

**NOTICE OF SPECIAL MEETING OF UNITHOLDERS OF  
PENDER US ALL CAP EQUITY FUND  
(the “Fund”)**

PenderFund Capital Management Ltd. (“Pender”), in its capacity as manager of the Fund, is writing to notify you of proposed changes to the Fund in respect of the Fund’s fundamental investment objectives (the “**Proposal**”), details of which are provided in the management information circular (the “**Circular**”) accompanying this Notice.

Currently, the primary fundamental objective of the Fund is to achieve capital growth over the long-term and that will not change. The following changes are proposed by Pender pursuant to the Proposal:

- (a) The Fund invests in businesses (the “**Portfolio Companies**”) through a concentrated portfolio of securities. While most of the securities of the Portfolio Companies are listed on North American markets, the businesses of the Portfolio Companies themselves are located and carried on globally, across North America and many other countries. As such, Pender is proposing to change the description of the Fund’s investment objectives to better reflect the global nature of the Fund’s investment portfolio.
- (b) While some Portfolio Companies may pay dividends to the Fund, the investment portfolio of the Fund may not generate income for the Fund’s unitholders. Accordingly, Pender is proposing to remove from the Fund’s investment objectives the statement that the Fund aims to provide moderate income to its unitholders.
- (c) The concentrated nature of the Fund’s investment portfolio means that it may not be sufficiently diversified to mitigate volatility. As such, Pender is proposing to remove from the Fund’s investment objectives the statement that the Fund aims to be sufficiently diversified to mitigate volatility.

Additional details regarding the Fund are set out in the simplified prospectus of the Fund dated June 25, 2020, annual information form and fund facts for the Fund, which are available at [www.penderfund.com](http://www.penderfund.com) or at [www.sedar.com](http://www.sedar.com).

**NOTICE IS HEREBY GIVEN** that Pender, as manager of the Fund, will hold a special meeting of the Fund’s unitholders (the “**Meeting**”) for the following purposes:

- (a) to consider and, if thought fit, to pass a resolution approving the change of the investment objectives of the Fund, the full text of which is set forth as Schedule “A” to the Circular (the “**Proposal Resolution**”); and
- (b) to transact such other business for the Fund as may properly come before the Meeting or any adjournments, postponements or continuances thereof.

The Meeting will be held virtually via live audio conference call, on May 20, 2021 at 9:00 a.m. (Vancouver time). The Circular and a form of proxy accompany this Notice.

**IMPORTANT NOTICE**

Out of an abundance of caution, to proactively deal with potential issues arising from the unprecedented public health impact of Coronavirus Disease 2019, the Meeting is scheduled to take place in a virtual-only format conducted via live audio conference call. **As such, unitholders of the Fund will not be able to attend the Meeting in person and the Fund strongly encourages all unitholders who wish to attend**

**and participate in the Meeting to carefully follow the procedures described in the Circular to ensure they can attend and participate in the Meeting via live audio conference call.**

## **Voting**

Unitholders of the Fund holding in aggregate one or more whole units of the Fund and duly appointed proxy holders may participate in the Meeting via a live teleconference. Specifically, such unitholders and duly appointed proxy holders who have properly pre-registered prior to the Meeting as outlined below, will be able to ask questions of management of Pender, as manager of the Fund, via the live teleconference at the conclusion of the Meeting. All other unitholders and stakeholders can attend the Meeting as a guest via teleconference without pre-registering as outlined below, but will not be permitted to ask questions at the conclusion of the Meeting. **All unitholders of the Fund who are entitled to vote at the Meeting are strongly encouraged to cast their vote by submitting their completed form of proxy prior to the Meeting as described in the Circular.**

**Only unitholders of record holding in aggregate one or more whole units of the Fund as of the close of business on April 19, 2021 (the “Record Date”) will be entitled to notice of and to vote at the Meeting.** In order to vote during and to be permitted to ask questions at the conclusion of the Meeting, such unitholders and duly appointed proxy holders must pre-register via the following link prior to 9:00 a.m. (Vancouver time) on May 18, 2021 or, if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time and date of the adjourned or postponed Meeting:

<http://services.choruscall.ca/DiamondPassRegistration/register?confirmationNumber=10014317&linkSecurityString=d9589cc9a>

After the pre-registration has been completed, such unitholders of the Fund and duly appointed proxy holders will be assigned a unique PIN and dial-in telephone number. It is recommended that you attempt to connect at least ten minutes prior to the scheduled start time of the Meeting.

For all other unitholders of the Fund and stakeholders wishing to attend the Meeting by teleconference, but without the ability to ask questions of management of Pender, as manager of the Fund, please dial the following toll-free or international toll number approximately ten minutes prior to the start of the Meeting and ask the operator to join the special meeting of unitholders of the Fund:

Toll-free (Canada/U.S.): +1-800-319-4610 or

Toll (international): +1-604-638-5340

If you are a unitholder of the Fund entitled to attend, participate and vote at the Meeting, you may do so via live audio conference call, provided you comply with all of the requirements set out in the Circular.

**Unitholders who are entitled to vote but are unable to attend the Meeting virtually are requested to complete, date, sign and return the accompanying form of proxy for the Meeting and deposit it with Computershare Investor Services Inc. at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, Attention: Proxy Department. Alternatively, you may vote by proxy by telephone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 (within North America) or 1-416-263-9524 (if outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at [www.investorvote.com](http://www.investorvote.com). Your proxy must be received by not later than 9:00 a.m. (Vancouver time) on May 18, 2021, or not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the**

**commencement of a reconvened Meeting. For specific details, please follow the instructions contained in your form of proxy.**

**While the option is available to unitholders of the Fund who are entitled to attend and vote at the Meeting to do so via live audio conference call by following the instructions set out in this Notice and in the accompanying Circular, all such unitholders of the Fund are strongly encouraged to vote by proxy in advance of the Meeting rather than voting during the Meeting via live audio conference call.**

The approval of the Proposal will require the affirmative vote of not less than a majority of the votes cast in respect of the Proposal Resolution. In order for the Meeting of the Fund to be duly constituted, a quorum must be established. Quorum for the Fund requires one or more unitholders of the Fund entitled to vote at the Meeting whether virtually or by proxy who hold, in the aggregate, at least 10 units entitled to be voted at the Meeting.

**Notwithstanding the receipt of such unitholder approval, Pender may, in its discretion as manager of the Fund, decide not to proceed with, or delay, the implementation of the Proposal for any reason.**

<p><b>Pender, as manager of the Fund, recommends that you vote <u>IN FAVOUR</u> of the Proposal Resolution.</b></p>
---------------------------------------------------------------------------------------------------------------------

On April 19, 2021, Pender presented the Proposal to the Independent Review Committee (“IRC”) of the Fund for its review. The IRC has determined, after reasonable inquiry, that the Proposal would achieve a fair and reasonable result for the Fund, if implemented, and has provided to Pender a positive recommendation in respect of the Proposal.

DATED at Vancouver, British Columbia, this 23rd day of April, 2021.

**PENDERFUND CAPITAL MANAGEMENT LTD., as manager of the Fund**

*(signed) David Barr*

David Barr

Chief Executive Officer & Director