

Fund Summary



Palos Global Small-Cap Equity Fund

This summary outlines the key terms and conditions of the Fund; please refer to the Offering Memorandum dated July 5, 2024 for additional information. All capitalized terms not otherwise defined herein have the meaning ascribed to them in the Offering Memorandum.

Organization Overview

Palos Global Small-Cap Equity Fund (the “Fund”) is an investment fund established on June 14, 2024 as a trust and governed under the laws of Quebec. Palos Management Inc. (the “Fund Manager”) is acting as investment fund manager and as portfolio manager of the Fund. Palos Wealth Management inc. (the “Sub-Advisor”) is responsible for making investment decisions on behalf of the Fund. The Sub-Advisor, when acting as exempt market dealer, may also act as a distributor of Units of the Fund.

Investment Objectives

The Fund aims to provide investors with an absolute return in excess of 10% annually by investing in a diversified basket of global (developed countries) small cap publicly traded companies.

Investment Strategy

The Fund’s Sub-Advisor, in compliance with the Sub-Advisory Agreement, aims to generate superior returns by investing in companies characterized as “small cap companies” (as defined in the Offering Memorandum). The market capitalization range of companies invested in the Fund may fluctuate with market conditions. The Fund may invest up to 85% of its assets in securities outside of outside Canada or the United States, including European, Asian, and U.S.-traded foreign companies’ depository receipts. The Sub-Advisor employs a high quality, bottom-up, growth at a reasonable price (GARP) approach through qualitative, quantitative and comparative research in the security selection process. Given the fund’s growth profile, the Sub-Advisor will tend to focus on small and mid-capitalization companies as these companies offer the best prospects for growth. The strategy’s five pillars are growth, high economic value added, outstanding management, quality businesses, and reasonable pricing. The Fund’s holdings may include equities, convertible debentures, and equity warrants

Summary of Terms			
	Series A	Series F	Series I
Fundserv Code	PAL250	PAL251	PAL252
Management fee	2.35% of NAV	1.35% of NAV	1% of NAV
Trailer fee	1%	N/A	N/A
Redemption period	Prior to the last Business Day of a given month		
Early redemption fees	N/A		
Distribution	Quarterly (optional, at the discretion of the Fund Manager)		
Minimum Investment	Initial \$5,000, subsequent \$500 (at the discretion of the Fund Manager)		
NAV frequency	Monthly, last Business Day of each month		
Eligibility	Accredited investor exemption Canadian residents only (except in Newfoundland and Labrador); Eligible for registered accounts		

Note 1: Series A – Available to all investors, except to those investors who participate through an order-execution only dealer.

Note 2: Series F – Available to all investors who participate in fee-based programs through their dealers, as well as those who participate through their order-execution only dealer.

Note 3: Series I – Available to be purchased by institutional clients investing a minimum of \$10,000,000 in the Fund.

Services Providers	
Prime Broker/ Custodian	National Bank independent Network Inc.
Legal Counsel:	Fasken Martineau DuMoulin LLP
Auditor:	PricewaterhouseCoopers LLP
Administrator:	SGGG Fund Services Inc.

Firm Information	
Fund Manager and Portfolio Manager:	Palos Management Inc.
Sub-Advisor:	Palos Wealth Management Inc.
Investment Team:	Charles Timmons, Portfolio Manager
Web Site:	www.palos.ca
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