

**ANNUAL INFORMATION FORM
DATED AUGUST 13, 2014**

Offering Series A, F and I shares of

REDWOOD GLOBAL MACRO CLASS *

Offering Series A and F shares of

REDWOOD EQUITY GROWTH CLASS *

REDWOOD INCOME GROWTH CLASS *

Series A and F shares

* Each a class of shares of Ark Mutual Funds Ltd.

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

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THE FUNDS

In this document, Ark Mutual Funds Ltd. is referred to as the “Corporation”. “Redwood Equity Growth Class” refers to the Redwood Equity Growth Class of shares of the Corporation. “Redwood Income Growth Class” refers to the Redwood Income Growth Class of shares of the Corporation. “Redwood Global Macro Class” refers to the Redwood Global Macro Class of shares of the Corporation. Redwood Equity Growth Class, Redwood Income Growth Class and Redwood Global Macro Class are also each referred to in this document as a “Fund” or, collectively, as the “Funds”. Other classes of shares of the Corporation are offered pursuant to a separate simplified prospectus dated November 27, 2013 and April 25, 2014, respectively. Ark Mutual Funds Ltd. is a corporation governed by the laws of Ontario and incorporated on November 2, 2007.

Redwood Asset Management Inc. (“we”, “us”, “our” or the “Manager”) acts as the manager and promoter of the Funds as well as other investment funds, including: Redwood Unconstrained Bond Class, Redwood Unconstrained Bond Fund, Redwood Diversified Equity Fund, Redwood Diversified Income Fund, Redwood Global Small Cap Fund, SciVest Growth of Dividends Fund and Trapeze Value Class.

On August 31, 2009, the Manager acquired all the issued and outstanding shares of Ark Financial Holdings Inc., the parent company of Ark Fund Management Ltd. the former manager of the Funds. As a result, the Manager acquired indirect control of Ark Fund Management Ltd. On January 1, 2010, Ark Fund Management Ltd., Ark Financial Holdings Ltd and Redwood Asset Management Inc. amalgamated, with the newly amalgamated company continuing under the name “Redwood Asset Management Inc”.

StoneCastle Investment Management Inc. (the “Portfolio Adviser”) acts as portfolio adviser to the Redwood Equity Growth Class and Redwood Income Growth Class pursuant to an investment management agreement (the “StoneCastle Investment Management Agreement”) with the Manager dated August 4, 2010, as amended and restated October 1, 2013. AIP Asset Management Inc. acts as portfolio adviser to the Redwood Global Macro Class pursuant to an agreement with the Manager dated May 26, 2014. DataCore Fund Services Inc. (formerly KeiData BackOffice Solutions Inc.) acts as recordkeeper for the Funds. CIBC Mellon Trust Company acts as the custodian for the Funds. In this document, “dealer” refers to both the dealer firm and the representative registered in your province or territory who advises you on your investments.

The head office and principal place of business of the Funds and the Manager is located at:

120 Adelaide Street West
Suite 2400 P. O. Box 23
Toronto, Ontario M5H 1T1

History of the Funds

The following is a summary of the important changes to the Funds since inception:

Fund Name	Description of Change	Effective Date
Redwood Equity Growth Class	<ul style="list-style-type: none"> Fund name change from Ark StoneCastle Stable Growth Class to Redwood Equity Growth Class 	August 16, 2012
Redwood Income Growth Class	<ul style="list-style-type: none"> Fund name change from Ark StoneCastle Stable Income Class to Redwood Income Growth Class 	August 16, 2012

INVESTMENT RESTRICTIONS AND PRACTICES

The Funds are subject to certain standard investment restrictions and practices contained in securities legislation, including National Instrument 81-102 – *Mutual Funds* (“NI-81-102”). This legislation is designed in part to ensure that the investments of the Funds are diversified and relatively liquid and to ensure the proper administration of the Funds. Each of the Funds adheres to these standard investment restrictions and practices.

The fundamental investment objectives of each of the Funds are set out in the Simplified Prospectus of the Funds. Any change in the fundamental investment objective of a Fund requires the approval of a majority of the votes cast at a meeting of investors called for that purpose. The Manager may change a Fund’s investment strategies from time to time at its discretion.

Short Selling

Each of the Funds may engage in short selling which involves borrowing 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 the securities and the time it repurchases and returns the securities, the Fund makes a profit for the difference (less any interest the Fund is required to pay to the lender). In this way, the Fund has more opportunities for gains when markets are generally volatile or declining.

The Funds will engage in short selling only within certain controls and limitations, pursuant to applicable securities legislation, which 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.

As well, 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 also will hold cash cover (as defined in NI 81-102) in an amount, including the Fund’s assets deposited with borrowing agents as security in connection with short transactions, that is at least 150% of the aggregate market value of all securities it sold short

on a daily market-to-market basis. No proceeds from short sales will be used by a Fund to purchase long positions other than cash cover.

Eligibility for Registered Plans

Shares of the Funds are qualified investments for trusts governed by registered retirement savings plans (“RRSPs”), registered retirement income funds (“RRIFs”), deferred profit sharing plans (“DPSPs”), registered disability savings plans (“RDSPs”), tax-free savings accounts (“TFSAs”) and registered education savings plans (“RESPs”) (collectively “Registered Plans”) under the *Income Tax Act* (Canada) (“Tax Act”).

DESCRIPTION OF SHARES

General

The authorized capital of the Corporation consists of one common share, which was issued to and is held by Redwood Asset Management Inc., and 1,000 classes of shares issuable in series.

The Funds are permitted to issue an unlimited number of shares in each series. Each Fund currently has two series of shares:

Series A shares: Available to all investors. The minimum investment in a Fund is \$5,000 and the minimum subsequent investment is \$500. These minimum investment amounts may be adjusted or waived in the absolute discretion of the Manager.

Series F shares: 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.

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

Although money you pay to purchase shares of any series is tracked on a series-by-series basis in a Fund’s administrative records, the assets of all series of a Fund are combined into a single pool to create one portfolio for investment purposes. Please refer to the Funds’ simplified prospectus for further information pertaining to Series A and F shares of the Funds.

Shares of a series of a Fund represent your ownership in a Fund. You receive distributions of a Fund’s net income and net capital gains attributable to your shares based on their relative net asset value per share for each series in a Fund. Upon the wind-up or termination of a Fund, shareholders of the Fund will be entitled to participate *pro rata* in a Fund’s net assets allocated to the applicable series.

If you hold shares in a Fund you will be entitled to vote at the shareholder meetings of the Fund as a whole as well as any shareholder meetings for the particular series of shares that you own. Shares are issued as fully paid and non-assessable and are redeemable at their net asset value per share of a Series next determined after the receipt of a redemption order. Other than as described in this annual information form, there are no pre-emptive or conversion rights attached to the shares. The Funds may issue an unlimited number of shares. Each share, regardless of the series, will entitle the holder to one vote with respect to a particular issue. The Funds may issue fractional shares, which shall entitle the holder to similar proportionate participation in the Funds but will not entitle the holder to receive notice of, or vote at, meetings of shareholders of the Funds.

The rights, privileges, restrictions and conditions attached to the shares of the Corporation may be modified, amended or varied by articles of amendment, the application for which must be authorized by a special resolution passed at a meeting of shareholders of the Corporation duly called, by the affirmative vote of the holders of not less than 66 2/3% of all the outstanding shares represented and voted at such meeting in addition to such other vote as may be required by the *Business Corporations Act* (Ontario). Neither the holders of the shares nor the holder of the common share is entitled to vote separately as a class or as a series of a class, or to exercise dissent rights, with respect to any amendment of the articles of the Corporation to increase or decrease any maximum number of authorized shares of such class or series or to increase any maximum number of authorized shares of a class or series having rights or privileges equal or superior to the shares of such class or series, effect an exchange, reclassification or cancellation of all or part of the shares of that class or series or to create a new class or series of shares equal to or superior to the shares of that class or series.

Shares of the Funds have the following attributes:

1. the shares have no voting rights except as described in this annual information form;
2. the shares are redeemable at the option of the holder at their net asset value per share of a Series next determined after the receipt of a redemption order;
3. upon the termination of a Fund, the assets of the Fund will be distributed and all shareholders in the Fund will share in the value of the Fund;
4. there are no pre-emptive rights;
5. the shares of a Fund cannot be transferred except in limited circumstances;
6. there is no liability for further calls or assessments; and
7. a fractional share of a Fund carries the rights and privileges and is subject to the restrictions and conditions applicable to whole shares in the proportion which it bears to one share, except that a fractional share does not entitle its holder to a vote.

Meetings of Shareholders

Shareholders will be entitled to vote to approve all matters that require shareholder approval pursuant to NI 81-102. As at the date of this document these matters include:

- a change in the manager of the Funds, unless the new manager is an affiliate of the Manager;
- any change in the fundamental investment objective of a Fund;
- any decrease in the frequency of calculating the net asset value of a Fund;
- unless the Fund's independent review committee (as described below) has approved and all conditions of applicable securities legislation have been adhered to, a Fund undertakes a reorganization with, or transfers its assets to, another mutual fund, if: (i) the Fund ceases to continue after the reorganization or transfer of assets; and (ii) the transaction results in the shareholders of the Fund becoming securityholders in the other mutual fund;
- a Fund undertakes a reorganization with, or acquires assets from, another mutual fund, if: (i) the Fund continues after the reorganization or acquisition of assets; (ii) the transaction results in the securityholders of the other mutual fund becoming shareholders in the Fund; and (iii) the transaction would be a material change to the Fund;
- if the basis for calculating a fee or expense charged to a Fund, or to shareholders in connection with holding shares of a Fund, is changed and could result in an increase in charges to the Fund or to shareholders unless (i) the Fund is at arm's length to the person or company charging the fee or expense to the Fund, and (ii) the shareholders are sent a written notice at least 60 days before the effective date of the change that is to be made that could result in charges to the Fund;
- if a fee or expense to be charged to the Fund or to shareholders, in connection with holding shares of the Funds, is introduced and could result in an increase in charges to the Funds or to shareholders; and
- any other matter which requires the approval of shareholders pursuant to the agreement between the Funds and the Manager or applicable laws.

The approval of the shareholders of the Funds is not required for a change of auditor, but shareholders will receive notice 60 days in advance of a proposed change of auditor. Shareholders will receive notice 60 days in advance of any proposed fund mergers which do not require shareholder approval.

VALUATION OF PORTFOLIO SECURITIES

As at 4:00 p.m. (Toronto time) on each day that the Toronto Stock Exchange is open for business (a "Valuation Date"), the net asset value per series of a Fund is calculated by subtracting from the series' proportionate share of the assets of the Fund its proportionate share of common expenses of the Fund and the liabilities attributable to that series. To arrive at the net asset value per share of a series, the net asset value of a series is divided by the number of outstanding shares of that series.

In determining the market value of the assets of a Fund the following rules apply:

- (a) the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, cash dividends received (or to be received and declared to shareholders of record on a date before the date as of which the net asset value of the Fund is being determined), and interest accrued and not yet received, shall be deemed to be the full

amount thereof unless the Manager shall have determined that any such deposit, bill, demand note, account receivable, prepaid expense, cash dividend received or interest is not worth the full amount thereof, in which event the value thereof shall be deemed to be such value as the Manager shall determine to be the reasonable value thereof;

- (b) the value of any security which is listed or dealt in upon a stock exchange shall be determined by (1) in the case of a security which was traded on the day as of which the net asset value of the Fund is being determined, the closing sale price; (2) in the case of a security which was not traded on the day as of which the net asset value of the Fund is being determined, a price which is the average of the closing recorded bid and ask prices; or (3) if no bid or ask quotation is available, the price last determined for such security for the purpose of calculating the net asset value of the Fund. The value of inter-listed securities shall be computed in accordance with directions laid down from time to time by the Manager; and provided however that if, in the opinion of the Manager, stock exchange or over-the-counter quotations do not properly reflect the prices which would be received by the Fund upon the disposal of shares or securities necessary to effect any redemptions of shares, the Manager may place such value upon such shares or securities as appears to the Manager to most closely reflect the fair value of such shares or securities;
- (c) the value of any security, the resale of which is restricted or limited by reason of a representation, undertaking, or agreement by the Fund shall be restricted to the lesser of (1) the value based on reported quotations of that restricted security in common use and (2) that percentage of the market value of securities of the same class, or series of a class of which the restricted security forms part that are not restricted securities, equal to the percentage that the Fund's acquisition cost was of the market value of the securities at the time of acquisition, but taking into account, if appropriate, the amount of time remaining until the restricted securities will cease to be restricted securities;
- (d) a long position in an option or a debt-like security shall be valued at the current market value of the position;
- (e) for options written by the Fund (1) the premium received by the Fund for those options shall be reflected as a deferred credit and the option shall be valued at an amount equal to the current market value of the option that would have the effect of closing the position; (2) any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment; (3) the deferred credit shall be deducted in calculating the net asset value per share of the Fund; and (4) any securities that are the subject of a written option shall be valued at their current market value;
- (f) the value of a forward contract or swap shall be the gain or loss on the contract that would be realized if, on the date that valuation is made, the position in the forward contract or swap were to be closed out;
- (g) the value of any security or other property for which no price quotations are available or in the opinion of the Manager, to which the above valuation principles cannot or should not be applied, shall be the fair value thereof determined from time to time in such manner as the Manager shall from time to time provide;

- (h) the value of all assets and liabilities of the Fund valued in terms of a currency other than the currency used to calculate the Fund's net asset value shall be converted to the currency used to calculate the Fund's net asset value by applying the rate of exchange obtained from the best available sources to the Manager;
- (i) the value of standardized futures shall be (1) if daily limits imposed by the futures exchange through which the standardized future was issued are not in effect, the gain or loss on the standardized future that would be realized if, on the date that valuation is made, the position in the standardized future were to be closed out; or (2) if daily limits imposed by the futures exchange through which the standardized future was issued are in effect, based on the current market value of the underlying interest of the standardized future; and
- (j) margin paid or deposited on standardized futures or forward contracts shall be reflected as an account receivable, and if not in the form of cash, shall be noted as held for margin.

The liabilities of a Fund shall be deemed to include:

- (a) all bills and accounts payable;
- (b) all administrative expenses payable and/or accrued;
- (c) all obligations for the payment of money or property, including the amount of any declared but unpaid distributions;
- (d) all allowances authorized or approved by the Manager for taxes or contingencies; and
- (e) all other liabilities of the Fund of whatever kind and nature, except liabilities represented by outstanding shares.

Portfolio transactions (investment purchases and sales) will be reflected in the first computation of the net asset value per share made after the date on which the transaction becomes binding.

The Manager may declare a suspension of the calculation of the net asset value per share for each series of a Fund, in the circumstances described under the heading *Redemption of Shares*. There will be no calculation of net asset value per share for each series during any suspension period and the Fund will not be permitted to issue further shares or redeem any shares during this period.

CALCULATION OF SHARE PRICE

As at 4:00 p.m. on each Valuation Date, the net asset value is calculated per share for each series of a Fund. The net asset value per share (or share price) of a series will be based on the market value of the series' proportionate share of the assets of the Fund, less any liabilities attributable to that series and less that series' proportionate share of the common liabilities and expenses of the Fund, divided by the total outstanding shares of that series. The net asset value per share of a

series is the basis for all purchases, switches and redemptions and for reinvestment of distributions.

National Instrument 81-106 *Investment Fund Continuous Disclosure* (“NI 81-106”) requires investment funds, such as the Funds, to calculate their net asset value by fair valuing all the assets and liabilities (“Pricing NAV”) in accordance with the Funds’ valuation rules set out above which may not be the same as Canadian generally accepted accounting principles (“Canadian GAAP”). The net asset value calculated on this basis may be different from the net assets reported in the financial statements of the Funds which are prepared in accordance with Canadian GAAP. If required, the financial statements of the Funds will contain a reconciliation of the net assets that is reported in such financial statements in accordance with Canadian GAAP to the net asset value used by the Funds for all other purposes as determined in accordance with Pricing NAV.

The Canadian Accounting Standards Board (“AcSB”) previously confirmed that effective January 1, 2011, International Financial Reporting Standards (“IFRS”) would replace Canada Canadian GAAP for publicly accountable enterprises, which include investment funds. The following events have subsequently occurred:

- 1) In September 2010, the AcSB approved the optional one year deferral of IFRS adoption for investment companies applying Accounting Guideline 18 – “Investment Companies” (“AcG18”) issued by the Canadian Institute of Chartered Accountants (“CICA”), to years beginning on or after January 1, 2012.
- 2) In January 2011, the AcSB approved a further one year deferral of IFRS adoption for investment companies applying AcG18 and segregated funds, to years beginning on or after January 1, 2013.
- 3) In December 2011, the AcSB further extended the deferral of mandatory adoption of IFRS for investment companies by one year to years beginning on or after January 1, 2014.

Investment fund will now be required to mandatorily adopt IFRS for interim and annual financial statements relating to annual periods beginning on or after January 1, 2014. Accordingly, IFRS is applicable for the Funds effective January 1, 2014.

PURCHASE OF SHARES

Investors have the option of purchasing units of the Funds under two different purchase options: (a) Series A units of the Funds under the Initial Sales Charge Option; and (b) Series F and Series I units of the Funds are not subject to sales commissions, however, investors purchasing Series F units will generally be required to pay their dealer an advisory or asset-based fee for purchases of these Series to be negotiated between you and your dealer or broker. Please refer to the Funds’ Simplified Prospectus for a description of the purchase options. The purchase option that you choose will affect the amount of compensation your dealer receives. See “Dealer Compensation” in the Funds’ Simplified Prospectus.

Shares of the Funds may be purchased in each of the provinces of Canada. You may purchase or redeem shares of the Funds directly through your registered dealer approved by the Manager. The procedures to be followed by investors who desire to purchase shares of the Funds are described in the Funds’ simplified prospectus. 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.

Shares of a Fund may be purchased at its net asset value per share of a specific series, computed as described under “Calculation of Share Price”. The purchase price per share is the net asset value per share of a series next determined following receipt by the Fund of a completed subscription order. Any subscription order received on a Valuation Date after the cut-off time or on any day which is not a Valuation Date is deemed to have been received on the following Valuation Date. The purchase price per share will then be the net asset value per share of each series established on the Valuation Date following the day of actual receipt of the subscription. If your purchase order is received by the Fund before 4:00 p.m. (Eastern Standard Time) on a Valuation Date, you will pay the net asset value per share set on that Valuation Date, or if received after 4:00 p.m., the net asset value per share set on the next Valuation Date, subject to the Fund receiving all necessary forms properly completed.

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

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 number of shares purchased, cost per share and the total dollar amount of the purchase order.

REDEMPTION OF SHARES

An investor may redeem Fund shares by completing a redemption request and delivering it to his or her registered dealer approved by the Manager. 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 the satisfaction of the Manager. A redemption request received by a Fund before 4:00 p.m. (Toronto time) on a Valuation Date will receive the net asset value per share for each series of shares established on that day. A redemption request received by a Fund after 4:00 p.m. (Toronto time) or on a day which is not a Valuation Date will receive the net asset value per share for each series of shares on the next Valuation Date. A dealer which receives a redemption request is required to transmit the redemption request to the Fund without charge and, where practicable, by courier, priority post or telecommunications facility. The Fund will pay the redemption proceeds within three business days of receipt of a signed and properly completed redemption request. Your dealer may seek reimbursement from you for any of its losses caused by you in connection with a failed settlement of a redemption of shares of the Funds where such dealer has the contractual right to do so.

A Fund may suspend the right of shareholders to redeem shares for the whole or any part of a period during which normal trading is suspended on a stock exchange or options exchange within or outside Canada on which securities are listed and traded, or which specified derivatives are traded, if those securities or specified derivatives represent more than 50 percent by 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 reasonably practical alternative for the Fund.

The Funds may postpone payment during a period in which the right of shareholders to request redemption of their shares is suspended, despite the Funds' obligation to pay the redemption price for shares that have been redeemed in accordance with the redemption requirements.

SWITCHES

You can switch your investment from one Fund into another Fund. A switch is an exchange of the shares of the Fund that you own for shares of the new Fund. You must maintain a minimum account balance of \$5,000 and you must switch at least \$1,000 worth of securities. 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 current Fund for shares of the new 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 Corporation realizes gains and pays capital gains dividends.

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

RESPONSIBILITY FOR OPERATION OF THE FUNDS

The Funds described in this annual information form are two separate classes of shares of Ark Mutual Funds Ltd., a mutual fund corporation. The registered office and principal place of business of the Corporation is 120 Adelaide Street West, Suite 2400, P.O. Box 23, Toronto, Ontario, M5H 1T1.

Redwood Asset Management Inc. owns the only issued and outstanding common share of the Corporation.

The board of directors of the Corporation is responsible for supervising the overall business and affairs of the Funds. The board of directors of the Corporation currently consists of three members: Jonathan Clapham, Peter Shippen and Nick Tintor. Mr. Clapham is also the Chief Executive Officer of the Corporation and Mr. Shippen is also the President, Chief Compliance Officer and Chief Financial Officer of the Corporation.

The names, residences, present positions and principal occupations of the current directors and officers of the Corporation are listed in the chart below under the heading "Responsibility for Operation of the Funds – The Manager".

The Manager and the Corporation

Redwood Asset Management Inc. is the manager of the Funds.

The registered office of Redwood Asset Management Inc. and the Corporation is located at:

120 Adelaide Street West
Suite 2400, P.O. Box 23
Toronto, Ontario M5H 1T1

The contact information of the Manager is as follows:

Tel: (416) 368-8898
Toll free: 1-877-313-7011

Website: www.redwoodasset.com

The names, municipalities of residence, offices held with the Manager and with the Corporation and principal occupations of the directors and executive officers of the Manager and Corporation are as follows:

Name and Municipality of Resident	Position with the Manager and Corporation	Principal Occupation
Jonathan Clapham Toronto, Ontario	Director, Chief Executive Officer	Chief Executive Officer of the Manager
Peter Shippen Toronto, Ontario	Director, President and Chief Financial Officer	President, Chief Compliance Officer and Chief Financial Officer of the Manager
Nick Tintor Mississauga, Ontario	Director	Managing Director, RG Mining Investments Inc.

Jonathan Clapham is currently the Chief Executive Officer and a Director of Redwood Asset Management Inc. and Ark Mutual Funds Ltd. He formed Redwood in December 2002. He began his career in the financial services industry at BMO Nesbitt Burns, where he was employed as an Investment Representative and Investment Advisor from May 1996 to June 1997. From June 1997 to September 2001, Mr. Clapham served as the Vice-President, Sales, for Clarington Capital Management Inc. In 2002, Mr. Clapham served as the head of sales for Ascendent Fund, a market-neutral arbitrage fund. Mr. Clapham is a graduate of York University.

Peter J. Shippen is currently the President, Chief Financial Officer, Chief Compliance Officer and a Director of Redwood Asset Management Inc. and Ark Mutual Funds Ltd. He was an executive officer and a Director of Ark Fund Management and its affiliated entities from September 2007 until its amalgamation with Redwood on January 1, 2010. From July 2002 until August 2007, Mr. Shippen worked at TD Waterhouse Canada Inc., most recently as Vice President, Fund Research and Product Due Diligence. Mr. Shippen is a CFA

Charterholder, holder of the CAIA designation and earned a BA, Economics from Wilfrid Laurier University.

Nick Tintor – Mr. Tintor is Managing Director of RG Mining Investments Inc. a Toronto based management services company. Previously, he was the President and CEO of Homeland Uranium Inc. from March 2007 until January 2012 and Southern Andes Energy Inc. from June 2010 to February 2012. A graduate of the University of Toronto (B.Sc., Geology), he has more than 30 years of experience in the mining industry and has been involved with all aspects of junior mining company management, finance and project acquisition. Mr. Tintor is a member of The Society of Economic Geologists, The Geological Association of Canada and the University of Toronto's Department of Geology Industry Steering Committee.

Redwood Asset Management Inc. is the manager of the Funds pursuant to agreements entered into between the Manager and the Corporation made (i) as of January 10, 2008, as amended by an amending agreement dated July 8, 2010, in respect of the Redwood Equity Growth Class and Redwood Income Growth Class, and (ii) as of August 13, 2014, in respect of the Redwood Global Macro Class (together, the "Management Agreements" and each, individually, a "Management Agreement"). Pursuant to the terms of the Management Agreements, the Manager is responsible for providing all management and administrative services required by the Funds, which includes the management of the investment portfolio, investment analysis, recommendations and decisions, the implementation of the portfolio purchase and sale transactions and arranging for the distribution of Funds shares. Pursuant to the terms of the Management Agreement, the Manager may delegate any or all of its duties and responsibilities to one or more agents to assist it in the performance of such duties and responsibilities. The Manager may resign as manager of the Funds on 90 days' prior written notice to the Funds and to the shareholders of the Funds.

The Manager is overseen by an independent review committee (the "IRC") as described further below.

Portfolio Adviser

StoneCastle Investment Management Inc.

Pursuant to the terms of the Management Agreement, the Manager may retain certain firms to act as portfolio advisers and portfolio managers of the Funds (the "Portfolio Advisers"). They are responsible for providing investment analysis, making investment recommendations to the Manager, making investment decisions of the Funds' portfolios and arranging for the acquisition and disposition of portfolio investments, including all necessary brokerage arrangements. The Manager and each of the Redwood Equity Growth Class and the Redwood Income Growth Class are parties to an amended and restated Investment Management Agreement dated October 1, 2013 with StoneCastle Investment Management Inc., appointing StoneCastle Investment Management Inc. as the Portfolio Adviser for those Funds. StoneCastle Investment Management Inc. is located in Kelowna, British Columbia. The Stonecastle Investment Management Agreement provides that the Manager will pay to the Portfolio Adviser a fee based on the percentage of the net assets of the Funds that the Portfolio Adviser manages. The Stonecastle Investment Management Agreement may be terminated for a number of reasons, including if the Manager or the Portfolio Adviser fails to maintain all necessary registrations or

qualifications to effect the purposes of the Investment Management Agreement, or if either of the Manager or the Portfolio Adviser consistently fails to discharge its duties and obligations under the Investment Management Agreement.

The Portfolio Adviser provides investment management services to other clients. Those client accounts may follow the same or similar investment objectives and strategies as used by the Funds. In placing an order to buy and sell securities, execution between a Fund and other accounts will be conducted in a manner which the Portfolio Adviser believes is fair and equitable. The Portfolio Adviser and its principals may also trade in securities for their personal accounts and may also invest in the same securities as the Funds. In doing so, the Portfolio Adviser and its principals will comply with all applicable laws.

Investment decisions for the Funds are made completely and solely by the Portfolio Adviser. Subject to the Manager's duty of general oversight, investment decisions made by the Portfolio Adviser are not subject to oversight, approval or ratification by the Manager.

Bruce Campbell, CFA, CAIA has been President of StoneCastle Investment Management Inc. since July 2001. Mr. Campbell brings a wealth of industry experience with 17 years of professional expertise as a Discretionary Portfolio Manager for Raymond James Ltd., an Investment Advisor at TD Evergreen and as an Investment Advisor at RBC Dominion (Richardson Greenshields). Mr. Campbell graduated from the University of Alberta with a Bachelor of Commerce degree in 1993 and obtained his Chartered Financial Analyst designation in 2001 and Chartered Alternative Investment Analyst designation in 2005. Mr. Campbell has served as President of the Okanagan CFA Society, is a Fellow of the Canadian Securities Institute (FCSI), and a Member of the Canadian CAIA Society.

AIP Asset Management Inc. ("AIP")

AIP is an investment fund and portfolio management firm focused on generating superior risk-adjusted returns for institutional clients, hedge funds, family offices and high net worth individuals.

The Manager and the Redwood Global Macro Class have entered into an Investment Management Agreement dated May 26, 2014 with AIP Asset Management Inc. ("AIP" or the "Portfolio Adviser"), appointing AIP, as the Portfolio Adviser for that Fund. AIP is located in Toronto, Ontario. The AIP Investment Management Agreement provides that the Manager will pay to AIP a fee based on the percentage of the net assets of the Funds that AIP manages. The AIP Investment Management Agreement may be terminated for a number of reasons, including if the Manager or the Portfolio Adviser fails to maintain all necessary registrations or qualifications to effect the purposes of the Investment Management Agreement, or if either of the Manager or the Portfolio Adviser consistently fails to discharge its duties and obligations under the Investment Management Agreement.

Jay Bala is AIP's Senior Portfolio Manager. He has worked for a number of hedge funds including the AIP-Kingsmont Funds and Third Eye Capital/Sprott Funds. Prior to that, Jay was an equity Research Analyst at a leading independent boutique investment bank and worked at the family office of one of Canada's wealthiest families. Jay holds a Bachelor of Commerce from the

University of Toronto and is a CFA charter holder. Jay is a nominee for the 2014 Ernst and Young Entrepreneur of the Year Award.

The advisory services agreements continue in effect until terminated. They may be terminated: (i) by any party on 60 days' prior written notice; (ii) immediately if and when the Portfolio Adviser is in breach or default of any provision of the advisory services agreement which, if capable of being cured, has not been cured within 20 business days of written notice of such breach; (iii) immediately if and when the Portfolio Adviser ceases to carry on business or is dissolved or liquidated; (iv) immediately if and when the Portfolio Adviser becomes bankrupt or insolvent; or (v) immediately if and when the Portfolio Adviser ceases to have all licenses and registrations required to discharge its duties as Portfolio Adviser.

Custodian and Recordkeeper

Under the terms of the custodial agreement dated July 21, 2009 among the Funds, CIBC Mellon Trust Company, CIBC Mellon Global Securities Services Company, Canadian Imperial Bank of Commerce and The Bank of New York Mellon (the "Custodian Agreement"), CIBC Mellon Trust Company has been appointed the custodian (the "Custodian") of the Funds. Pursuant to the terms of an administrative services agreement dated September 1, 2009 between the Manager and DataCore Fund Services Inc. (formerly KeiData BackOffice Solutions Inc.) (the "Administrative Services Agreement"), DataCore Fund Services Inc. has been appointed as recordkeeper (the "Recordkeeper") of all securities held on behalf of the Funds.

The Custodian holds the Funds' cash and securities on behalf of the Funds and is responsible for ensuring that they are safe and secure. All of such securities will be held by the Custodian with the exception of foreign portfolio securities, gold and precious minerals, if any, or at the offices of sub-custodians under arrangements made to the satisfaction and order of the Custodian and in compliance with applicable regulatory requirements. The Custodian holds title to the securities owned by the Funds on behalf of shareholders.

The Recordkeeper keeps a register of the owners of shares of the Funds, processes purchase and redemption orders, issues investor account statements and issues annual tax reporting information.

Independent Auditors

The independent auditors of the Funds are Deloitte LLP of Toronto, Ontario. Any changes in the auditor by the Funds may be made only in accordance with securities legislation.

Brokerage Arrangements

Decisions as to the purchase and sale of portfolio securities and the execution of portfolio transactions, including the selection of the market, dealer or broker and the negotiation, where applicable, of commissions are made by the Portfolio Adviser. In effecting portfolio transactions,

the Portfolio Advisor has a duty to seek best execution. In making a determination regarding best execution, the Portfolio Advisor will take into account certain criteria including the commission rate offered, execution capability, trading expertise, value market depth and available liquidity, timing and size of an order, and current market conditions, amongst other things.

In some cases, where the execution and prices offered by more than one dealer or broker are reasonably comparable, the Portfolio Advisor may, in its discretion, choose to effect portfolio transactions through dealers or brokers in return for the provision of some goods and services, other than order execution, to the Funds through the Portfolio Advisor.

Where a dealer or broker offers goods and services other than order execution to the Funds through the Portfolio Advisor, these must be limited to investment decision-making goods and services which means investment advice, provided either directly or through publications, as to the value of securities and the advisability of effecting transactions in securities, analyses and reports concerning securities, portfolio strategy or performance, issuers, industries, or economic or political factors and trends; and, databases or software to the extent they are designed mainly to support those services or effecting securities transactions and performing functions incidental thereto (such as clearance, settlement and custody).

Where a dealer or broker offers to provide investment decision-making services, the Portfolio Advisor must make a good faith determination that the Funds will receive reasonable benefit, taking into account a number of factors, which may include, among other things, a determination as to whether the investment decision-making services actually provide appropriate assistance that is directly beneficial to the Funds in the performance of its own investment or trading decisions; whether the allocation of commissions paid is reasonable, justifiable and documentable in light of the value of the investment decision-making services provided; and, whether the commission relates only to the portion of the research that is actually used for the Funds.

No goods and services other than order execution have been provided to the Portfolio Advisor of the Redwood Equity Growth Class since the date of the last annual information form.

OWNERSHIP

Principal Holders of Securities

As at July 26, 2014, the following persons or companies owned more than 10% of the issued and outstanding shares of the Manager:

<u>Shareholder</u>	<u>Number of Shares</u>	<u>% of Outstanding Shares</u>
Clapham Family 2011 Investment Partnership ⁽¹⁾	400,445	24.46%
Jonathan Clapham ⁽²⁾	356,364	21.77%
Peter Shippen ⁽³⁾	286,334	17.49%
Brian Petersen	191,560	11.70%

Notes:

- (1) Jonathan Clapham, a partner to the Clapham Family 2011 Investment Partnership, is the Chief Executive Officer and a Director of the Manager.
- (2) Jonathan Clapham is the Chief Executive Officer and a Director of the Manager, as well as a partner to the Clapham Family 2011 Investment Partnership.
- (3) Peter Shippen is the President, Chief Financial Officer and a Director of the Manager.

As of July 26, 2014, the following unitholders owned more than 10% of a series of the issued and outstanding units of the series of the Funds:

Holder of Units	Fund and Series	Type of Ownership	Number of Securities Owned	Percentage of Issued and Outstanding Units of the Series
Individual Investor A	Redwood Income Growth Class Series F	Beneficially	16,267	10.95%
Individual Investor B	Redwood Equity Growth Class Series F	Beneficially	272,850	62.40%

* To protect the privacy of individual investors, we have omitted the names of the beneficial owners. This information is available on request by contacting us at the telephone number on the back cover of this Annual Information Form.

The IRC members in aggregate do not beneficially own, directly or indirectly, more than 10% of the securities of any Fund. The IRC members also do not own securities in the Manager or in any person or company that provides services to the Funds or the Manager.

FUND GOVERNANCE

Generally

The Manager has established appropriate policies, procedures and guidelines to ensure the proper management of the Funds. The systems implemented monitor and manage the business and sales practices, risks and internal conflicts of interest relating to the Funds while ensuring compliance with regulatory and corporate requirements.

In addition to the oversight of the Corporation's operations required to be carried out by the Manager, the Corporation also has a board of directors, with all of the regular duties imposed upon directors of a corporation under the *Business Corporations Act* (Ontario). Under the *Business Corporations Act* (Ontario), the directors must act honestly, in good faith and in the best interests of the Corporation, and must exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the same circumstances. To help it carry out its obligations to the Funds' investors, the Corporation has engaged the Manager.

Securities Lending

The Funds may use securities lending as discussed under the heading *Investment Strategies* in the Funds' simplified prospectus. The Manager has not established written policies and procedures to manage the risks associated with securities lending but will establish written policies and procedures for managing risks upon the use of such transactions.

The Manager considers using securities lending in conjunction with the provisions of NI 81-102 and with any relief orders granted to the Funds by the securities regulators. The Manager is responsible for ensuring that all trading limits or other controls are complied with.

Short Selling

The funds may engage in short selling from time to time as described commencing on page 2.

The Manager and Custodian have in place policies and procedures relating to short selling by the Funds. Any agreements, policies and procedures that are applicable to a Fund relating to short selling (including trading limits and controls in addition to those specified above) will be prepared and reviewed by the Manager and Trustee. The decision to effect any particular short sale will be made by the Portfolio Adviser and reviewed and monitored as part of Redwood's ongoing compliance procedures and risk control measures.

Proxy Voting Guidelines

StoneCastle Investment Management Inc., in its capacity as portfolio adviser to the Funds, and the Manager are jointly responsible for establishing, monitoring and amending (if necessary) the policies and procedures relating to the voting of proxies received in connection with the Funds' portfolio securities.

Generally speaking, the Portfolio Adviser will vote in favour of the following proxy proposals:

- electing and fixing number of directors
- appointing auditors
- ratifying director actions
- approving private placements exceeding a 25% threshold
- changing registered address
- authorizing directors to fix the remuneration of auditors
- approving private placements to insiders exceeding a 10% threshold
- approving special resolutions to change the authorized capital of the company

In certain cases, proxy votes may not be cast when the Portfolio Adviser determines that it is not in the best interests of shareholders of a Fund to vote such proxies. In the event a proxy raises a potential material conflict of interest between the interests of a Fund and the Manager, Portfolio Adviser, affiliate or associate of a Fund or the manager or portfolio adviser of such affiliate or associate, the conflict will be resolved in the best interests of the shareholders and the Fund. The Portfolio Adviser retains discretion over all proxy voting.

The proxy voting guidelines of the Funds are available on request, free of charge, by contacting the Manager at 1-877-3133-7011 and are available on our website at www.redwoodasset.com. The Portfolio Adviser will maintain and prepare an annual proxy voting record for the Funds. The proxy voting record for the annual period ending June 30 each year for the Funds are available free of charge to any investor upon request at any time after August 31 of that year.

Independent Review Committee

In accordance with National Instrument 81-107 – *Independent Review Committee for Mutual Funds* ("NI 81-107"), the Manager, on behalf of the Funds, has established an Independent

Review Committee (“IRC”). The composition of the IRC may change from time to time but will be composed of persons who are independent from the Manager, the Funds or entities related to the Manager. Its current members are Paul Abrams, Christopher Marshall (Chair) and Boris Novansky.

The mandate of the IRC is to:

(a) review conflict of interest matters, including any related policies and procedures, referred to the IRC by the Manager and provide the Manager with its recommendations as to whether, in its opinion after reasonable inquiry, the Manager’s proposed action achieves a fair and reasonable result for the Funds; and

(b) perform any other functions as may be required under applicable securities legislation.

NI 81-107 further imposes obligations upon the Funds to establish written policies and procedures for dealing with conflict of interest matters, maintain records in respect of these matters and provide assistance to the IRC in carrying out its functions. The IRC is required to comprise a minimum of three independent members. The IRC must also adopt a written charter setting forth its mandate, responsibilities and functions and the policies and procedures it will follow when performing its functions. The IRC will conduct its review at least annually and will provide Redwood with a written report of its assessment. For each financial year of the Funds, the IRC will also deliver a report of its activities to the securityholders of the Funds in respect of its functions. The fees and expenses of the IRC are allocated among the Funds in a manner that is considered by the IRC to be fair and reasonable to the Funds.

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. During the year ended December 31, 2013, a retainer of \$5,300 was paid to each of Paul Abrams and Dennis Breker, and a retainer of \$6425 was paid to Christopher Marshall, the Chair, in connection with performing their duties for all reporting issuer investment funds managed by the Manager, which was allocated pro rata amongst the investment funds managed by the Manager. The Funds paid \$ of the aggregate IRC fees and expenses for the year ended December 31, 2013. These retainers and fees were allocated pro rata between the Funds in a manner that was fair and reasonable.

The current members of the IRC and their principal occupations are:

Mr. Christopher Marshall currently holds the position of Controller of a group of five associated tourism operators in the greater Toronto area. Prior to this, Mr. Marshall held the positions of Vice President of Sales for a Toronto based investment research firm and Investment Advisor at two bank-owned brokerage firms in Ontario. Mr. Marshall has a Bachelor of Commerce degree, is a CFA level two candidate and is in the final phase of the Certified General Accountant Program of Professional Studies.

Mr. Paul Abrams has held progressively senior roles in the area of sales and marketing, representing the interests of many blue chip Canadian clients. Mr. Abrams currently oversees all Advertiser Content Integration and Joint Marketing Ventures for the Canadian Broadcasting Corporation. Mr. Abrams graduated from the University of Western Ontario with a degree in Administrative and Commercial Studies and sits on several committees and professional organizations.

Mr. Boris Novansky is a seasoned financial professional with over 20 years of capital markets experience. Mr. Novansky is currently Managing Director of mergers and acquisitions for a North American merchant bank and has held similar positions with a number of Canadian bank-owned investment banks as well as two of Canada's leading independent investment dealers. Mr. Novansky has a Bachelor of Commerce from the Haskayne School of Business at the University of Calgary and a Masters of Business Administration from the Richard Ivey School of Business at the University of Western Ontario.

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. These trades can be for periods of 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 net asset value 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.

The Manager 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 further trades by the investor if the investor continues to attempt such trading activity 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 a Fund; (ii) through the exercise of statutory redemption rights; (iii) as a result of switching between 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.

FEES AND EXPENSES

To encourage large purchases in the Funds and to achieve effective management fees that are competitive for these investments, the Manager may reduce the management and/or incentive fee payable by a Fund with respect to the shares held by a particular investor at its discretion, 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 hold \$15,000,000 of investments in a Fund in order to be eligible for a management fee rebate. The minimum amount may be waived or reduced in the absolute discretion of the Manager. Investors who receive the benefit of a management fee and/or incentive fee rebate automatically have such rebate reinvested in additional shares of the same series of the Fund. See “Fees and Expenses” in the Funds’ simplified prospectus for more information.

INCOME TAX CONSIDERATIONS FOR INVESTORS

The following is a general summary of the principal Canadian federal income tax rules in effect or proposed that apply to the Corporation and its shareholders at the date of this annual information form. This summary assumes you are an individual (other than a trust) resident in Canada and that you hold your Fund shares 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. We recommend that you seek independent advice regarding your own personal tax situation.

TAXATION OF THE CORPORATION

The Corporation intends to qualify at all times 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. If the Corporation were to fail to qualify as a mutual fund corporation, the income tax considerations described below would in some respects be materially and adversely different.

Although the assets and liabilities attributable to each Fund of the Corporation are tracked separately, the Corporation, like any other mutual fund corporation with a multi-class structure, must compute its net income and net capital gains for tax purposes as a single entity. In general, the Corporation will not pay tax on taxable dividends received from taxable Canadian corporations or on net capital gains realized by it because it will pay sufficient ordinary dividends and capital gains dividends to its shareholders to eliminate its tax liability thereon. The Corporation will also earn income from other sources and the Corporation will be liable for tax on income from such other sources (such as interest and foreign income) at full corporate rates and may be subject to foreign withholding taxes. If the Corporation has sufficient deductible expenses and tax deductions/credits available, it will not have any material net Canadian income tax liability in any year.

The Corporation is required to calculate its net income and net capital gains in Canadian dollars for purposes of the Tax Act, and may, as a consequence, realize income or capital gains from changes in the value of the a foreign currency relative to the Canadian dollar.

Since the Corporation must compute its net income and net capital gains for tax purposes as a single entity, the dividends paid to an investor in a Fund will differ from the dividends or distributions the investor would have received if the investor had invested in a mutual fund corporation which did not have the multi-class structure or in a mutual fund trust, each of which made the same investments as the Fund. For example, if a particular Fund had a net loss or net realized capital loss, that net loss or net realized capital loss may be applied to reduce the income

and net realized capital gains of the Corporation as a whole. This will generally benefit investors in other Funds in the Corporation to the extent that it reduces the amount of dividends to be paid by the Corporation to investors in the other funds since their current income inclusions will be reduced but not the value of their securities in such Funds. The amount of capital gains dividends to be paid by a Fund will be affected by the level of redemptions from all Funds within the Corporation as well as accrued gains and losses of the Corporation as a whole.

The Corporation may have to modify its investments as a consequence of investors switching between Funds within the Corporation. As a result, more of its accrued gains and losses may be recognized at an earlier time compared with a mutual fund that does not allow for tax-deferred switching among asset pools. In certain circumstances, this may accelerate the recognition of gains by investors as a consequence of the earlier payment of capital gains dividends.

The income and net capital gains of the Corporation will be allocated to each fund that the Corporation may establish, including the Funds, and to each series of such funds, in the sole discretion of the Corporation acting on a reasonable basis.

SHARES HELD IN A NON-REGISTERED ACCOUNT

Distributions

You must include in computing your income for tax purposes all distributions (other than returns of capital) 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 distributions that will be capital gains dividends, ordinary dividends or returns of capital 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, including the enhanced gross-up and dividend tax credit in respect of ordinary dividends that are designated by the Corporation as “eligible dividends.” Distributions of paid-up capital are not subject to tax, but will reduce the adjusted cost base of your shares of the Corporation. To the extent that the adjusted cost base of your shares becomes negative, you will be considered to have realized a capital gain and the adjusted cost base of your shares will be reset to zero.

The share price 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.

By the end of February of each year, we will send you a tax form identifying all of the distributions that were paid to you by the Funds during the previous year.

Generally, you are required to include any management fee rebates received from the Manager in your income.

Switches

When you switch your shares of a Fund to shares of another fund within the Corporation or to 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 that series (subject to any requirement to average the cost with other shares identical to the new shares you already owned).

Although investors can switch between the Funds (and funds that the Corporation may create in the future) on a tax-deferred basis, the Funds are still expected to have capital gains resulting from the sale of assets due to shareholder transfers between the funds and normal portfolio trading within those funds. The Funds 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 described 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. For details on computing your adjusted cost base see “Income Tax Considerations for Investors” in the Simplified Prospectus.

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 the 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 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.

In certain situations where you dispose of shares of a Fund and would otherwise realize a capital loss, the loss will be denied. This may occur if you, your spouse or another person affiliated with you (including a corporation controlled by you) has acquired shares of the same class or series of the Fund (“substituted shares”) within 30 days before or after you dispose of your shares. In these circumstances, your capital loss may be denied. The amount of the denied capital loss will be added to the adjusted cost base to the owner of the shares which are substituted shares.

Alternative Minimum Tax

Depending on your personal circumstances, you may be liable to pay an alternative minimum tax on ordinary dividends or capital gains dividends received from the Corporation and on capital gains realized on the disposition of shares of a Fund.

SHARES HELD IN A REGISTERED PLAN

As long as the Corporation qualifies as a “mutual fund corporation” for tax purposes, shares of the Funds are qualified investments for your registered tax plan, such as an RRSP, RRIF, DPSP, RESP, RDSP or TFSA.

If you hold shares of a Fund in a registered tax 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 a registered tax plan (other than a TFSA) generally are taxable to the beneficiary of the plan.

If the shares of a Fund are “prohibited investments” for the purposes of a TFSA, RRSP or RRIF, and you hold your shares in a TFSA, RRSP or RRIF you will be subject to a penalty tax as set out in the *Income Tax Act* (Canada). A “prohibited investment” would include a share of a Fund, if the Corporation does not deal at arm’s length with you, or if you have a significant interest in the Corporation. A significant interest, in general terms, means the ownership of 10% or more of any series of shares of the Corporation by the holder, either alone or together with persons with whom the holder does not deal at arm’s length. Investors are responsible for determining the consequences to them under the relevant income tax legislation of acquiring shares through a Registered Plan, and the Funds and the Manager do not assume any liability as a result of shares being acquired by a Registered Plan. **If an investor chooses to purchase shares of a Fund through a Registered Plan, the investor should consult his or her own professional advisor regarding the tax treatment of contributions to, and acquisitions of property by, such a plan, and the application of the prohibited investment rules.**

REMUNERATION OF DIRECTORS AND OFFICERS

During the year ended December 31, 2013, the most recent financial year-end of the Funds, no salaries or other compensations or reimbursements were paid (or are payable) by the Funds to the directors or officers of the Corporation or the Manager, nor to any independent boards excepting the IRC. See “Fund Governance – Independent Review Committee” for information on the compensation paid by the Funds to members of the IRC.

MATERIAL CONTRACTS

The Corporation was formed under the *Business Corporations Act* (Ontario) by articles of incorporation dated November 2, 2007, as amended by articles of amendment dated May 14, 2009 and articles of amendment dated July 8, 2010. Copies of such articles and the following material contracts are available for inspection during normal business hours at the head office of the Funds:

- (1) the Custodian Agreement as described on page 14 under “Custodian and Recordkeeper”;
- (2) the Management Agreements as described on page 12 under “Responsibility for Operation of the Funds”; and
- (3) the StoneCastle Investment Management Agreement as described on page 12 under “Portfolio Adviser”; and
- (4) the AIP Investment Management Agreement as described on page 13 under “Portfolio Adviser”.

LEGAL AND ADMINISTRATIVE PROCEEDINGS

There are currently no ongoing legal or administrative proceedings involving the Manager which may be material to the Funds, nor are there any such proceedings known to be contemplated as of the date of this Annual Information Form.

SEVERAL DISCLOSURE

The shares of the Funds are offered under a single simplified prospectus and this single annual information form because many of the attributes of the Funds and their shares are the same. Nevertheless, each of the Funds is responsible only for the disclosure contained in such documents, which pertains to it and disclaims any responsibility for the disclosure pertaining to any other Fund. The certificate appended to this annual information form applies severally to each of the Funds as though such Fund was the only Fund referred to.

CERTIFICATE OF THE FUNDS

REDWOOD EQUITY GROWTH CLASS *
REDWOOD INCOME GROWTH CLASS *
REDWOOD GLOBAL MACRO CLASS *
(* A class of shares of Ark Mutual Funds Ltd.)

This annual information form, together with the simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of each of the provinces of Canada do not contain any misrepresentations.

Dated: August 13, 2014

“Jonathan Clapham”

Jonathan Clapham
Chief Executive Officer of
Ark Mutual Funds Ltd.

“Peter J. Shippen”

Peter J. Shippen
Chief Financial Officer of
Ark Mutual Funds Ltd.

ON BEHALF OF THE BOARD OF DIRECTORS OF ARK MUTUAL FUNDS LTD.

“Jonathan Clapham”

Director

“Peter J. Shippen”

Director

“Nick Tintor”

Director

CERTIFICATE OF THE MANAGER AND THE PROMOTER

REDWOOD EQUITY GROWTH CLASS *

REDWOOD EQUITY INCOME CLASS *

REDWOOD GLOBAL MACRO CLASS *

(* A class of shares of Ark Mutual Funds Ltd.)

(each a “Fund” and, collectively, the “Funds”)

This annual information form, together with the simplified prospectus and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of each of the provinces of Canada and do not contain any misrepresentations.

Dated: August 13, 2014

“Jonathan Clapham”

Jonathan Clapham
Chief Executive Officer of
Redwood Asset Management Inc.

“Peter J. Shippen”

Peter J. Shippen
Chief Financial Officer of
Redwood Asset Management Inc.

ON BEHALF OF THE BOARD OF DIRECTORS OF REDWOOD ASSET MANAGEMENT
INC. IN ITS CAPACITY AS MANAGER AND PROMOTER OF THE FUNDS

“Nick Tintor”

Nick Tintor
Director

**REDWOOD GLOBAL MACRO CLASS
REDWOOD EQUITY GROWTH CLASS
REDWOOD INCOME GROWTH CLASS**

Manager

**Redwood Asset Management Inc.
120 Adelaide Street West
Suite 2400, P O Box 23
Toronto, Ontario M5H 1T1
Tel: (416) 368-8898
Toll-free: 1-877-313-7011**

For more information, you, as a purchaser, should refer to the applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a lawyer.

Additional information about the Funds is available in the Funds' Simplified Prospectus, Fund Facts and financial statements. These documents are incorporated by reference into this Annual Information Form, 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 the Funds' Simplified Prospectus, Fund Facts, financial statements, management reports of fund performance including a statement of portfolio transactions, at your request, and at no cost, by calling (416) 368-8898, or 1-877-313-7011, or from your dealer or by email at invest@redwoodasset.com or by writing us at the address below.

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