



**AMENDED AND RESTATED ANNUAL INFORMATION FORM
DATED JANUARY 1, 2019, AMENDING AND RESTATING THE
ANNUAL INFORMATION FORM DATED AUGUST 10, 2018**

Offering Class A, Class UA, Class F, Class UF and Class I Units

ALTERNATIVE FUNDS

**EHP Guardian Alternative Fund
EHP Advantage Alternative Fund
EHP Guardian International Alternative Fund
EHP Advantage International Alternative Fund
EHP Select Alternative Fund
EHP Global Arbitrage Alternative Fund**

The Funds and the units of the Funds are offered under this document in all of the provinces and territories of Canada. The units are intended primarily for purchase by residents of Canada.

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

The Funds and the units of the Funds offered under this document are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance on exemptions from registrations.

Dated: January 1, 2019

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FORWARD-LOOKING STATEMENTS

Certain statements in this Annual Information Form are forward-looking statements, including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend” and similar expressions to the extent they relate to the Funds (as defined herein) or the Manager (as defined herein). Forward-looking statements are not historical facts but reflect the current expectations of the Company or the Manager regarding future results or events. Such forward-looking statements reflect the Funds or the Manager’s current beliefs and are based on information currently available to them. Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results or events to differ materially from current expectations. Some of these risks, uncertainties and other factors are described under the heading “Risk Factors” in the Annual Information Form. Although the forward-looking statements contained in this Annual Information Form are based upon assumptions that the Funds and the Manager believe to be reasonable, neither the Funds nor the Manager can assure investors that actual results will be consistent with these forward-looking statements. Unless otherwise stated, the forward-looking statements contained in this Annual Information Form are made as at the date hereof and neither the Funds nor the Manager assumes any obligation to update or revise them to reflect new events or circumstances, except as required by law.

NAME, FORMATION AND HISTORY OF THE FUNDS

In this document, “we”, “us” or “our” refers to EHP Funds Inc., the manager (“**Manager**”), portfolio manager (“**Portfolio Manager**”), trustee (“**Trustee**”) and promoter (“**Promoter**”) of EHP Guardian Alternative Fund, EHP Advantage Alternative Fund, EHP Guardian International Alternative Fund, EHP Advantage International Alternative Fund, EHP Select Fund, and EHP Global Arbitrage Fund (collectively, the “**Funds**” and each, a “**Fund**”). References to “you” or “Unitholder” mean the reader as a potential or actual investor in the Funds..

EHP Funds Inc. is the Manager, Portfolio Manager, Trustee and Promoter of the Funds, replacing the former manager, portfolio manager, trustee and promoter of Funds, EdgeHill Partners, an affiliate of EHP Funds Inc. Each Fund is an open-ended mutual fund trust governed under the laws of Ontario pursuant to an amended and restated master declaration of trust dated January 1, 2019, amending and restating the declaration of trust dated August 10, 2018 (the “**Master Declaration of Trust**”). The principal office of the Funds and the Manager is located at 45 Hazelton Avenue, Suite B, Toronto, Ontario M5R 2E3.

INVESTMENT RESTRICTIONS AND PRACTICES

The simplified prospectus contains detailed descriptions of the investment objectives, investment strategies and the fund risks for the Funds. In addition, the Funds are subject to certain restrictions and practices contained in securities legislation, including National Instrument 81-102 *Investment Funds* (“**NI 81-102**”). These restrictions are designed, in part, to ensure that the investments of mutual funds are diversified and relatively liquid and to ensure the proper administration of mutual funds. We intend to manage the Funds in accordance with these restrictions and practices or to obtain relief from the securities regulatory authorities before implementing any variations.

NI 81-102 prescribes that Unitholder approval must be obtained before any change can be made to the fundamental investment objectives of the Funds.

Eligibility for Registered Tax Plans

In order for units to be “qualified investments” for registered retirement savings plans (“**RRSPs**”), registered retirement income funds (“**RRIFs**”), tax-free savings accounts (“**TFSAs**”), registered education savings plans (“**RESPs**”) and deferred profit sharing plans (“**DPSPs**”) (each a “**Registered Plan**” and, collectively, “**Registered Plans**”), the Funds must satisfy certain investment restrictions in the *Income Tax Act* (Canada) (the “**Tax Act**”), to qualify as a “mutual fund trust” for the purposes of the Tax Act. The Funds intend to comply with such restrictions to qualify as a “mutual fund trust” for purposes of the Tax Act. Holders of TFSAs, annuitants of RRSPs, RRIFs or DPSPs, or subscribers of RESPs, as the case may be, should consult with their own advisors as to whether units would be “prohibited investments” for such plans for the purposes of the Tax Act. We do not permit the Fund to be held within registered disability savings plans (“**RDSPs**”).

Standard Investment Restrictions and Practices

The remaining standard investment restrictions and practices set out in NI 81-102 are deemed to be included in this annual information form.

Change of Investment Objectives and Strategies

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

DESCRIPTION OF UNITS

Each Fund is a separate trust formed under the Master Declaration of Trust. Each Fund is permitted to issue an unlimited number of classes of units and may issue an unlimited number of units of each class. Each of the Funds has created Class A, Class UA, Class F, Class UF and Class I units. Units of each Fund have the following attributes:

- (a) each unit shall be without nominal or par value;
- (b) at each meeting of Unitholders, each Unitholder shall have one vote for each unit owned by such Unitholder as determined at the close of business on the record date for voting each such meeting, with no voting rights being attributed to fractions of a unit;
- (c) the holder of each unit will participate in distributions of income, capital gains and returns of capital, and in the division of net assets of a Fund on liquidation based on the relative net asset value of the holder's particular class of units and in accordance with the Master Declaration of Trust;
- (d) there shall be no pre-emptive rights attaching to the units;
- (e) there shall be no cancellation or surrender provisions attaching to the units except as set out in the Master Declaration of Trust;
- (f) all units shall be issued as fully paid and non-assessable so that there shall be no liability for future calls or assessments with respect to the units;
- (g) all units shall be fully transferable with the consent of the Trustee as provided in the Master Declaration of Trust; and
- (h) fractional units may be issued and shall be proportionately entitled to all the same rights as whole units, except as provided in the Master Declaration of Trust.

Class A units: Available to all investors.

Class UA units: Denominated U.S. dollars and available to all investors.

Class F units: Available to investors who are enrolled in a dealer sponsored fee for service or wrap program and who are subject to an annual asset-based fee rather than commissions on each transaction or, at the discretion of the Manager, any other investor for whom the Manager does not incur distribution costs.

Class UF units: Denominated U.S. dollars and available to investors who are enrolled in a dealer sponsored fee for service or wrap program and who are subject to an annual asset-based fee rather than commissions on

each transaction or, at the discretion of the Manager, any other investor for whom the Manager does not incur distribution costs.

Class I units: Available to institutional investors or to other investors on a case-by-case basis, all at the discretion of the Manager. Also available to certain of our employees and employees of affiliated entities and, at our discretion, to former employees and to relatives of current and former employees.

If you cease to satisfy criteria for holding units of a particular class, the Manager may reclassify your units as such number of units of another class of the same Fund that you are eligible to hold having an aggregate equivalent net asset value.

Matters Requiring Unitholder Approval

Meetings of Unitholders may be convened by the Trustee from time to time as it may deem advisable and in accordance with the notice provisions set out in the Master Declaration of Trust. Unless otherwise provided in the Master Declaration of Trust or by securities legislation, every question submitted to a meeting of Unitholders will be decided by the majority of votes cast. Meetings of Unitholders will be convened to consider and approve:

- (a) a change in the basis of the calculation of a fee or expense that is charged to a Fund or directly to its Unitholders by the Fund or the Manager in connection with the holding of securities of the Fund where such change could result in an increase in charges to a Fund or to its Unitholders;
- (b) the introduction of a fee or expense, to be charged to a Fund or directly to its Unitholders, by the Fund or the Manager in connection with the holding of securities of the Fund that could result in an increase in charges to the Fund or to its Unitholders;
- (c) a change in the manager of a Fund, unless the new manager is an affiliate of the current manager;
- (d) a change in the fundamental investment objectives of a Fund;
- (e) a decrease in the frequency of the calculation of the net asset value per unit of a Fund;
- (f) in certain cases, a reorganization of a Fund with, or transfers its assets to, another issuer; or
- (g) any other matter or thing stated in the Master Declaration of Trust that is required to be consented to or approved by Unitholders.

Unitholder approval will not be obtained in respect of a change of (a) or (b) listed above if a Fund is at arm's length to the person or company charging the fee or expense, and we provide the Unitholders with at least 60 days' written notice of the effective date of the proposed change.

Although the approval of Unitholders will not be obtained before changing the auditor of the Funds, we will not change the auditor unless:

- (a) the Funds' Independent Review Committee (see "*Fund Governance – Independent Review Committee*" below) has approved the change in compliance with National Instrument 81-107 – *Independent Review Committee for Investment Funds* ("**NI 81-107**"); and
- (b) we have provided you with written notice at least 60 days prior to the change.

Permitted Mergers

Each Fund may, without unitholders' approval, enter into a merger or other similar transaction which has the effect of combining the fund or its assets (a "**Permitted Merger**") with any other investment fund or funds that have investment objectives that are similar to the Fund, subject to:

- (a) approval of the merger by the Fund's the independent review committee of the Funds (the "**IRC**") in accordance with NI 81-107;
- (b) the Fund being reorganized with, or its assets being transferred to, another mutual fund to which NI 81-102 and NI 81-107 apply, and that is managed by the Manager, or an affiliate of the Manager;
- (c) compliance with certain other requirements of the pre-approval conditions set out in section 5.6 of NI 81-102; and
- (d) Unitholders have received at least 60 days' notice which notice may be by way of press release, before the effective date of the Permitted Merger.

In connection with a Permitted Merger, the merging funds will be valued at their respective net asset values for the purpose of such transaction.

VALUATION OF PORTFOLIO SECURITIES

The net asset value of a Fund will be calculated by the Administrator as of each Valuation Day by subtracting the amount of the liabilities of a Fund from the total assets of a Fund. The assets and liabilities of a Fund will be valued as follows:

- (a) the value of any cash on hand, on deposit or on call, prepaid expenses, cash dividends declared, and interest accrued and not yet received, shall be deemed to be the face amount thereof, unless the Portfolio Manager determines that any such deposit or call loan is not worth the face amount thereof, in which event the value thereof shall be deemed to be such value as the Portfolio Manager determines to be the reasonable value thereof;
- (b) the value of any bonds, debentures, and other debt obligations shall be valued at mid prices from recognized pricing vendors on a Valuation Day at such times as the Portfolio Manager, in its discretion, deems appropriate. Short-term investments including notes and money market instruments shall be valued at cost plus accrued interest;
- (c) the value of any security, index futures or index options thereon which is listed on any recognized exchange shall be determined by the closing sale price at the close of business on the Valuation Day or, if there is no sale price, the average between the closing bid and the closing asked price on the day on which the net asset value of the Fund is being determined, all as reported by any report in common use or authorized as official by a recognized stock exchange; provided that if such stock exchange is not open for trading on that date, then on the last previous date on which such stock exchange was open for trading;
- (d) the value of any security which is traded over-the-counter will be priced at the average of the last bid and asked prices quoted by a major dealer or recognized information provider in such securities;
- (e) the value of any security or other asset for which a market quotation is not readily available shall be its fair market value as determined by the Portfolio Manager;

- (f) the value of any security, the resale of which is restricted or limited, shall be the lesser of the value thereof based on reported quotations in common use and that percentage of the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, undertaking or agreement or by law, equal to the percentage that the Fund's acquisition cost was of the market value of such securities at the time of acquisition; provided that a gradual taking into account of the actual value of the securities may be made where the date on which the restriction will be lifted is known;
- (g) purchased or written clearing corporation options, options on futures, over-the-counter options, debt like securities and listed warrants shall be valued at the current market value thereof;
- (h) where a covered clearing corporation option, option on futures or over-the-counter option is written, the premium received by the Fund shall be reflected as a deferred credit which shall be valued at an amount equal to the current market value of the clearing corporation option, option on futures or over-the-counter option that would have the effect of closing the position. Any difference resulting from revaluation of such options shall be treated as an unrealized gain or loss on investment. The deferred credit shall be deducted in arriving at the net asset value.

The securities, if any, which are the subject of a written clearing corporation option, or over-the-counter option shall be valued at their then current market value;

- (i) the value of a futures contract, or a forward contract, shall be the gain or loss with respect thereto that would be realized if, at 4:00 p.m. (Eastern Time) (the "**Valuation Time**") or such other day deemed appropriate by the Manager, the position in the futures contract, or the forward contract, as the case may be, were to be closed out unless daily limits are in effect in which case fair value shall be based on the current market value of the underlying interest;
- (j) the value of any swap will be based on dealer-supplied valuations determined by using observable inputs;
- (k) the value of the securities of an investment fund shall be the net asset value or similar value of the securities of the investment fund as provided by the Portfolio Manager or party acting in a similar capacity of the Fund and available to the Administrator as of a time proximate to the close of business on the date on which the net asset value is being calculated, whether or not the securities of such investment fund are listed or dealt with on a stock exchange. If a net asset value or similar value of the investment fund as of a time reasonably proximate to the close of business on the date on which the net asset value is being calculated is not available to the Administrator, the value shall be based on an estimate provided by the Portfolio Manager or in such other manner as the Portfolio Manager shall determine;
- (l) margin paid or deposited in respect of futures contracts and forward contracts shall be reflected as an account receivable and margin consisting of assets other than cash shall be noted as held as margin;
- (m) all securities, property and assets of a Fund valued in a foreign currency and all liabilities and obligations of a Fund payable by a Fund in foreign currency shall be converted into Canadian funds by applying the rate of exchange obtained from the best available sources to the Administrator, including, but not limited to, the Portfolio Manager or any of its affiliates;

- (n) all expenses or liabilities (including fees payable to the Manager) of a Fund shall be calculated on an accrual basis; and
- (o) the value of any security or property to which, in the opinion of the Portfolio Manager, the above valuation principles cannot be applied (whether because no price or yield equivalent quotations are available as above provided, or for any other reason) shall be the fair value thereof determined in such manner as the Portfolio Manager from time to time provides.

The net asset value of the Funds and the class net asset value for each of the Class A, Class F and Class I Units of each Fund are calculated and reported in Canadian dollars.

The class net asset value of the Class UA and Class UF Units of each Fund, which are purchased and redeemed only in U.S. dollars, is obtained by converting the Canadian dollar value of the Fund's net assets attributable to the Class UA and Class UF Units to U.S. dollars using the exchange rate on the applicable Valuation Date and adjusting for the value of the currency hedges entered into in respect of such Units in order to minimize the effect of currency movements between the Canadian dollar and the U.S. dollar. The costs associated with the currency hedging strategy will be allocated only to the Class UA and Class UF Units and therefore will be reflected only in the class net asset value of the Class UA and Class UF Units, and will not be reflected in the class net asset values of the other classes of Units.

The Administrator is entitled to rely on any values or quotations supplied to it by a third party, including the Portfolio Manager, and is not required to make any investigation or inquiry as to the accuracy or validity of such values or quotations. Provided the Administrator acts in accordance with its standard of care, it shall be held harmless by the Funds and shall not be responsible for any losses or damages resulting from relying on such information.

If an investment cannot be valued under the foregoing rules or under any other valuation rules adopted under applicable securities laws, or if any rules we have adopted are not set out under applicable securities laws but at any time are considered by us to be inappropriate under the circumstances, then we shall use a valuation which we consider to be fair and reasonable in the interests of investors in the Funds. In those circumstances, the Administrator would typically review current press releases concerning the investment security, discuss an appropriate valuation with other portfolio managers, analysts and consult other industry sources to set an appropriate fair valuation. If at any time the foregoing rules conflict with the valuation rules required under applicable securities laws, the Administrator will follow the valuation rules required under applicable securities laws.

The Master Declaration of Trust contains details of the liabilities to be included in calculating the net asset value of the Funds and the net asset value per class or Unit price. The liabilities of the Funds include, without limitation, all bills, notes and accounts payable, all administrative fees and operating expenses payable or accrued, all contractual obligations for the payment of money or property, all allowances authorized or approved by us for taxes (if any) or contingencies and all other liabilities of the Funds. In making the calculation of the Unit price, we will use the latest reported information available on each Valuation Day. The purchase or sale of portfolio securities by the Funds will be reflected in the first calculation of the Unit price after the date on which the transaction becomes binding.

Differences from International Financial Reporting Standards

The Funds' financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and those principles may differ from the valuation principles that are set out in this Annual Information Form.

CALCULATION OF NET ASSET VALUE

Valuation Days

Each Fund's net asset value is calculated at the close of regular trading, normally 4:00 p.m. (Eastern Time), on a day the Toronto Stock Exchange ("TSX") is open (a "Valuation Day").

Any purchase, reclassification or redemption instruction received after 4:00 p.m. (Eastern Time) on a Valuation Day will be processed on the next Valuation Day.

As Manager, we are responsible for determining the net asset value of the Funds. However, we may delegate some or all of the responsibility in relation to such determination to the Administrator.

How We Price a Fund's Units

The Funds' units are divided into the Class A, Class UA, Class F, Class UF and Class I units. Each class is divided into units of equal value. When you invest in a Fund, you are purchasing units of a specific class of that Fund.

The net asset value of each Fund will be calculated in Canadian dollars. The Class A, Class F and Class I Units of each Fund are denominated in Canadian dollars. The Class UA and Class UF Units of each Fund are denominated in U.S. dollars, and the returns of the Class UA and Class UF Units are generally hedged back to the Canadian dollar. Holders of Class UA and Class UF Units who exchange those units for units of another class will do so at the prevailing Canadian/U.S dollar exchange rate.

All transactions are based on the net asset value per unit for each class of units ("Unit Price"). We calculate all Unit Prices at the close of trading on the TSX on each Valuation Day. The Unit Price can change on each Valuation Day.

The Unit Price is calculated for each class of units. The Unit Price is the price used for all purchases, switches, reclassifications and redemptions of units of that class (including purchases made on the reinvestment of distributions). The price at which units are issued or redeemed is based on the next applicable Unit Price determined after the receipt of the purchase or redemption order.

Here is how we calculate the Unit Price of each class of each of the Funds:

- We take the fair value of all the investments and other assets allocated to the class.
- We then subtract the liabilities allocated to that class. This gives us the net asset value for the class.
- We divide this amount by the total number of units of the class that investors in a Fund are holding. That gives us the Unit Price for the class.
- The class net asset value per Class UA and Class UF Unit is the U.S. dollar value of such net assets attributable to the Class UA and Class UF Units, divided by the number of Class UA and Class UF Units outstanding at that Valuation Date.

To determine what your investment in a Fund is worth, simply multiply the Unit Price of the class of units you own by the number of units you own.

Although the purchases and redemptions of units are recorded on a class basis, the assets attributable to all of the class of a Fund are pooled to create one fund for investment purposes.

Each class pays its proportionate share of Fund costs in addition to its management fee and performance fee. The difference in fund costs, management fees and performance fees between each class means that each class has a different net asset value per unit.

You can get the net asset value of a Fund or the net asset value per unit of a class of a Fund, at no cost, by sending an email to info@ehpfunds.com, on the Manager's website at www.ehpfunds.com, by calling toll-free at 1-833-360-3100 or at 416-360-0310 (collect calls are accepted) or by asking your dealer.

PURCHASES, SWITCHES, RECLASSIFICATIONS AND REDEMPTIONS OF UNITS

You may purchase units through an authorized dealer or brokers qualified in your province or territory. Your dealer is there to help you with your investment decisions to determine which Fund is most suitable for you to meet your own risk/return objectives and to place orders on your behalf.

Purchases

You may purchase any class of units of the Funds through an IIROC-registered dealer registered dealer that has entered into a distribution agreement with us to sell the Funds. See "*Description of Units*" for a description of each class of units offered by the Funds. The issue price of units is based on the Unit Price for that particular class.

The minimum initial investment in Class A and Class F units of each Fund is \$2,000, while the minimum initial investment in Class I units is \$500,000. The minimum initial investment in Class UA and Class UF units of each Fund is US\$2,000. The minimum subsequent investment in each Fund is \$500 or US\$500, as applicable, unless you buy through a pre-authorized contribution plan, in which case, the minimum subsequent investment is \$50 or US\$50, as applicable, per Fund. These minimum investment amounts may be adjusted or waived in the discretion of the Manager.

If we receive your purchase order before 4:00 p.m. (Eastern Time) on a Valuation Day, we will process your order at the unit price calculated later that day. Otherwise, we will process your order at the unit price calculated on the next Valuation Day. We may process orders at an earlier time if the TSX closes for trading earlier on a particular day. Orders received after that earlier closing time would be processed on the next Valuation Day.

Please contact your dealer to find out how to place an order. Please note that dealers may establish cut-off times for receiving purchase orders so that they may be properly processed prior to the 4:00 p.m. (Eastern Time) deadline on the applicable Valuation Day. When you submit money with a purchase order, the money will be held in our trust account and any interest the money earns before it is invested in a Fund is credited to such Fund, not to your account.

We must receive the appropriate documentation and payment in full within two business days of receiving your purchase order in order to process a purchase order. If a Fund does not receive payment in full within the required time or if a cheque is returned because of non-sufficient funds, we will sell the securities that you bought. If we sell them for more than you paid, the Fund will keep the difference. If we sell them for less than you paid, we will bill you for the difference plus any costs or interest. We do not issue certificates when you purchase a Fund. We are entitled to reject any purchase order, but we can only do so within one business day of receiving it. If we reject an order, we will return immediately to your dealer any monies we have received from you in connection with that order.

At the Manager's sole discretion, a Fund may suspend new subscriptions of the fund units.

Please see “*Fees and Expenses*” and “*Dealer Compensation*” in the simplified prospectus for more information on the fees and expenses and dealer compensation applicable to each class.

Redemptions

If we receive your redemption order before 4:00 p.m. (Eastern Time) on any Valuation Day, we will process your order at the unit price calculated later that day. Otherwise, we will process your order at the unit price calculated on the next Valuation Day. We may process orders at an earlier time if the TSX closes for trading earlier on a particular day. Orders received after that earlier closing time would be processed on the next Valuation Day.

Redemption payments will be made in Canadian dollars except that redemptions of Units purchased in U.S. dollars will be paid in U.S. dollars.

The latest we will send you your money will be two business days after the Valuation Day used to process your sell order. Required documentation may include a written order to sell with your signature, guaranteed by an acceptable guarantor. If you redeem through your advisor, they will advise you what documents they require. Any interest earned on the proceeds of an order to redeem before you receive the money will be credited to the Funds, not to your account. Redemption proceeds are paid in the applicable currency that the class of units is denominated.

Under exceptional circumstances we may be unable to process your redemption order. This would most likely occur if market trading has been suspended on any exchanges including stock exchanges on which more than 50% by value of a Fund’s assets are listed and if a Fund’s portfolio securities cannot be traded on any other exchange that represents a reasonably practical alternative. During these periods units will also not be issued.

The Funds may postpone a redemption payment during any period which redemption rights are suspended in the circumstances described above as required by securities legislation or with the approval of the applicable securities regulatory authorities.

There are no redemption fees for the Funds, except as described under “*Fees and Expenses – Fees and Expenses Payable Directly by You – Short-Term Trading Fee*” in the simplified prospectus.

Switches between Funds

You may switch all or part of your investment in a class of units of a Fund to units of the same class of another Fund. This is called a switch.

The Class UA and Class UF Units of each Fund are denominated in U.S. dollars, and the returns of the Class UA and Class UF Units are hedged back to the Canadian dollar, as described under “*What are the specific investment risks of investing in a mutual fund? – Currency Risk*” in the simplified prospectus. Holders of Class UA and Class UF Units who exchange those units for units of another class will do so at the prevailing Canadian/U.S dollar exchange rate.

Your dealer may charge you a switch fee of up to 2% based on the net asset value of the applicable class of units of a Fund you switch from one Fund to another Fund. You may negotiate the amount with your dealer. Please see “*Fees and Expenses*” and “*Dealer Compensation*” in the simplified prospectus for more information on the fees and expenses and dealer compensation applicable to switches. A switch will be a disposition for tax purposes and may give rise to a taxable gain or loss. Please see “*Income Tax Considerations for Investors*” for details.

Reclassifications between Classes of the Same Fund

You may reclassify all or part of your investment from one class of units to another class of units of the same Fund, as long as you are eligible to hold that class of units. This is called a reclassification.

Your dealer may charge you a reclassification fee of up to 2% based on the net asset value of the applicable class of units of a Fund you reclassify from one class of units to another class of units of the same Fund. You may negotiate the amount with your dealer. Please see “*Fees and Expenses*” and “*Dealer Compensation*” in the simplified prospectus for more information on the fees and expenses and dealer compensation applicable to reclassifications.

The value of your investment, less any fees, will be the same immediately after the reclassification. You may, however, own a different number of units because each class may have a different Unit Price. Reclassifying units from one class to another class of the same fund is generally not a disposition for tax purposes. However, a conversion of Class UA and Class UF Units into a class of units that is denominated in Canadian dollars will likely result in a disposition for tax purposes. Please see “*Income Tax Considerations for Investors*” for details.

RESPONSIBILITY FOR FUND OPERATIONS

The Manager

EHP Funds Inc. is the manager of the Funds. The registered office of the Manager is located at 45 Hazelton Ave, Suite B, Toronto, Ontario M5R 2E3. The Manager can be contacted by telephone toll-free at 1-833-360-3100 or at 416-360-0310 (collect calls are accepted), or by email at info@ehpfunds.com The Manager’s website is www.ehpfunds.com

Pursuant to the Master Declaration of Trust, we retain full authority and responsibility to manage the business and affairs of the Funds and are responsible for each Fund’s day-to-day operations. Pursuant to the Master Declaration of Trust, 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.

Directors and Executive Officers of the Manager

Name	Municipality of Residence	Office	Principal Occupation
Jason Mann	Toronto, Ontario	Director, Ultimate Designated Person and Chief Executive Officer	Director, Ultimate Designated Person, Chief Executive Officer, Chief Investment Officer and Portfolio Manager
Ian Fairbrother	Toronto, Ontario	Director and President	Director and Portfolio Manager
Darryl DeMers	Burlington, Ontario	Director, Chief Financial Officer and Chief Compliance Officer	Director, Chief Financial Officer and Chief Compliance Officer

James Park	Toronto, Ontario	Chief Risk Officer	Chief Risk Officer and Portfolio Manager
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Trustee

EHP Funds Inc. acts as the trustee of the Funds pursuant to the Master Declaration of Trust. The Trustee has those powers and responsibilities in respect of the Funds as described in the Master Declaration of Trust. The Trustee is required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Funds and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Pursuant to the Master Declaration of Trust, the Manager may remove the Trustee and appoint a successor trustee from time to time on 90 days' written notice or in certain other circumstances. The Trustee or any successor appointed pursuant to the terms of the Master Declaration of Trust may resign upon 90 days' written notice to the Manager, who shall use its best efforts to appoint a successor trustee. If no successor Trustee is appointed the Funds shall be terminated.

The Master Declaration of Trust provides that the Trustee and its affiliates have a right of indemnification from each of the Funds for any claims arising out of the execution of its duties as trustee, except in cases of negligence, willful default or bad faith on the part of the Trustee. In addition, the Master Declaration of Trust contains provisions limiting the liability of the Trustee, as described in the Master Declaration of Trust.

Portfolio Manager

EHP Funds Inc. acts as the Portfolio Manager of the Funds. The Portfolio Manager is responsible for portfolio management and advisory services for the Funds. Investment decisions are made based on fundamental research and quantitative analysis. The investment decisions by the Portfolio Manager's portfolio management team are not subject to the oversight, approval or ratification of a committee.

The following table sets forth the individuals who are principally responsible for the day-to-day management of a material portion of the portfolio of each Fund:

Fund	Portfolio Management Team
EHP Guardian Alternative Fund	Jason Mann, Ian Fairbrother and James Park
EHP Advantage Alternative Fund	Jason Mann, Ian Fairbrother and James Park
EHP Guardian International Alternative Fund	Jason Mann, Ian Fairbrother and James Park
EHP Advantage International Alternative Fund	Jason Mann, Ian Fairbrother and James Park
EHP Select Alternative Fund	Jason Mann, Ian Fairbrother and James Park
EHP Global Arbitrage Alternative Fund	Jason Mann, Ian Fairbrother and James Park

Jason Mann, Chief Executive Officer and CIO of EHP Funds Inc., has 16 years of investment experience, including as Co-CEO and CIO of EdgeHill Partners, an affiliate of the Manager, where he manages four alternative strategy funds with similar mandates. Prior to co-founding EdgeHill Partners, Mr. Mann was

Managing Director, and Co-Head of the Absolute Return/Arbitrage Group at Scotia Capital, where he had responsibility for managing a proprietary trading book. Mr. Mann is a graduate of Wilfrid Laurier University with an Honours Bachelor of Business Administration Degree and is a CFA charterholder.

Ian Fairbrother, President of EHP Funds Inc., has 24 years of investment industry experience, including as CIO of EdgeHill Partners, an affiliate of the Manager, where he manages four alternative strategy funds with similar mandates. Prior to co-founding EdgeHill Partners, Mr. Fairbrother was Managing Director, Institutional Equities at Scotia Capital, where he had responsibility for managing a proprietary trading book utilizing similar strategies as proposed. Mr. Fairbrother holds a Bachelor of Arts (Psychology) from McMaster University and is a CFA charterholder.

James Park, Chief Risk Officer of EHP Funds Inc., has nine years of investment industry experience, including three years as Chief Risk Officer of EdgeHill Partners, an affiliate of the Manager, where he is a portfolio manager of four alternative strategy funds with similar mandates. Prior to joining EdgeHill Partners, Mr. Park was Director, Head of Canadian Index Arbitrage at Scotia Capital, where he had execution and risk management responsibilities for a hedged proprietary trading book. Mr. Park holds a BAsC in Computer Engineering and a BA in Economics from the University of Waterloo, a Masters of Math Finance from the University of Toronto and is a CFA charterholder.

Brokerage Arrangements

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

The primary consideration in all portfolio transactions will be prompt execution of orders in an efficient manner at the most favourable price. In selecting and monitoring dealers and negotiating commissions, the Portfolio Manager considers the dealer's reliability, the quality of its execution services on a continuing basis and its financial condition. When more than one dealer is believed to meet these criteria, preference may be given to dealers who provide research or statistical material or other services to the Funds or the Portfolio Manager. Such research and order execution goods and services include advice, both directly and in writing, as to the value of securities; the advisability of investing in, purchasing or selling securities; the availability of securities, or purchasers or sellers of securities; analyses and reports concerning issues, industries, securities, economic factors and trends, portfolio strategy or the performance of accounts; trading software; market data; custody, clearing and settlement services that were directly related to executed orders; as well as databases and software that supported these goods and services. Dealers and third parties may provide the same or similar goods and services in the future. The users of these research and order execution goods and services are portfolio managers, research analysts and traders. Such services allow the Portfolio Manager to supplement its own investment research activities and obtain the views and information of others prior to making investment decisions. The Portfolio Manager is of the opinion that, because this material may be analyzed and reviewed by its staff, its receipt and use does not tend to reduce expenses but may benefit the Funds by supplementing the Portfolio Manager's research. The Portfolio Manager conducts trade cost analysis to ensure that the Funds receive a reasonable benefit considering the use of the research and order execution goods and services, as applicable, and the amount of the brokerage commission paid. The Portfolio Manager also makes a good faith determination that the Funds receive reasonable benefit considering the use of the goods and services, the amount of brokerage commissions paid, the range of services and the quality of research received.

Custodian

On behalf of the Funds, the Manager and each custodians (a “**Custodian**”) within the below table have entered into custodian agreements (the “**Custodian Agreements**”), whereby each Custodian has agreed to act as custodian for the applicable Fund and to provide safekeeping and custodian services in respect of each such Funds’ property.

Fund	Custodian	Date Custodian Agreement entered into
EHP Guardian Alternative Fund	CIBC World Markets Inc. Toronto, Ontario	July 27, 2018
EHP Advantage Alternative Fund	CIBC World Markets Inc. Toronto, Ontario	July 27, 2018
EHP Guardian International Alternative Fund	The Bank of Nova Scotia Toronto, Ontario	July 20, 2018
EHP Advantage International Alternative Fund	The Bank of Nova Scotia Toronto, Ontario	July 20, 2018
EHP Select Alternative Fund	The Bank of Nova Scotia Toronto, Ontario	July 20, 2018
EHP Global Arbitrage Alternative Fund	CIBC World Markets Inc. Toronto, Ontario	July 27, 2018

The Custodian receives and holds all cash, portfolio securities and other assets of the Funds for safekeeping and on direction from the Funds will settle on behalf of the Funds the purchase and sale of the Funds’ assets. Under the terms of the custodian agreement and subject to the requirements of the Canadian Securities Administrators, the Custodian may appoint one or more sub-custodians. The fees for custodial services provided by the Custodian are paid by the Funds. The Custodian Agreements can be terminated by the Funds or by the Custodian on 60 days’ prior written notice.

Auditor

KPMG LLP, Chartered Professional Accountants, Toronto, Ontario, is the auditor of the Funds.

Administrator

The Manager, on behalf of the Funds, has entered into an administration agreement with SGGG Fund Services Inc., Toronto, Ontario, (the “**Administrator**”) dated as of July 12, 2018 (the “**Administration Agreement**”) to obtain certain administrative services for the Funds.

The Administrator is responsible for providing administrative services to the Funds, including maintaining the accounting records of the Funds, fund valuation, net asset value calculation and financial reporting services. The fees for administrative services provided by the Administrator are paid by each Fund.

Registrar

SGGG Fund Services Inc., Toronto, Ontario, is the registrar for each Fund. In such capacity, it keeps a register of the owners of units of the Funds, processes purchase and redemption orders, issues investor account statements and issues annual tax reporting information.

Under the Administration Agreement, SGGG Fund Services Inc. is paid a fee for performing its duties as the registrar of the Funds.

Securities Lending Agent

We, on behalf of each of the Funds, may enter into a Securities Lending Authorization Agreement with CIBC World Markets Inc. (“**CIBC**”) of Toronto, Ontario, one of the custodians of the above Funds (the “**Securities Lending Agreement**”).

The securities lending agent is not our affiliate or our associate. The Securities Lending Agreement appoints and authorizes CIBC, where applicable, to act as agent for securities lending transactions for those Funds that engage in securities lending and to execute, in the applicable Fund’s name and on its behalf, securities lending agreements with borrowers in accordance with NI 81-102. The Securities Lending Agreement requires that the collateral received by a Fund in a securities lending transaction must generally have a market value of 105%, but never less than 102%, of the value of the securities loaned. Under the Securities Lending Agreement, CIBC, where applicable, agrees to indemnify us from certain losses incurred in connection with its failure to perform any of its obligations under the Securities Lending Agreement. The Securities Lending Agreement may be terminated at any time at the option of either party upon 30 days’ prior notice to the other party.

Lenders

We, on behalf of each of the Funds, have entered into prime brokerage documentation with CIBC and Scotia Capital Inc. (“**Scotia**”) of Toronto, Ontario, each agreement dated July 27, 2018 and July 20, 2018, respectively (each, a “**Prime Broker Agreement**”). Pursuant to the terms of the Prime Broker Agreements, the applicable Fund may borrow money from CIBC and/or Scotia for investment purposes in accordance with its investment objectives and strategies. Neither CIBC nor Scotia is an affiliate or associate of the Manager.

CONFLICTS OF INTEREST

Principal Holders of Securities

As at January 1, 2019, Jason Mann beneficially owned approximately 45% of the outstanding shares of the Manager.

As at January 1, 2019, Ian Fairbrother beneficially owned approximately 45% of the outstanding shares of the Manager.

As at January 1, 2019, the members of IRC do not own, directly or indirectly, any securities of the Funds, the Manager or any person or company that provides services to the Funds or to the Manager.

Units of the Funds

As at the date of this annual information form, we or an officer of EHP Funds Inc. or an affiliate of EHP Funds Inc., owns, beneficially and of record, units of the Fund as follows:

Fund	Class	Number of Units	Percentage of the Class Owned
EHP Guardian Alternative Fund	I	25,079	100%
EHP Guardian Alternative Fund	A	600	0.186%

Fund	Class	Number of Units	Percentage of the Class Owned
EHP Guardian Alternative Fund	F	100	0.004%
EHP Advantage Alternative Fund	I	25,286	100%
EHP Advantage Alternative Fund	A	598	0.245%
EHP Advantage Alternative Fund	F	100	0.002%
EHP Guardian International Alternative Fund	I	25,940	100%
EHP Guardian International Alternative Fund	A	599	0.618%
EHP Guardian International Alternative Fund	F	100	0.023%
EHP Advantage International Alternative Fund	I	25,000	100%
EHP Advantage International Alternative Fund	A	600	4.958%
EHP Advantage International Alternative Fund	F	100	0.007%
EHP Select Alternative Fund	I	25,121	100%
EHP Select Alternative Fund	A	600	3.953%
EHP Select Alternative Fund	F	100	0.053%
EHP Global Arbitrage Alternative Fund	I	40,261	100%
EHP Global Arbitrage Alternative Fund	A	612	2.307%
EHP Global Arbitrage Alternative Fund	F	100	0.047%

As each Fund is new, the investment by us in these units of the Fund represents the initial investment in the Fund and may be redeemed in accordance with the regulatory requirements only when the Fund has investments of at least \$500,000 by investors not affiliated with us.

Affiliated Entities

There are no affiliated entities of the Manager that provides services to the Funds.

FUND GOVERNANCE

Independent Review Committee

NI 81-107 requires all publicly offered investment funds, such as the Funds, to establish an independent review committee to whom the Manager must refer conflict of interest matters for review or approval. NI 81-107 also imposes obligations upon the Manager 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 conduct regular assessments and provide reports to the Manager and to Unitholders in respect of its functions. The IRC's annual report of its activities for Unitholders is available on the Funds' website at www.ehpfunds.com, or at the Unitholder's request at no

cost by contacting the Funds toll-free at 1-833-360-3100 or at 416-360-0310 (collect calls are accepted), or by email at info@ehpfunds.com.

The investment funds in the Manager's family of funds share the same IRC. The fees and expenses of the IRC are borne and shared *pro rata* by all of the applicable investment funds in the Manager's family of funds. Each investment fund is also responsible for its *pro rata* share of all expenses associated with insuring and indemnifying the IRC members.

The annual fee payable to each member is \$6,000 and \$8,000 for the Chair, plus applicable taxes or other deductions. Expenses incurred by the members of the IRC in connection with performing their duties are also the responsibility of the investment funds, including the Funds.

In accordance with NI 81-107, the mandate of the IRC is to consider and provide recommendations to the Manager on conflicts of interest to which the Manager may be subject when managing the Funds. The IRC is empowered to represent the best interest of the Funds in any matter where the Manager has referred a conflict of interest matter to it. In those cases, it has sought to ensure that the Manager's proposed course of action represents a fair and reasonable result for the Funds.

The current members of the IRC are: Michele McCarthy (Chair), Eamonn McConnell and Geoff Salmon.

Policies Regarding Business Practices

The Manager maintains policies, procedures and guidelines concerning governance of the Funds. These policies, procedures and guidelines aim to monitor and manage the business and sales practices, risk management and internal conflicts of interest relating to the Funds, and to ensure compliance with regulatory and corporate requirements. Each Fund is also managed in accordance with its investment guidelines and those guidelines are monitored regularly by appropriate personnel and senior management of the Manager to ensure compliance therewith.

The Manager is committed to the fair treatment of investors in the products managed by the Manager through the application of high standards of integrity and ethical business conduct by its employees. As a result of this, the Manager has established a Compliance Manual to guide the firm and its employees. This manual governs policies relating to the following subject matter: code of ethics and conduct, trading procedures and proxy voting, in addition to other procedures.

The Manager manages its investment funds in the best interest of each of the funds, in compliance with the requirements of NI 81-107 by setting out its policies and procedures for dealing with conflict of interest matters and providing guidance on managing these conflicts.

In addition to the policies, practices or guidelines applicable to the Funds relating to the business practices, sales practices, risk management and internal conflicts already disclosed in this Annual Information Form, all employees of the Manager are bound by the code of ethics and conduct which, among other things, addresses proper business practices and conflicts of interest and a trading and disclosure policy which sets out the policies and procedures of the Manager with respect to trading and disclosure.

Use of Derivatives

The Portfolio Manager may use derivative instruments to reduce or hedge against various risks, including currency exchange risk associated with foreign investments, movements of the Canadian dollar relative to the U.S. dollar for the Class UA and Class UF units, and as a substitute for purchasing or selling securities directly to obtain investment exposures consistent with its investment objectives, strategies and risk management. The derivatives that the Portfolio Manager may use include, but are not limited to, options,

swaps, futures and forwards. The Portfolio Manager may also employ various option strategies to increase income return of a Fund's portfolio including, but not limited to, covered call and put option writing. No assurance can be given that a Fund's portfolio will be hedged from any particular risk at any time.

The Portfolio Manager has written policies and procedures in place that set out the objectives and goals for derivatives trading and the risk management procedures applicable to those transactions by the Funds. The Chief Compliance Officer of the Portfolio Manager is responsible for setting and reviewing these policies and procedures. These policies and procedures are reviewed and approved at least annually by the management committee of the Portfolio Manager. The compliance team of the Manager is the group that monitors the risks associated with the use of derivatives independent of the portfolio management team. Risk measurement procedures and simulations are used to test the portfolios under stress conditions.

Short Sales

The Fund may engage in short selling, where such short selling will be done in accordance with securities regulations or any exemptions received. Written policies and procedures regarding objectives and risk management procedures have been adopted by the Portfolio Manager in connection with its short selling activities. The Chief Compliance Officer of the Portfolio Manager is responsible for setting and reviewing these policies and procedures. Such policies and procedures are reviewed and approved at least annually by the management committee of the Manager. The authorization of short selling transactions and placing limits or other controls on short selling is the responsibility of the portfolio manager with post-trade review conducted by the Manager's compliance department. Risk measurement procedures and simulations are used to test a Fund's portfolio under stress conditions.

Securities Lending, Repurchase and Reverse Repurchase Transactions

The Funds may, from time to time, engage in securities lending, repurchase and reverse repurchase transactions to generate additional income consistent with its investment objectives. The Funds have entered into an agreement with the applicable Securities Lending Agent to administer the Funds' securities lending.

Written policies and procedures regarding objectives and risk management procedures have been adopted by the Portfolio Manager in connection with its securities lending, repurchase and reverse repurchase activities. The Chief Compliance Officer of the Portfolio Manager is responsible for setting and reviewing these policies and procedures. Such policies and procedures are reviewed and approved at least annually by the management committee of the Manager. The authorization of securities lending, repurchase and reverse repurchase activities and placing limits or other controls on these transactions is the responsibility of the portfolio manager with post-trade review conducted by the compliance department. Risk measurement procedures and simulations are not used to test the Portfolio under stress conditions. The securities lending transactions of a Fund may be terminated by the Fund at any time.

The risk factors associated with securities lending are disclosed in the simplified prospectus of the Funds.

Supervision of Derivatives Trading

We have adopted various policies and internal procedures to supervise the use of derivatives within a Fund's portfolio. All policies and procedures comply with the derivative rules set out in NI 81-102 or as modified by any exemptions to NI 81-102 granted by the Canadian Securities Administrators. These policies are reviewed at least annually by senior management. We have established an approval process for the use of derivatives before derivatives can be used in the Fund to ensure compliance with NI 81-102 or any granted exemptions to NI 81-102 and to ensure that the derivative is suitable for the Fund within the context of the Fund's objectives and investment strategies. Our Fund Administrator records, values, monitors and reports on the derivative transactions that are entered into the Fund's portfolio records. Valuations of derivative instruments are carried out according to the procedures described under "**Valuation of Portfolio Securities**".

The Manager's compliance department conducts ongoing monitoring of derivatives strategies for compliance with regulation designed to ensure (i) all derivatives strategies of the Funds meet regulatory requirements; and (ii) derivative and counterparty exposures are reasonable and diversified. New derivative strategies are subject to a standardized approval process involving members from the Portfolio Manager and the Manager's compliance department.

Under NI 81-102, mutual funds may engage in derivative transactions for both hedging and non-hedging purposes. When derivatives are used for hedging purposes, our internal policies require that the derivatives have a high degree of negative correlation to the position being hedged, as required by NI 81-102. Derivatives will be used to create leverage within the Fund's portfolio as permitted under the exemption from NI 81-102 the Fund has received. We do not simulate stress conditions to measure risk in connection with the Fund's use of derivatives.

The Manager's compliance department will review monthly updates from the portfolio managers on outstanding derivative strategies including, the classification of hedging versus non-hedging strategies, identification of risks being hedged, and hedge effectiveness or correlation. Any non-compliance is escalated immediately to the Portfolio Manager and CIO (if required). The Manager's compliance department reports any identified exceptions to the derivatives policies and procedures described above.

Proxy Voting Policy

The proxies associated with the securities of each Fund may be voted by the Manager in accordance with the Manager's proxy voting policy (the "**Proxy Voting Policy**"). The objective in voting is to support proposals and director nominees that maximize the value of the applicable fund's investments over the long-term. In evaluating proxy proposals, information from many sources will be considered, including management or shareholders of a company presenting a proposal and independent proxy research services. Substantial weight will be given to the recommendations of a company's board, absent guidelines or other specific facts that would support a vote against management. The Manager has developed guidelines that address the following circumstances: election of directors; contested director elections; classified boards; director/officer indemnification; director ownership; approval of independent auditors; stock based compensation plans; bonus plans; employee stock purchase plans; executive severance agreements; shareholder rights plans; defences; cumulative voting; voting requirements matters related to shareholder meetings, among others.

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

While serving as a framework, the Proxy Voting Policy cannot contemplate all possible proposals with which a Fund may be presented. In the absence of a specific guideline for a particular proposal (e.g., in the case of a transactional issue or contested proxy), the Manager will evaluate the issue and may decide to cast the Fund's vote in a manner that, in the Manager's view, will maximize the value of the Fund's investment.

The current proxy voting policy and procedures of the Manager are available to Unitholders at no cost by calling toll-free at 1-833-360-3100 or at 416-360-0310 (collect calls are accepted), on the Manager's website at www.ehpfunds.com or by writing to EHP Funds Inc., 45 Hazelton Avenue, Suite B, Toronto, Ontario M5R 2E3.

The Fund's proxy voting record for the annual period from July 1 to June 30 will be available at any time after August 31 following the end of that annual period, to any Unitholder on request to the Manager, at no cost, and may also be available on the Manager's website at www.ehpfunds.com. Information contained on the Manager's website is not part of this Annual Information Form and is not incorporated herein by reference.

Short-Term Trading

In order to protect the interest of the majority of Unitholders in a Fund and to discourage inappropriate short-term trading in a Fund, investors may be subject to a short-term trading fee. If an investor redeems units of a Fund within 90 days of purchasing such units, the Fund may deduct and retain, for the benefit of the remaining Unitholders in the Fund, two percent (2%) of the net asset value of the class of units being redeemed.

The short-term trading fee will not apply in certain circumstances, such as:

- redemptions of units purchased by the reinvestment of distributions;
- switch between the Funds (unless we consider it to be part of excessive short-term trading);
- reclassification of units from one class to another class of the same Fund;
- redemptions initiated by the Manager or where redemption notice requirements have been established by the Manager;
- redemptions of units to pay management fees, administration fees, operating expenses, fund costs and/or advisor fees with respect to Class I units; or
- in the absolute discretion of the Manager.

The Registrar, on behalf of the Manager, monitors and detects short-term trading. The Registrar on direction from the Manager, automatically charges a short-term trading fee to any redemption of units of the Funds that is made within 90 days of purchasing or switching those securities. The Manager assesses the short-term trading fee charged to an investor on a case-by-case basis and may, at its absolute discretion, reverse a short-term trading fee that has been charged to an investor.

INCOME TAX CONSIDERATIONS

The following is a general summary, at the time of filing, of certain of the principal Canadian federal income tax considerations generally applicable to the buying, holding and selling of units of a Fund by a Unitholder who acquires units pursuant to the simplified prospectus. This summary assumes you are an individual (other than a trust) who, for purposes of the Tax Act, (i) is resident in Canada, (ii) deals at arm's length and is not affiliated with the Funds, and (iii) holds units as capital property.

This summary is based on the current provisions of the Tax Act and the regulations thereunder, an understanding of the current published administrative and assessing practices of the Canada Revenue Agency ("CRA") and all specific proposals to amend the Tax Act and regulations thereunder publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (such proposals referred to hereafter as the "Tax Proposals"). This summary does not otherwise take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, nor does it take into account other federal or any provincial, territorial or foreign income tax legislation or considerations. However, there can be no assurance that the Tax Proposals will be enacted in the form publicly announced or at all.

This summary assumes that none of the issuers of securities held by a particular Fund will be a foreign affiliate of the Funds or any Unitholder of the Fund, or a non-resident trust that is not an "exempt foreign trust" as

defined in section 94 of the Tax Act. This summary also assumes that no Fund will be (i) a “SIFT trust” for the purposes of the Tax Act, (ii) a “financial institution” for purposes of the Tax Act, or (iii) required to include any amounts in income pursuant to section 94.1 or section 94.2 of the Tax Act.

This summary is not exhaustive of all possible Canadian federal tax considerations applicable to you in respect of an investment in units of a Fund and does not describe the income tax consequences relating to the deductibility of interest on money borrowed to acquire units. This summary is not intended to be, nor should it be construed to be, legal or tax advice to any particular investor. Accordingly, you are urged to consult with their own tax advisors for advice with respect to the income tax consequences of an investment in units, based on their particular circumstances.

Tax Status of the Funds

This summary is based on the assumptions that (i) each Fund will qualify, at all times, as a “mutual fund trust” within the meaning of the Tax Act and will elect under the Tax Act to be a “mutual fund trust” from the date it was established, (ii) each Fund will not be maintained primarily for the benefit of non-residents, and (iii) not more than 50% (based on fair market value) of the units of a particular Fund will be held by non-residents of Canada or by partnerships that are not Canadian partnerships as defined in the Tax Act, or by any combination of such partnerships and non-residents.

In order to continue to qualify as a mutual fund trust, a Fund must, among other things, comply on a continuous basis with certain minimum requirements respecting the ownership and dispersal of units. If a Fund does not qualify as a “mutual fund trust” at all times, the income tax considerations described below could be materially and adversely different.

Taxation of the Funds

In each taxation year, income of a particular Fund, including the taxable portion of capital gains, if any, that is not paid or made payable to its Unitholders in that year will be taxed in the particular Fund under Part I of the Tax Act. Provided the particular Fund distributes all of its net taxable income and net capital gains to its Unitholders on an annual basis, it should not be liable for any income tax under Part I of the Tax Act.

Each Fund is required to include, in computing its income for each taxation year, the taxable portion of any capital gains, any dividends received by it in a taxation year and all interest that accrues to it during the year, or becomes receivable or is received by it before the end of the year, except to the extent that such interest was included in computing its income for a preceding taxation year. In computing its income, each Fund will take into account any loss carry-forwards, any capital gains refund and all deductible expenses, including management fees.

Gains and losses realized by a Fund on the disposition of securities will generally be reported as capital gains and capital losses. Each Fund will elect under subsection 39(4) of the Tax Act so that all gains or losses realized on the disposition of securities that are “Canadian securities” (as defined in the Tax Act), will be deemed to be capital gains or losses to the Fund. Generally, gains and losses realized by a Fund from derivative securities and in respect of short sales of securities (other than Canadian securities) will be treated as income and losses of the Fund, except where a derivative is used to hedge securities held on capital account provided there is sufficient linkage and subject to the detailed rules in the Tax Act. Whether gains or losses realized by a Fund in respect of a particular security (other than a Canadian security) are on income or capital account will depend largely on factual considerations.

Losses incurred by a Fund in a taxation year cannot be allocated to Unitholders, but may be deducted by the Fund in future years in accordance with the Tax Act.

A Fund's portfolio may include securities which are not denominated in Canadian dollars. The cost and proceeds of disposition of securities, dividends, interest and all other amounts will be determined for the purposes of the Tax Act in Canadian dollars at the exchange rate prevailing at the time of the transaction, as more particularly determined in accordance with section 261 of the Tax Act. Accordingly, a Fund may realize gains or losses by virtue of the fluctuation in the value of foreign currencies relative to Canadian dollars.

A Fund may derive income or gains from investments in countries other than Canada and, as a result, may be liable to pay income or profits tax to such countries. To the extent such foreign tax paid by a particular Fund exceeds 15% of the amount included in the Fund's income from such investments, such excess may generally be deducted by the Fund in computing its income for purposes of the Tax Act, subject to the detailed provisions of the Tax Act. To the extent that such foreign tax paid does not exceed 15% of such foreign source income and has not been deducted in computing the Fund's income, the Fund may generally designate a portion of its foreign source income in respect of its Unitholders so that such income, and a portion of the foreign tax paid by the Fund, may be regarded as foreign source income of, and foreign tax paid by, the Unitholders for the purposes of the foreign tax credit provisions of the Tax Act.

A Fund may be subject to alternative minimum tax in any taxation year throughout which the Fund is not a "mutual fund trust" for purposes of the Tax Act.

A Fund may be subject to loss restriction rules contained in the Tax Act, unless the Fund qualifies as an "investment fund" as defined in the Tax Act, which, among other things, requires that certain investment diversification restrictions are met, and that Unitholders hold only fixed (and not discretionary) interests in a Fund. If a Fund experiences a "loss restriction event" (i) the Fund will be deemed to have a year-end for tax purposes (which would result in an allocation of the Fund's net income and net realized capital gains at such time to Unitholders so that the Fund is not liable for income tax on such amounts) and (ii) the Fund will be deemed to realize any unrealized capital losses and its ability to carry forward losses will be restricted. Generally, a Fund will have a loss restriction event when a person becomes a "majority-interest beneficiary" of the Fund, or a group of persons becomes a "majority-interest group of beneficiaries" of the Fund, as those terms are defined in the Tax Act.

A Fund may be subject to the "suspended loss" rules contained in the Tax Act, which would generally apply where a Fund disposes of property and subsequently reacquires the property or acquires an identical property within the time period that begins 30 days before the disposition and ends 30 days following the disposition, and the Fund continues to own the reacquired or newly-acquired property following that period. Where the "suspended loss" rules apply, any losses arising from the initial disposition of property would be denied, but may be realized at a future point in time in accordance with the rules in the Tax Act.

A Fund may be subject to the "straddle loss" rules contained in the Tax Act, which generally defer the realization of any loss on the disposition of a "position" to the extent of any unrealized gain on an offsetting "position". For the purposes of these rules, a "position" held by a Fund includes any interest in actively traded personal properties such as commodities, derivatives, and certain debt obligations. An offsetting "position" is any similar interest that has the effect of eliminating all or substantially all of the Fund's risk of loss and opportunity for gain in respect of the underlying "position". These rules are subject to various exceptions set out in the Tax Act.

Taxation of Unitholders

Although this summary applies to Unitholders who hold units as capital property, it is worth noting that generally, units will also be considered to be capital property to a purchaser, provided the purchaser does not hold such securities in the course of carrying on a business of buying and selling securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

Provided that each of the Funds qualifies as a “mutual fund trust” for the purposes of the Tax Act at all material times, certain Unitholders who might not otherwise be considered to hold units as capital property may, in certain circumstances, be entitled to have such units and all other “Canadian securities” as defined in the Tax Act owned or subsequently acquired by them treated as capital property by making the irrevocable election available pursuant to subsection 39(4) of the Tax Act. Unitholders should consult their own tax advisors as to whether an election under subsection 39(4) of the Tax Act is available or advisable in their circumstances

Units Held in a Registered Plan

If you hold units of a particular Fund in a TFSA, RRSP, RRIF, RESP or DPSP (each, a “**Registered Plan**” and collectively, “**Registered Plans**”), distributions from the Fund and capital gains from a redemption (or other disposition) of units in respect of the Registered Plan are generally not subject to tax under the Tax Act until withdrawals are made from the Registered Plan (however, withdrawals from a TFSA are generally not subject to tax).

Notwithstanding the foregoing, if the units of a particular Fund are “prohibited investments” (as defined in the Tax Act) for your Registered Plan, you—as the holder of the TFSA, the annuitant under the RRSP, RRIF or DPSP, or the subscriber of the RESP, as the case may be— may be subject to a penalty tax as set out in the Tax Act. The units of a particular Fund will be a “prohibited investment” for your Registered Plan, if you (i) do not deal at arm’s length with the particular Fund for purposes of the Tax Act, or (ii) have a “significant interest”, as defined in the Tax Act, in the particular Fund. Generally, you will not have a significant interest in a Fund unless you own interests as a beneficiary under the Fund that have a fair market value of 10% or more of the fair market value of the interests of all beneficiaries under the Fund, either alone or together with persons and partnerships with which you do not deal at arm’s length. In addition, your units will not be a “prohibited investment” if such units are “excluded property” as defined in the Tax Act for a Registered Plan.

You should consult with your own tax advisors to determine whether units of a particular Fund would be a “prohibited investment” for your Registered Plan, based on your particular circumstances.

Units Not Held in a Registered Plan

If a Unitholder of a particular Fund holds units of the Fund outside a Registered Plan, the Unitholder will generally be required to include in computing income for a taxation year such part of the net income of the Fund, including the taxable portion of capital gains, if any, paid or payable to the Unitholder in the taxation year. This is the case even though such distributions may be automatically reinvested in additional units and there may therefore be insufficient cash received by a Unitholder to pay the tax payable in respect of such distributions of income.

Generally, any distributions in excess of the net income and net capital gains of a Fund in a year will not be taxable in the hands of a Unitholder of such Fund but will reduce the adjusted cost base of the units. To the extent that a Unitholder’s adjusted cost base of their units would otherwise be a negative amount, the negative amount will be deemed to be a capital gain realized by the Unitholder and the Unitholder’s adjusted cost base will be nil immediately thereafter. The non-taxable portion of capital gains distributed to a Unitholder will not be taxable in the hands of the Unitholders and will not, provided the appropriate designations are made by a Fund, reduce the adjusted cost base of the units.

The higher the portfolio turnover rate of a Fund in a year, the greater the chance that an amount will be declared payable or paid in respect of your units of the Fund prior to the end of the year. However, there is not necessarily a relationship between a high turnover rate of a Fund’s portfolio and the performance of the Fund.

Provided that appropriate designations are made by the particular Fund, such portion of (a) the net realized taxable capital gains of the Fund and (b) the taxable dividends received by the Fund on shares of taxable Canadian corporations as are paid or become payable to a Unitholder will effectively retain their character and be treated as such in the hands of the Unitholder. To the extent that amounts are designated as taxable dividends from taxable Canadian corporations, the normal gross-up and dividend tax credit rules will apply. A Fund may make designations in respect of the income from foreign sources, if any, so that Unitholders may be able to claim a foreign tax credit in accordance with the provisions of and subject to the general limitations under the Tax Act for a portion of foreign tax, if any, paid by the Fund.

The net asset value per unit of a particular Fund at the time that the Unitholder acquires units may reflect income and gains of the Fund that have accrued up to the time units are acquired. Accordingly, a Unitholder who acquires units of a Fund, particularly late in a calendar year, may become taxable on the Unitholder's share of income and gains of the Fund that accrued before the units were acquired by the Unitholder.

We will provide each Unitholder with prescribed information in the form required by the Tax Act to assist with the preparation of tax returns.

Upon the redemption (or other disposition) of a unit of a particular class of units of a Fund, including on a redemption of units to pay any applicable switch or reclassification fees, a Unitholder will realize a capital gain (or capital loss) to the extent that the proceeds of disposition exceed (or are exceeded by) the Unitholder's adjusted cost base of the Unit and any reasonable costs of disposition. For the purpose of determining the adjusted cost base of units to a Unitholder, when units are acquired, including on the reinvestment of distributions, the cost of the newly acquired units will generally be averaged with the adjusted cost base of all such units of a particular class of units of a Fund owned by the Unitholder as capital property immediately before that time.

One-half of any capital gain realized on the disposition of units will be included in the Unitholder's income and one-half of any capital loss realized must be deducted from taxable capital gains realized in a particular year. A Unitholder may deduct one-half of any unused capital losses arising in a particular taxation year against the taxable portion of any net capital gains arising in the three immediately preceding taxation years or in subsequent taxation years, subject to the rules in the Tax Act.

In general terms, net income of a Fund paid or payable to a Unitholder that is designated as net realized taxable capital gains, taxable Canadian dividends or taxable capital gains realized on the disposition of units may increase the Unitholder's potential liability for alternative minimum tax.

A reclassification of units of a Fund should not generally be considered to give rise to a taxable disposition for the purposes of the Tax Act. However, a reclassification of Class UA and Class UF Units into a class of units denominated in Canadian dollars will likely result in a disposition for tax purposes and consequently may result in a capital gain or capital loss to a taxable unitholder.

By contrast, an exchange or "switch" of units of one Fund for units of another Fund will constitute a taxable disposition for purposes of the Tax Act for proceeds of disposition equal to the fair market value of the units being exchanged at the time of the switch.

Management fees paid directly to the Manager by holders of Class I units will generally not be deductible by those Unitholders.

Calculating the Adjusted Cost Base of a Unit of a Fund

You must separately compute the adjusted cost base in respect of each class of units of a Fund that you own. The adjusted cost base in respect of any class of units of a Fund that you own must be calculated in Canadian dollars.

The total adjusted cost of your units of a particular class of units of a Fund (the “**subject class**”) is generally equal to:

- the total of all amounts you paid to purchase those units, including any sales charges paid by you at the time of purchase;
plus
- the adjusted cost base of any units of another class of units of the Fund that you hold that were reclassified as units of the subject class;
plus
- the fair market value of units of the subject class that were acquired on an exchange or “switch” of units of another Fund (as at the time of the “**switch**”);
plus
- the amount of any reinvested distributions in respect of units of the subject class;
less
- the return of capital component of distributions paid to you in respect of your units of the subject class; and
less
- the adjusted cost base of any of your units of the subject class that have been redeemed.

The adjusted cost base of a single unit of a subject class is the total adjusted cost base of units of the subject class held by you divided by the number of units of the subject class that you hold at the relevant time.

Tax Reporting

Generally, you will be required to provide your financial advisor with information related to your citizenship, tax residence and, if applicable, your foreign tax identification number. If you are identified as a U.S. citizen (including a U.S. citizen living in Canada), U.S. resident, or a foreign tax resident, details of your investment in the Fund will generally be reported to the CRA unless units are held inside a registered plan. The CRA may provide the information to the relevant foreign tax authorities under exchange of information treaties or other agreements.

International Tax Reporting

On December 15, 2016, Part XIX of the Tax Act was enacted, which came into force on July 1, 2017, and which implemented the Organization for Economic Co-operation and Development Common Reporting Standard. Pursuant to Part XIX of the Tax Act, “Canadian financial institutions” that are not “non-reporting financial institutions” (as both terms are defined in Part XIX of the Tax Act) are required to have procedures

in place to identify accounts held by residents of foreign countries (other than the U.S.) or by certain entities the “controlling persons” of which are resident in a foreign country and to report required information to the CRA. Such information is expected to be exchanged on a reciprocal, bilateral, basis with the tax authorities of the foreign country in which the account holders or such controlling persons are resident, pursuant to the Multilateral Convention on Mutual Administrative Assistance in Tax Matters or the relevant bilateral tax treaty. Pursuant to Part XIX of the Tax Act, Unitholders are required to provide certain information regarding their investment in a Fund for the purpose of such information exchange (which information exchange is expected to occur beginning in May 2018), unless the investment is held within certain Registered Plans.

U.S. Foreign Account Tax Compliance Act Risk

In March 2010, the U.S. enacted FATCA, which imposes certain reporting requirements on non-U.S. financial institutions. The governments of Canada and the United States have entered into an IGA, which establishes a framework for cooperation and information sharing between the two countries and may provide relief from the FATCA Tax for Canadian entities, such as a Fund, provided that (i) the Fund complies with the terms of the IGA and the Canadian legislation implementing the IGA in Part XVIII of the Tax Act, and (ii) the government of Canada complies with the terms of the IGA. Each Fund will endeavour to comply with the requirements imposed under the IGA and Part XVIII of the Tax Act. Under Part XVIII of the Tax Act, holders of units of a Fund are required to provide identity and residency and other information to the Fund (and may be subject to penalties for failing to do so), which, in the case of “Specified U.S. Persons” or certain non-U.S. entities controlled by “Specified U.S. Persons”, will be provided, along with certain financial information (for example, account balances), by the Fund to the CRA and from the CRA to the U.S. Internal Revenue Service. A Fund may be subject to FATCA Tax if it cannot satisfy the applicable requirements under the IGA or Part XVIII of the Tax Act, or if the Canadian government is not in compliance with the IGA and if the Fund is otherwise unable to comply with any relevant and applicable U.S. legislation.

Eligibility for Investment

Provided that a Fund qualifies as a “mutual fund trust” for purposes of the Tax Act, units of that Fund will be “qualified investments” under the Tax Act for Registered Plans – subject to the above-noted rules relating to “prohibited investments”.

REMUNERATION OF DIRECTORS AND OFFICERS

The Funds do not directly employ any directors, officers or trustees to carry out Fund operations. The Manager, as manager of the Funds, provides or retains all personnel necessary to conduct the Funds’ operations.

MATERIAL CONTRACTS

The material contracts entered into by the Funds as of the date of this annual information form are:

- (a) the Master Declaration of Trust; and
- (b) the Custodian Agreements.

Copies of these agreements are available for inspection at the principal office of the Manager during regular business hours and are also available on www.sedar.com.

LEGAL AND ADMINISTRATIVE PROCEEDINGS

As of the date of this annual information form, there are no ongoing material legal or administrative proceedings pending to which a Fund or the Manager is a party or which are known to be contemplated.

CERTIFICATE OF THE FUNDS, THE MANAGER, THE TRUSTEE AND THE PROMOTER

EHP Guardian Alternative Fund
EHP Advantage Alternative Fund
EHP Guardian International Alternative Fund
EHP Advantage International Alternative Fund
EHP Select Alternative Fund
EHP Global Arbitrage Alternative Fund

This amended and restated annual information form dated January 1, 2019, amending and restating the annual information form dated August 10, 2018, together with the amended and restated simplified prospectus dated January 1, 2019, amending and restating the simplified prospectus dated August 10, 2018, and the documents incorporated by reference into the amended and restated simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the amended and restated simplified prospectus, as required by the securities legislation of each of the provinces and territories of Canada and do not contain any misrepresentations.

DATED: January 1, 2019.

“Jason Mann”

“Darryl DeMers”

Jason Mann
Chief Executive Officer and Director
EHP Funds Inc.

Darryl DeMers
Chief Financial Officer and Director
EHP Funds Inc.

On behalf of the board of directors of
EHP FUNDS INC.,
as Manager, Trustee and Promoter of the Funds

“Ian Fairbrother”

Ian Fairbrother
Director

Additional information about the Funds is available in the Funds' Fund Facts, management reports of fund performance and financial statements.

You can get a copy of these documents at no cost by calling toll-free at 1-833-360-3100 or at 416-360-0310 (collect calls are accepted), online at www.ehpfunds.com, by email to info@ehpfunds.com, or from your Dealer.

These documents and other information about the Funds, such as material contracts and information circulars, are also available at www.sedar.com

EHP Guardian Alternative Fund
EHP Advantage Alternative Fund
EHP Guardian International Alternative Fund
EHP Advantage International Alternative Fund
EHP Select Alternative Fund
EHP Global Arbitrage Alternative Fund

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