# AMENDMENT NO. 1 DATED JANUARY 11, 2019
# TO THE SIMPLIFIED PROSPECTUS DATED APRIL 27, 2018

# (THE "PROSPECTUS")

in respect of:

Series A, F, FB, O, PW, PWFB and PWX of Mackenzie Multi-Strategy Absolute Return Fund

(the "**Fund**")

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The Prospectus is amended to:

1. update the Fund's series suitability; and

2. update the risk factors, investment objectives, investment strategies and implement other changes.

* * *

Accordingly, the Prospectus is amended as follows:

## General

a) On the front cover, by deleting the heading "Alternative Fund" and replacing it with "Alternative Mutual Fund".

b) On Page 2, by deleting the fourth paragraph under "**What are the General Risks of Investing in a Mutual Fund**" and replacing it with the following:

> "The Fund is considered an "alternative mutual fund" according to NI 81-102, meaning it is permitted to use strategies generally prohibited by conventional mutual funds, such as the ability to invest more than 10% of its net asset value in securities of a single issuer; the ability to invest up to 100% or more of its net asset value in physical commodities either directly or through the use of specified derivatives; borrow, up to 50% of its net asset value, cash to use for investment purposes; sell, up to 50% of its net asset value, securities short (the combined level of cash borrowing and short selling is limited to 50% in aggregate); and aggregate exposure up to 300% of its net asset value, among other things. For more information regarding the risks associated with these strategies, please see "**Concentration Risk**", "**Commodity Risk**", "**Derivatives Risk**", "**Leverage Risk**" and "**Short Selling Risk**" below.".

c) On Page 15, by deleting the heading in the third row under "**Table 4**" and replacing it with "Alternative Mutual Fund".

d) On Page 15, by deleting the fourth paragraph under "**Management Fee, Administration Fee and Fund Cost Reductions**".

e) On Page 16, by deleting the heading in the second row of the chart in the "**Administration Fee**" section of the "**Fees and Expenses Payable by the Funds**" table and replacing it with "Alternative Mutual Fund".

f) On Page 17, by deleting the disclosure in the "**Fund of Funds**" row under the "**Fees and Expenses Payable by the Funds**" table and replacing it with the following:

> "Where the Fund invests in Underlying Funds, the fees and expenses payable in connection with the management of the Underlying Fund are in addition to those payable by the Fund. However, there will be no management fees or administration fees payable by the Fund that, to a reasonable person, would duplicate a fee payable by an Underlying Fund for the same services. Where the Fund invests in ETFs that qualify as IPUs, the fees and expenses payable in connection with the management of ETFs are in addition to those payable by the Fund. Currently, where we are the manager of such ETFs, we will waive these fees for at least one year from the date of this prospectus. This arrangement is subject to change thereafter.
>
> Except as described below in respect of ETFs managed by Mackenzie, there will not be sales fees (i.e., brokerage commissions or trading expenses) or redemption fees payable by the Fund with respect to the purchase and redemption by it of securities of an Underlying Fund managed by us or by one of our affiliates. In addition, the Fund will not pay sales fees or redemption fees with respect to the purchase or redemption by it of securities of an Underlying Fund that, to a reasonable person, would duplicate a fee payable by you in the Fund."

g) On Page 18, by deleting the heading in the second row of the chart in the "**Series PWX Fees: Management Fees, Administration Fees and Advisor Service Fees**" section of the "**Fees and Expenses Payable Directly by You**" table and replacing it with "Alternative Mutual Fund".

h) On Page 24, by moving the "**Organization and Management of the Mackenzie Multi-Strategy Absolute Return Fund**" chart to Page 7 following the disclosure under "**Small Company Risk**".

i) On Page 24, by deleting the first paragraph under "**Exemptions from NI 81-102**" and replacing it with the following:

> "The Fund is subject to certain restrictions and practices contained in securities legislation, including NI 81-102, which are designed, in part, to ensure that the investments of mutual funds are diversified and relatively liquid and to ensure the proper administration of mutual funds. We intend to manage the Fund in accordance with these restrictions and practices or to obtain relief from the securities regulatory authorities before implementing any variations."

j) On Page 25, by deleting the heading "**A) ETF Relief**" and the disclosure underneath.

k) On Page 25, by deleting the heading "**B) Cleared Swaps Relief**" and the disclosure underneath.

l) On Page 25, by deleting the heading "**C) Alternative Fund Investment Relief**" and the disclosure underneath.

m) On Page 26, by deleting the chart under the heading "**Fund Details**" heading and replacing it with the following:

| | |
|---|---|
| **Type of Fund** | Alternative Mutual Fund |
| **Start Date** | April 27, 2018 |
| **Units Offered** | **Series Start Date** |
| Series A | May 23, 2018 |
| Series F | May 23, 2018 |
| Series FB | May 23, 2018 |
| Series O | May 23, 2018 |
| Series PW | May 23, 2018 |
| Series PWFB | May 23, 2018 |
| Series PWX | May 23, 2018 |
| **Registered Plan Qualified** | The units are expected to be qualified investments for registered plans |

n) On Page 27, by deleting the fifth and sixth paragraphs and replacing them with the following:

> "The Fund may invest up to 20% of its net asset value in securities of a single issuer including exposure to that single issuer through specified derivative transactions or index participation units.
>
> The Fund may engage in securities lending, repurchase and reverse repurchase transactions. Securities lending, repurchase and reverse repurchase transactions may earn additional income for mutual funds. That income comes from the fees paid by the transaction counterparty and interest paid on the cash or securities held as collateral.
>
> On any securities lending, repurchase and reverse repurchase transaction, the Fund must, unless it has been granted relief,".

o) On Page 27, by deleting the first paragraph on the right-hand side and replacing it with the following:

> "The Fund may use derivatives such as futures, currency forwards, options and swaps for "**hedging**" purposes to reduce the Fund's exposure to changes in securities prices, interest rates, exchange rates or other risks. Derivatives may also be used for "**non-hedging**" purposes, which may include the following: (i) as substitute investments for stocks or a stock market; (ii) to gain exposure to other currencies; (iii) to seek to generate additional income; or (iv) for any other purpose that is consistent with the Fund's investment objectives. As the Fund is considered an "Alternative Mutual Fund" pursuant to NI 81-102, it is permitted to invest in specified derivatives, uncovered derivatives or enter into derivatives contracts with counterparties that do not have a designated rating as defined in NI 81-102. Please visit our website at **www.mackenzieinvestments.com/currency** for more information about the Fund's use of currency hedging. For more information on derivatives used by the Fund for hedging and non-hedging purposes as at the last day of the applicable financial reporting period, please refer to the Fund's most recent financial statements. Please also refer to the explanation of risks that accompany the use of derivatives under "**Derivatives Risk**" in the "**What are the General Risks of Investing in a Mutual Fund?**" section of this document."

p) On Page 27, by deleting the fourth paragraph on the right-hand side and replacing it with the following:

> "The Fund may engage in short selling in accordance with securities regulations. A short sale is a transaction in which a mutual fund sells, on the open market, securities that it has borrowed from a lender for this purpose. At a later date, the mutual fund purchases identical securities on the open market and returns them to the lender. In the interim, the mutual fund must pay compensation to the lender for the loan of the securities and provide collateral to the lender for the loan. The Fund's short selling activities are subject to the following limits and conditions:".

q) On Page 28, by deleting the last paragraph above the "**What are the Risks of Investing in the Fund?**" section.

## Risk Factors

r) On Page 3, by deleting the disclosure under "**Commodity Risk**" and replacing it with the following:

> "A mutual fund may invest in commodities or in companies engaged in commodity-focused industries and may obtain exposure to commodities using derivatives or by investing in exchange-traded funds, the underlying interests of which are commodities. Commodity prices can fluctuate significantly in short time periods, which will have a direct or indirect impact on the value of such a mutual fund. The Fund is permitted to invest up to 100% of its net asset value in physical commodities as further described in Part B of this simplified prospectus."

s) On Page 4, by adding the following after the disclosure under "**Credit Risk**":

> "**Cyber Security Risk**
>
> Due to the widespread use of technology in the course of business, the Fund has become potentially more susceptible to operational risks through breaches in cyber security. Cyber security is the risk of harm, loss, and liability resulting from a failure, disruption or breach of an organization's information technology systems. It refers to both intentional and unintentional events that may cause the Fund to lose proprietary information, suffer data corruption, or lose operational capacity, which could cause us and/or the Fund to experience disruptions to business operations; reputational damage; difficulties with the Fund's ability to calculate its NAV; or incur regulatory penalties, additional compliance costs associated with corrective measures, and/or financial loss. Cyber attacks may involve unauthorized access to the Fund's digital information systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, or corrupting data, equipment or systems. Other cyber attacks do not require unauthorized access, such as denial of service attacks (i.e., efforts to make network services unavailable to intended users). In addition, cyber attacks on the Fund's third-party service provider (e.g., administrators, transfer agents, custodians and sub-advisors) or issuers that the Fund invests in can also subject the Fund to many of the same risks associated with direct cyber attacks. Similar to operational risks in general, we have established risk management systems designed to reduce the risks associated with cyber security. However, there is no guarantee that such efforts will be successful."

t) On Page 6, by deleting the disclosure under “**Leverage Risk**” and replacing it with the following:

> “When the Fund makes investments in derivatives, borrows cash for investment purposes, or uses physical short sales on equities, fixed-income securities or other portfolio assets, leverage may be introduced into the Fund. Leverage occurs when the Fund’s notional exposure to underlying assets is greater than the amount invested. It is an investment technique that can magnify gains and losses. Consequently, any adverse change in the value or level of underlying asset, rate or index may amplify losses compared to those that would have been incurred if the underlying asset had been directly held by the Fund and may result in losses greater than the amount invested in the derivative itself. Leverage may increase volatility, may impair the Fund’s liquidity and may cause the Fund to liquidate positions at unfavourable times. The Fund is subject to aggregate exposure of 300% of its net asset value which is measured on a daily basis and described in further detail within the “**Investment Objectives**” section in Part B of this simplified prospectus. This will operate to limit the extent to which the Fund is leveraged.”

u) On Page 7, by deleting the first paragraph under “**Short Selling Risk**” and replacing it with the following:

> “Certain mutual funds are permitted to engage in short selling. A short sale is a transaction in which a mutual fund sells, on the open market, securities that it has borrowed from a lender for this purpose. At a later date, the mutual fund purchases identical securities on the open market and returns them to the lender. In the interim, the mutual fund must pay compensation to the lender for the loan of the securities and provide collateral to the lender for the loan. The Fund is permitted to sell securities short up to a maximum of 50% of its net asset value as described in further detail within the “**Investment Objectives**” section in Part B of this simplified prospectus.”

### Series Eligibility

v) On Page 8, by deleting the first paragraph under “**Series Eligibility and/or Suitability Requirements**” and replacing it with the following:

> “The series are subject to their respective minimum investment requirements, as detailed below under “**Minimum Initial and Subsequent Investment Requirements**”.”

w) On Page 9, by deleting the heading “**Fund Eligibility Requirements**” and all content underneath.

### Series Suitability

x) On Page 8, by deleting the second paragraph under the “**Suggested Suitability**” column and “**Series PW**” row replacing it with the following:

> “These investors typically have large investments in the Fund and may include high net worth investors, institutional investors, other investment funds, and other investors.”

y) On Page 8, by deleting the second paragraph under the “**Suggested Suitability**” column and “**Series PWFB**” row replacing it with the following:

> “These investors typically have large investments in the Fund and may include high net worth investors, institutional investors, other investment funds, and other investors.”

z) On Page 9, by deleting the second paragraph under the "**Suggested Suitability**" column and "**Series PWX**" row replacing it with the following:

> "These investors typically have large investments in the Fund and may include high net worth investors, institutional investors, other investment funds, and other investors."

### Short-Term Trading Policy

aa) On Page 11, by deleting the tenth bullet under "**Short-Term Trading**" and replacing it with the following:

> "for systemic withdrawal plans (applies only to non-registered and TFSA accounts);".

### Investment Objectives

bb) On Page 26, by deleting the first two paragraphs under "**Investment Objectives**" and replacing them with the following:

> "The Fund seeks to provide a positive total return over a market cycle, regardless of market conditions or general market direction, by employing one or more of the following alternative investment strategies: Credit Alternative Strategy, Global Macro, Long/Short Equity and/or Equity Market Neutral. These strategies will be used to gain exposure to a broad range of asset classes, including equities, fixed-income securities and/or convertible securities issued by companies anywhere in the world, including emerging markets. The Fund may also invest up to 100% or more of its net assets in foreign currencies and/or physical commodities. The Fund may also engage in physical short sales and/or borrowing for investment purposes.
>
> The Fund's aggregate exposure shall not exceed the limits on the use of aggregate exposure described in the "**Investment Strategies**" section of this Simplified Prospectus or as otherwise permitted under applicable securities legislation."

### Investment Strategies

cc) On Page 26, by deleting the first bullet point under "**Investment Strategies**" and replacing it with the following:

> "The Fund's Credit Alternative Strategy uses a global, flexible and actively managed approach to adding value through the use of multiple sectors, geographies, and parts of the capital structure. The strategy will use a levered long-short, and/or a momentum-long approach to corporate investments, as well as independent systematic strategies using a long-short currency model and a duration-timing model. Tail risk management and security selection will also be features of this strategy. This strategy may include investment-grade bonds; lower quality fixed-income investments, which may include instruments that have a weighted average credit quality below investment grade (rated below "BBB-" by S&P or an equivalent rating from another recognized credit rating organization) or that are unrated; mortgage- and asset-backed securities; preferred shares; floating rate debt instruments and other floating securities. The strategy may invest in all types of government and corporate fixed-income securities and instruments. It will employ a flexible approach, investing across various fixed-income credit ratings, duration, structures, sectors, currencies and countries, and may, at any time, invest a significant portion of its net assets in any one area noted above. The Credit Alternative Strategy may borrow cash for investment purposes and may engage in physical short sales."

dd) On Page 27, by deleting the first paragraph and replacing it with the following:

> "The Credit Alternative Strategy, Long/Short Equity, Equity Market Neutral and Global Macro strategies have the flexibility to benefit from price movements of securities through significant use of derivatives, physical short sales and cash borrowing for investment purposes."

ee) On Page 27, by adding the following paragraph below the third paragraph on the left-hand side:

> "The Fund's aggregate exposure, calculated as the sum of the following, must not exceed 300% of its net asset value: (i) the aggregate market value of securities sold short; (ii) the value of indebtedness under any borrowing arrangements for investment purposes; and (iii) the aggregate notional value of the Fund's specified derivative positions excluding any specified derivatives used for hedging purposes."

ff) On Page 28, by deleting the table under "**Risk Checklist**" and replacing it with the following:

| | Primary Risk | Secondary Risk | Low or Not a Risk |
|---|---|---|---|
| Commodity | ● | | |
| Company | ● | | |
| Concentration | ● | | |
| Convertible Securities | | ● | |
| Credit | ● | | |
| Cyber Security | | ● | |
| Derivatives | ● | | |
| Emerging Markets | ● | | |
| ETF | | ● | |
| Foreign Currency | ● | | |
| Foreign Markets | ● | | |
| High Yield Securities | | ● | |
| Illiquidity | ● | | |
| Interest Rate | ● | | |

| | Primary Risk | Secondary Risk | Low or Not a Risk |
|---|---|---|---|
| Large Transaction | | ● | |
| Legislation | | ● | |
| Leverage | ● | | |
| Market | ● | | |
| Portfolio Manager | | ● | |
| Prepayment | ● | | |
| Securities Lending, Repurchase and Reverse Repurchase Transaction | | ● | |
| Senior Loans | | ● | |
| Series | | ● | |
| Short Selling | ● | | |
| Small Company | | ● | |

## Purchasers’ Statutory Rights

Securities legislation in some provinces and territories gives securityholders the right to withdraw from an agreement to buy securities of a mutual fund within two business days of receiving the simplified prospectus or Fund Facts, or to cancel a purchase within forty-eight hours of receiving confirmation of an order.

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

For more information, securityholders should refer to the securities legislation of their provinces or territory or consult a lawyer.

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