

Draft: February 14, 2005

EXHIBIT E

**MFDA POLICY NUMBER •
ADVERTISING RELATING TO MFDA IPC PARTICIPATION**

[• 2005]

DISCLOSURE OF MEMBER COVERAGE

Members of the Mutual Fund Dealers Association of Canada ("MFDA") are required to make disclosure to their customers of protection by the MFDA Investor Protection Corporation ("MFDA IPC") in accordance with Rule 2.7.4 of the MFDA. The Corporation has prescribed certain aspects of the extent and manner of this disclosure by this Policy. Reference should also be made to Rule 2.7.4 of the MFDA for details of these requirements, not all of which are reproduced in this Policy.

The purpose of Rule 2.7.4 and this Policy is to ensure that customers of Members and the public are:

- (a) made aware of the nature and extent of protection applicable to them; and
- (b) not misled into believing that MFDA IPC protection is applicable to them in circumstances where it is not, such as dealings by a customer with financial intermediary groups in which customers of some but not all of the group members are members of MFDA IPC or where the customer is in Quebec or the client's assets are not subject to MFDA IPC assessments.

The application and interpretation of this Policy shall be subject to the principles in (a) and (b) above, and the Corporation may make any final interpretation or determination as to this Policy and its application.

MFDA IPC Official Symbol with Explanatory Statement

The MFDA IPC official symbol together with the MFDA IPC official explanatory statement is required to be used by Members of the MFDA on account statements and confirmations sent to customers.

MFDA IPC Official Symbol with Referral Statement

The MFDA IPC official symbol together with the shorter MFDA IPC referral statement guiding customers to the MFDA IPC official brochure is required to be used by Members:

- at their business premises to which customers have access; and

- on advertisements.

Use of the MFDA IPC official symbol together with the MFDA IPC referral statement is optional in certain limited circumstances described under the heading "Optional Use in Advertising" below.

The MFDA IPC official symbol shall be in one of the following forms:

- (i) Member MFDA IPC
- (ii) Member
[logo]
- (iii) Member MFDA Investor Protection Corporation
- (iv) Membre CPI ACFM
- (v) Membre
[logo]
- (vi) Membre Corporation de protection des investisseurs de l'ACFM

Note: Use of the logo is mandatory in forms (ii) and (v) and is an optional addition in the other forms listed above. A bilingual logo may also be used.

[logo]

If the Member identifies other associations or memberships in its materials, the MFDA IPC official symbol shall be at least of the same print size and visual impact. The colour of the logo shall be a prescribed colour or black.

DISPLAY AT PREMISES

Members are to conspicuously display the MFDA IPC official symbol in a prominent place at each of its premises to which customers have access. The MFDA IPC official symbol shall be accompanied by the MFDA IPC referral statement. Members shall comply with this requirement by use of the decal prescribed and made available by the MFDA IPC at the expense of the Member. The decal may be attached to doors, windows, plaques on counters or other similar visible surfaces. If in any location the Member also displays a sign or symbol of membership or affiliation with any regulatory organization, the MFDA IPC decal will be displayed in the same manner and immediately adjacent to such other sign or symbol. Members should ensure that the use and placement of a decal shall not cause, or be reasonably expected to cause, customers of another financial intermediary or institution to believe that they are entitled to MFDA IPC protection if they are not.

Premises at which the decal is to be displayed shall include all premises of the Member (including branch and sub-branch locations) if customers or potential customers have access to them and such access is utilized in the normal course of business. For instance, if customers are not normally permitted to attend at a sub-branch office, such as a residence of a salesperson, display of the decal is not required.

OPTIONAL USE IN ADVERTISING

Use of the MFDA IPC official symbol together with the MFDA IPC referral statement by Members is optional in the following circumstances. Any such optional use of the MFDA IPC official symbol shall be subject to the principles, and interpretations and determinations of the Corporation, set out at the beginning of this Policy.

- Signs or plates in the office or attached to the building or buildings in which the Member's offices are located.
- Listings in directories.
- Classified or display advertisements relating to the recruitment of personnel.
- Printed advertisements less than 10 square inches in space.
- Advertisements by radio or telephone less than 30 seconds in time.
- Advertisements by television less than 15 seconds in time.
- Internal news wires.
- Press releases.
- Supplies such as stationery, envelopes and cheques.
- Promotional items such as calendars, matchbooks, pens, paperweights, etc.
- Telephone market reports.
- Research reports.
- Annual reports and statements of financial condition (which may be consolidated with subsidiaries).
- Market letters and similar communications.
- Promotion or trade show booths or displays.

JURISDICTIONS WHERE COVERAGE NOT AVAILABLE

Customers with accounts at Members in certain jurisdictions may not be entitled to protection by MFDA IPC. MFDA is not recognized in the Province of Quebec and, accordingly, customers with accounts at MFDA Members in Quebec will not be entitled to protection by MFDA IPC, except as the Board of Directors of MFDA shall otherwise in its discretion determine. Members should ensure that their compliance with MFDA Rule 2.7 with respect to advertising and sales communications and, in particular, Rule 2.7.4 does not mislead customers into believing that protection is available where it is not.

EXEMPTIONS

The By-laws and Rules of the MFDA provide for exemptions from certain advertising and other requirements as prescribed by the MFDA from time to time. The Corporation intends as a general approach to only consider and permit exemptions on a basis applicable to all Members and not on individual application. However, in extenuating circumstances application may be made to the President, Chief Operating Officer or Executive Vice President, Member Regulation of MFDA for relief from some or all of such advertising requirements. With respect to any specific exemption from the requirements of Rule 2.7.4, applicants will be expected to demonstrate that compliance with the requirements by the applicant would be misleading or result in confusion as to the availability of coverage. MFDA IPC will be consulted in respect of any request for an exemption.