

This document contains key information you should know about Pender Value Fund. You can find more detailed information in the fund's simplified prospectus. Ask your representative for a copy, contact PenderFund Capital Management Ltd. (Pender) at 1-866-377-4743 or info@penderfund.com or visit www.penderfund.com.

Before you invest in any fund, consider how it would work with your other investments and your tolerance for risk.

Quick facts

Fund code:	PGF260	Fund manager:	PenderFund Capital Management Ltd.
Date class started:	June 30, 2015	Portfolio manager(s):	David Barr, CFA, Felix Narhi, CFA, PenderFund Capital Management Ltd.
Total value of the fund on April 30, 2018:	\$297.0 million	Distributions:	Net income and net capital gains annually. Automatically reinvested in additional units; cash upon request.
Management expense ratio (MER):	1.65%	Minimum investment:	\$5,000 initial, \$100 additional

What does the fund invest in?

The fund invests primarily in Canadian and US equity securities but may also invest in foreign securities. The fund also invests in fixed income securities on an opportunistic basis.

The charts below give you a snapshot of the fund's investments on April 30, 2018. The fund's investments will change.

Top 10 investments - (April 30, 2018)

1. The Howard Hughes Corporation	4.3%
2. Baidu, Inc.	4.1%
3. CCL Industries Inc.	3.7%
4. Kennedy-Wilson Holdings, Inc.	3.4%
5. TripAdvisor, Inc.	3.3%
6. Absolute Software Corporation	3.1%
7. Syntel, Inc.	3.1%
8. Liberty Latin America Ltd.	3.0%
9. Brookfield Property Partners L.P.	2.9%
10. Sleep Country Canada Holdings Inc.	2.8%

Total percentage of top 10 Investments 33.7%
Total number of investments 50

Investment mix - (April 30, 2018)

Information Technology	29.9%
Consumer Discretionary	19.5%
Real Estate	10.6%
Materials	9.9%
Cash	7.4%
Industrials	6.8%
Energy	4.6%
Diversified Financials	4.5%
Healthcare	3.7%
Insurance	2.0%
Telecommunication Services	0.9%
Utilities	0.2%

How risky is it?

The value of the fund can go down as well as up. You could lose money. One way to gauge risk is to look at how much a fund's returns change over time. This is called "volatility".

In general, funds with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. Funds with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

Risk rating

Pender has rated the volatility of this fund as medium.

This rating is based on how much the fund's returns have changed from year to year. It doesn't tell you how volatile the fund will be in the future. The rating can change over time. A fund with a low risk rating can still lose money.



For more information about the risk rating and specific risks that can affect the fund's returns, see the section titled "What is a mutual fund and what are the risks of investing in a mutual fund" in the fund's simplified prospectus.

No guarantees

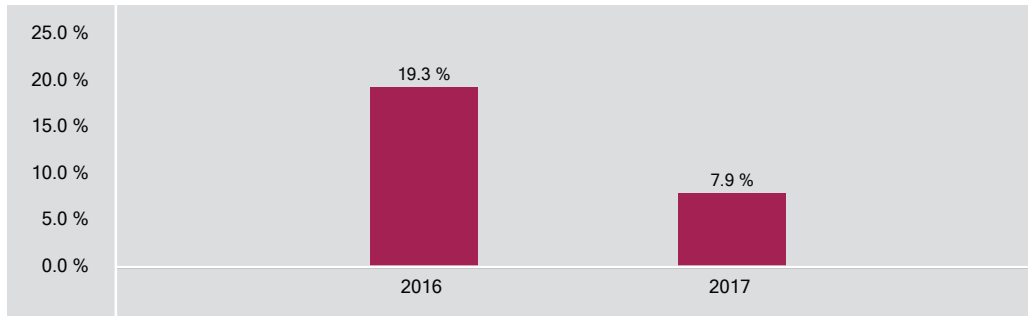
Like most mutual funds, this fund doesn't have any guarantees. You may not get back the amount of money you invest.

How has the fund performed?

This section tells you how Class D units of the fund have performed over the past 2 calendar years. Returns are after expenses have been deducted. These expenses reduce the fund's returns.

YEAR-BY-YEAR RETURNS

This chart shows how Class D units of the fund have performed in each of the past 2 calendar years. The fund did not drop in value in any of those years. The range of returns and change from year to year can help you assess how risky the fund has been in the past. It does not tell you how the fund will perform in the future.



BEST and WORST 3-MONTH RETURNS

This table shows the best and worst returns for Class D units of the fund in a 3-month period over the past 2 years. The best and worst 3-month returns could be higher or lower in the future. Consider how much of a loss you could afford to take in a short period of time.

	Return	3 months ended	If you invested \$1,000 at the beginning of the period
Best return	15.8%	January 31, 2017	Your investment would rise to \$1,158.
Worst return	-8.4%	September 30, 2015	Your investment would drop to \$916.

AVERAGE RETURN

The annual compounded return of Class D units of the fund was 9.1% since inception. If you had invested \$1,000 in the fund since inception, your investment would be now worth \$1,281.

Who is this fund for?

You should consider the fund if: You are seeking long-term growth in the value of your investments; and You have a medium tolerance for risk.

A word about tax

In general, you pay income tax on your share of the fund's earnings and on any gains you realize from redeeming your investment. The amount of tax depends on the tax rules and rates that apply to you, and whether you hold the fund in a registered plan, such as an RRSP or TFSA.

Keep in mind that if you hold your fund in a non-registered account, fund distributions are included in your taxable income, whether you get them in cash or have them reinvested.

How much does it cost?

The following tables show the fees and expenses you could pay to buy, own and sell Class D units of the fund. The fees and expenses – including any commissions – can vary among class of a fund and among funds. Higher commissions can influence representatives to recommend one investment over another. Ask about other funds and investments that may be suitable for you at a lower cost.

1. SALES CHARGES

There are no sales charges for Class D units of the fund.

2. FUND EXPENSES

You don't pay these expenses directly. They affect you because they reduce the fund's returns. As of December 31, 2017, the expenses of Class D were 1.71% of the value of this class. This equals \$17.10 for every \$1,000 invested.

	Annual rate (as a % of the class' value)
Management expense ratio (MER)	1.65%
Trading expense ratio (TER)	0.06%
These are the fund's trading costs for this class.	
Fund expenses	1.71%

More about the trailing commission

The trailing commission is an ongoing commission. It is paid for as long as you own the fund. It is for the services and advice that your representative and your representative's firm provide to you. Pender pays the trailing commission to your representative's firm. It is paid from the fund's management fee and is based on the value of your investment. The trailing commission is equal to 0.25% of the value of your investment each year. This equals \$2.50 each year for every \$1,000 invested.

3. OTHER FEES

You may have to pay other fees when you buy, hold, sell or switch units of the fund.

Fee	What you pay
Short-term trading fee	You may be charged up to 2.00% of the value of units you sell or switch within 30 days of buying them. This fee goes to the fund.
Switch fee	Your representative's firm may charge you up to 2.00% of the value of units you switch to another class of the fund or to another fund managed by Pender.

What if I change my mind?

Under the securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy mutual fund units within two business days after you receive a simplified prospectus or Fund Facts document; or
- cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you will also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, annual information form, Fund Facts document; or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

For more information

Contact Pender or your representative for a copy of the fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the fund's legal documents, which can be found on our website at www.penderfund.com or on the SEDAR website at www.sedar.com.

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To learn more about investing in mutual funds, see the brochure **Understanding mutual funds**, which is available on the website of the Canadian Securities Administrators at www.securities-administrators.ca.