



**VALUE
PARTNERS
INVESTMENTS**

Value Partners Pools

**Amended and Restated Simplified Prospectus dated November 1, 2011,
amending and restating the Simplified Prospectus dated June 30, 2011**

Series A Units, Series B Units, Series F Units and Cardinal Series Units
of

**VPI Canadian Income Pool
VPI Canadian Equity Pool**

Series A Units, Series B Units and Series F Units
of

**VPI Foreign Equity Pool
VPI Value Pool
VPI Canadian Balanced Pool**

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

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Introduction

This document contains selected important information to help you make an informed investment decision and to help you understand your rights as an investor.

This document is divided into two parts. The first part, pages 1 through 28, contains general information that applies to all Value Partners Pools. The second part, pages 29 through 39, contains specific information about each of the Value Partners Pools described in this document.

Additional information about each Pool is available in the following documents:

- the Annual Information Form;
- the most recently filed Fund Facts;
- the most recently filed annual financial statements;
- any interim financial statements filed after those annual financial statements;
- the most recently filed annual management report of fund performance;
- any interim management report of fund performance filed after that annual management report of fund performance.

These documents are incorporated by reference into this document, which means that they legally form part of this document just as if they were printed as part of this document. You can obtain a copy of these documents, at your request, and at no cost by calling 1-866-323-4235 or from your dealer. These documents are available on our website at www.valuepartnersinvestments.ca or you can ask us to send them to you by emailing info@vpinvestments.ca. These documents and other information about the Value Partners Pools are also available at www.sedar.com.

What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?

What is a Mutual Fund?

Each Value Partners Pool is a mutual fund. A mutual fund is an investment product that pools your money with the money of other investors with similar investment objectives. Professional investment managers use that money to buy a portfolio of securities that they believe will help achieve that investment objective.

Each contributor to the pool of money becomes a unitholder of the mutual fund. Each unit represents a proportionate share of the mutual fund's net assets. Unitholders share the mutual fund's income, expenses and any gains and losses the mutual fund makes on its investments based on the proportionate number of units they own.

What are the Risks of Investing in a Mutual Fund?

Mutual funds own different types of investments depending upon their investment objectives. The value of these investments changes from day to day, reflecting changes in interest rates, economic conditions and market and company news. As a result, the value of a mutual fund's units will go up and down, and the value of your investment in a mutual fund may be more or less when you redeem it than when you purchased it. The full amount of your investment in any of the Value Partners Pools is not guaranteed. Unlike bank accounts or GICs, mutual fund units are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

Under exceptional circumstances, a mutual fund may suspend redemptions. Please see "Suspending Your Right to Redeem Units".

Different investors have varying tolerances for risk. You must consider your own comfort with risk as well as the amount of risk suitable for your investments. The following is a summary of the various types of investment risk that may be applicable to the Value Partners Pool(s) you decide to purchase:

Equity Risk

The value of the Value Partners Pools that invest in equity securities (also called stocks or shares) will be affected by changes in the market price of those securities. The price of a stock is affected by individual company developments, such as profitability, and also by general economic and financial conditions in those countries where the company is located or carries on business or where the stock is listed for trading.

Fixed Income Risk

Certain Value Partners Pools invest in fixed income securities. Fixed income securities are subject to interest rate risk and to credit risk. These risks exist because the price of fixed income securities varies with prevailing interest rates and the creditworthiness of the government or company issuing the securities. Typically, when interest rates decline the price of fixed income securities, such as bonds, rises. Conversely, when interest rates rise, the price of existing bonds generally falls. The net asset value of a Pool holding these securities would then rise or fall as a result of the underlying bond prices either rising or falling. Credit risk is the possibility that an issuer of a bond or other fixed income investment may not be able to pay interest or repay the principal at maturity. The risk of this occurring will vary depending on the issuer of the security and the associated interest rate paid by the issuer will typically correspond to the level of credit risk. Typically the higher the interest rate paid, the higher the market perceives the credit risk of the issuer.

Foreign Market Risk

Investments in foreign securities by the Value Partners Pools raise additional risks compared to those made in the Canadian market. The value of foreign securities may be influenced by foreign government policies, lack of information about foreign companies, political or social instability and the possible levy of foreign withholding tax. There may

be lower standards of government supervision and regulation in foreign financial markets. Foreign stock markets may also be less liquid and more volatile than the Canadian market. At times, the securities markets of various countries may move relatively independently of one another due to different economic, financial, political and social factors. This could lead to a reduction in gains the Pool has derived from movements in a particular market. A Pool that holds foreign securities may have difficulty enforcing legal rights in jurisdictions outside Canada.

Emerging market securities have additional risks that are less common in more established capital markets, such as financial and economic risks and political and legal risks. The securities markets in emerging market countries may be smaller than the markets in more developed countries, reducing liquidity and making it more difficult to sell securities when desired in order to take profits or avoid losses. The economies of individual emerging market countries may also differ substantially from economies of more developed countries in such respects as growth of gross domestic product, rate of inflation, capital reinvestment, resource self-sufficiency, the extent of dependence on external trade and its balance of payments position. Capital markets in emerging market countries can be less developed and less reliable than those in mature economies in that disclosure, transparency and reporting rules are limited, subject to change and often less consistent or understandable. The market infrastructures in regard to trading and settlement may also be less efficient and more biased than those in established markets. As well, many emerging market countries have laws and regulations which differ from those in more established capital markets and which may preclude foreign direct investment, repatriation of capital or may restrict foreign exchange transactions. Tax regulations may be subject to frequent change and are not subject to the conventions in place in more developed capital markets, even to the extent that outright confiscation or expropriation may occur. Further, investors in emerging markets may encounter difficulties or be unable to pursue legal remedies and enforce judgments in foreign courts. Accordingly, the value of the Pools that buy investments in emerging markets may rise and fall substantially and fluctuate greatly from time to time.

Certain Pools may purchase sponsored or unsponsored American Depositary Receipts (ADRs), European Depositary Receipts (EDRs) and Global Depositary Receipts (GDRs) (collectively "depository receipts") typically issued by a bank or a trust company which evidence ownership of underlying securities issued by a foreign corporation. Generally, depository receipts in registered form are designed for use in the U.S. securities market and the depository receipts may not necessarily be denominated in the same currency as the underlying securities into which they may be converted. Depository receipts may be issued pursuant to sponsored or unsponsored programs. In sponsored programs, an issuer has made arrangements to have its securities traded in the form of the depository receipts. In unsponsored programs, the issuer may not be directly involved in the creation of the program. Although regulatory requirements with respect to sponsored and unsponsored programs are generally similar, in some cases it may be easier to obtain financial information from an issuer that has participated in the creation of a sponsored program. Accordingly, there may be less information available regarding issuers of securities underlying unsponsored programs and there may not be a correlation between such information and the market value of the depository receipts.

Foreign Currency Risk

The Canadian dollar value of a Pool's investments in foreign securities is affected by changes in the value of the Canadian dollar relative to the currency in which those securities are denominated. For example, if the Canadian dollar rises relative to the foreign currency, the value of the Pool's holdings expressed in Canadian dollars will go down, even though the value of the foreign holdings in their own market did not change. Investments in securities issued in foreign currencies may also be subject to foreign currency controls where applicable.

Income Trust Unit Risk

Income trusts commonly hold debt or equity securities in, or are entitled to receive royalties from, an underlying active business. Income trusts face the same equity risks described above. Investments in income trusts will have varying degrees of risk depending on the sector and the underlying assets. They will also be subject to general risks associated with business cycles, commodity prices, interest rates and other economic factors.

Returns on income trusts are neither fixed nor guaranteed. Typically income trusts and other securities that are expected to distribute income are more volatile than fixed-income securities and preferred shares. The value of income trust units may decline significantly if they are unable to meet their distribution targets. To the extent that claims against an income trust are not satisfied by the trust, investors in the income trust (which include a fund that invests in the income trust), could be held responsible for such obligations. Some, but not all, jurisdictions have enacted legislation to protect investors from some of this liability.

Series Risk

Units of the Pools are available in more than one series. If a Pool can't pay the expenses of one series using its proportionate share of the Pool's assets for any reason, the Pool will be required to pay those expenses out of the other series' proportionate share of the Pool's assets. That could lower the investment returns of the other series. The Pools may, without unitholder approval, issue additional series.

Securities Lending, Repurchase and Reverse Repurchase Risk

The Pools may enter into securities lending, repurchase transactions and reverse repurchase transactions in order to earn additional income but there are risks associated with each of these transactions. Securities lending involves the lending of securities held by a Pool to qualified borrowers who have posted collateral. In lending securities a Pool is subject to the risk that the borrower may not fulfill its obligations, leaving the Pool holding collateral worth less than the securities it has lent, resulting in a loss.

A repurchase transaction involves a mutual fund selling a security at one price and agreeing to buy it back from the same party at a lower price. Over time, the value of the securities sold under a repurchase transaction might exceed the value of the collateral held by the mutual fund. If the other party defaults on its obligation to resell the

securities to the mutual fund the collateral may be insufficient to enable the mutual fund to purchase replacement securities and the mutual fund may suffer a loss.

A reverse repurchase transaction involves a Pool purchasing a security at one price and agreeing to sell it back to the same party at a higher price. Over time, the value of the securities purchased by the Pool under a reverse repurchase transaction may decline below the amount of cash paid by the Pool to the other party. If the other party defaults on its obligation to repurchase the securities from the Pool it may need to sell the securities for a lower price and suffer a loss for the difference.

Organization and Management of the Value Partners Pools

The following entities are involved in the operation and management of the Value Partners Pools:

Manager	Value Partners Investments Inc. Suite 400, 305 Broadway Winnipeg, Manitoba R3C 3J7 <i>Responsible for managing the overall business and operations of the Pools.</i>
Portfolio Managers	Value Partners has retained different portfolio managers who are responsible for selecting and monitoring the securities in which each Pool invests. The portfolio manager for each Pool is identified in Part B of this simplified prospectus.
Trustee	RBC Dexia Investor Services Trust Toronto, Ontario <i>Responsible for holding the assets of the Pools and implementing the directions of the Portfolio Manager or the Manager.</i>
Custodian	RBC Dexia Investor Services Trust Toronto, Ontario <i>Responsible for maintaining in safekeeping the assets of the Pools.</i>
Record-keeper	RBC Dexia Investor Services Trust Toronto, Ontario <i>Responsible for maintaining unitholder records.</i>
Auditors	KPMG LLP, Chartered Accountants Winnipeg, Manitoba <i>Responsible for auditing the financial statements of the Pools.</i>

<p>Independent Review Committee</p>	<p>The Value Partners Pools Independent Review Committee (IRC) consists of three individuals, each of whom is independent from the Manager and companies related to the Manager. The mandate of the IRC is to consider conflicts of interest of the Manager that are referred to the IRC by the Manager as required by applicable securities laws. The IRC prepares a report of its activities for unitholders at least annually, the most recent of which is available on the website of the Manager at www.valuepartnersinvestments.ca. It is also available free of charge from the Manager on request by calling toll-free at 1-866-323-4235 or by email at info@vpinvestments.ca. Additional information about the IRC including the names of the members of the IRC is available in the annual information form of the Pools.</p>
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Value Partners may decide to merge one Pool with another Pool, provided that it complies with applicable securities regulation and obtains the approval of the IRC for such merger transaction. You may not be asked to vote on such transaction if you are an investor in the merging Pool, but you will receive at least 60 days notice of such merger transaction.

Value Partners may decide to change the auditors of the Pools, subject to compliance with disclosure requirements of securities regulators and IRC approval. You will not be asked to vote on this change, but you will receive 60 days advance notice of the change if the IRC approves the proposed change.

Purchases, Switches and Redemptions

Description of Units

Each Pool is authorized to have an unlimited number of series of units and may issue an unlimited number of units of each series. You can invest in any Pool by purchasing units of one or more of the following series of units:

- Series A
- Series B
- Series F

Series A and Series B units are available to all investors. Series F units are available only to certain investors, usually those investors who have fee-based accounts with dealers which have executed a Series F agreement with Value Partners. Because of their different purchase options and availability, Series B and Series F units have different management fees than Series A units as described in this simplified prospectus under “Fees and Expenses”.

You may also invest in the VPI Canadian Income Pool and the VPI Canadian Equity Pool by purchasing Cardinal Series units. Cardinal Series units are only available to investors who have signed a discretionary managed account agreement with Cardinal Capital Management, Inc. (Cardinal).

Value Partners may decide to offer additional series of units in the future, without your consent or notice to you.

You may purchase, switch or redeem Series A, Series B and Series F units of a Value Partners Pool through dealers, subject to the above-noted availability of Series F units. Cardinal Series units can only be purchased, switched or redeemed through a managed account managed by Cardinal.

A unit of a particular series of a Pool can be purchased, redeemed or switched at its current series net asset value (NAV). Each series of units pays its proportionate share of common fund expenses, in addition to expenses that are unique to that series. The differences in expenses and fees among the series mean that each series of a Pool has a different NAV per unit. For each series of units of a Pool, NAV per unit of that series is calculated by determining the series' proportionate share of the value of the Pool's assets, subtracting the liabilities associated with that series and then dividing the result by the number of units in that series held by investors in the Pool.

The series NAV per unit of each series of a Value Partners Pool is calculated at the close of business on each day that the Toronto Stock Exchange (TSX) is open.

Purchase, switch or redemption orders received by or on behalf of a Pool before 4:00 p.m. (ET) on any day that the TSX is open will be processed that day at the applicable series NAV per unit determined at the close of business on that day. Orders received after 4:00 p.m. (ET) or on a day when the TSX is not open for business will be processed the following valuation day at the applicable series NAV per unit determined at the close of business of that day. If the TSX closes earlier than 4:00 p.m. (ET) on any day, the Manager may impose an earlier deadline for receipt of orders on that day.

Purchasing Units

You can invest in Series A, Series B or Series F units of any of the Value Partners Pools by completing a Value Partners purchase application, which can be obtained from your dealer, and by giving the completed purchase application and your money to invest in the Pools to your dealer, indicating in which series of units you wish to invest.

To invest in any series of units of the Value Partners Pools, you must initially invest a minimum of \$25,000, which can be invested in any one or more of the Pools, provided that you invest at least \$10,000 in a series of units of each applicable Pool. You must invest at least \$50 per Pool for each subsequent investment. Value Partners may waive these minimum purchase levels from time to time.

Value Partners may close your account if its value falls significantly below \$25,000, whether due to redemptions, switches or market fluctuations. In the event that Value

Partners decides to close your account you will receive at least 60 days advance notice so that you can make additional investments. If you do not make additional investments within those 60 days and the value of your account remains significantly below \$25,000 Value Partners will redeem your account in full and send you a cheque for the full amount, less any outstanding fees that are payable by you.

Value Partners may reject your purchase order provided it is done within one business day of receiving it. Any money sent with your order will be returned to you or your dealer once the payment clears.

If your purchase order is placed in advance of forwarding your purchase money and if Value Partners does not receive your payment within three business days of processing your purchase order, Value Partners will redeem your units on the next business day. If the proceeds of that redemption are greater than the purchase payment you owe, the Pool will keep the difference. If the redemption proceeds are less than the payment you owe, the difference will be paid to the Pool on your behalf and the amount collected from your dealer, who may collect the amount from you.

Series A Units

If you invest in Series A units of a Value Partners Pool, you will pay a negotiated sales commission to your dealer at the time you purchase those units. The sales commission will be a percentage of the amount you invest. Value Partners will also pay trailing commissions to your dealer if you invest in Series A units. Please see “Fees and Expenses Payable Directly by You” and “Dealer Compensation” for more information on sales and trailing commissions.

Series B Units

If you invest in Series B units of a Value Partners Pool, Value Partners will pay a sales commission to your dealer. You do not pay a sales commission at the time of purchase, but if you redeem or switch your units out of Series B within 3 years, you will pay a redemption fee to Value Partners on the units you redeem at the time of redemption. The redemption fee you pay depends on the date you purchased your units and their net asset value at the time of purchase, as well as the date you redeem them. Value Partners will also pay trailing commissions to your dealer if you invest in Series B units of a Value Partners Pool. Please see “Fees and Expenses Payable Directly by You” and “Dealer Compensation” for more information on the redemption fees you will pay and the sales and trailing commissions we will pay to your dealer.

Series F Units

If you invest in Series F units of a Value Partners Pool, your dealer must have signed a Series F agreement with Value Partners. To qualify for investing in Series F units, generally you must have a fee-based account with your dealer. This means that you will have agreed with your dealer on the fees that you will pay to your dealer in connection with your account with that dealer. Value Partners does not pay a trailing commission to your dealer if you invest in Series F units.

Cardinal Series Units of VPI Canadian Income Pool and VPI Canadian Equity Pool

If you invest in Cardinal Series units of the VPI Canadian Income Pool or the VPI Canadian Equity Pool, you will have entered into a managed account agreement with Cardinal that sets out the fees that you may pay to Cardinal in respect of your managed account. Value Partners pays a fee to Cardinal in respect of any Cardinal Series units in which you invest. Cardinal may pay all or a portion of this fee to the dealer who referred your account to Cardinal. Value Partners does not pay a trailing commission if you invest in the Cardinal Series units. Please see “Dealer Compensation” for more information about these fee arrangements.

Switching Units

You can switch your investments between the Value Partners Pools, by redeeming units of a Value Partners Pool you own and purchasing units of another Value Partners Pool, provided that after the switch you continue to hold a minimum of \$10,000 in each Value Partners Pool in which you hold units. You can give your switch instructions to your dealer. You will not typically pay any switch fee, unless you make a switch within 30 days of purchasing the units being switched. You can only switch your investments between the Pools if you switch units of the same series. If units are switched from a Pool within 30 days of purchasing them, you may be subject to the short-term trading fee described under “Restrictions on Excessive Trading of Units”. The switch of units of one Pool for units of another Pool has the same tax implications for investors as for other redemptions. Please see “Income Tax Considerations for Investors” for more information.

You can switch units of one series of a Pool for units of another series of the same Pool, provided you meet the eligibility requirements for the Series F units and the Cardinal Series units, as applicable, if you wish to switch into these series. The amount of your investment, less any fees, which are paid by redeeming units, will be the same after the change. You will, however, own a different number of units because each series has a different NAV per unit. You will pay any applicable redemption fee if you are switching out of Series B to another series of the same Pool. Changing units from one series to another series of the same Pool will not trigger a capital gain or loss for income tax purposes.

Redeeming Units

You can redeem units of any Value Partners Pool you own by sending your signed instructions in writing, with your signature guaranteed by a chartered bank, trust company or other acceptable financial institution, to your dealer. If the registered owner of the units is a corporation, partnership, agent, fiduciary or surviving joint owner, Value Partners may require additional information. If you redeem your units and the value of your account falls below \$25,000, Value Partners may seek to close your account as described above.

Payment of the proceeds of the redemption of your units will be made within three business days following receipt of your redemption request in proper order. Payment will be made either by cheque or electronically. Payment by cheque will be made by first class mail to your last address that appears on the register of unitholders, unless you provide other specific instructions.

Value Partners will not charge you a redemption fee or any other charge on a redemption under normal circumstances, unless you are redeeming Series B units within the applicable three year period from date of purchase, however you may be required to pay a short-term trading fee of up to 2 percent of the amount redeemed if you redeem your units within 30 days after purchasing them. This short-term trading fee will be paid to the applicable Pool. See “Short-Term Trading” for more information.

10 Percent Free Redemptions of Series B Units

In any calendar year, you may redeem Series B units of a Value Partners Pool, without payment of the applicable Series B redemption fee. Value Partners calculates the number of units available for free redemption as follows:

- (i) 10 percent of the number of Series B units you purchased during the current calendar year prorated for the number of days you held the units during the current calendar year, plus
- (ii) 10 percent of the number of Series B units you held at December 31 of the prior year that remain subject to the redemption fee.

Your right to the 10 percent free redemption of Series B units is not cumulative from one calendar year to the next. If you choose to redeem or switch more Series B units than permitted by your 10 percent free redemption right, the units being redeemed in excess of your 10 percent free redemption right will be subject to a redemption fee as indicated in the section “Fees and Expenses Payable Directly by You”. Any Series B units acquired through reinvestment of distributions will not be included in the calculation of your 10 percent free redemption right.

In the event that you exercise the 10 percent free redemption of Series B units and your account no longer meets the minimum investment requirement of \$25,000 per account or \$10,000 per Pool (in each series invested), Value Partners may seek to close your account as described previously under “Purchasing Units”.

Value Partners may modify or discontinue your free redemption right at any time in its sole discretion.

Suspending Your Right to Redeem Units

Value Partners may temporarily suspend your right to redeem units of a Pool and postpone payment of redemption proceeds as permitted by securities regulation:

- during any period when normal trading is suspended on any exchange on which securities or derivatives that make up more than 50 percent of the Pool’s value or

its underlying market exposure are traded, provided those securities or derivatives are not traded on any other exchange that is a reasonable alternative for the Pool or;

- with the approval of the Canadian securities regulators.

Value Partners will not accept orders to buy units during any period when investors' rights to sell units of that Pool have been suspended.

Short-Term Trading

The Value Partners Pools should be considered long-term investments and Value Partners discourages investors from buying and then redeeming or switching units with excessive frequency. Excessive trading is discouraged because, among other things, this practice generates significant costs, which can reduce a Pool's returns, thereby affecting all unitholders. Excessive trading can also interfere with the long-term investment decisions of the Portfolio Managers.

Value Partners may consider you to be trading excessively, in its discretion, if

- you send a purchase order for units of a Pool, within 90 days of redeeming units in that Pool;
- you send a switch order, other than pursuant to the systematic switching plan, for switching units of any Pool into another Pool, within 90 days of making any other switch or purchasing those units;
- you send a redemption order, other than a systematic withdrawal, for redemption of units of any Pool within 90 days of purchasing those units, including on a switch; or
- your order to purchase, switch or redeem would disrupt the efficient and cost-effective management of the Pools.

If, using the above criteria, Value Partners determines that the investor is trading excessively, Value Partners may refuse any order to buy or switch units or if the order is not refused, charge a short-term trading fee. If Value Partners refuses an order to buy units, all moneys received with the investor's order will be returned immediately, or as soon as the payment clears. Value Partners may also charge a short-term trading fee, which will be paid to the applicable Pool, if you redeem or switch units within 30 days of purchasing those units. While these restrictions and our monitoring attempt to deter short term trading, we cannot ensure that such trading will be completely eliminated.

Please see "Short-Term Trading Fee" under "Fees and Expenses Payable Directly by You".

Optional Services

You can take advantage of the following programs and services when you invest in any of the Value Partners Pools.

Registered Plans

You can invest in the Pools using Canadian dollars, through any of the following registered plans, (some of which may not be available in all provinces). Your dealer can give you an application and tell you whether you can invest through a registered plan in your province

- Registered Retirement Savings Plans (RRSPs)
- Locked-in Retirement Accounts (LIRAs)
- Locked-in Retirement Savings Plans (LRSPs)
- Registered Retirement Income Funds (RRIFs)
- Locked-in Retirement Income Funds (LRIFs)
- Life Income Funds (LIFs)
- Prescribed Retirement Income Funds (PRIFs)
- Registered Education Savings Plans (RESPs) (self-directed RESPs only)
- Registered Disability Savings Plans (RDSP) (self-directed RDSPs only)
- Tax-free savings accounts (TFSAAs)
- Restricted Life Income Funds (RLIFs)
- Restricted Locked-In Savings Plans (RLSPs)

Pre-Authorized Chequing Plan

You can make regular investments in one or more of the Pools through a pre-authorized chequing plan. You can start the plan by completing an application, which is available from your dealer. Your initial and any subsequent investment must meet the minimum investment amounts as described in “Purchasing Units”. You can choose to have the regular investment take place on any day of every month with a frequency of weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annually or annually. Money will automatically be transferred from your bank account to the Pools you choose. You can change or cancel your plan at any time by giving Value Partners 48 hours advance notice.

Systematic Withdrawal Plan

You can receive regular payments from your Pools through a systematic withdrawal plan. You can start the plan by completing an application, which is available from your dealer. Value Partners will redeem the necessary number of units to meet your pre-determined dollar amount. You can choose to have the redemption take place on any day of every month with a frequency of weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annually or annually. You can change or cancel your plan at any time by giving Value Partners at least 48 hours advance notice. If by entering into a systematic withdrawal plan you will be redeeming your units within 30 business days of purchasing them, you may have to pay a short-term trading fee. See “Restrictions on Excessive Trading of Units”. If the value of your account falls below \$25,000, Value Partners may seek to close your account as described above under “Purchasing Units”.

Systematic Switching Plan

You can make regular switches between the Value Partners Pools through a systematic switching plan. You can start the plan by completing an application, which is available from your dealer. In accordance with your instructions, Value Partners will redeem the necessary number of units of one Value Partners Pool and purchase units of another Value Partners Pool, provided that after each switch you continue to hold a minimum of \$10,000 in each Value Partners Pool in which you hold units. You must transfer at least \$50 per systematic switch. You can choose to have the transfer take place on any day of every month with a frequency of weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annually or annually. You can change or cancel your plan at any time by giving Value Partners at least 48 hours advance notice.

Fees and Expenses

This table lists the fees and expenses that you will pay if you invest in the Value Partners Pools. You may have to pay some of these fees and expenses directly. The Pools will pay some of these fees and expenses, which will therefore reduce the value of your investment in the Pools.

Fees and Expenses Payable by the Pools

Management Fees	Each series of units of a Pool pays an annual management fee that is calculated based on the weighted net asset value of the series, calculated daily and payable monthly. The annual management fee charged for each series of the Pools is as follows: Series A units 1.80% Series B units 2.00% Series F units 0.90%
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	<p>Cardinal Series units 1.80%*</p> <p><i>*Available for VPI Canadian Income Pool and VPI Canadian Equity Pool.</i></p> <p>The management fee varies by series due to the purchase options available to unitholders of each series.</p> <p>If you own Series A, Series F or Cardinal Series units, you may be eligible for a reduced management fee as described below in “Management Fee Reduction Program”. Series B units are not eligible for this program.</p> <p>Management fees are subject to applicable taxes, including HST.</p>
<p>Operating Expenses</p>	<p>Each series of units of a Pool pays its proportionate share of common operating expenses of that Pool, in addition to expenses that are unique to that series. Common operating expenses for a Pool include:</p> <ul style="list-style-type: none"> • brokerage commissions and fees; • audit, legal and filing fees; • custodian, record-keeping, and trustee fees; • taxes; • investor servicing costs; • costs of unitholder reports, financial reporting, prospectuses, regulatory filings, and other communications. <p>Each Pool also pays its proportionate share of the fees and expenses of the Value Partners Pools Independent Review Committee: \$1,000 to committee members and \$1,500 to the Chairman as an annual retainer and \$1,000 per meeting fee.</p> <p>Value Partners may, from time to time, absorb a portion of the operating expenses of the Pools. Value Partners expects to absorb expenses so that each of the Series A, Series F, and Cardinal Series units of a Pool pay maximum operating expenses of 0.5 percent of its average series net asset value. Cardinal may reimburse Value Partners all or a portion of the costs associated with absorbing expenses on the Cardinal Series units. Value Partners may discontinue absorbing these expenses at any time in its discretion.</p>

Fees and Expenses Payable Directly by You

Sales Commission – Series A units	<p>For Series A units, you will be required to pay a sales commission to your dealer, negotiable by you up to a maximum of 4.0 percent of the amount you invest.</p> <p>You pay no sales commission at the time you purchase when you invest in Series B, Series F, and Cardinal Series units. However, you will negotiate the fees that you will pay to your dealer for your account with that dealer if you invest in Series F units and you may pay Cardinal a fee in respect of your managed account with Cardinal if you invest in Cardinal Series units.</p>								
Switch or Redemption fees – Series B units	<p>For Series B units, you do not pay a sales commission to your dealer at the time of investment. Instead, Value Partners pays a sales commission of 2.5 percent to your dealer on your behalf. If you decide to redeem or switch those units within 3 years from the date of the initial purchase, you will be charged a redemption fee based on the following redemption fee schedule:</p> <table data-bbox="808 919 1084 1094" style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding-right: 20px;">1st year</td> <td>3.0%</td> </tr> <tr> <td>2nd year</td> <td>2.0%</td> </tr> <tr> <td>3rd year</td> <td>1.0%</td> </tr> <tr> <td>Thereafter</td> <td>Nil</td> </tr> </table> <p>The redemption fee will be based upon the series net asset value of the units being redeemed at the time of the initial purchase.</p> <p>For Series A, Series F and Cardinal Series units, there is no redemption fee payable by you when you redeem or switch units. However, you will negotiate the fees that you will pay to your dealer if you invest in Series F units and you may have agreed to pay Cardinal a fee in respect of redemptions from your managed account with Cardinal if you invest in Cardinal Series units.</p>	1 st year	3.0%	2 nd year	2.0%	3 rd year	1.0%	Thereafter	Nil
1 st year	3.0%								
2 nd year	2.0%								
3 rd year	1.0%								
Thereafter	Nil								
Short-term trading fee	<p>2 percent of the total amount you redeem, if you redeem or switch your units within 30 days of purchasing them or if Value Partners considers that you are trading excessively. See “Short-Term Trading”.</p>								
Registered plan fees	None.								
Pre-authorized chequing plan	None.								
Systematic withdrawal plan	None.								

Systematic switching plan	None.
Administrative fees	\$30 if purchase cheque is returned because of insufficient funds.

Management Fee Reduction Program

Value Partners offers a Management Fee Reduction Program to qualified investors in Series A, Series F or Cardinal Series units. If you qualify under this program, the management fee charged to the Pool is reduced and the Pool distributes the amount of the reduction to you by way of a management fee distribution. Management fee distributions are paid first out of net income and net realized capital gains and thereafter, out of capital. Management fee distributions are automatically reinvested in additional units of particular series of the Pool unless negotiated otherwise. Management fee distributions are calculated and accrued daily in arrears and distributed at least quarterly by the Pool to the relevant investor.

The Management Fee Reduction Program will allow unitholders to benefit from management fee reductions of up to 0.50 percent annually on portions of the unitholder's aggregate investment in the Value Partners Pools in excess of specified amounts. The Management Fee Reduction Program is only available to investors who have an account or accounts having a net asset value of units in the Value Partners Pools in excess of \$250,000 and who remain invested in any of the Value Partners Pools for a minimum period of time as determined by Value Partners. No special instructions are required from unitholders to indicate their intent to participate in the Management Fee Reduction Program, but you must invest in Series A, Series F or Cardinal Series units to qualify. Any unitholder that meets the specified criteria will automatically receive the benefit of the applicable fee reduction.

The calculation of the average series net asset value of units of the Value Partners Pools will be based on the daily aggregate of an investor's investment, on a per account basis, in the Value Partners Pools for each month of a calendar year.

The applicable fee reduction for a qualified investor with an account or accounts having a net asset value of units in the Pools in excess of \$250,000, but less than \$500,000, will be calculated as follows:

- the qualified investor will receive no fee reduction for the first \$250,000 of the series net asset value of the units of the Value Partners Pools;
- for Series A units and Cardinal Series units, the qualified investor will receive a fee reduction of up to 0.30 percent annually on the portion of the series net asset value of the units of the Value Partners Pools that is greater than \$250,000;
- for Series F units, the qualified investor will receive a fee reduction of up to 0.15 percent annually on the portion of the series net asset value of the units of the Value Partners Pools that is greater than \$250,000;

- Series B units are not eligible for the Management Fee Reduction Program.

The applicable fee reduction for a qualified investor with an account or accounts having a net asset value of units in the Pools in excess of \$500,000 will be calculated as follows:

- for Series A units, the qualified investor will receive a fee reduction of up to 0.50 percent annually of the series net asset value of all units of the Value Partners Pools;
- for Series F units, the qualified investor will receive a fee reduction of up to 0.35 percent annually of the series net asset value of all units of the Value Partners Pools;
- Series B units are not eligible for the Management Fee Reduction Program.

Value Partners may vary the terms, conditions and investor qualifications of the Management Fee Reduction Program from time to time or may discontinue the program in its sole discretion.

Impact of Sales Charges

The following table shows the maximum amount of fees that you would have to pay under the purchase options that are available to you, if you made an investment of \$1,000 in any of the series of units of any of the Pools and if you held that investment for one, three, five, or ten years and redeemed immediately before the end of that period. It assumes that:

- the sales charge for Series A units is 4 percent. See “Fees and Expenses Payable Directly by You” for the sales commission rates;
- the 10 percent free redemption right for Series B units is not used.

	At time of purchase	1 Year	3 Years	5 Years	10 Years
Sales Commission – Series A units	\$40	-	-	-	-
Redemption fee – Series B units ⁽¹⁾	-	\$30	\$10	-	-

	At time of purchase	1 Year	3 Years	5 Years	10 Years
No load– Series F and Cardinal Series units ⁽²⁾	-	-	-	-	-

(1) The redemption fee payable on Series B units is based upon the series net asset value of your investment at the time you purchase your Series B units. Redemption fees may only apply if you redeem or switch series of your units within 3 years of the initial purchase.

(2) There are no sales or redemption charges if you invest in Series F units or Cardinal Series units. However, you will negotiate the fees that you will pay to your dealer for your account with that dealer if you invest in Series F units and you may pay Cardinal a fee in respect of your managed account with Cardinal if you invest in Cardinal Series units.

Dealer Compensation

Your dealer may be entitled to receive a sales commission when you purchase units of the Pools. The amount and responsibility for paying the sales commission depends on the series of units being purchased.

Value Partners may pay your dealer a trailing commission based on the value of units you hold in the Pools, for ongoing services they provide to you, including giving you investment advice, providing you with account statements and sending you newsletters and other information about the Pools or mutual funds generally. Trailing commissions are calculated and paid monthly based on the value of the applicable units in each account held by your dealer's clients. Value Partners reserves the right to modify or cancel the trailing commissions payable to dealers at any time at its discretion.

The applicable sales commissions and trailing commissions for each series of units of the Value Partners Pools are set out below.

Series A units

You negotiate a sales commission with your dealer when you place a purchase order for Series A units of any of the Pools. Your dealer will retain that sales commission, which may be up to 4 percent of the amount you invest in Series A units. This commission is paid by you and is deducted from your investment.

Value Partners will pay trailing commissions to your dealer in respect of your investment in Series A units. It is not an additional charge to you. The annual rate of trailing commissions on Series A units will be:

- For accounts having an aggregate net asset value of units in the Value Partners Pools less than \$250,000: 0.90 percent;

- For accounts having an aggregate net asset value of units in the Value Partners Pools in excess of \$250,000, but less than \$500,000: 0.90 percent for the first \$250,000 and 0.75 percent for amounts over \$250,000 in each account; and
- For accounts having an aggregate net asset value of units in the Value Partners Pools in excess of \$500,000: 0.75 percent.

Series B units

Value Partners pays your dealer a sales commission of 2.5 percent of the net asset value of the Series B units you purchase at the time of your purchase.

Value Partners will pay trailing commissions to your dealer in respect of your investment in Series B units. It is not an additional charge to you. The annual rate of trailing commissions on Series B units will vary based on when you made your initial purchase of Series B units. The following table sets out these annual rates.

Time elapsed from initial purchase	Annual Rate of Trailing Commission
1 st year	-
2 nd year	0.5%
3 rd year	0.5%
Thereafter	1.0%

Series F units

You will negotiate the fees that you will pay to your dealer for your account with that dealer if you invest in Series F units. These units are only available to investors who have fee-based accounts with dealers which have executed a Series F agreement with Value Partners.

Value Partners does not pay a sales or trailing commission to your dealer if you invest in Series F units of any of the Pools.

Cardinal Series units - VPI Canadian Income Pool and VPI Canadian Equity Pool

You may pay Cardinal a fee in respect of your managed account with Cardinal if you invest in Cardinal Series units. These units are only available to investors who have signed discretionary managed account agreements with Cardinal and who invest in any of the VPI Canadian Income Pool and the VPI Canadian Equity Pool.

Value Partners pays a fee to Cardinal based on your investments in Cardinal Series units. Cardinal may pay all or a portion of this fee to the dealer who referred your account to Cardinal. Value Partners does not pay a sales or trailing commission to your dealer if you invest in Cardinal Series units of any Pool.

Other Dealer Compensation

Value Partners may reimburse your dealer for a portion of the expenses they incur in selling the Pools, including their expenses related to

- advertising the Pools and mutual funds generally and conducting other marketing of the Pools and mutual funds generally;
- educational seminars held by the dealer for their clients about the Pools or mutual funds generally; or
- educational seminars or conferences organized by the dealer for their sales representatives or attended by their sales representatives.

Value Partners can change or cancel its support of the marketing and educational costs of dealers at any time.

Dealer Compensation from Management Fees

During the financial year of Value Partners ended March 31, 2011, Value Partners paid total cash compensation (sales commissions, trailing commissions and other cash compensation) to dealers who distributed units of the Pools representing approximately 53 percent of the total management fees that Value Partners received from the Pools during that year.

Ownership of the Manager

As of the date of this prospectus, Value Partners is 46.3 percent beneficially owned by The Longton Trust II, a discretionary family trust established for the benefit of specified members of the Lawton family including Paul and Sean Lawton. Paul Lawton is a senior officer and director of Value Partners. Sean Lawton is a sales representative of Lawton Partners Financial Planning Services Limited, a mutual fund dealer.

Other beneficial interests in the common equity of Value Partners are as follows:

- Value Partners Group Inc. (“VPGI”) holds all of the issued and outstanding shares of Value Partners.
- Nine equal beneficial shareholders of Lawton Partners Financial Planning Services Limited (the “Lawton Partners”) collectively own Class A shares of VPGI representing 8.4 percent of the common equity of VPGI and certain of the Lawton Partners collectively own Class C shares representing an additional 6.5 percent of the common equity of VPGI.

- Sales representatives of Lawton Partners Financial Planning Services Limited (other than the Lawton Partners) collectively own Class A shares of VPGI representing 1.8 percent of the common equity of VPGI and one sales representative owns Class C Shares representing 0.1 percent of the common equity of VPGI.
- Sales representatives of the following dealers collectively own Class A shares of VPGI which represent the percentage of the common equity of VPGI indicated below:
 - Burgeonvest Bick Securities Limited – 1.2 percent
 - Desjardins Financial Security Investments Inc. – 0.7 percent
 - Dundee Wealth Management – 3.2 percent
 - Equity Associates Inc. – 0.1 percent
 - FundEX Investments – 8.6 percent
 - Independent Accountants' Investment Group Inc. – 0.1 percent
 - Integral Wealth Securities – 1.6 percent
 - International Capital Management – 1.8 percent
 - Investia Financial Services Inc. – 0.2 percent
 - IPC Investment Corporation – 9.1 percent
 - MGI Financial Inc. – 0.1 percent
 - Portfolio Strategies Corporation – 0.4 percent
 - Quadrus Investments Services Ltd. – 0.5 percent
 - Sora Group Wealth Advisors Inc. – 0.2 percent
 - Wellington West Financial Services – 1.2 percent
 - Worldsource Financial Management Inc. – 0.8 percent
- Class C shares representing 13.7 percent of the common equity of VPGI are held by employees or former employees, consultants and/or directors of VPGI or Value Partners.

Sales representatives of other dealers may acquire Class A shares of VPGI after the date of this simplified prospectus. After the date hereof, up-to-date information on the

aggregate amount of Class A shares and Class C shares held by sales representatives of each applicable dealer firm and, if applicable, the names of sales representatives that hold more than five percent of the Class A Shares or the Class C shares can be obtained at no cost by calling 1-866-323-4235 or by going on our website at www.valuepartnersinvestments.ca. We will post monthly updates of this information on our website. You can also ask us to send this information to you by emailing info@vpinvestments.ca

If your sales representative holds an interest in VPGI, you will receive a disclosure statement describing for you the amount so held before you invest in the Value Partners Pools and you must consent to the trade to you of units of the Value Partners Pools. If the branch manager or other supervisor of your sales representative holds an interest in VPGI, you will also receive a disclosure statement describing for you the amount that branch manager or supervisor holds before you invest in the Value Partners Pools and you must consent to the trade to you of units of the Value Partners Pools. No sales representative or applicable dealer firm has any obligation because of the sales representative's investment in VPGI to recommend that you invest in a Value Partners Pool. An investment in VPGI is made by a sales representative personally and should not be considered a recommendation or endorsement of the Value Partners Pools by that sales representative's dealer firm.

Income Tax Considerations for Investors

This summary assumes that you are an individual resident in Canada and that you hold units of a Pool as capital property for the purposes of the Income Tax Act (Canada) (the "Tax Act"). This summary is not exhaustive of all tax considerations and is not intended to constitute legal or tax advice to an investor. Investors should seek independent advice regarding the tax consequences of investing in units, based on the investor's own particular circumstances. More detailed information is in the Pools' annual information form.

For Units Held in a Registered Plan

The units of the Pools are qualified investments under the Tax Act for RRSPs, RRIFs, RESPs, RDSPs, TFSAs and deferred profit sharing plans (collectively "Registered Plans"). Annuitants of RRSPs and RRIFs, and holders of TFSAs, should consult with their own tax advisors as to whether units would be a prohibited investment under the Tax Act in their particular circumstances. If units of a Pool are held in a Registered Plan, distributions from the Pool and capital gains from a disposition of the units are generally not subject to tax under the Tax Act until withdrawals are made from the plan (withdrawals from a TFSA are not subject to tax, and RESPs and RDSPs are subject to special rules).

For Units Not Held in a Registered Plan

If you hold units of a Pool outside of a Registered Plan, in computing your income for tax purposes you will be required to include the amount (computed in Canadian dollars) of the net income and the taxable portion of the net capital gains paid or payable to you by

the Pool in the year (including by way of management fee distributions), whether you receive these distributions in cash or they are reinvested in additional units. Provided the appropriate designations are made by a Pool, distributions of net taxable capital gains, taxable dividends on shares of taxable Canadian corporations and foreign source income of a Pool paid or payable to you by the Pool will effectively retain their character and be treated as such in your hands. To the extent that the distributions to you by a Pool in any year exceed your share of the net income and net capital gains of the Pool allocated to you for that year, those distributions (except to the extent that they are proceeds of disposition) will be a return of capital and will not be taxable to you but will reduce the adjusted cost base of your units of the Pool.

You will be taxed on distributions of income and capital gains from a Pool, even if the income and capital gains accrued to the Pool or were realized by the Pool before you acquired the units and were reflected in the purchase price of the units. In most cases, the most significant distributions of income and capital gains of a Pool occur in December. However, distributions can be made at any time in the calendar year at the discretion of Value Partners. Management fee distributions are calculated and accrued daily.

A Pool's portfolio turnover rate indicates how actively the Pool's portfolio manager manages its portfolio investments. A portfolio turnover rate of 100 percent is equivalent to the Pool buying and selling all of the securities in its portfolio once in the course of the year. The higher a Pool's portfolio turnover rate in a year, the greater the trading costs payable by the Pool in the year, and the greater the chance that you will receive a distribution from the Pool that must be included in your income for tax purposes for that year.

If you dispose of a unit, whether by switch, redemption or otherwise, a capital gain (or a capital loss) will be realized to the extent that the proceeds of disposition, less any costs of disposition, are greater (or less) than the adjusted cost base of the unit. Changing units of one series of a Pool into units of another series of the same Pool will not result in a capital gain or loss to you.

In general, the aggregate adjusted cost base of your units of a series of a Pool equals:

- your initial investment (including any sales charges paid)
- plus the cost of any additional investments (including any sales charges paid)
- plus reinvested distributions
- minus the capital returned in any distributions
- minus the adjusted cost base of any previous redemptions

The adjusted cost base to you of a unit will generally be determined by reference to the average adjusted cost base of all units of the same series of the Pool held by you at the time of the disposition.

You should keep detailed records of the purchase cost, sales charges and distributions related to your units as this is the only way to accurately calculate the adjusted cost base

of those units. Determination of adjusted cost base can involve complex issues and we recommend that you obtain legal and/or tax advice to assist you with those calculations.

If you hold units outside of a Registered Plan, Value Partners will cause a tax statement to be issued to you each year identifying your distributions.

What are your Legal Rights?

Securities legislation in some provinces gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the simplified prospectus, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces also allows you to cancel an agreement to buy mutual fund units and get your money back, or to make a claim for damages, if the simplified prospectus, annual information form or financial statements misrepresent any facts about the fund. These rights must usually be exercised within certain time limits.

For more information, refer to the securities legislation of your province or consult with your lawyer.

Additional Information

Value Partners has obtained a decision from securities regulators to permit dealers that comply with certain conditions to send or deliver the most recently filed Fund Facts of the Pools to a purchaser of securities of the Pools instead of this simplified prospectus. If a dealer delivers the Fund Facts document to you in reliance on this decision, Value Partners and the dealer are required to grant you rights which are similar to those described under the heading "What Are Your Legal Rights?" and these rights will run from the date you receive the Fund Facts.

Specific Information About Each of the Pools Described in this Document

Introduction

In the pages that follow, you will find a description of each Value Partners Pool. The following information is provided about each Pool:

- *Pool Details*

This table provides a brief overview of each Pool – what type of Pool it is, when it was established, the types of securities offered and the Pool’s eligibility for registered plans. All of the Pools offer three series of units: Series A, Series B and Series F. Cardinal Series units are offered by VPI Canadian Income Pool and VPI Canadian Equity Pool. Each series is described under “Purchasing Units”.

- *What does the Pool invest in?*

This section outlines the investment objectives of each Pool and the principal investment strategies that the portfolio manager uses to achieve the Pool’s investment objectives.

Generally, the investment objectives of a Pool cannot be changed without unitholder approval, but the manager and the portfolio manager may change the investment strategies it uses, from time to time, to meet those investment objectives.

Securities lending, repurchase and reverse repurchase transactions earn additional income for the Pools. On any securities lending, repurchase and reverse repurchase transaction, the Pools must:

- deal only with counterparties who meet generally accepted creditworthiness standards and who are unrelated to the Pool’s manager, portfolio manager or trustee;
- hold collateral equal to a minimum of 102 percent of the market value of the securities loaned (for securities lending transactions), sold (for repurchase transactions) or purchased (for reverse repurchase transactions);
- adjust the amount of the collateral on each business day to ensure the collateral’s value relative to the market value of the securities loaned, sold or purchased remains at or above the minimum 102 percent limit; and
- limit the aggregate value of all securities loaned or sold through securities lending and repurchase transactions to no more than 50 percent of the total assets of the Pool (without including the collateral for loaned securities and cash for sold securities).

- *What are the risks of investing in the Pool?*

This section highlights the specific risks of each Pool. You will find general information about the risks of investing and descriptions of each specific risk in “What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?”

Portfolio Risk Classification

We assign an investment risk rating to each Pool to help you determine whether the Pool is appropriate for you. Each Pool is assigned an investment risk rating in one of the following categories further described below: low, low-to-medium, medium, medium-to-high, or high. The investment risk rating for each Pool is reviewed at least annually and also if there is a material change in a Pool’s investment objective or investment strategy.

The methodology we use to determine the risk rating of each Pool is based on the methodology recommended by the Fund Risk Classification Task Force of The Investment Funds Institute of Canada (**IFIC**). The IFIC Task Force concluded that the most comprehensive, easily understood form of risk in this context is historical volatility risk as measured by the standard deviation of fund performance. However, the IFIC Task Force recognizes that other types of risk, both measurable and non-measurable, may exist and reminds investors that historical performance may not be indicative of future returns and a fund’s historical volatility may not be indicative of future volatility.

Using this methodology, we will generally assign a risk rating based on a Pool’s historical rolling three and five-year standard deviation. Standard deviation is a statistical measure that is used to estimate the dispersion of a set of data around the average value of the data. In the context of an investment fund’s returns, the standard deviation provides a measure of the amount of variability of returns that has historically occurred relative to the average return. The higher the standard deviation of a fund, the greater the range of returns it has experienced in the past.

However, in certain instances, this methodology may produce a result that we believe may not be indicative of a Pool’s future volatility. As a result, in addition to using the methodology recommended by the IFIC Task Force, we may take into account other qualitative factors – including, but not limited to, economic climate, portfolio management styles, sector concentration and types of investments made by a Pool and the liquidity of those investments – in making our final determination of each Pool’s risk rating.

Generally, the IFIC risk rating categories (as they have been modified by the risk scale adopted by the Canadian Securities Administrators for purposes of the fund facts document) that are used by the Pools are:

- Low – for funds whose performance can be expected to typically vary within a range of 0 to 6 percentage points above or below their average return.
- Low to Medium – for funds whose performance can be expected to typically vary within a range of 6 to 11 percentage points above or below their average return.
- Medium - for funds whose performance can be expected to typically vary within a range of 11 to 16 percentage points above or below their average return.
- Medium to High - for funds whose performance can be expected to typically vary within a range of 16 to 20 percentage points above or below their average return.
- High - for funds whose performance can be expected to typically vary within a range of greater than 20 percentage points above or below their average return.

Details about the method that we use to determine the investment risk level of each Pool are available on request, at no cost to you, by calling 1-866-323-4235, by writing to Value Partners Investments Inc., Suite 400 - 305 Broadway, Winnipeg, Manitoba, R3C 3J7 or by emailing info@vpinvestments.ca.

- *Who should invest in this Pool?*

This section explains the type of investor for which a Pool may be suitable. This is meant as a general guide only. For advice about your own circumstances, you should consult with your dealer.

- *Distribution policy*

You earn money from the Pools when they distribute interest, dividend and other income and net realized capital gains earned on their underlying investments. Dividends and distributions are automatically reinvested without charge in additional units of the same Pool. You can request that any dividends or distributions be paid out in cash for Pools you hold in a non-registered account. We may change the distribution policy at our discretion. For more information about dividends and distributions see “Income Tax Considerations for Investors”.

- *Fund Expenses Indirectly Borne by Investors*

Each series of a Pool is responsible for its own operating expenses and its proportionate share of common fund expenses. You don't pay these expenses directly, but they will reduce the Pool's investment return on your units. This section contains hypothetical examples of the amount of expenses that would be

payable by each series of a Pool on a \$1,000 investment, assuming that the Pool earns a constant 5 percent per year and the management expense ratio for each series of the Pool remains the same as the past year, for the periods indicated. The fees and expenses that you pay directly, and which are not included in each Pool's management expense ratios, are described in the "Fees and Expenses" section of this simplified prospectus. The examples provided in this section will help you to compare the cumulative costs of investing in a Pool with the similar costs of investing in other mutual funds. The examples are only examples and each Pool's actual expenses for each series will vary each year.

VPI Canadian Income Pool

Pool Details

Type of Pool	Canadian Income
Portfolio Manager	Cardinal Capital Management, Inc. (Cardinal) Winnipeg, Manitoba
Securities Offered and Date Started	Units of a mutual fund trust: Series A units – September 26, 2005 Series B units – July 3, 2007 Series F units – July 3, 2007 Cardinal Series units – July 3, 2007
Eligible for Registered Plans	Qualified Investment for Registered Plans

What Does the Pool Invest In?

Investment Objective

VPI Canadian Income Pool's objective is to generate a higher yield than GICs or bonds with moderate volatility so that there is a high chance of preserving capital over the near term (1 to 3 years) and a reasonable chance for moderate growth over the long term (7 to 10 years). VPI Canadian Income Pool's objective is designed to provide reasonable income with modest growth in capital over the mid-term.

VPI Canadian Income Pool invests in Canadian government and corporate bonds and preferred shares, as well as income trust units and high yielding common shares of Canadian companies.

Investment Strategies

Cardinal attempts to achieve the objectives of the Pool by investing a significant portion of its assets in preferred shares, corporate bonds and income trust units, including real estate investment trusts (REITs). In order to achieve higher yields the issues chosen may be graded as low as P3 for preferred shares, and BBB for bond issues, as rated by Dominion Bond Rating Service or Standard & Poors, but Cardinal will perform in-depth analysis of the underlying issuer to attempt to protect the portfolio from credit and default risk to the greatest extent possible.

Cardinal expects to invest at least 20 percent of the assets of the Pool in fixed income securities. Generally no more than 60 percent of the portfolio will be invested in a combination of common equity securities, preferred shares and income trust units, which securities will be chosen based upon Cardinal's expectations for dividend or distribution sustainability and growth, as well as for the stability of the underlying business. Cardinal will in all cases use a value orientation towards security selection, with asset weightings based upon expectations for interest rates and economic activity.

Securities lending and repurchase agreements (including reverse repurchase agreements) may be entered into for the purpose of generating additional income for the Pool. The parameters of such transactions are described in the Introduction to this section on page 25.

What are the Risks of Investing in this Pool?

Because this Pool invests in fixed income and higher yielding securities, it will be subject to fixed income risk. The significant portion of the Pool that may be invested in income trust units and equity securities means that the Pool will also be subject to the risks associated with investing in those instruments. Because the Pool offers different series of units, the Pool will be subject to certain risks associated with this multiple series structure. See the description of those risks outlined under “What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?”.

Who Should Invest in this Pool?

You should consider this Pool if you are seeking regular, but not fixed, income. This Pool will be suitable for investors with a low to moderate tolerance for risk and who are comfortable with fluctuations in the value of capital that are smaller than those in equity markets. See “Portfolio Risk Classification” on page 26 for a description of how we determined the classification of this Pool’s risk level.

Distribution Policy

Distributions of net income will be made monthly. Distributions of any net realized capital gains will be made annually in December.

Fund Expenses Indirectly Borne by Investors

Estimated cumulative expenses payable by each series of the Pool for each \$1,000 investment (see Introduction on page 25 for an explanation of the assumptions used in this example) for the time periods shown.

Series	For 1 year	For 3 years	For 5 years	For 10 years
Series A units	\$22.35	\$70.45	\$123.48	\$281.07
Series B units	\$25.11	\$79.17	\$138.77	\$315.88
Series F units	\$12.40	\$39.10	\$68.54	\$156.01
Cardinal Series units	\$22.35	\$70.45	\$123.48	\$281.07

VPI Canadian Equity Pool

Pool Details

Type of Pool	Canadian Equity
Portfolio Manager	Cardinal Capital Management, Inc. (Cardinal) Winnipeg, Manitoba
Securities Offered and Date Started	Units of a mutual fund trust: Series A units – September 26, 2005 Series B units – July 3, 2007 Series F units – July 3, 2007 Cardinal Series units – July 3, 2007
Eligible for Registered Plans	Qualified Investment for Registered Plans

What Does the Pool Invest In?

Investment Objective

VPI Canadian Equity Pool's objective is to generate longer-term growth in value through the increase in the value of its holdings, and through the receipt and reinvestment of dividend income from its holdings. It invests in the common shares of Canadian companies.

Investment Strategies

Cardinal emphasizes seeking out high quality, value-priced common shares where there is an expectation of significant profit and dividend growth and only a minimal chance of a significant decrease in corporate value. The emphasis is on a patient accumulation of a moderate number of attractive holdings while experiencing only a minimal turnover in holdings and in staying as fully invested as possible. Cardinal in all cases uses a value orientation towards security selection.

Securities lending and repurchase agreements (including reverse repurchase agreements) may be entered into for the purpose of generating additional income for the Pool. The parameters of such transactions are described in the Introduction to this section on page 25.

What are the Risks of Investing in this Pool?

This Pool focuses on common equity holdings, which means that the Pool will be exposed to equity risks. Because the Pool offers different series of units, the Pool will be subject to certain risks associated with this multiple series structure. See the description of those risks outlined under "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?".

Who Should Invest in this Pool?

You should consider this Pool if you are seeking growth in the value of your investments. This Pool will be suitable for investors with a low to moderate tolerance for risk and who are comfortable with the potential for fluctuations in the value of capital associated with investing in equity markets. See “Portfolio Risk Classification” on page 26 for a description of how we determined the classification of this Pool’s risk level.

Distribution Policy

Distributions of any net realized capital gains and net income will be made annually in December.

Fund Expenses Indirectly Borne by Investors

Estimated cumulative expenses payable by each series of the Pool for each \$1,000 investment (see Introduction on page 25 for an explanation of the assumptions used in this example) for the time periods shown.

	For 1 year	For 3 years	For 5 years	For 10 years
Series A units	\$21.22	\$66.89	\$117.25	\$266.89
Series B units	\$23.88	\$75.29	\$131.97	\$300.41
Series F units	\$11.38	\$35.87	\$62.87	\$143.11
Cardinal Series units	\$21.12	\$66.57	\$116.68	\$265.60

VPI Foreign Equity Pool

Pool Details

Type of Pool	Foreign Equity
Portfolio Manager	Patient Capital Management Inc. (PCM) Toronto, Ontario
Securities Offered and Date Started	Units of a mutual fund trust: Series A units – September 26, 2005 Series B units – July 3, 2007 Series F units – July 3, 2007
Eligible for Registered Plans	Qualified Investment for Registered Plans

What Does the Pool Invest In?

Investment Objective

VPI Foreign Equity Pool's objective is to generate longer-term growth in value through the increase in the value of its holdings, and through the receipt and reinvestment of dividend income from its holdings. It invests in equity securities issued primarily by non-Canadian companies.

Investment Strategies

PCM's investment philosophy is based on long-term absolute value with a focus on the preservation of capital and long term growth. PCM attempts to achieve this by purchasing only those securities that meet very strict criteria for value and quality. Investments are only considered in companies that have a long history of operation and are in stable businesses that PCM can analyze and understand with a high degree of certainty.

PCM's portfolios are constructed entirely on a bottom up basis. Each investment is analyzed through a very independent and rigorous analytical approach. Reliance on external research is minimal. Historical annual reports are analyzed to determine balance sheet strength, sustainability of cash flows and profitability. A very important component of the analytical process is an assessment of the company's accounting policies. In depth interviews are often conducted with company management in order to assess future strategy and competitive position. In addition, a considerable amount of time is spent attempting to estimate "intrinsic value" through the use of discounted cash flow models and traditional valuation measures such as price/earnings ratios and price/book ratios.

PCM emphasizes seeking out equity securities in high quality businesses that are trading at a substantial discount to intrinsic value and where there is an expectation of significant profit and dividend growth. The emphasis is on a patient accumulation of a moderate number of attractive holdings while experiencing only a minimal turnover in holdings, The Pool may hold cash or short-term debt securities (generally no more than 25%) to

manage the liquidity of the Pool’s investment portfolio or to manage risk associated with adverse market conditions. The Pool may also, from time to time, invest a portion of its net assets (generally no more than 20%) in equity securities of Canadian public companies. In general, PCM expects to use depositary receipts as the vehicle for holding non-US securities. PCM in all cases uses a value orientation towards security selection.

Securities lending and repurchase agreements (including reverse repurchase agreements) may be entered into for the purpose of generating additional income for the Pool. The parameters of such transactions are described in the Introduction to this section on page 25.

What are the Risks of Investing in this Pool?

Given the objectives of the Pool, it will be significantly exposed to foreign market risk and foreign currency risk and the risks associated with holding depositary receipts. The Pool’s concentration on common equity holdings will mean that the Pool will be exposed to equity risks. The Pool will also be exposed to the risks associated with investing in emerging markets. Because the Pool offers different series of units, the Pool will be subject to certain risks associated with this multiple series structure. See the description of those risks outlined under “What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?”.

Who Should Invest in this Pool?

You should consider this Pool if you are seeking growth in the value of your investments. This Pool will be suitable for investors with a moderate tolerance for risk and who are comfortable with the potential for fluctuations in the value of capital associated with investing in foreign equity markets. See “Portfolio Risk Classification” on page 26 for a description of how we determined the classification of this Pool’s risk level.

Distribution Policy

Distributions of any net realized capital gains and net income will be made annually in December.

Fund Expenses Indirectly Borne by Investors

Estimated cumulative expenses payable by each series of the Pool for each \$1,000 investment (see Introduction on page 25 for an explanation of the assumptions used in this example) for the time periods shown.

	For 1 year	For 3 years	For 5 years	For 10 years
Series A units	\$23.58	\$74.32	\$130.27	\$296.54
Series B units	\$30.65	\$96.62	\$169.36	\$385.50
Series F units	\$14.35	\$45.24	\$79.30	\$180.50

VPI Value Pool

Pool Details

Type of Pool	World Equity
Portfolio Manager	Patient Capital Management Inc. (PCM) Toronto, Ontario
Securities Offered and Date Started	Units of a mutual fund trust: Series A units Series B units Series F units September 19, 2007
Eligible for Registered Plans	Qualified Investment for Registered Plans

What Does the Pool Invest In?

Investment Objective

VPI Value Pool's objective is to provide unitholders with long-term growth while preserving capital. VPI Value Pool will invest in North American and international-based equity securities.

Investment Strategies

PCM's investment philosophy is based on long-term absolute value with a focus on the preservation of capital and long term growth. PCM attempts to achieve this by purchasing only those securities that meet very strict criteria for value and quality. Investments are only considered in companies that have a long history of operation and are in stable businesses that PCM can analyze and understand with a high degree of certainty.

PCM's portfolios are constructed entirely on a bottom up basis. Each investment is analyzed through a very independent and rigorous analytical approach. Reliance on external research is minimal. Historical annual reports are analyzed to determine balance sheet strength, sustainability of cash flows and profitability. A very important component of the analytical process is an assessment of the company's accounting policies. In depth interviews are often conducted with company management in order to assess future strategy and competitive position. In addition, a considerable amount of time is spent attempting to estimate "intrinsic value" through the use of discounted cash flow models and traditional valuation measures such as price/earnings ratios and price/book ratios.

PCM emphasizes seeking out equity securities in high quality businesses that are trading at a substantial discount to intrinsic value and where there is an expectation of significant profit and dividend growth. The emphasis is on a patient accumulation of a moderate number of attractive holdings while experiencing only a minimal turnover in holdings. The Pool may hold significant cash or short-term debt securities to manage the liquidity

of the Pool’s investment portfolio or to manage risk associated with adverse market conditions. In general, PCM expects to use depositary receipts as the vehicle for holding non-US securities. PCM in all cases uses a value orientation towards security selection.

Securities lending and repurchase agreements (including reverse repurchase agreements) may be entered into for the purpose of generating additional income for the Pool. The parameters of such transactions are described in the Introduction to this section on page 25.

What are the Risks of Investing in this Pool?

This Pool focuses on equity securities of North American and international companies, which means the Pool will be exposed to equity risks, foreign market risks, foreign currency risks, as well as risks associated with holding depositary receipts. Because the Pool offers different series of units, the Pool will be subject to certain risks associated with this multiple series structure. See the description of those risks outlined under “What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?”.

Who Should Invest in this Pool?

You should consider this Pool if you are seeking growth in the value of your investments while maintaining your capital investment. This Pool will be suitable for investors with a moderate tolerance for risk and who are comfortable with the potential for fluctuations in the value of capital associated with investing in foreign equity markets. See “Portfolio Risk Classification” on page 26 for a description of how we determined the classification of this Pool’s risk level.

Distribution Policy

Distributions of any net realized capital gains and net income will be made annually in December.

Fund Expenses Indirectly Borne by Investors

Estimated cumulative expenses payable by each series of the Pool for each \$1,000 investment (see Introduction on page 25 for an explanation of the assumptions used in this example) for the time periods shown.

	For 1 year	For 3 years	For 5 years	For 10 years
Series A units	\$23.58	\$74.32	\$130.27	\$296.54
Series B units	\$27.98	\$88.22	\$154.63	\$351.98
Series F units	\$14.35	\$45.24	\$79.30	\$180.50

VPI Canadian Balanced Pool

Pool Details

Type of Pool	Canadian Balanced
Portfolio Manager	Dixon Mitchell Investment Counsel Inc. (Dixon Mitchell) Vancouver, British Columbia
Securities Offered and Date Started	Units of a mutual fund trust: Series A units Series B units Series F units September 19, 2007
Eligible for Registered Plans	Qualified Investment for Registered Plans

What Does the Pool Invest In?

Investment Objective

VPI Canadian Balanced Pool's objective is to generate long-term growth in value and income by investing in a diversified portfolio of Canadian government and corporate bonds, Canadian and foreign equities, trust and limited partnership units, preferred shares and index or sector proxies, such as index participation units. It is designed to provide both moderate income and reasonable growth over the long-term, while being sufficiently diversified to mitigate volatility.

Investment Strategies

VPI Canadian Balanced Pool will generally hold a minimum of 50 percent and a maximum of 80 percent of its assets in equities, with the balance held in fixed income assets and cash. The equity portion of the portfolio will include Canadian and foreign equities, preferred shares, income trust units, and index or sector proxies. Dixon Mitchell generally screens potential equity holdings based on several qualitative criteria, such as identifiable secure market niches with significant barriers to entry and high quality management who are focused on creating value for shareholders. The Pool's portfolio is to be principally comprised of the securities of mature companies that Dixon Mitchell believes will be able to sustain and grow cash flow over the long term.

Dixon Mitchell uses a series of quantitative screens in the equity selection process, including measures of a company's overall historical profitability, evaluation of cash flow, both the past dividend record and expectations of future trends, and measures of earnings quality. Evaluation of a company's prospective ability to sustain and grow its cash flow will be an important part of the equity selection process.

In general, the foreign equity holdings will consist of companies that meet all of the same qualitative and quantitative criteria as the Canadian equities but will also provide diversification through exposure to industries not well represented in Canada, such as pharmaceuticals and global brands, and companies with geographically diverse revenue bases. Dixon Mitchell generally expects all non-US foreign holdings to be in the form of depositary receipts. All foreign equity holdings will not exceed 25 percent of the market value of the Pool's assets. The equity portion of the portfolio will be focused and comprise a maximum of 35 individual holdings.

For the fixed income portion of the portfolio Dixon Mitchell will purchase only Canadian dollar denominated debt instruments with investment grade credit ratings of BBB- or higher. Dixon Mitchell also undertakes its own analysis of credit risk to protect the portfolio from undue risk of default. Up to 60 percent of the fixed income portion of the portfolio may be invested in corporate bonds.

Securities lending and repurchase agreements (including reverse repurchase agreements) may be entered into for the purpose of generating additional income for the Pool. The parameters of such transactions are described in the Introduction to this section on page 25.

What are the Risks of Investing in this Pool?

This Pool focuses on both Canadian government and corporate bonds (low risk) and Canadian and foreign equities which means the Pool will be exposed to equity risks, foreign market risks as well as foreign currency risks. Because the Pool offers different series of units, the Pool will be subject to certain risks associated with this multiple series structure. See the description of those risks outlined under "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?".

Who Should Invest in this Pool?

You should consider this Pool if you are seeking moderate income and equitable growth in the value of your investments. This Pool will be suitable for investors with a low to moderate tolerance for risk and who are seeking a balance between the potential for fluctuations in capital associated with domestic and foreign equities and the relative stability of fixed income securities. See "Portfolio Risk Classification" on page 26 for a description of how we determined the classification of this Pool's risk level.

Distribution Policy

Distributions of any net realized capital gains and net income will be made annually in December.

Fund Expenses Indirectly Borne by Investors

Estimated cumulative expenses payable by each series of the Pool for each \$1,000 investment (see Introduction on page 25 for an explanation of the assumptions used in this example) for the time periods shown.

	For 1 year	For 3 years	For 5 years	For 10 years
Series A units	\$21.73	\$68.51	\$120.08	\$273.33
Series B units	\$24.40	\$76.91	\$134.81	\$306.86
Series F units	\$11.99	\$37.81	\$66.27	\$150.85

Value Partners Pools

Series A Units, Series B Units, Series F Units and
Cardinal Series Units of

VPI Canadian Income Pool
VPI Canadian Equity Pool

Series A Units, Series B Units and Series F Units of

VPI Foreign Equity Pool
VPI Value Pool
VPI Canadian Balanced Pool

Managed by:

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Additional information about the Pools is available in the Pools' annual information form, fund facts, management reports of fund performance and financial statements. These documents are incorporated by reference into this simplified prospectus, which means that they legally form part of this document just as if they were printed as a part of this document.

You can get a copy of these documents, at your request, and at no cost, by calling toll-free at 1-866-323-4235 or from your dealer or by email at info@vpinvestments.ca.

These documents and other information about the Pools, such as information circulars and material contracts are also available on Value Partners' website at www.valuepartnersinvestments.ca or at www.sedar.com.