

**In the Matter of
the Securities Legislation of
British Columbia, Alberta, Saskatchewan, Manitoba and Ontario
(collectively, the Jurisdictions)**

and

**In the Matter of
the Mutual Reliance Review System for Exemptive Relief Applications**

and

**In the Matter of Qtrade Fund Management Inc.
(the Filer)**

and

**QFM Fixed Income Fund, QFM Global Equity Fund,
QFM Global Sector Target Fund, QFM Structured Yield Fund,
QFM Money Market Fund and QFM World Balanced Fund
(the Funds)**

MRRS Decision Document

Background

- ¶ 1 The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the time limits for the renewal of the simplified prospectus of the Funds dated December 21, 2005 (the Prospectus), as amended and restated on February 20, 2006 (the Amended Prospectus), be extended to those time limits that would be applicable if the lapse date of the Prospectus were January 31, 2007 (the Requested Relief).
- ¶ 2 Under the Mutual Reliance Review System for Exemptive Relief Applications:
1. the British Columbia Securities Commission is the principal regulator for this application; and
 2. the MRRS decision document evidences the decision of each Decision Maker.

Interpretation

- ¶ 3 Defined terms contained in National Instrument 14-101 have the same meaning in this decision unless they are defined in this decision.

Representations

- ¶ 4 This decision is based on the following facts represented by the Filers:
1. The Filer is a corporation incorporated under the laws of Canada, and is the trustee, manager and promoter of the Funds.
 2. Each of the Funds is an open-ended mutual fund trust, the securities of which are qualified for distribution in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario under the Prospectus and Amended Prospectus filed with the Decision Makers.
 3. Each Fund is a reporting issuer under the Legislation and is not in default of any of the requirements of the Legislation.
 4. The lapse date for the Prospectus and Amended Prospectus is December 21, 2006.
 5. The Decision Makers issued a final receipt for the Prospectus on December 22, 2005 and for the Amended Prospectus on February 21, 2006.
 6. The Filer wishes to extend the time for filing and obtaining a receipt for a simplified prospectus of the Funds to the time that would be applicable if the lapse date for the distribution of units of the Funds under the Prospectus were January 31, 2007.
 7. The Funds' seek the extension to permit their auditors sufficient time to finalize the Funds' annual audited financial statements for the period ended December 31, 2006 (the 2006 F/S). If the 2006 F/S are not filed with the pro forma simplified prospectus and annual information form, the Funds must file an auditors' comfort letter for the Funds' unaudited interim financial statements for the period ended June 30, 2006. This additional cost will ultimately be borne by the Funds' unitholders. An extension of the lapse date to January 31, 2007 will provide sufficient time to prepare the 2006 F/S with the Funds passing the cost savings on to its unitholders.
 8. There is no undisclosed material change in the affairs of the Funds since the date of the Prospectus, other than disclosed in the Amended Prospectus for which the Decision Makers issued a final receipt on February 21, 2006.

Accordingly, the Prospectus and Amended Prospectus provide accurate information regarding the Funds. The extension requested will not affect the currency or accuracy of the information contained in the Prospectus or Amended Prospectus, and, accordingly, will not be prejudicial to the public interest.

9. The Filer filed a pro forma simplified prospectus and annual information form for the Funds on December 8, 2006.

Decision

- ¶ 5 Each of the Decision Makers is satisfied that the test, contained in the Legislation that provides the Decision Makers with the jurisdiction to make the Decision, was met.
- ¶ 6 The decision of the Decision Makers pursuant to the Legislation is that the Requested Relief is granted provided a final simplified prospectus is filed no later than 10 days after January 31, 2007 and that a receipt for the simplified prospectus is obtained no later than 20 days after January 31, 2007.
- ¶ 7 December 22, 2006



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