

Financial Statements
(Expressed in Canadian dollars)

TRUX EXOGENOUS RISK POOL

Year ended December 31, 2023, and the period from January 14, 2022,
(beginning of operations) to December 31, 2022.



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INDEPENDENT AUDITOR'S REPORT

To the Unitholders of TruX Exogenous Risk Pool

Opinion

We have audited the financial statements of TruX Exogenous Risk Pool (the Fund), which comprise:

- the statements of financial position as at December 31, 2023 and December 31, 2022
- the statements of comprehensive income for the year ended December 31, 2023 and the period from January 14, 2022 to December 31, 2022
- the statements of changes in net assets attributable to holders of redeemable units for the year ended December 31, 2023 and the period from January 14, 2022 to December 31, 2022
- the statements of cash flows for the year ended December 31, 2023 and the period from January 14, 2022 to December 31, 2022
- and notes to the financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2023 and December 31, 2022, and its financial performance and its cash flows for the year ended December 31, 2023 and the period from January 14, 2022 to December 31, 2022 in accordance with to IFRS Accounting Standards (IFRS) as published by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Other Information

Management is responsible for the other information. Other information comprises:

- the information included in Management Report of Fund Performance filed with the relevant Canadian Securities Commissions.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the Management Report of Fund Performance filed with the relevant Canadian Securities Commissions as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards (IFRS) as published by the International Accounting Standards Board ("IASB"), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.



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We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

February 15, 2024

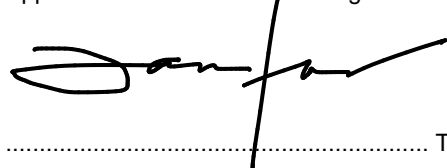
TruX Exogenous Risk Pool

Statements of Financial Position As at December 31, 2023 and 2022

	2023	2022
ASSETS		
Current assets		
Cash	\$ —	\$ 1,402,836
Investments owned, at fair value through profit or loss (note 7)	11,852,414	7,101,833
Expense reimbursement receivable (note 8)	57,189	71,161
Dividends receivable	15,403	9,522
Subscriptions receivable	1,545	—
Unrealized gain of forward contracts	59,552	24,674
Receivable for investments sold	—	374,013
	<u>11,986,103</u>	<u>8,984,039</u>
LIABILITIES		
Current liabilities		
Bank indebtedness	3,119,948	—
Accounts payable and accrued liabilities	163,389	145,720
Management fees payable (note 5)	7,553	1,982
Distributions payable	1,780	—
Payable for investments purchased	—	70,255
Investments sold short, at fair value through profit or loss (note 7)	—	2,020,174
	<u>3,292,670</u>	<u>2,238,131</u>
Net assets attributable to holders of redeemable units	<u>\$ 8,693,433</u>	<u>\$ 6,745,908</u>
Net assets attributable to holders of redeemable units per series		
Series F	\$ 478,558	\$ 157,107
Series N	7,088,657	5,560,325
Series UN	1,126,218	1,028,476
	<u>\$ 8,693,433</u>	<u>\$ 6,745,908</u>
Number of redeemable units outstanding (note 6)		
Series F	47,234	15,462
Series N	690,709	542,778
Series UN	109,740	100,396
Net assets attributable to holders of redeemable units per unit		
Series F	\$ 10.13	\$ 10.16
Series N	10.26	10.24
Series UN	10.26	10.24

See accompanying notes to financial statements.

Approved on behalf of the Manager



..... True Exposure Investments, Inc., Manager

The accompanying notes are an integral part of these financial statements.

TruX Exogenous Risk Pool

Statements of Comprehensive Income

For the year ended December 31, 2023 and the period from January 14, 2022 to December 31, 2022

	2023	2022*
Income		
Interest income for distribution purposes	\$ 7,523	\$ 10,751
Dividends	188,288	61,263
Net change in unrealized appreciation/depreciation in value of investments	407,691	348,827
Net realized (loss) gain on sale of investments, including foreign exchange adjustments	(135,273)	50,711
Net change in unrealized appreciation/depreciation on derivatives	34,878	24,674
Net realized loss on derivatives	(24,445)	(127,074)
Early redemption fees	172	4,035
Other income	64	-
	<u>478,898</u>	<u>373,187</u>
Expenses		
Operating costs	170,360	164,642
Interest and bank charges	129,040	5,462
Custodian fees	45,201	42,972
Management fees (note 5)	28,172	10,614
Withholding taxes	25,124	8,635
Audit fees	20,343	16,951
IRC fees	6,982	7,346
Dividends paid on investments sold short	6,716	8,841
Commissions and other portfolio transaction costs	3,752	2,123
	<u>435,690</u>	<u>267,586</u>
Expense reimbursement (note 8)	<u>(223,038)</u>	<u>(224,845)</u>
	212,652	42,741
Increase in net assets attributable to holders of redeemable units	<u>\$ 266,246</u>	<u>\$ 330,446</u>
Increase (decrease) in net assets attributable to holders of redeemable units per series		
Series F	\$ 10,406	\$ 6,262
Series N	215,110	281,269
Series O	-	132
Series P	-	(3,258)
Series UN	40,730	46,041
	<u>\$ 266,246</u>	<u>\$ 330,446</u>
Increase (decrease) in net assets attributable to holders of redeemable units per unit (note 9)		
Series F	\$ 0.33	\$ 0.24
Series N	0.34	0.75
Series O	-	0.13
Series P	-	(0.42)
Series UN	0.37	0.56

*Period from January 14, 2022 (commencement of operations) to December 31, 2022

TruX Exogenous Risk Pool

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the year ended December 31, 2023 and the period from January 14, 2022 to December 31, 2022

	Net assets attributable to holders of redeemable units, beginning of year	Proceeds from redeemable units issued*	Redemption of redeemable units*	Distributions to holders of redeemable units	Distributions reinvested to holders of redeemable units	Increase in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of year
December 31, 2023							
Series F	\$ 157,107	\$ 331,411	\$ (20,138)	\$ (9,702)	\$ 9,474	\$ 10,406	\$ 478,558
Series N	5,560,325	2,388,099	(1,063,224)	(193,829)	182,176	215,110	7,088,657
Series UN	1,028,476	327,121	(269,283)	(33,733)	32,907	40,730	1,126,218
	<u>\$ 6,745,908</u>	<u>\$ 3,046,631</u>	<u>\$ (1,352,645)</u>	<u>\$ (237,264)</u>	<u>\$ 224,557</u>	<u>\$ 266,246</u>	<u>\$ 8,693,433</u>

* Total proceeds from redeemable units relating to switch-ins and redemptions of redeemable units relating to switch-outs for the year ended December 31, 2023, were \$nil and \$nil, respectively.

	Net assets attributable to holders of redeemable units, beginning of period	Proceeds from redeemable units issued**	Redemption of redeemable units**	Distributions to holders of redeemable units	Distributions reinvested to holders of redeemable units	Increase (decrease) in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of period
December 31, 2022***							
Series F	\$ –	\$ 527,126	\$ (376,281)	\$ (8,400)	\$ 8,400	\$ 6,262	\$ 157,107
Series N	–	5,574,885	(295,829)	(69,791)	69,791	281,269	5,560,325
Series O	–	10,000	(10,132)	–	–	132	–
Series P	–	210,000	(206,742)	(50)	50	(3,258)	–
Series UN	–	1,009,732	(27,256)	(15,062)	15,021	46,041	1,028,476
	<u>\$ –</u>	<u>\$ 7,331,743</u>	<u>\$ (916,240)</u>	<u>\$ (93,303)</u>	<u>\$ 93,262</u>	<u>\$ 330,446</u>	<u>\$ 6,745,908</u>

** Total proceeds from redeemable units relating to switch-ins and redemptions of redeemable units relating to switch-outs for the period ended December 31, 2022, were \$396,529 and (\$396,529), respectively.

***Period from January 14, 2022 (commencement of operations) to December 31, 2022

TruX Exogenous Risk Pool

Statements of Cash Flows

For the year ended December 31, 2023 and the period from January 14, 2022 to December 31, 2022

	2023	2022**
Cash provided by (used in):		
Operating Activities		
Increase in net assets attributable to holders of redeemable units	\$ 266,246	\$ 330,446
Adjustments for non-cash items		
Net change in unrealized appreciation/depreciation in value of investments	(407,691)	(348,827)
Net realized loss (gain) on sale of investments, including foreign exchange adjustments	135,273	(50,711)
Net change in unrealized appreciation/depreciation on derivatives	(34,878)	(24,674)
Net realized loss on derivatives	24,445	127,074
Change in non-cash balances		
Decrease (increase) in expense reimbursement receivable	13,972	(71,161)
Increase in dividend receivable	(5,881)	(9,522)
Decrease (increase) in receivable for investments sold	374,013	(374,013)
Increase in accounts payable and accrued liabilities	17,669	145,720
Increase in management fees payable	5,571	1,982
(Decrease) increase in payable for investments purchased	(70,255)	70,255
Proceeds from sale of investments	5,456,874	3,179,458
Purchase of investments	(11,985,856)	(8,052,955)
Cash used in operating activities	<u>(6,210,498)</u>	<u>(5,076,928)</u>
Financing Activities		
Proceeds from issue of redeemable units	3,045,086	7,331,743
Payment on redemption of redeemable units	(1,352,645)	(916,240)
Distributions to holders of redeemable units, net of reinvestments	(10,927)	(41)
Cash provided by financing activities	<u>1,681,514</u>	<u>6,415,462</u>
(Decrease) increase in cash during the year	(4,528,984)	1,338,534
Foreign exchange gain on cash	6,200	64,302
Cash, beginning of year	1,402,836	-
Cash (bank indebtedness), end of year	<u>\$ (3,119,948)</u>	<u>\$ 1,402,836</u>
Supplemental information*		
Interest paid	\$ 120,494	\$ 52
Interest received	7,523	10,751
Dividends paid	6,716	8,841
Dividends received, net of withholding taxes	157,283	43,106

*Included as a part of cash flows from operating activities

**Period from January 14, 2022 (commencement of operations) to December 31, 2022

TruX Exogenous Risk Pool

Schedule of Investment Portfolio

As at December 31, 2023

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
U.S. investment funds				
15,012	CI Gold Bullion Fund	\$ 356,935	\$ 406,958	4.68
46,189	Consumer Staples Select Sector SPDR Fund	4,481,246	4,393,129	50.53
3,301	Invesco QQQ Trust Series 1	1,366,581	1,785,018	20.53
3,600	iShares 1-3 Year Treasury Bond ETF	392,651	389,987	4.49
28,963	ProShares VIX Short-Term Futures ETF	908,489	593,167	6.82
6,826	SPDR S&P500 ETF Trust	3,592,369	4,284,155	49.28
		<u>11,098,271</u>	<u>11,852,414</u>	<u>136.33</u>
	Total investments owned	11,098,271	11,852,414	136.33
	Commissions and other portfolio transaction costs	<u>(2,373)</u>	<u>—</u>	<u>—</u>
	Net investments owned	<u>\$ 11,095,898</u>	11,852,414	136.33
	Unrealized gain, foreign exchange forward contracts (Schedule 1)		59,552	0.69
	Other liabilities, net		<u>(3,218,533)</u>	<u>(37.02)</u>
	Net assets attributable to holders of redeemable units		<u>\$ 8,693,433</u>	<u>100.00</u>

Schedule 1 - Forward Contracts

Settlement date	Currency	Counterparty	Forward rates	Notional amount	Market value	Unrealized gain
January 18, 2024	CAD	National Bank of Canada	1.3385	\$ (4,328,737)	\$ (4,269,185)	\$ 59,552
Total unrealized gain on foreign exchange forward contracts						\$ 59,552

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

1. Establishment of Fund:

TruX Exogenous Risk Pool (the "Fund") is an open-ended trust established on January 7, 2022, under the laws of the Province of Ontario and is governed by a declaration of trust, as amended, restated or supplemented from time to time (the "Declaration of Trust"). The Fund commenced active operations on January 14, 2022. The Fund is a mutual fund governed by a simplified prospectus and is subject to the requirements of National Instrument 81-102 *Investment Funds* ("NI 81 - 102").

True Exposure Investments, Inc. (the "Manager" and "Trustee"), a corporation existing under the federal laws of Canada, acts as the investment fund manager and the trustee of the Fund pursuant to the Declaration of Trust. The Manager is responsible for the day to day operations of the Fund and provides general management and administration services. The Manager may delegate any part of its powers to third parties where, in the discretion of the Manager, it would be in the best interests of the Fund to do so.

The Manager and Trustee has appointed Inukshuk Capital Management Inc. (the "Portfolio Manager") to act as the portfolio manager of the Fund under an Investment Management Agreement dated January 14, 2022. Under this agreement, the Portfolio Manager provides investment advisory and portfolio management services to the Fund.

SGGG Fund Services Inc. (the "Recordkeeper") acts as the recordkeeper of the Fund. National Bank Independent Network, a division of National Bank Financial Inc., acts as the custodian (the "Custodian") of the Fund.

The address of the Fund's registered office is 130 King Street West, Suite 1900, Toronto, Ontario, M5X 1E3, Canada.

The Fund seeks to provide relative or absolute capital preservation during sudden societal-level shocks that can negatively impact equities along with generating returns that are competitive with equity markets over the longer-term, including periods between shocks. The Fund will use alternative investment strategies including borrowing for investment purposes, short selling and the use of derivatives to seek to manage market volatility. The Fund's aggregate exposure to leverage through these strategies will not exceed two times its Net Asset Value ("NAV"), measured on a daily basis. The Fund is subject to certain standard investment restrictions and practices contained in securities legislation, including NI81-102.

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

1. Establishment of Fund (continued):

To achieve its investment objective, the Fund will invest primarily in exchange-traded funds ("ETFs") denominated in US currency in industry sectors on both a long and short basis and it may also invest in liquid alternative assets, commodities and government bonds that may provide strong performance during societal level shocks.

2. Basis of presentation:

These financial statements have been prepared in compliance with IFRS Accounting Standards (IFRS) as published by the International Accounting Standards Board ("IASB").

The financial statements were authorized for issue by the Manager on February 15, 2024.

The financial statements of the Fund are expressed in Canadian dollars, which is the Fund's functional currency.

3. Material accounting policy information:

The following is a summary of the material accounting policies applied by the Fund:

(a) Classification and measurement of financial instruments:

The Fund classifies its investments as financial assets and financial liabilities at fair value through profit or loss ("FVTPL").

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

3. Material accounting policy information (continued):

The Fund classifies its investments at FVTPL based on the Fund's business model for managing those financial assets in accordance with the Fund's documented investment strategy. The portfolio of investments is managed and performance is evaluated on a fair value basis and the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

All other financial assets and financial liabilities are classified as subsequently measured at amortized cost and are recorded at cost or amortized cost. Under this method, financial assets and financial liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate, minus any reduction for impairment. A financial asset is classified as subsequently measured at amortized cost only if both of the following criteria are met:

- (i) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows, and
- (ii) the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost. Regular way purchases and sales of financial assets are recognized at their trade date. The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount.

The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value ("Trading NAV") for transactions with unitholders.

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations)
to December 31, 2022

3. Material accounting policy information (continued):

(b) Offsetting financial instruments:

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the statement of financial position but still allow for the related amounts to be offset in certain circumstances, such as bankruptcy or termination of the contracts.

(c) Recognition/derecognition:

The Fund recognizes financial assets and financial liabilities at FVTPL on the trade date - the date it commits to purchase or sell short the instruments. Other financial assets and liabilities are recognized at fair value, including transaction costs, on the date on which they are originated. From this date, any gains and losses arising from changes in fair value of the assets or liabilities are recognized in the statement of comprehensive income.

Financial assets are derecognized when, and only when, the contractual rights to the cash flows from the asset expire, or the Fund transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Fund derecognizes financial liabilities when, and only when, the Fund's obligations are discharged or cancelled or they expire.

(d) Net assets attributable to holders of redeemable units per unit:

The net assets attributable to holders of redeemable units per unit is calculated by dividing the net assets attributable to holders of redeemable units of a particular series of units by the total number of units of that particular series outstanding at the end of the year.

(e) Increase (decrease) in net assets attributable to holders of redeemable units per unit:

Increase (decrease) in net assets attributable to holders of redeemable units per unit is based on the increase (decrease) in net assets attributable to holders of redeemable units attributed to each series of units, divided by the weighted average number of units outstanding of that series during the year. Refer to note 9 for the calculation.

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

3. Material accounting policy information (continued):

(f) Use of estimates:

The preparation of financial statements in accordance with IFRS requires management to use accounting estimates. It also requires management to exercise its judgment in the process of applying the Fund's material accounting policies. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from those estimates.

(g) Withholding tax expense:

The Fund generally incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the statement of comprehensive income.

(h) Valuation of investments:

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices. In accordance with the provisions of the Fund's simplified prospectus, investment positions are valued based on the last traded market price for the purpose of determining the net asset per unit for subscriptions and redemptions. The Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. When the Fund holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate. When the Fund holds gold or any other precious metals, it uses the active spot price as a basis for establishing the fair value.

The fair value of financial assets and financial liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Valuation techniques used include the use of comparable recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

3. Material accounting policy information (continued):

(i) Investment entity:

The Fund has determined that it is an investment entity as defined by IFRS 10, *Consolidated Financial Statements* ("IFRS 10") and the amendments to IFRS 10, as the following conditions exist:

- (i) The Fund has obtained funds from one or more investors for the purpose of providing those investors with investment management services;
- (ii) The Fund has committed to its investors that its business purpose is to invest funds solely for returns from capital appreciation and investment income; and
- (iii) The Fund measures and evaluates the performance of substantially all of its investments on a fair value basis.

As an investment entity, the Fund is exempted from consolidating or applying IFRS 3, *Business Combination*, for the measurement of its investments in trusts and instead is required to measure such investments at FVTPL.

(j) Investment transactions and revenue recognition:

Investment transactions are accounted for on the trade date. Interest income is accrued daily and dividend income is recognized on the ex-dividend date. Realized (loss) gain on sale of investments and unrealized appreciation/depreciation in value of investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities with the exception of zero-coupon bonds.

The interest income for distribution purposes shown on the statement of comprehensive income represents the coupon interest received by the Fund accounted for on an accrual basis. The Fund does not amortize premiums paid or discounts received on the of fixed income securities except for zero-coupon bonds, which are amortized on a straight-line basis.

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

3. Material accounting policy information (continued):

(k) Translation of foreign currency:

The functional and presentation currency of the Fund is the Canadian dollar. The fair value of foreign investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rates prevailing at 4:00 pm Eastern Time (the "closing rate") on each Valuation Date (each day that the Toronto Stock Exchange is open for trading, or such other day(s) as the Manager may determine). Purchases and sales of foreign securities denominated in foreign currencies and the related income are translated into Canadian dollars at rates of exchange prevailing on the respective dates of such transactions.

(l) Transaction costs:

Transaction costs related to financial assets and liabilities are expensed as incurred.

(m) Purchase and redemption of redeemable units:

The value at which units are listed or redeemed is determined by dividing the net assets attributable to holders of redeemable units at fair value of the Fund by the total number of units outstanding on the Valuation Date. Units of the Fund are valued daily on the Valuation Date. Amounts received on the issuance of redeemable units and amounts paid on the redemption of redeemable units are added to or deducted from the statement of changes in net assets attributable to holders of redeemable units.

(n) Cash:

Cash is comprised of cash on hand or on deposit.

(o) Derivative transactions:

The Fund may use derivative contracts to manage risks associated with the investments. The derivatives are classified as FVTPL and, as a result, the contracts are measured at fair value on the Valuation Date and the resulting gains and losses, both realized and unrealized, are recognized in the statement of comprehensive income. The fair value of foreign currency forward contracts is determined using quoted forward exchange rates at the reporting date as obtained from an independent source.

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

3. Material accounting policy information (continued):

(p) Other assets and liabilities:

Dividends receivable, expense reimbursement receivable and subscriptions receivable are classified as financial assets subsequently measured at amortized cost and recorded at cost or amortized cost. Accounts payable and accrued liabilities, management fees payable and distributions payable are classified as financial liabilities and reported at amortized cost. Financial liabilities are generally settled within three months of being incurred. Other assets and liabilities are short term in nature, and are carried at amortized cost, which approximates fair value.

(q) Classification of redeemable units issued by the Fund:

The Fund's units do not meet the criteria in IAS 32, Financial Instruments - Presentation, for classification as equity due to the Fund offering multiple series with different rights and, therefore, have been classified as financial liabilities.

(r) Changes in significant accounting policies:

The Fund adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2) from January 1, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

The Manager reviewed the accounting policies and made updates to the information disclosed in Note 3 in certain instances in line with the amendments.

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

4. Critical accounting estimates and judgments:

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements.

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to manage its portfolio of investments and evaluate performance on a fair value basis and that the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The most significant judgments made include assessing and determining the appropriate business model that enables the decision that the Fund's investments are classified as FVTPL, per IFRS 9.

5. Related party transactions:

(a) Management fees:

The Fund pays the Manager a weekly management fee for providing its services to the Fund. Redeemable units of the Fund, other than Series O units, are charged annual management fees equal to the following percentages of the Series NAV of the said series of the Fund, calculated and accrued on each Valuation Date and payable weekly (except at month-end):

Series F	0.70%
Series P*	0.55%
Series N	0.30%
Series O	Nil
Series UN	0.30%

*In 2022, the rate for Series P was 0.70%.

For Series O units, no management fee is charged to the Fund as each investor negotiates a separate management fee with the Manager and pays it directly to the Manager. Management fees are subject to applicable taxes, including QST, GST or HST.

Management fees for the year ended December 31, 2023, were \$28,172 [period from January 14, 2022 (beginning of operations), to December 31, 2022 - \$10,614], and \$7,553 was payable as at December 31, 2023 (2022 - \$1,982).

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

6. Redeemable units of the Fund:

An investment in the Fund is represented by units. The Fund is authorized to issue an unlimited number of series (each, a "Series"). The Fund is authorized to issue an unlimited number of units within each Series. The Fund may offer a new Series at any time. Holders of the units of a Series are unitholders (the "Unitholders"). The Trustee has the power to determine the terms and conditions of each Series. Each unit of a Series represents an undivided ownership interest in the assets attributable to that Series of units of the Fund.

All units of the same Series have equal rights and privileges. Each whole unit of a particular Series is entitled to one vote at meetings of Unitholders of the Fund where all Series vote together, or to one vote at meetings of Unitholders where that particular Series of Unitholders votes separately as a Series. The Trustee may, upon providing a Unitholder with 21 days' written notice, subdivide and consolidate units of the Series issued.

All units of the same Series are entitled to participate pro rata: (i) in any payments or distributions made by the Fund to the Unitholders of the same Series; and (ii) upon liquidation of the Fund, in any distributions to Unitholders of the same Series of net assets of the Fund remaining after satisfaction of outstanding liabilities of such Series.

All units are fully paid and non-assessable when issued. There are no pre-emptive rights attaching to units. Units are transferable on the register of the Fund only by a registered Unitholder or his or her legal representative, subject to compliance with securities laws and the Declaration of Trust. Fractional units carry the same rights and are subject to the same conditions as whole units (other than with respect to voting rights) in the proportion which they bear to a whole unit. As of December 31, 2023, and 2022, Series F and Series N and Series UN have been issued. Series P was discontinued in 2022, and was subsequently made available for issue again on March 8, 2023. No Series P units are issued as of December 31, 2023, and 2022. Series O units are no longer available for issue.

Units may be purchased on each Valuation Date by sending a purchase order to the recordkeeper before 4:00 pm ("cut-off time") and the net asset per unit applicable would be of that valuation date and if any purchase order is received on a Valuation Date after the cut-off time or any day that is not a Valuation Date then the net asset per unit of the following Valuation Date would be applicable.

A Unitholder may purchase Series N units of the Fund in U.S. dollars as well as Canadian dollars. The Canadian dollar net asset value for the Fund is converted to U.S. dollars at the prevailing exchange rate for a valuation day in order to determine the applicable U.S. dollar net asset value. No other series of the Fund are currently available for purchase in U.S. dollars.

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

6. Redeemable units of the Fund (continued):

A Unitholder may redeem units at the applicable Series Net Asset Value per unit on the Valuation Date. A notice of redemption must be delivered to the recordkeeper by 4:00pm on the Valuation Date on which the Unitholder wishes to redeem units. Redemption requests received after that time will be effective for redemption following the next Valuation Date. The redemption proceeds less any short-term trading fee charges are typically paid to a Unitholder within two business days of the applicable Valuation Date.

Investors must keep at least \$2,500 in their accounts (\$500,000 in case of Series P units). If the account falls below \$500 in case of Series F units, the Manager may notify the Unitholder and give them 30 days to make another investment. If the account falls below \$500 (\$500,000 in the case of Series P units), the Manager may notify the Unitholder and give them 30 days to make another investment. If the account stays below \$2,500 (\$500,000 in the case of Series P units) after the end of the 30-day notice period, the Manager may redeem all of the units in the account and send the proceeds to that Unitholder (switch the Series P units to Series F units in the case of Series P units).

If a Unitholder redeems or switches units within 30 days of purchase of units or switching, the Manager may charge and deduct from the redemption proceeds a short-term trading fee of up to 2% of the NAV of the units redeemed or switched on behalf of the Fund.

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

6. Redeemable units of the Fund (continued):

The unit activity during the year ended December 31, 2023, and the period from January 14, 2022 (beginning of operations), to December 31, 2022, is as follows:

	Redeemable units, beginning of year	Redeemable units Issued	Redemptions of redeemable units	Reinvestments of units	Redeemable units, end of year
December 31, 2023					
Series F	15,462	32,951	(2,127)	948	47,234
Series N	542,778	235,101	(105,198)	18,028	690,709
Series UN	100,396	31,972	(25,881)	3,253	109,740
December 31, 2022					
Series F	–	53,485	(38,874)	851	15,462
Series N	–	564,945	(29,152)	6,985	542,778
Series O	–	1,000	(1,000)	–	–
Series P	–	20,839	(20,844)	5	–
Series UN	–	101,650	(2,761)	1,507	100,396

Distributions

For each taxation year, the Fund ensures that its income and net realized capital gains, if any, have been paid or made payable on or before December 31 to Unitholders to such an extent that the Fund will not be liable for ordinary income tax thereon. For Series F and Series N units, the Fund will distribute a stable monthly amount that can be reviewed and adjusted in the month of January by the Manager. For the initial year, the distribution is set at 3% of the initial NAV per unit payable monthly. Distributions will be reinvested in additional units of the Fund unless a written request for cash payment is received.

Capital disclosure

The capital of the Fund is represented by issued and redeemable units. The units are entitled to distributions, if any, and to payment of a proportionate share based on the Fund's net assets attributable to holders of redeemable units per unit upon redemption. The Fund has no restrictions or specific capital requirements on the subscriptions and redemptions of units. The Fund endeavors to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations)
to December 31, 2022

7. Financial instruments:

(a) Management of financial instrument risks:

In the normal course of business, the Fund is exposed to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, currency risk and other price risk). The value of investments within the Fund's portfolio can fluctuate on a daily basis as a result of changes in interest rates, economic and market conditions and company news related to specific securities within the Fund. The level of risk depends on the Fund's investment objective and the types of securities in which it invests.

(b) Credit risk:

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund.

All transactions executed by the Fund in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Where the Fund invests in debt instruments and derivatives, this represents the main concentration of credit risk. The fair value of debt instruments and derivatives includes consideration of the creditworthiness of the issuer, and accordingly, represents the maximum credit risk exposure of the Fund. As at December 31, 2023, and 2022, the Fund did not have significant exposure to credit risk.

(c) Liquidity risk:

Liquidity risk is defined as the risk that the Fund may not be able to settle or meet its obligation on time or at a reasonable price.

The Fund's exposure to liquidity risk is concentrated in the periodic cash redemptions of units. The Fund primarily invests in securities that are traded in active markets and can be readily disposed of. In addition, the Fund generally retains sufficient cash and cash equivalent positions to maintain liquidity. As at December 31, 2023, and 2022, other financial liabilities of the Fund such as accounts payable and accrued liabilities and management fees payable are due between one and three months.

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

7. Financial instruments (continued):

(d) Interest rate risk:

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments.

Interest rate risk arises when the Fund invests in interest-bearing financial instruments. The Fund is exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. There is minimal sensitivity to interest rate fluctuations on any cash and cash equivalents invested at short-term market interest rates. As at December 31, 2023, and 2022, the Fund did not have significant exposure to interest rate risk.

(e) Other price risk:

Other price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

All investments represent a risk of loss of capital. The Manager aims to moderate this risk through careful selection and diversification of securities and other financial instruments in accordance with the Fund's investment objective and strategy. Possible losses from short positions can be unlimited. The Fund's overall market positions are monitored on a regular basis by the Manager.

Financial instruments held by the Fund are susceptible to market price risk arising from uncertainties about future prices of the instruments. As at December 31, 2023, a 10% movement in stock prices could result in a \$1,185,241 (2022 - \$508,166) change in net assets attributable to holders of redeemable units. In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

7. Financial instruments (continued):

(f) Geopolitical risk:

Terrorism, war, military confrontations and related geopolitical events (and their aftermath) can lead to increased short-term market volatility and may have adverse long-term effects on the Canadian, U.S., and world economies and markets generally. Likewise, natural and environmental disasters, such as, for example, earthquakes, fires, floods, hurricanes, tsunamis and weather-related phenomena generally, as well as wide-spread disease and virus epidemics, can be highly disruptive to economies and markets into the medium term, adversely affecting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors impacting the value of the Fund's investments.

(g) Currency risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk arises from financial instruments that are denominated in a currency other than the Canadian dollar, which represents the functional currency of the Fund. The Fund may enter into foreign exchange forward contracts for hedging purposes to reduce its foreign currency exposure or to establish exposure to foreign currencies.

As at December 31, 2023, and 2022, the currency risk related to the Fund is shown below:

Currency	Exposure			Impact if CAD strengthened or weakened by 5% in relation to other currencies		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
December 31, 2023						
U.S. Dollar	\$ (7,420,415)	\$ 11,852,414	\$ 4,431,999	\$ (371,021)	\$ 592,621	\$ 221,600
	\$ (7,420,415)	\$ 11,852,414	\$ 4,431,999	\$ (371,021)	\$ 592,621	\$ 221,600
% of net assets attributable to holders of redeemable units	(85.4)	136.3	50.9	(4.3)	6.8	2.5

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

7. Financial instruments (continued):

(g) Currency risk (continued):

Currency	Exposure			Impact if CAD strengthened or weakened by 5% in relation to other currencies		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
December 31, 2022						
U.S. Dollar	\$ (1,925,914)	\$ 5,081,659	\$ 3,155,745	\$ (96,296)	\$ 254,083	\$ 157,787
	\$ (1,925,914)	\$ 5,081,659	\$ 3,155,745	\$ (96,296)	\$ 254,083	\$ 157,787
% of net assets attributable to holders of redeemable units						
	(28.5)	75.3	46.8	(1.4)	3.8	2.4

In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

7. Financial instruments (continued):

(h) Concentration risk:

Concentration risk arises because of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type.

The following table is a summary of the Fund's concentration risk as a percentage of the Fund's net assets at December 31, 2023:

		Percentage of net assets attributable to holders of redeemable units
		December 31, 2023
Longs		
Asset Type	Underlying Exposure	
Investment Funds	Market index - S&P 500	49.28%
Investment Funds	Market Index - NASDAQ	20.53%
Investment Funds	Sector-specific index - Consumer Staples	50.53%
Investment Funds	Gold bullion	4.68%
Investment Funds	VIX Futures	6.82%
Investment Funds	US treasury bonds	4.49%
		136.33%
Unrealized gain, foreign exchange forward contracts		0.69%
Other assets and liabilities		-37.02%
		100.00%

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

7. Financial instruments (continued):

(h) Concentration risk (continued):

The following table is a summary of the Fund's concentration risk as a percentage of the Fund's net assets at December 31, 2022:

		Percentage of net assets attributable to holders of redeemable units
		December 31, 2022
Longs		
Asset Type	Underlying Exposure	
Investment Funds	Market index - S&P 500	34.94%
Investment Funds	Market Index - NASDAQ	10.00%
Investment Funds	Sector-specific index - Consumer Staples	29.89%
Investment Funds	Gold bullion	10.14%
Investment Funds	US treasury bonds	20.30%
		105.27%
Shorts		
Investment Funds	Sector-specific index - Consumer Discretionary	-29.95%
		75.32%
Unrealized gain, foreign exchange forward contracts		0.37%
Other assets and liabilities		24.31%
		100.00%

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

7. Financial instruments (continued):

(i) Leverage risk:

When the Fund makes investments in derivatives, borrows cash for investment purposes, or uses physical short sales on equities, fixed income securities or other portfolio assets, leverage may be introduced into the Fund. Leverage occurs when the Fund's aggregate gross exposure to underlying assets is greater than the amount invested. Leverage may increase volatility, may impair the Fund's liquidity and may cause the Fund to liquidate positions at unfavourable times.

As prescribed by NI 81-102, the aggregate gross exposure of the Fund, to be calculated as the sum of the following, must not exceed three times the Fund's net asset value: (i) the amount of cash borrowed for investment purposes; (ii) the aggregate market value of physical short sales on equities, fixed income securities or other portfolio assets; and (iii) the aggregate notional value of the Fund's specified derivatives positions excluding any specified derivatives used for hedging purposes.

During the year ended December 31, 2023, the Fund's lowest and highest aggregate gross exposure was 18.8% (2022 - 11.7%) and 37.4% (2022 - 53.2%) of the Fund's NAV respectively. The primary source of leverage in 2022 was short sales. During 2023, the primary source of leverage transitioned to cash borrowings. The low and high end of the range are as a result of our investing activities, and timing of subscriptions and/or redemptions. The Fund's strategy is outlined in the Fund's simplified prospectus.

The Manager monitors, on a daily basis, that the Fund's aggregate gross exposure is less than three times the Fund's net asset value.

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

7. Financial instruments (continued):

(j) Fair values of financial instruments:

Investments measured at fair value are classified into one of three fair value hierarchy levels, based on the lowest level input that is significant to the fair value measurement in its entirety. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The three fair value hierarchy levels are as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table summarizes the levels within the fair value hierarchy in which the fair value measurements of the Fund's investments fall as of December 31, 2023:

	Level 1	Level 2	Level 3	Total
Assets				
Investment funds	\$ 11,852,414	\$ –	\$ –	11,852,414
Forward contracts	–	59,552	–	59,552
	\$ 11,852,414	\$ 59,552	\$ –	11,911,966

There were no transfers between levels during the year ended December 31, 2023.

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

7. Financial instruments (continued):

(j) Fair values of financial instruments (continued):

The following table summarizes the levels within the fair value hierarchy in which the fair value measurements of the Fund's investments fall as of December 31, 2022:

	Level 1	Level 2	Level 3	Total
Assets				
Investment fund	\$ 7,101,833	\$ –	\$ –	7,101,833
Forward contracts	–	24,674	–	24,674
	\$ 7,101,833	\$ 24,674	\$ –	7,126,507
Liabilities				
Investment fund	\$ 2,020,174	\$ –	\$ –	2,020,174
	\$ 2,020,174	\$ –	\$ –	2,020,174

There were no transfers between levels during the period from January 14, 2022 (beginning of operations), to December 31, 2022.

8. Expenses:

The Fund pays all of its operating expenses including, without limitation, expenses relating to registrar and transfer agency fees, accounting, audit and legal fees, bank and interest charges, insurance, safekeeping and custodial fees, operating and administrative costs, fees and expenses, costs of financial reports to investors, costs relating to investor meetings, costs of the prospectus relating to the sale of units of the Fund, costs of the independent review committee, regulatory filing and other fees and brokerage commissions and other portfolio transaction costs. The Fund is generally required to pay HST (and other applicable taxes, if any) at the applicable rate on most expenses that it pays.

Each Series is responsible for the operating expenses that relate to that particular Series and for its proportionate share of the operating expenses that are applicable to all the Series of the applicable Fund. These specific expenses, unique to each Series, are payable from the assets attributed to that Series of the Fund. If the Fund cannot pay the expenses of one series using that series' share of assets, the Fund will have to pay the additional expenses out of other series' share of assets.

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

8. Expenses (continued):

The members of the independent review committee may from time to time pay for reasonable expenses incurred in the performance of their duties and be reimbursed for such expenses by the Fund. These expenses may include insurance premiums, travel expenses and reasonable out-of-pocket expenses.

For the year ended December 31, 2023, the expenses reimbursed by the Manager were \$223,038 [period from January 14, 2022 (beginning of operations), to December 31, 2022 - \$224,845], of which \$57,189 (2022 - \$71,161) was receivable as of December 31, 2023.

For the year ended December 31, 2023, fees paid or payable to KPMG LLP for the audit of the financial statements of the Fund were \$42,800 (2022 - \$35,310). Fees for other services were \$nil (2022 - \$16,585)

9. Increase (decrease) in net assets attributable to holders of redeemable units per unit:

The increase (decrease) in net assets attributable to holders of redeemable units per unit for the year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022, is calculated as follows:

	Increase (decrease) in net assets attributable to holders of redeemable units per series	Weighted average of redeemable units outstanding during the year	Increase (decrease) in net assets attributable to holders of redeemable units per unit
December 31, 2023			
Series F	\$ 10,406	31,392	\$ 0.33
Series N	215,110	641,206	0.34
Series UN	40,730	111,528	0.37
December 31, 2022			
Series F	\$ 6,262	26,352	\$ 0.24
Series N	281,269	375,880	0.75
Series O	132	1,000	0.13
Series P	(3,258)	7,709	(0.42)
Series UN	46,041	82,744	0.56

TRUX EXOGENOUS RISK POOL

Notes to Financial Statements (continued)
(Expressed in Canadian dollars)

Year ended December 31, 2023, and the period from January 14, 2022, (beginning of operations) to December 31, 2022

10. Income taxes:

The Fund qualifies as a Mutual Fund trust under the provisions of the Income Tax Act (Canada), and accordingly, is not subject to tax on its net taxable income, including net realized capital gains, that is paid or payable to its Unitholders as at the end of the taxation year. However, such part of the Fund's net income and net realized capital gains as is not so paid or payable is subject to income tax. It is the intention of the Fund to distribute all of its income and sufficient net realized capital gains so that the Fund will not be subject to income tax under Part I of the Income Tax Act (Canada). As a result, the Fund does not record income taxes.

The Fund is subject to withholding taxes on foreign income at the applicable foreign tax rates on investment income and capital gains. Income that is subject to withholding taxes is recorded gross of withholding taxes, and the related withholding taxes are shown as a separate expense in the statement of comprehensive income.

Non-capital losses are available to be carried forward for twenty years and applied against future taxable income. Capital losses for income tax purposes may be carried forward indefinitely and applied against future capital gains and regular income.

As at December 31, 2023, the Fund had \$325,275 (2022 - \$10,113) non-capital losses and \$64,271 (2022 - \$47,953) capital losses carrying forward.

11. Investment in unconsolidated structured entities:

The Fund does not consolidate investments in exchange-traded funds because the Fund does not have an ability to influence the activities of these funds or the returns it receives from investing in these funds.

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. The Manager of the Fund has determined that its investments made into other investment funds are considered to be unconsolidated structured entities. Please refer to the Schedule of Investment Portfolio for investments in structured entities.

During the applicable periods ended December 31, 2023 and 2022, the Funds did not provide financial support to unconsolidated structured entities and has no intention of providing financial or other support.