute discretion of the Manager.

You must include payment with your purchase order. Purchase orders which are deposited with a dealer will be forwarded by the dealer to the Fund on the same day on which the purchase order is received, or if received after 4:00 p.m. (Eastern Standard time), on the next business day. The dealer must send an investor's purchase order by courier, priority post or telecommunications facility without charge to the investor. As a security measure, the Manager may, in its discretion, refuse to accept a purchase order placed by telephone or electronic transmission directly from an investor.

The Manager has the right to accept or reject any purchase order, but must make a decision to reject an order within one business day after receiving the order. Any payment received with an order that is rejected will be refunded as soon as possible.

No certificates are issued for shares purchased, but an investor receives, following each purchase of shares, a written statement indicating all relevant details of the purchase transaction, including the dollar amount of the purchase order, the net asset value per share applied to the purchase order and the number of shares purchased.

Purchases of Series F and I Shares

Series F shares are available to investors who participate in fee-based programs through their dealer and whose dealer has signed a Series F agreement with us, investors for whom we do not incur distribution costs, or individual investors approved by us. You may only buy Series F shares if we and your broker, dealer or adviser approve the order first. Your broker, dealer or financial adviser's participation in the Series F program is subject to our terms and conditions.

If you cease to be eligible to hold Series F shares of a Fund, we may exchange your shares into Series A shares of the same Fund after providing you with 5 days' notice, unless you notify us during the notice period and we agree that you are once again eligible to hold Series F shares.

Series I shares are available to investors that invest a minimum initial investment of \$1,000,000 in the Fund, at the discretion of the Manager.

Switches

You can switch your investment from one Fund into the other Fund or one of the other classes of shares of the Corporation that may in the future be offered for sale under a separate simplified prospectus. A switch is an exchange of shares of one Fund that you own for shares of the other Fund. You must maintain a minimum account balance of \$1,000 and you must switch at least \$1,000 worth of shares. These minimum investment amounts may be adjusted or waived in the absolute discretion of the Manager. Another restriction is that shares of one series cannot be switched for shares of another series within the same Fund unless you meet the criteria for the new series.

When we receive your order to switch, we will exchange, on a tax-deferred "rollover" basis, shares of the Fund you own for shares of the other Fund. The movement of your investment money from one class to another class within the Corporation, as described above, will not result in a capital gain or loss. In certain circumstances, the switch may accelerate the time at which the Corporation realizes gains and pays capital gains dividends.

If you switch your shares of a Fund to shares of another Fund or if you switch the type of account in which you hold your shares (for example, switching from an investment account to an RRSP) your dealer or financial advisor may charge you the fees described under "*Fees and Expenses*".

Redemptions for all Series of Shares

You may redeem your shares of a Fund by completing a redemption request and depositing it with your dealer. The Manager may require that an investor's signature on any redemption request be guaranteed by a bank, trust company, credit union or otherwise to its satisfaction. A redemption request received by the Fund before 4:00 p.m. (Eastern Standard time) on a regular business day will receive the redemption price for the applicable Series of shares established at the close of business on that day. A redemption request received after 4:00 p.m. (Eastern Standard time) or on a day, which is not a regular business day in Toronto, Canada, will receive the redemption price for the applicable Series of shares as of the close on the next regular business day. A dealer which receives a redemption request is required to transmit the redemption request without charge to you and where practicable, by courier, priority post or telecommunications facility.

The Fund will pay redemption proceeds to your account within three business days of receipt of your order, provided the written request for redemption submitted to your dealer is complete. Redemptions will not be processed without written documentation and orders will only be processed if complete.

The Manager has the right, upon 30 days written notice to the investor to redeem shares owned by you if the value of those shares is less than \$5,000. You may prevent the automatic redemption by purchasing additional shares to increase the value of your shares to an amount equal or greater than \$5,000 before the end of the 30 day notice period.

Under extraordinary circumstances, the Manager may be unable to process your redemption order. The Manager reserves the right to suspend the right of redemption of the shares of any Fund or to postpone the date of payment of the redemption price of the shares. Any such suspension or postponement may occur only during any period in which the normal trading is suspended on a stock exchange within or outside Canada on which securities are listed and traded or on which specified derivatives are traded, if those securities or specified derivatives represent more than 50% in value, or underlying market exposure of the total assets of the Fund without allowance for liabilities and if those securities or specified derivatives are not traded on any other exchange that represents a reasonable practical alternative for the Fund, and during any other period which is consented to by the securities regulatory authorities having jurisdiction over the Fund. If we suspend redemption rights before the redemption proceeds have been determined, you may either withdraw your redemption request or redeem your shares at the value next determined after the suspension has been lifted.

Short-Term Trading

The Manager has adopted policies and procedures to detect and deter short-term trading. Short-term trades are defined as a combination of a purchase and redemption, including switches between the Funds, within a short period of time that the Manager believes is detrimental to other investors in the Fund. The period considered short-term trading is up to 90 days.

The interests of Fund investors and a Fund's ability to manage its investments may be adversely affected by short term trading because, among other things, these types of trading activities can dilute the value of Fund shares, can interfere with the efficient management of the Fund's portfolio and can result in increased brokerage and administrative costs to the Fund. While the Manager will actively take steps to monitor, detect and deter short-term trading, it cannot ensure that such trading activity will be completely eliminated.

A purchase (including a switch into a Fund) and a redemption (including a switch from a Fund) within a short period of time may be subject to a short-term trading fee. If you redeem your shares within 90 days of purchase, the Manager may charge you a short-term trading fee of up to 3% of the aggregate NAV of the redeemed shares. The fee payable will be deducted from the redemption proceeds when you redeem your shares and such fees will be retained by the Fund. The Manager, in its sole discretion, may waive the short-term trading fee in special circumstances. See "*Fees and Expenses*".

The Manager will monitor purchases and redemptions of securities of the Funds and if we are aware of a pattern of short-term trading that we believe, in our sole discretion, is significantly disrupting (or may potentially significantly disrupt) the management of the portfolio, we may also take such additional action as it considers appropriate to prevent further similar activity by the investor. These actions may include the delivery of a warning to the investor, placing the investor/account on a watch list to monitor his or her trading activity, the subsequent refusal of additional purchases by the investor and/or closure of the investor's account.

The short-term trading fee will generally not be charged for a redemption of shares of a Fund (i) acquired through automatic investment of all distributions of net income or capital gains by the Fund; (ii) through the exercise of statutory redemption rights; (iii) as a result of switching between the Funds; or (iv) in the absolute discretion of the Manager. For purposes of this short-term trading fee, shares will be considered to be redeemed or switched on a first-in first-out basis.

OPTIONAL SERVICES

Pre-authorized chequing plan

Each Fund offers an automatic investment plan to allow you to make regular bi-weekly, monthly or quarterly purchases of shares. The minimum initial investment for each Fund is \$1,000 and the minimum amount of each subsequent bi-weekly, monthly or quarterly purchase for each of the Funds is \$100, excepting Series I with respect to which the initial minimum investment is \$1,000,000 and there is no minimum for subsequent investments. Subject to these minimums, you may change the dollar amount of your investment, the frequency of payment or discontinue the plan by giving prior written notice to your dealer.

Averaging the cost of your investments

Making regular investments through our pre-authorized purchase plan can reduce the cost of investing, through a technique called dollar cost averaging. Investing equal amounts of money at regular intervals on an ongoing basis ensures that you buy fewer shares when prices are high and more shares when prices are low. Over time, this can mean a lower average cost per share than by making one lump sum purchase.

Automatic reinvestment of distributions

The Manager automatically reinvests your distributions to purchase additional shares of the same Fund. There is no cost for this service.

Registered tax plans

The Funds are expected to be eligible for registered tax plans. The Manager offers registered retirement savings plans (RRSPs), registered retirement income funds (RRIFs), life income funds (LIFs), locked-in retirement income funds (LRIFs), locked-in retirement accounts (LIRAs) and tax free savings accounts (TFSA). You should consult your tax adviser for full particulars of the tax implications of establishing, amending and terminating registered plans. Further, annuitants of registered retirement savings plans and registered income funds, and holders of tax-free savings accounts, should consult with their own tax advisors as to whether shares would be a prohibited investment in their particular circumstances.

FEES AND EXPENSES

This information below lists the fees and expenses that you may have to pay if you invest in a Fund. You may have to pay some of these fees and expenses directly. Each Fund may have to pay some of these fees and expenses, and as a result will reduce the value of your investment in a Fund.

Fees and Expenses Payable by the Funds	
Management Fees:	Management Fee: AIP Global Macro Class pays the Manager an

annual management fee of up to 2.25% in the case of Series A share and up to 1.25% in the case of Series F shares. AIP Canadian Enhanced Income Class pays the Manager an annual management fee of up to 2.0% in the case of Series A shares and up to 1.0% in the case of Series F shares, subject to all applicable taxes.

The management fees are calculated and accrued daily and is paid on the last day of each month based on the average daily net asset value of each Fund for services that are provided to the Funds. Specifically, the Manager provides the following services to each Fund (in consideration of which it is paid the management fee): determining its investment objectives and strategies; arranging, appointing and supervising service providers; determining subscription and redemption procedures; entering into contracts; and ensuring compliance with applicable law, including ensuring the proper and timely filing of continuous disclosure documents.

The management fees payable to us may be reduced by the Manager in its sole discretion without notice to securityholders.

To encourage large purchases in a Fund and to achieve effective management fees that are competitive for these investments, the Manager may reduce the management fee payable by a Fund with respect to a particular investor, based on a number of factors including the type of investor and the number and value of shares held by an investor. Such management fee reduction is called a management fee rebate. At a minimum, an investor must purchase and hold \$15,000,000 of investments in a Fund in order to be eligible for a management fee rebate, although this minimum amount may be waived in the absolute discretion of the Manager. Investors who are entitled to the benefit of a management fee rebate automatically have such rebate reinvested in additional shares of the same series of the Fund. Refer to the distribution policy for each of the Funds in Part B of this simplified prospectus.

The Funds may invest in securities of underlying funds. In such cases, the Funds may charge a management fee, as may the underlying funds, but there will be no duplication of management fees with respect to those holdings. Further, the management fee payable with respect to that underlying fund will not be greater in the aggregate than the management fee applicable to the particular series of the Fund held.

The Manager may waive a portion of the management fee payable by Series A or Series F shares of either of the Funds in its sole discretion. If the Manager waives a portion of the management fee it reserves the right to stop waiving this portion of the fee at any time without notice or consent.

The expenses borne by the Manager include trailing commissions, portfolio advisory services fees, office equipment, supplies, rent and certain salaries.

Management fees are subject to applicable taxes, such as HST.

Incentive Fee: Each Fund will pay the Manager annually an incentive fee with respect to Series A and Series F shares. Subject to all applicable taxes, the incentive fee will be equal to a percentage of the daily net asset value of the applicable Series of the Fund. Such

	<p>percentage will be equal to 20% of the difference by which the return in the net asset value per share of the applicable Series of a Fund from January 1 to December 31 exceeds (i) in the case of AIP Global Macro Class, the percentage return of a blended index comprised of a 50/50 blend of the MSCI World Index and the FTSE Global Government Bond Index, and (ii) in the case of AIP Canadian Enhanced Class, the percentage return of the FTSE/TMX Canada Universe Bond Index. The incentive fees will be accrued on a daily basis and payable at the end of the year.</p> <p>If the performance of a Series of a Fund in any year is less than the performance of the applicable benchmark described above (the “Deficiency”), then no incentive fee will be payable in any subsequent year until the performance of the applicable Series of the applicable Fund, on a cumulative basis calculated from the first of such subsequent years has exceeded the amount of the Deficiency.</p> <p>As required by NI 81-102, the total return versions of each benchmark will be utilized in calculating the incentive fee of a Fund.</p> <p>The Manager may reduce the incentive fee payable by a Fund with respect to a particular investor or class at its discretion. Investors who are entitled to the benefit of a lower incentive fee may receive a fee rebate from a Fund so that those investors receive the benefit of the lower incentive fee. Refer to the Distribution Policy for each of the Funds in Part B of this simplified prospectus.</p>
<p>Operating Expenses</p>	<p>Each Fund pays its own operating expenses, other than advertising costs and costs of dealer compensation programs, which are paid by the Manager. Operating expenses include, but are not limited to, brokerage commissions and fees, taxes, audit and legal fees, safekeeping, trustee and custodial fees, interest expenses, transfer agent fees, regulatory participation fees, administrative costs, investor servicing costs and costs of financial and other reports to investors, as well as prospectuses.</p> <p>The compensation and other expenses of the IRC, including the costs of complying with NI 81-107, is paid pro rata by the Funds and the other investment funds managed by the Manager or its affiliates for which the IRC acts as the independent review committee. IRC members are also reimbursed for travel expenses in connection with meeting attendance. Other fees and expenses payable by the Funds in connection with the IRC include insurance costs, legal fees, and attendance fees for educational seminars. Each IRC member receives an annual retainer of \$3,000 (\$4,000 for the Chair). These retainers, fees and expenses are allocated amongst the reporting issuer investment funds managed by the Manager in a manner that is fair and reasonable to such funds.</p> <p>Operating expenses and other costs of a Fund are subject to applicable taxes.</p> <p>As the Funds have more than one series of shares, the shareholders of each series bear their pro rata share of those expenses which are common to the operation of all series as well as those expenses which are attributable solely to that series.</p>

Fees and Expenses Payable Directly by You
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Series I Management Fee	We negotiate these fees directly with each Series I securityholder.
Series I Performance Fee	We negotiate these fees directly with each Series I securityholder.
Sales Charges	<p>A sales charge of 0-4% of the amount you invest will be charged if you purchase your shares of Series A of a Fund through your dealer. You may be able negotiate this amount with the dealer.</p> <p>There are no sales charges payable on purchases of Series F shares. Purchasers of Series F shares will, however, likely be required to pay their dealers a fee under a “fee-for-service” or wrap program.</p> <p>There are no sales charges payable on Series I securities.</p>
Switch Fees	<p>The sales charges, as described above, apply when you switch between Funds.</p> <p>Switch fees do not apply to a conversion initiated by the Manager of Series F shares into Series A shares.</p>
Redemption Fees	There are no redemption fees payable upon the redemption of shares of a Fund (subject to a short-term trading fee, when applicable).
Pre-Authorized Chequing Plan	No fee is charged to open, close or administer an account.
Short Term Trading Fee	The Funds will impose a short-term trading fee payable by the shareholder to the Manager, of up to 3% of the aggregate net asset value of the shares redeemed if such shares are redeemed within 90 days of their date of purchase. A short term trading fee will not be charged for a redemption of shares (i) acquired through automatic reinvestment of all distributions of net income or capital gains by a Fund; (ii) through the exercise of statutory redemption rights; (iii) as a result of switching between the Funds; or (iv) in the absolute discretion of the Manager. For purposes of this short-term trading fee, shares will be considered to be redeemed or switched on a first-in first-out basis.
Registered Tax Plan Fees	No fee is charged to open, close or administer an account. However, for self-directed retirement savings plans holding other investments in addition to shares of a Fund, an annual trustee fee may apply. Please consult your adviser regarding this fee.
Other Expenses	You may have to reimburse your dealer if it suffers a loss as a result of our having to redeem your shares for insufficient payment. See “Purchases, Switches and Redemptions”. You may be subject to fees and expenses by your dealer or broker for some of the changes set out herein.

IMPACT OF SALES CHARGES

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

	Fee at time of purchase	Redemption fee before end of:			
		1 year	3 years	5 years	10 years
Sales Charge	\$40	Nil	Nil	Nil	Nil

Option					
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DEALER COMPENSATION

Your dealer may receive two types of compensation: sales commissions and trailing commissions.

Sales Commissions

Initial Sales Charge: A dealer which distributes Series A shares of a Fund may receive a sales commission of up to 4.0% (\$40 for each \$1,000 investment) of sales of the Fund by the dealer. Payments are calculated and accrued daily and paid monthly to the dealer by the Manager for sales of a Fund made during the month. It is deducted from the amount purchased, at the time of purchase, as a commission for the investment firm. You do not pay sales charges on Series F shares, nor do we pay commissions to your dealer in respect of Series F shares. Your advisor or dealer negotiates a fee directly with you for the services they provide.

Trailing Commissions

A dealer that distributes Series A shares of a Fund will receive an annual trailing commission of 1.0% (\$10.00 for each \$1,000 investment) of the value of Series A assets held in the Fund by the dealer's clients for as long as you hold the shares with that dealer. Payments are calculated and accrued daily and paid monthly at the rate of 1/12 of 1.0% (0.083%) of the value of assets held in a Fund by the dealer's clients. We also pay trailing commissions to the discount broker for Series A shares that you purchase through your discount brokerage account.

These trailing commissions are paid by the Manager from management fees received and are not paid by a Fund directly. The Manager may, at its discretion, negotiate, change the terms and conditions of these trailing commissions as long as they comply with Canadian securities laws, or discontinue the payment of trailing commissions to dealers. We reserve the right to change the frequency of these payments at our discretion.

Other Forms of Dealer Support

We may support dealers with certain of their direct costs associated with marketing mutual funds and providing educational investor conferences and seminars about mutual funds. We may also pay dealers a portion of the costs of educational conferences, seminars or courses that provide information about financial planning, investing in securities, mutual fund industry matters or mutual funds generally. We may use part of the management fees received to pay a portion of the cost of these programs in accordance with rules set out in National Instrument 81-105 - *Mutual Fund Sales Practices*. We may provide dealers with marketing materials about the Funds, other investment literature and permitted support. We may provide dealers non-monetary benefits of a promotional nature and of minimal value and we may engage in business promotion activities that result in dealers receiving non-monetary benefits. We review the assistance we will provide under these programs on an individual basis. Subject to compliance with securities regulatory authorities' mutual fund sales practices rules, we may change the terms and conditions of these trailing commissions and programs, or may stop them, at any time.

INCOME TAX CONSIDERATIONS FOR INVESTORS

The following is a general summary of the principal federal Canadian income tax rules in effect or proposed that apply to the shareholders of the Corporation at the date of this simplified prospectus. This summary assumes you are an individual (other than a trust) resident in Canada and that you hold your shares of a Fund as capital property for purposes of the Tax Act. This summary is not exhaustive of all tax considerations and is not intended to constitute legal or tax advice. The Corporation is intended to qualify as a "mutual fund corporation" for tax purposes. This summary is based on the assumption that the Corporation qualifies at all times as a mutual fund corporation for tax purposes. We recommend that you seek independent advice regarding your own personal tax situation.

For Funds Held in a Non-Registered Account

Distributions and Dividends

You must include in computing your income for tax purposes each year all dividends paid by the Corporation to you during the year, whether they are paid in cash or reinvested in additional shares. The Corporation intends to pay dividends that will either be capital gains dividends or ordinary dividends for tax purposes. Capital gains dividends will be treated as a capital gain realized by you, one half of which will be included in calculating your income as a taxable capital gain. Ordinary dividends will be subject to the gross-up and dividend tax credit rules of the Tax Act. The Corporation is also able to make distributions to you as a return of capital. Such distributions are not subject to tax, but will reduce the adjusted cost base of your series of shares of the Corporation. To the extent that the adjusted cost base of your series of shares becomes negative, you will be considered to have realized a capital gain equal to that amount and the adjusted cost base of those securities will be reset to zero.

The price you pay to acquire a share of a Fund may include income and capital gains that have been earned in the Fund but which have not yet been realized and/or paid out as a dividend. If you invest in a Fund before a dividend is declared you will have to pay tax on such dividend when it is paid to you. For example, since the Corporation generally intends to pay dividends, if any, in December of each year, if you invest in shares of a Fund prior to the record date for such dividends, you will be taxable on the entire dividend even if you just bought the shares prior to the dividend record date. If dividends are reinvested in additional shares of the Fund, your adjusted cost base in your shares of the Fund will be increased by such reinvested amount which will reduce any capital gain realized on a later disposition of the shares.

A Fund's portfolio turnover rate indicates how actively the Fund's portfolio is traded. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of a year. The higher the Fund's portfolio turnover rate, the greater the trading costs payable by the Fund, and the greater the chance that you may receive a capital gains dividend for that year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

Each year, we will send you a tax form identifying all of the distributions that were paid to you by the Corporation during the previous year.

Switches

When you switch your shares of a Fund into shares of another Fund in the Corporation (or into another series of the same Fund), you will not realize a capital gain or capital loss on the transaction (except to the extent that shares are redeemed to pay a switch fee). The cost of the new shares acquired on the switch will be equal to the adjusted cost base of the previously owned shares of the Fund of that series (subject to any requirement to average the cost with other securities identical to the new securities you already owned).

Although investors can switch between the Funds that make up the Corporation on a tax-deferred basis, each Fund is still expected to have capital gains resulting from the sale of assets due to securityholder transfers between the Funds that make up the Corporation and normal portfolio trading within those Funds. Each Fund will pay capital gains dividends each year to the extent necessary to eliminate tax payable by the Corporation on its capital gains.

Redemptions

In computing your income, you must take into account any capital gain or capital loss you realize on redeeming or otherwise disposing of a share of a Fund (other than on a "switch" as discussed above).

Your capital gain will be the amount by which the proceeds of disposition for the share exceed the adjusted cost base of the share and any redemption charge. Generally, one half of your capital gain will be included in calculating income as a taxable capital gain.

If the proceeds of disposition for a share on a redemption are less than the total of the adjusted cost base of the share and any redemption charge, you will have a capital loss. Generally, one half of your capital losses can be deducted against your taxable capital gains.

The redemption of shares of a Fund to satisfy any short-term trading fee payable by you will be a taxable disposition of those shares.

If you switch from a Fund to another fund that is managed by AIP but that is not in the Corporation, there will be a redemption of the shares of the Fund you own, which will be a taxable disposition, and a purchase of securities of the other fund.

Calculating your Adjusted Cost Base (“ACB”)

In order to calculate your capital gain or loss for tax purposes, you need to know the ACB of your shares before disposition. Your ACB of a share of a series of a Fund will generally be the weighted average cost of all of your shares of that series of the Fund, including shares acquired on a reinvestment of distributions or dividends.

You should keep detailed records of the purchase cost, sales charges, distributions and dividends related to each series of shares of a Fund you own in order to calculate the adjusted cost base of those shares. All amounts must be computed in Canadian dollars. You may wish to consult a tax advisor to help you with these calculations.

$$\begin{array}{l} \text{ACB} \\ \text{Per} \\ \text{share} \end{array} = \begin{array}{l} \text{Your initial investment} \\ \\ \textit{Plus} \text{ the cost of any additional purchases} \\ \textit{Plus} \text{ the ACB of any securities that were previously switched into the Fund} \\ \textit{Plus} \text{ reinvested distributions} \\ \\ \textit{Minus} \text{ the capital returned in any distributions} \\ \textit{Minus} \text{ the ACB of any shares that were previously switched out of the Fund} \\ \textit{Minus} \text{ the ACB of any previously redeemed shares} \\ \textit{Divided} \text{ by the number of shares of the Fund currently held by you} \end{array}$$

Alternative Minimum Tax

Individuals who receive taxable dividends and capital gains dividends from Funds or who realize net capital gains from the disposition of securities of a Fund may be subject to alternative minimum tax under the *Tax Act*.

For Funds Held in a Registered Plan

As long as the Corporation qualifies as a “mutual fund corporation” for tax purposes, each series of shares of each Fund are qualified investments for your registered tax plan, such as a registered retirement savings plan (“RRSP”), registered retirement income fund (“RRIF”), deferred profit sharing plan (“DPSP”), registered education savings plan (“RESP”), registered disability savings plan (“RDSP”) or tax-free savings accounts (“TFSA”). Annuitants of RRSPs, RRIFs and holders of TFSAs, should consult with their own tax advisors as to whether shares would be a prohibited investment in their particular circumstances.

If you hold shares of a Fund in a registered plan, as long as the shares are qualified investments and you do not make withdrawals from the plan, you pay no tax on:

- distributions from the Fund, whether or not they are reinvested in additional shares; and
- any capital gains the registered plan makes from redeeming or otherwise disposing of shares of the Fund.

However, withdrawals from registered plans (other than TFSA's) are generally taxable.

WHAT ARE YOUR LEGAL RIGHTS?

Securities legislation in some provinces gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the Simplified Prospectus, 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 shares 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 territory or consult your lawyer.

PART B

SPECIFIC INFORMATION ABOUT THE FUNDS

In this part of the Simplified Prospectus we have set out fund-specific information to assist you in reviewing the Funds and evaluating which Fund is appropriate for your investment needs. The specific information for each Fund is divided into the following sections.

Fund details

This section identifies the type of fund, the date on which each Fund was started, the series of shares offered by the Fund, the Fund's eligibility as an investment for registered plans, the management fees of the Funds and the Portfolio Advisor.

What do the Funds invest in?

This section describes the various investment objectives and investment strategies and philosophies of each Fund. Each Fund will need the approval of its shareholders to change its fundamental investment objective. The Funds follow standard investment restrictions and practices established by the Canadian securities regulatory authorities.

Investment Objective: This is the investment goal of the Fund. This section will provide details about the kinds of securities the Fund invests in, as well as any special focus, such as concentration on a particular country or industry.

Investment Strategies: This tells you how the Portfolio Advisor tries to achieve the Fund's objective. Each of the Funds follows the standard investment restrictions and practices established by Canadian securities regulators, unless securities regulators have given a Fund approval to vary its strategies from these restrictions. If any Fund has obtained an approval, it is described in this section and in the annual information form. Each Fund may also hold cash while waiting to invest in other securities. A Fund may buy short-term fixed income securities and money market instruments, or it may deposit the cash in interest-bearing accounts with a bank or trust company.

How the Funds use derivatives

A derivative is an investment that derives its value from another investment - called the underlying investment. This could be a stock, bond, currency or market index. Derivatives usually take the form of a contract with another party to buy or sell an asset at a later time. Some examples of derivatives are options, futures and forward contracts.

Each Fund may use derivatives as permitted by securities regulations. They may use them to hedge their investments against losses from factors like currency fluctuations, stock market risks and interest rate changes. Or they may invest use derivatives to invest indirectly in securities or financial markets, provided the investment is consistent with the Fund's investment objective.

When a Fund uses derivatives for purposes other than hedging, it holds enough cash or money market instruments to fully cover its position in the derivative, as required by securities regulations.

How the Funds engage in short selling

A short sale by a Fund involves borrowing securities from a lender and selling those securities in the open market (or "selling short" the securities). At a later date, the same number of securities are repurchased by that Fund and returned to the lender. In the interim, the proceeds from the first sale are deposited with the lender and the Fund pays interest to the lender on the borrowed securities. If the value of the securities declines between the time that the Fund borrows the securities and the time it repurchases and returns the securities to

the lender, the Fund will make a profit for the difference (less any interest the Fund is required to pay to the lender). Selling short provides the Funds with more opportunities for profits when markets are generally volatile or declining.

The Fund may engage in short selling should securities be identified that are trading at a significant premium to their intrinsic value and are anticipated to decline in value. The Fund may also engage in short selling as a means of implementing a “hedge” in an attempt to lessen Fund volatility in declining markets. In this instance, the Fund would sell short securities representing a market index or sub index. The Fund may also sell short a security as a means of capturing a pricing disparity between itself and a related security, which would be purchased or held “long”. This process of capturing price differences between related securities is referred to as arbitrage. Examples of such an action would include companies involved in merger or acquisition activity or other corporate action.

The Funds will engage in short selling only within certain controls and limitations and pursuant to applicable securities legislation. Securities legislation imposes the following conditions and limits on the Funds’ short-selling activities. Securities will be sold short only for cash. A security sold short shall not be: (i) a security that the mutual fund is otherwise not permitted to purchase at the time of the short sale transaction; (ii) an illiquid asset; or (iii) a security of an investment fund unless the security is an index participation unit.

At the time securities of a particular issuer are sold short by a Fund, (i) the Fund has borrowed or arranged to borrow from a borrowing agent the security that is to be sold under the short sale transaction; (ii) the aggregate market value of all securities of that issuer sold short will not exceed 5% of the net asset value of the Fund and (iii) the aggregate market value of all securities sold short by a Fund will not exceed 20% of the net asset value of the Fund. The Fund will also hold cash cover (as defined in National Instrument 81-102 - *Investment Funds* (“NI 81-102”)) in an amount, including the Fund’s assets deposited with borrowing agents as security in connection with short sale transactions, that is at least 150% of the aggregate market value of all securities it sold short on a daily marked-to-market basis. No proceeds from short sales will be used by a Fund to purchase long positions other than cash cover.

Securities Lending, Repurchase and Reverse Repurchase Transactions

Mutual funds may engage in securities lending, repurchase and reverse repurchase transactions. A securities lending transaction is where a fund lends portfolio securities that it owns to a third party borrower. The borrower promises to return to the fund at a later date an equal number of the same securities and to pay a fee to the fund for borrowing the securities. While the securities are borrowed, the borrower provides the fund with collateral consisting of a combination of cash and securities. In this way, the fund retains exposure to changes in the value of the borrowed securities while earning additional fees.

A repurchase transaction is where a fund sells portfolio securities that it owns to a third party for cash and simultaneously agrees to buy back the securities at a later date at a specified price using the cash received by the fund from the third party. While the fund retains its exposure to changes in the value of the portfolio securities, it also earns fees for participating in the repurchase transaction.

A reverse repurchase transaction is where a fund purchases certain types of debt securities from a third party and simultaneously agrees to sell the securities back to the third party at a later date at a specified price. The difference between the fund’s purchase price for the debt instruments and the resale price provides the fund with additional income.

The risks associated with securities lending, repurchase or reverse repurchase transactions arise when a counterparty defaults under the agreement evidencing the transaction and the mutual fund is forced to make a claim in order to recover its investment. In a securities lending or a repurchase transaction, a mutual fund could incur a loss if the value of the securities loaned or sold has increased in value relative to the value of the collateral held by the mutual fund. In the case of a reverse repurchase transaction, a mutual fund could incur a loss if the value of the securities purchased by the mutual fund decreases in value relative to the value of the collateral held by the mutual fund.

To limit these risks:

- the collateral held by the mutual fund must equal at least 102% of the market value of the security sold, loaned or cash paid (the collateral is adjusted on each business day to ensure that this value is maintained)
- repurchase transactions and securities lending agreements are limited to 50% of a mutual fund's assets. Collateral held for loaned securities and cash paid for received securities are not included when making this calculation.

What are the risks of investing in the Fund?

This section tells you the specific risks of investing in a Fund. You'll find a description of each risk starting on page 2 under the heading "*What are the risks of investing in a Mutual Fund?*"

Here is an explanation of the fund risk classification methodology:

Fund Risk Classification

We assign an investment risk rating to each Fund to provide you with further information to help you determine whether the Fund is appropriate for you. Each Fund is assigned an investment risk rating in one of the following categories: low, low to medium, medium, medium to high or high risk.

The methodology used to determine the Fund's investment risk classification for purposes of disclosure in this simplified prospectus and in the fund facts document is the methodology recommended by the Fund Risk Classification Task Force of IFIC, as such methodology may be amended and updated from time to time.

IFIC concluded that the most comprehensive, easily understood form of risk in this context is historical volatility risk as measured by the standard deviation of fund performance. However, the Manager and IFIC recognize that other types of risk, both measurable and non-measurable, may exist and we remind you that a Fund's historical performance may not be indicative of future returns and that a fund's historical volatility may not be indicative of its future volatility. There may be times when these methods produce a result that the Manager believes is inappropriate in which case the Manager may determine the risk classification of the Fund based on other factors, including, for example, the types of investments made by the Fund and the liquidity of those investments.

If a Fund in question does not have at least three years of monthly return history (as is the case with the Funds), the benchmark index which most closely resembles the Fund's strategy is used as a proxy.

Should the Fund's average standard deviation not fall within the standard deviation range indicated for that Fund's particular category due to particular manager style, process or other qualitative factors, we may place the Fund in a higher or lower volatility classification, as appropriate.

Each Fund is assigned an investment risk rating in one of the following categories:

- **Low** – for funds with a level of risk that is typically associated with investments in money market funds and Canadian fixed income funds;
- **Low to Medium** – for funds with a level of risk that is typically associated with investments in balanced funds and global and/or corporate fixed income funds;
- **Medium** – for funds 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 funds with a level of risk that is typically associated with investments in equity funds that may concentrate their investments in specific sectors of the economy; and
- **High** – for funds with a level of risk that is typically associated with investment in equity portfolios that may concentrate their investments in specific regions or in specific sectors of the economy where there is substantial risk of loss (e.g. emerging markets, precious metals).

The investment risk level is determined when the Fund is first created and is reviewed at least annually and/or any time a material change occurs in the Fund.

Information about the methodology used by the Manager to determine the Fund’s risk level is available on request, at no cost by calling toll free at 416-601-0808 or by writing Client Services at AIP Asset Management Inc. 77 King Street West, Suite 4140, P.O. Box 340, Toronto, Ontario M5K 1E7.

Who should invest in this Fund?

This section tells you the kind of investor the Fund may be suitable for and how the Fund could fit into your portfolio. When you are choosing a Fund to invest in, you need to ask yourself what you are expecting from your investments, how long you are planning to invest your money, and how much risk you are willing to accept. You should also think about how the Fund will work with your other investments.

Fund Expenses Indirectly Borne by Investors

Each Fund pays its own operating expenses which in turn reduces the Fund’s returns. The tables in Part B of this Prospectus show the fees and expenses paid by you if you hold shares of a Fund assuming: (a) a \$1,000 investment in the series of the Fund; (b) the series of the Fund earns a 5% total return in each period; (c) the series of the Fund paid the same management expense ratio (“**MER**”) for the entire period as it did in its last financial year; and (d) a performance fee (if any) based on the series of the Fund earning a 5% total return in its last financial year. Where the Manager has waived a portion of its management fee or absorbed some of the Fund’s operating expenses during the past financial year, the MER would have been higher than in instances where no such waiver or absorption occurred and consequently would have increased the Fund’s expenses indirectly borne by you. For more information on fees and expenses paid directly by you, see “*Fees and Expenses*” on page 15.

Performance Benchmarks for payments of performance fees

MSCI World Index

The MSCI World Index captures large and mid-cap representation across 23 Developed Markets DM countries. With 1,612 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. The returns of the MSCI World Index are not hedged to the Canadian dollar.

FTSE Global Government Bond

The FTSE Global Government Bond Indices consist of central government debt from 22 countries denominated in the domicile currency or Euros for Eurozone countries. There is a Euro aggregate index and the indices are organised by region; Asia Pacific (including China), Americas and Eurozone plus a Europe ex-Eurozone index. The indices are also available at the country level and by maturity band. The returns of the FTSE Global Government Bond are not hedged to the Canadian dollar.

FTSE/TMX Canada Universe Bond Index (formerly DEX Universe Bond Index)

The FTSE/TMX Canada Universe Bond Index is designed to be a broad measure of the Canadian investment-grade fixed income market. Returns are calculated daily, and are weighted by market capitalization, so that the return on a bond influences the return on the index in proportion to the bond’s market value. The FTSE/TMX

Canada Universe Bond Index has been published since 1979. It is intended to be a transparent index, with individual security holdings disclosed electronically each day.

The FTSE/TMX Canada Universe Bond Index is divided into a variety of sub-indices according to term and credit. The main term sub-sectors are Short, Mid and Long. The Short sub-indices include bonds with remaining effective terms greater than 1 year and less than or equal to 5 years. The Mid sub-indices include bonds with remaining terms greater than 5 years and less than or equal to 10 years, while the Long sub-indices include remaining terms greater than 10 years.

AIP GLOBAL MACRO CLASS

AIP Asset Management Inc. and Redwood Asset Management Inc. are proposing to merge (the “**Merger**”) Redwood Global Macro Class (the “**Terminating Fund**”) into AIP Global Macro Class (the “**Continuing Fund**”). It is anticipated that the Merger will be implemented, subject to the receipt of any required regulatory, securityholder or other approvals, no later than the end of March 2015 (the “**Effective Date**”), although such timing may change at the discretion of AIP Asset Management Inc. and Redwood Asset Management Inc.

Upon the close of business on the Effective Date, securities of the Terminating Fund will be exchanged on a taxable basis for securities of the Continuing Fund having a net asset value on the Effective Date equal to the net asset value of the securities of the Terminating Fund. Following such exchange, securityholders of the Terminating Fund will become securityholders of the Continuing Fund. As at February 29, 2016, the net asset value of Redwood Global Macro Class was approximately \$7,875,720.

Approval of the proposed Mergers by the independent review committee of the Terminating Funds was sought and obtained at a meeting held on February 26, 2016. Approval of the proposed Merger by securityholders of the Continuing Fund is not required.

AIP GLOBAL MACRO CLASS

FUND DETAILS

Type of Fund:	Global Neutral Balanced
Inception:	Series A: March 15, 2016 Series F: March 15, 2016 Series I: March 15, 2016
Securities Offered:	Series A, F and I shares of the Corporation
Registered Tax Plan Status:	Eligible ¹ as an investment for RRSPs, RRIFFs, DPSPs, RESPs, LIFs, LIRAs, LRSPs, RDSPs and TFSAs

WHAT DOES THE FUND INVEST IN?

Investment Objective

The investment objective of the Fund is to generate superior risk-adjusted investment returns, relative to the Fund’s benchmark, a 50/50 blend of the MSCI World Index and FTSE Global Government Bond Index by taking a balanced approach to investing globally in equity, fixed income, and other securities of global companies.

Securityholder approval is required prior to a change in the fundamental investment objective of the Fund.

Investment Strategies

The Portfolio Advisor utilizes an approach that analyzes global macroeconomic data and market trends to identify key investment themes and the fixed income, equities and currencies that will benefit from such themes.

Once clear investment themes have been identified, the Portfolio Advisor uses bottom-up investment analysis to identify the best securities in which to invest to benefit from the macroeconomic themes that are identified.

The Portfolio Advisor will also have an overall market view, and can be substantially in cash, should they assess market risks to be prevalent.

¹ Eligibility is dependent on the Corporation attaining a prescribed number of shareholders by the time it files its first tax return and certain tax elections being made and the Corporation anticipates such requirements being met.

The portfolio advisor will take a balanced approach to investing and can favour equities or fixed income or hybrid securities when they believe there to be superior risk/reward in these asset classes.

The Fund may invest without limitation in securities denominated in foreign currencies and in U.S. dollar denominated securities of foreign issuers. The Fund will only enter into repurchase and reverse repurchase transactions if there are suitable counterparties available and the transactions are considered appropriate. For a description of these transactions and the strategies to be used by the Fund to minimize the risks associated with these transactions, please see the discussion under “*Securities Lending and Repurchase and Reverse Repurchase Transaction Risk*” commencing on page 8 of this Simplified Prospectus as well as the discussion in the AIF of the Fund.

In order to generate additional returns, if permitted by law and all applicable legal requirements are met (including proper notice having been given to securityholders prior to the commencement of any securities lending), 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 between the Fund and such borrower (each 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 may also hold cash.

The Fund may only invest in securities of other mutual funds if, among other things,

- the other fund is subject to NI 81-102
- the investment objective of the other fund is consistent with the Fund’s investment objective
- at the time the Fund purchases securities of the other fund, the other fund holds no more than 20% of the market value of its net assets in securities of another fund (subject to those exceptions provided in NI 81-102)
- the securities of the other fund are qualified for distribution in the same jurisdiction as the Fund
- no management fees or portfolio management fees are payable by the Fund that would duplicate a fee payable by the other fund
- if the underlying mutual fund is managed by the Manager, no sales or redemption fees are paid by the Fund in respect of investment in the underlying mutual fund
- no sales or redemption fees are payable by the Fund in respect of investment in the underlying mutual fund if such fees duplicate a fee payable by an investor in the Fund

The Fund may use clearing corporation options and warrants (“**permitted derivatives**”) as permitted by Canadian securities regulators and consistent with the investment objectives and strategies of the Fund. The Fund may use these permitted derivatives for hedging and non-hedging purposes. The Fund may also engage in short selling. In determining whether securities of a particular issuer should be sold short, the Portfolio Advisor uses the same analysis that is described above for deciding whether to purchase securities. The Fund may engage in short selling as a complement to the Fund’s Investment Objectives. For a more detailed description of short selling, please refer to “*Specific Information About the Funds*” beginning on page 23 of this document.

You will find more information about derivatives on page 4 under “*Derivatives Risk*” and on page 23 under “*How the Funds use derivatives*”.

The Manager may change the Fund’s investment strategies at its discretion without notice to or approval of securityholders.

WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

- Commodity Risk
- Concentration Risk
- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Securities Risk
- Exchange of Tax Information Risk
- Fixed-income Securities Risk
- Foreign and Emerging Market Investment Risk
- Fund Corporation Risk
- High Yield security Risk
- Inflation Risk
- Interest Rate Risk
- Large Transaction Risk
- Legal Risk
- Liquidity Risk
- Long-term Viability Risk
- Market Risk
- Portfolio Manager Risk
- Regulatory Risk
- Securities Lending and Repurchase and Reverse Repurchase Transaction Risk
- Short Selling Risk
- Small Capitalization Company Risk
- Substantial Shareholder Risk
- Valuation Risk

We have classified this Fund's risk level as Medium. Please see "*General Investment Risks*" in Part A for more detailed descriptions of these risks and "*Fund Risk Classification*" beginning on page 25 for a description of the methodology we use to classify this Fund's risk level.

WHO SHOULD INVEST IN THIS FUND?

Investors with a long-term investing horizon, seeking long-term growth, exposure to equity securities of foreign companies as well as some fixed income exposure and who can tolerate equity volatility. Investors should have a medium tolerance for risk.

DISTRIBUTION POLICY

In each calendar year, the Fund will pay to its investors sufficient ordinary dividends and capital gains dividends so that the Fund will not pay any income tax on its taxable dividends received from Canadian corporations and on its capital gains. Any dividends will accrue annually in December and will be paid in the first quarter. **Unless you tell us in writing that you would prefer to receive cash distributions, we will automatically invest Fund distributions in additional shares of the same series of the Fund at the NAV per series share thereof on the date of distribution, without any fee.** Please see "*Income Tax Considerations for Investors*" commencing on page 19 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.

FUND EXPENSES INDIRECTLY BORNE BY INVESTORS

As this Fund is new, this information is not available.

Please see “*Fees and Expenses – Fees and Expenses Payable Directly by You*” of this simplified prospectus for other information about fees and expenses paid directly by the investor.

AIP CANADIAN ENHANCED INCOME CLASS

FUND DETAILS

Type of Fund:	Canadian Income Trust and Fixed Income Fund
Inception:	Series A: March 15, 2016 Series F: March 15, 2016 Series I: March 15, 2016
Securities Offered:	Series A, F and I shares of the Corporation.
Registered Tax Plan Status:	Eligible ² as an investment for RRSPs, RRIFs, DPSPs, RESPs, LIFs, LIRAs, LRSPs, RDSPs and TFSA's

WHAT DOES THE FUND INVEST IN?

Investment Objective

The objective of the Fund is to achieve income and long term capital growth by investing in primarily Canadian income oriented equities, income trusts, convertible and fixed income securities and other income producing securities. Shareholder approval is required prior to a change in the fundamental investment objective of the Fund.

Investment Strategies

In order to achieve the Fund's objective of achieving income and long term capital growth, the Portfolio Advisor uses a top down approach to set asset allocation and a bottom up approach to set individual security selection.

Using such approach, the Fund anticipates investing primarily in money market instruments, equities, fixed income securities, convertible securities, mutual funds, ETFs and cash, all of which offer the potential for income and growth. The Portfolio Advisor will seek to identify and select for the Fund the best risk return opportunities it finds available across the capitalization spectrum.

In adverse market, economic and/or political conditions, the Portfolio Advisor may invest the Fund's assets in cash or cash equivalent securities.

The Fund may also invest up to 49% of its assets in foreign securities in a manner consistent with its investment objective.

In order to generate additional returns, if permitted by law and all applicable legal requirements are met (including proper notice having been given to securityholders prior to the commencement of any securities lending), 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 between the Fund and such borrower (each 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.

² Eligibility is dependent on the Corporation attaining a prescribed number of shareholders by the time it files its first tax return and certain tax elections being made and the Corporation anticipates such requirements being met.

AIP CANADIAN ENHANCED INCOME CLASS

The Fund will only enter into repurchase and reverse repurchase transactions if there are suitable counterparties available and the transactions are considered appropriate. For a description of these transactions and the strategies to be used by the Fund to minimize the risks associated with these transactions, please see the discussion under “*Securities Lending and Repurchase and Reverse Repurchase Transaction Risk*” commencing on page 8 of this Simplified Prospectus as well as the discussion in the AIF of the Fund.

The Fund may only invest in securities of other mutual funds if, among other things,

- the other fund is subject to NI 81-102
- the investment objective of the other fund is consistent with the Fund’s investment objective
- at the time the Fund purchases securities of the other fund, the other fund holds no more than 20% of the market value of its net assets in securities of another fund (subject to those exceptions provided in NI 81-102)
- the securities of the other fund are qualified for distribution in the same jurisdiction as the Fund
- no management fees or portfolio management fees are payable by the Fund that would duplicate a fee payable by the other fund
- if the underlying mutual fund is managed by the Manager, no sales or redemption fees are paid by the Fund in respect of investment in the underlying mutual fund
- no sales or redemption fees are payable by the Fund in respect of investment in the underlying mutual fund if such fees duplicate a fee payable by an investor in the Fund

The Fund may use clearing corporation options and warrants (“**permitted derivatives**”) as permitted by Canadian securities regulators and consistent with the investment objectives and strategies of the Fund. The Fund may use these permitted derivatives for hedging and non-hedging purposes. The Fund may also engage in short selling. In determining whether securities of a particular issuer should be sold short, the Portfolio Advisor uses the same analysis that is described above for deciding whether to purchase securities. The Fund will engage in short selling as a complement to the Fund’s Investment Objectives. For a more detailed description of short selling, please refer to “*Specific Information About the Funds*” beginning on page 23 of this document.

WHAT ARE THE RISKS OF INVESTING IN THE FUND?

The Fund is generally exposed to the following risks:

- Commodity Risk
- Concentration Risk
- Credit Risk
- Currency Risk
- Derivatives Risk
- Equity Securities Risk
- Exchange of Tax Information Risk
- Fixed-income Securities risk
- Fund Corporation Risk
- High Yield Security Risk
- Income Trust Risk
- Inflation Risk
- Interest Rate Risk
- Large Transaction risk
- Legal Risk
- Liquidity Risk
- Long-term Viability risk
- Market Risk
- Portfolio Manager Risk

- Private Company Risk
- Regulatory Risk
- Securities Lending and Repurchase and Reverse Repurchase Transaction Risk
- Short Selling Risk
- Small Capitalization Company Risk
- Substantial Shareholder risk
- Valuation Risk

We have classified this Fund's risk level as Low to Medium. See "*General Investment Risks*" in Part A of the simplified prospectus for more detailed descriptions of these risks.

WHO SHOULD INVEST IN THIS FUND?

This Fund is suitable for investors who are seeking current income and long term capital growth with a moderate tolerance for risk and volatility. Investors should be comfortable with exposure to both equity and fixed income securities. The Fund's investment mandate allows the Portfolio Advisor to adjust the asset allocation of the Fund depending on the current market conditions. As a result, the asset allocation between equity and fixed income securities may vary over time.

DISTRIBUTION POLICY

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 Fund intends to pay a monthly distribution equal to 5¢ per Series A and Series F shares of the Fund. The Fund will also distribute any excess income and capital gains that accrue in December, annually in the first quarter. **A portion of the distributions may consist of a return of capital, which is not taxable in the year received.**

Unless you tell us in writing that you would prefer to receive cash distributions, we will automatically invest Fund distributions in additional shares of the same series of the Fund at the NAV per series share thereof on the date of distribution, without any fee.

Please see "*Income Tax Considerations for Investors*" commencing on page 19 for more details as to taxation matters which may be relevant to you. This monthly distribution may be reduced, depending on future market conditions. 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 on a distribution on a particular date.

FUND EXPENSES INDIRECTLY BORNE BY INVESTORS

As this Fund is new, this information is not available.

Please see "*Fees and Expenses – Fees and Expenses Payable Directly by You*" of this simplified prospectus for other information about fees and expenses paid directly by the investor.

Additional information about the Funds is available in the Funds' Annual Information Form, the most recently filed Fund Facts, management reports of fund performance and financial statements. These documents are incorporated by reference into 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, including a statement of portfolio transactions, at your request, and at no cost, by calling (416) 601-0808, from your dealer, by e-mail at info@aipassetmanagement.com or by writing the Manager at the address below.

These documents and other information about the Funds, such as information circulars and material contracts, are also available on the Manager's Internet site at www.aipassetmanagement.com or are available at the Internet site of SEDAR (the System for Electronic Document Analysis and Retrieval) at www.sedar.com.

AIP Global Macro Class
AIP Canadian Enhanced Income Class

Each a class of shares of AIP Mutual Funds Corporation

AIP Asset Management Inc.
77 King Street West
Suite 4140, P.O. Box 340
Toronto, Ontario M5K 1E7
Tel: 416-601-0808
Email: info@aipassetmanagement.com
Website: www.aipassetmanagement.com