

Term Sheet

PALOS

Palos-CTI Acrobat Enhanced Fund

This Term Sheet provides a summary of the key terms and conditions of the Palos-CTI Acrobat Enhanced Fund as of June 30, 2025. The trust agreement and other important information are available upon request.

Organization Overview

Palos-CTI Acrobat Enhanced Fund (the “**Fund**”) is an investment fund established on March 19, 2025 as a trust and governed under the laws of Quebec. Palos Wealth Management Inc. (the “**Fund Manager**”), a Canadian wealth and investment management company, is acting as the investment fund manager of the Fund. CTI Capital Securities Inc. (the “**Portfolio Manager**”), a Canadian full-service investment dealer, is acting as the portfolio manager of the Fund. When acting as an exempt market dealer, the Fund Manager may also act as a distributor of Units of the Fund.

Investment Objectives

The Fund aims to provide investors with long-term capital growth by investing in a strategically managed portfolio of high-quality Canadian and U.S. publicly traded large and mid-capitalization companies.

Investment Strategy

The Fund is actively managed and focuses on companies that demonstrate strong fundamentals and long-term growth potential. Fund’s Portfolio Manager is building the portfolio using a bottom-up stock selection approach, adding individual securities to the portfolio based on their intrinsic value. Rebalancing is conducted quarterly to maintain alignment with the Fund’s objectives and to respond to changes in market dynamics. The Fund’s Portfolio Manager employs a risk-adjusted framework, using its fundamental research to dynamically adjust cash holdings and use leverage when market conditions warrant it.

Summary of Terms		
	Series A	Series F
Fundserv Code	PAL910	PAL911
Management Fee	2% of NAV	1% of NAV
Trailer Fee	1%	N/A
High Water Mark	Perpetual	
Hurdle Rate	5% above the High-Water Mark	
Performance fee	15% of the performance above the Hurdle Rate	
NAV Frequency (Valuation Day)	Monthly, last Business Day of each month	
Redemption	Once a month, on the last Business Day of the month	
Redemption Notice Period	A redemption request must be received before 3:00 p.m. (Eastern Time) on the last Business Day of the month. Requests received after 3:00 p.m. will be carried over and processed on the last Business Day of the following month.	
Early redemption fees	N/A	
Distribution	On the last Business Day of each calendar quarter and at year-end (at the discretion of the manager)	
Distribution Reinvestment Option	Yes	
Minimum Investment	Initial \$25,000, subsequent \$500 (at the discretion of the Fund Manager)	
Eligibility	Accredited investor exemption Canadian residents only (except in Newfoundland and Labrador)	
Registered Accounts	RRSP, TFSA, RRIF, LIF, RESP, RDSP, FHSA	

Note 1: Series A – Available to non fee-based dealers who would like to access the Fund on behalf of their clients.

Note 2: Series F – Available to investors who participate in fee-based programs through their dealer or adviser.

Fund Information			
Prime Broker and Custodian:	National	Bank	Independent
	Network Inc.		
Legal Counsel:	Fasken Martineau DuMoulin LLP		
Auditor:	PricewaterhouseCoopers LLP		
Administrator:	SGGG Fund Services Inc.		

Contact Information	
Fund Manager:	Palos Wealth Management Inc.
Web Site:	www.palos.ca
Address:	1670-1 Place Ville-Marie, Montréal QC H3B 2B6 Canada
Tel:	(514) 397-0188, or (855) 725-6788 (Toll-free)
Portfolio Manager:	CTI Capital Securities Inc.
Web Site:	www.cticap.com
Address:	203-1175 Avenue Bernard, Montréal QC H2V 1V5 Canada
Tel:	(514) 861-3500, or 866-501-4048 (Toll-free)

DISCLOSURE: The document is for information purposes only and does not constitute an offering memorandum. Palos Funds are not available for purchase by non-Canadian residents.