Important Tax Notice to U.S. Investors

This statement is provided for Investors who are United States persons for purposes of the U.S. Internal Revenue Code of 1986, as amended ("IRC") and the regulations thereunder. It is not relevant to other Investors.

Picton Mahoney Arbitrage Plus Fund (the "Fund") may be deemed to be classified as a Passive Foreign Investment Company ("PFIC") as defined in Section 1297(a) of the IRC for the year ending December 31, 2022.

We recommend that all U.S. taxpayer clients consult a tax advisor concerning the overall tax consequences of their ownership of the Fund and their U.S. tax reporting requirements. You can also find information on U.S. tax rules applicable to investments in a PFIC on the IRS website, www.irs.gov, by searching "Form 8621 Instructions".

Please find below a PFIC Annual Information Statement ("AIS") for the Fund. The PFIC AIS is being provided pursuant to the requirements of Treasury Regulation §1.1295-1(g)(1). The PFIC AIS contains information to enable you, should you so choose based on the advice of your tax advisor in light of your personal tax circumstances, to elect to treat the Fund as a qualified electing fund ("QEF").

Generally, an election is filed for each mutual fund on which you wish to make a QEF election. If you hold a fund that holds one or more underlying funds, you will receive a combined PFIC AISs containing information that will enable you to elect to treat any or all of the funds as a QEF as you choose, as well as information relating to your securities and values in your indirect holdings.

Note that the information attached with this letter is intended to help you make one or more QEF elections, if you decide to do so, and neither such information nor this letter constitutes tax advice. The taxpayer should seek advice based on their particular circumstances from an independent tax advisor.

If you have any questions regarding this matter, please contact your Financial Advisor and/or, a U.S. tax advisor.

Picton Mahoney Arbitrage Plus Fund
PFIC Annual Information Statement
For the Year Ending December 31, 2022

1) This Information Statement applies to the taxable year of the Fund for the year beginning January 1, 2022 and ending on December 31, 2022.

2) The per unit amount of ordinary earnings and net capital gains for each Series of the Fund for the period specified in paragraph (1) is as follows:

Series	Ordinary Earnings (US$)	Net Capital Gains (US$)
Series A	0.000000	0.000000
Series F	0.000000	0.000000
Series I	0.000000	0.000000
Series V	0.000000	0.000000

To determine your pro-rata share of the amounts above, multiply the amounts by the number of units of each Series you held during the year.

    i.   If you owned the same number of units from January 1, 2022 through December 31, 2022, multiply the number of such units by the amounts above.

    ii.   If you did not own the same number of units from January 1, 2022 through December 31, 2022, multiply the number of units you owned by the amounts above as well as by the number of days the units were held in 2022 and divide the result by 365.

3) The per unit amount of cash distributions[1] and property distributions for each Series of the Fund for the period specified in paragraph (1) is as follows:[2]

Series	Property Distributions (US$)	Cash Distributions (US$)
Series A	0.000000	0.000000
Series F	0.000000	0.000000
Series I	0.000000	0.000000
Series V	0.000000	0.000000

To determine your pro-rata share of the amounts above, multiply the amounts by the number of units of each Series you held during the year.

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[1] Under U.S. tax reporting rules, cash distributions only include distributions denominated in U.S. currency. Distributions denominated in Canadian currency are reported as property distributions.

[2] All amounts are reported in U.S. dollars. Distributions represent average distributions that are not reinvested in the fund. If you have elected to reinvest your distributions, the above amount may not be reflective of the actual distribution amount you received during the year. If you have made a QEF election, your basis in your fund securities is based on your investment in the fund before the election, plus your share of ordinary earnings and/or net capital gains less the actual distributions you have received during the year. You should consult your U.S. tax advisor to determine your U.S. tax basis in the fund securities during the year.

i. If you owned the same number of units from January 1, 2022 through December 31, 2022, multiply the number of such units by the amounts above.

ii. If you did not own same number of units from January 1, 2022 through December 31, 2022, multiply the number of units you owned by the amounts above as well by the number of days the units were held in 2022 and divide the result by 365.

4) The Fund will, upon receipt of a request, permit you to inspect and copy its permanent books of account, records, and other such documents as may be maintained by the Fund to establish that the ordinary earnings and net capital gains are computed in accordance with U.S. income tax principles under IRC Section 1293 and to verify these amounts and the U.S. Investor's pro-rata share thereof.[3]

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By: Arthur Galloway
Title: Chief Operating Officer
Date: March 31, 2023

THIS INFORMATION CONTAINED HEREIN IS TAKEN FROM THE ACCOUNTING RECORDS AND AUDITED FINANCIAL STATEMENT OF PICTON MAHONEY ARBITRAGE PLUS FUND AND IS PROVIDED IN ORDER TO ASSIST INVESTORS IN MAKING CALCULATIONS AND DOES NOT CONSTITUTE TAX ADVICE. INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE OVERALL TAX CONSEQUENCES OF THE OWNERSHIP OF SECURITIES ARISING IN THEIR OWN PARTICULAR SITUATIONS UNDER UNITED STATES FEDERAL, STATE, LOCAL OR FOREIGN LAW.

THIS DOCUMENT IS NOT TO BE CONSTRUED AS AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES.

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[3] The per unit amount of ordinary earnings and net capital gains for each Series of the Fund for the period are calculated under U.S. tax principles and may not be reflective of the per unit Canadian dollar amounts reported in your fund account statement.