



Ontario
Securities
Commission

Commission Des
valeurs mobilières
de l'Ontario

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VIA SEDAR ONLY

July 10, 2002

Torys
Suite 3000
Maritime Life Tower
Box 270, TD Centre
Toronto, Ontario M5K 1N2

Attention: Marlene J. Davidge

Dear Sirs/Mesdames:

Re: Scotia Cassels Investment Counsel Limited, RBC Gopal Investment Management Inc., Natcan Investment Management Inc., TAL Global Asset Management Inc., CM Investment Management Inc., Guardian Group of Funds Ltd., BMO Harris Investment Management Inc., BMO Nesbitt Burns Inc., Jones Heward Investment Counsel Inc. and Scotia Capital Inc. (collectively, the "Applicants" or "Dealer Managers") - MRRS Application under National Instrument 81-102, Mutual Funds ("NI 81-102") - App. No. 1188/01; Sedar Proj. Nos. 400491-400495, 400497-400499, 400501, 400502, 400504, 427974, 427982, 427985, 427990, 427993, 427995-427997, 428005, 436240, 436255, 436272, 436278, 436285, 436287, 446463, 453614 and 461814

By letter dated November 8, 2001, as supplemented and amended by letters dated March 5 and 12, 2002, April 12, 2002, May 14, 2002 and May 28, 2002 (collectively, the "Application"), you applied on behalf of the Applicants to the regulator or securities regulatory authority in each province and territory of Canada (collectively, the "Decision Makers") for discretionary relief from subsection 4.1(1) and section 4.2 of NI 81-102. The Applicants have caused the Application to be made on behalf of the mutual funds named in Appendix A for which an Applicant acts as portfolio adviser, and any mutual fund subject to NI 81-102 that may be established in the future and for which an Applicant may act as portfolio adviser (existing and future mutual funds collectively the "Funds" or "Dealer Managed Funds").

Subsection 4.1(1) of NI 81-102 prohibits a dealer managed mutual fund from knowingly making an investment in a class of securities of an issuer, during the offering (the "Offering") or for 60 days after (the Offering period and the 60-day period together, the "Investment Prohibition Period"), if the dealer manager or any of its associates or affiliates acts as underwriter of the Offering (the "Investment Prohibition"). However, it

does not apply if the dealer manager or any of its associates or affiliates only acts as a member of a selling group distributing five percent or less of the underwritten securities. You have requested discretionary relief from this provision to enable the Dealer Managed Funds of each Dealer Manager to invest in a class of debt securities of an issuer other than the federal and provincial governments (“Non-Government Debt Securities”), during the Investment Prohibition Period, even if the Dealer Manager or any of its associates or affiliates acts or has acted as underwriter (collectively, the “Related Underwriters”) of the Offering of such Non-Government Debt Securities.

Section 4.2 of NI 81-102 states that a mutual fund shall not purchase a security from, or sell a security to, among others, the mutual fund’s manager, portfolio adviser or trustee or their respective associates or affiliates acting as principal in the transaction. You have also requested discretionary relief from this provision to enable the Dealer Managed Funds of each Dealer Manager to purchase Non-Government Debt Securities from any of the persons or companies referred to in paragraphs 1 to 4 of section 4.2, other than a mutual fund, acting as principal (collectively, the “Related Persons”), during or after the Investment Prohibition Period. You have subsequently clarified this request so that the relief sought would enable the Dealer Managed Funds of each Dealer Manager to

- purchase Non-Government Debt Securities from, or sell such debt securities to, a Related Person in the secondary market, or
- purchase debt securities issued or fully and unconditionally guaranteed by the federal or provincial governments (“Government Debt Securities”) from, or sell such debt securities to, a Related Person in the secondary market.

From our review of the Application and other information communicated to staff, we understand the relevant facts and representations to be as follows:

1. Each Applicant currently acts, and may in the future act, as portfolio adviser for their respective Funds. Each Applicant is a “dealer manager”, and each Fund is a “dealer managed fund”, as such terms are defined in section 1.1 of NI 81-102.
2. Some of the Applicants, BMO Investments Inc., National Bank Securities Inc. (“NBSI”), Royal Mutual Funds Inc., Scotia Securities Inc., CIBC Securities Inc., Jones Heward Investment Management Inc., Nesbitt Burns Inc., SaringStartups Capital Corp., Talvest Fund Management Inc. (“Talvest”), MD Funds Management Inc. and Medical Discovery Management Corporation currently act, and may in the future, act as manager (the “Manager”) for their respective Funds. Except for NBSI and Talvest, the head office of each Manager is in Toronto, Ontario. The head office of NBSI and Talvest is in Montreal, Quebec.

3. The investment objective of each Dealer Managed Fund permits it to invest in debt securities. However, some of the Dealer Managed Funds are “index mutual funds”, as such term is defined in section 1.1 of NI 81-102, whose investment objectives require them to replicate the performance of their respective target indices comprised of equity securities (the “Equity Index Funds”). From time to time, these Equity Index Funds may invest their cash floats in short-term debt securities.
4. The securities of all of the Funds are qualified for distribution in one or more of the provinces and territories of Canada pursuant to simplified prospectuses and annual information forms that have been prepared and filed in accordance with their respective securities legislation.
5. In recent years, the amount of Government Debt Securities available for investment in Canada has declined significantly due to government deficit reduction programs. As a result, investors in debt securities have had to rely increasingly on Non-Government Debt Securities. However, because of the limited supply of Non-Government Debt Securities in the primary market, holders of outstanding Non-Government Debt Securities have tended not to sell their holdings prior to the maturity date of their Non-Government Debt holdings. This has, in turn, led to the limited availability of Non-Government Debt Securities in the secondary market. Moreover, because of their limited availability, the Non-Government Debt Securities that are available in the secondary market are usually sold at prices that are higher than if they were purchased in the primary market, assuming no change in the markets and in the status of the issuer.
6. The excess demand for the limited supply of Non-Government Debt Securities in both the primary and secondary markets has made it difficult for all prospective investors (including mutual funds) to acquire Non-Government Debt Securities for investment purposes.
7. The Investment Prohibition has made it even more difficult for the Dealer Managers to acquire debt securities generally, and Non-Government Debt Securities in particular, for the portfolios of their Dealer Managed Funds. The Dealer Managers (or the Managers of the Funds) or their associates or affiliates are the principal dealers (the “Principal Dealers”) in the Canadian debt securities market -- both primary and secondary. Since the Principal Dealers are frequently involved in underwriting the Offering of new issues of Non-Government Debt Securities, their Dealer Managed Funds are not able to purchase Non-Government Debt Securities during the Offering or in the secondary market during the 60-day period after the Offering. The Investment Prohibition affects not only the Dealer Managers’ income funds but also the balanced, equity and other

specialty funds that are permitted to include Non-Government Debt Securities in their investment portfolio.

8. There are three principal categories of Non-Government Debt Securities that are sold to investors, including mutual funds.
 - (a) Commercial paper is typically sold on a private placement basis pursuant to an information memorandum that does not constitute an “offering memorandum” under securities legislation. An issuer of commercial paper usually appoints one or two dealers as agents for a term of six months or longer, with no termination date in some cases. The issuer determines the timing of a particular commercial paper offering according to its need for cash. The price of commercial paper on any given day is set by the issuer upon recommendation of the dealers. A large percentage of commercial paper has a term to maturity of 60 days or less.
 - (b) Medium-term notes are typically sold pursuant to a base shelf prospectus (the “Base Shelf”) that expires in two years. The issuer usually appoints a syndicate of dealers for the term of the Base Shelf, with a lead underwriter appointed for each offering pursuant to a supplement to the Base Shelf (a “Supplement”). The issuer determines the timing of each offering under a Supplement. The price is set by the issuer upon recommendation of the lead underwriter, and is set out in the Supplement.
 - (c) Debentures and bonds may be offered pursuant to a prospectus, or on a private-placement basis under an offering memorandum or term sheet, usually for a limited offering period with one closing date.
 - i. In a private placement offering, the issuer may appoint one or two dealers as principal or agent. The size of the offering is usually fixed, and the price is determined by the issuer upon recommendation of the dealers. The price is set out in the offering memorandum or term sheet or may be communicated by the dealers to potential investors.
 - ii. In a prospectus offering, the issuer may appoint two or more dealers as principal or agent. The size of the offering may be a fixed maximum and/or minimum, with or without a “green shoe”. The price is established through negotiations between the issuer and the dealers, and is disclosed in the prospectus.
9. Section 4.2 of NI 81-102 prohibits the Dealer Managed Funds from purchasing or selling debt securities from or to a Related Person. The Dealer Managed Funds are unable to rely on the exemption provided by section 4.3 of NI 81-102 because

there are no available public quotations in common use for secondary market trading in debt securities.

Decision

This letter confirms that, based on the information provided in the Application, other communications to staff, and the facts and representations above, and for the purposes described in the Application, the Decision Makers hereby grant exemption from

- A. subsection 4.1(1) of NI 81-102, so that a Dealer Managed Fund of each Dealer Manager may make an investment in Non-Government Debt Securities during the Investment Prohibition Period, even if a Related Underwriter acts or has acted as underwriter in the Offering of such Non-Government Debt Securities; and
- B. section 4.2 of NI 81-102, so that a Dealer Managed Fund may purchase or sell from a Related Person that is a Principal Dealer Non-Government Debt Securities or Government Debt Securities in the secondary market,

PROVIDED THAT

- (1) at the time of each purchase or sale (the "Trade") of Government Debt Securities or Non-Government Debt Securities by a Dealer Managed Fund pursuant to this Decision, the following conditions are satisfied:
 - a. the Trade
 - i. represents the business judgment of the Dealer Manager uninfluenced by considerations other than the best interests of the Dealer Managed Fund, or
 - ii. is, in fact, in the best interests of the Dealer Managed Fund;
 - b. the Trade is consistent with, or is necessary to meet, the investment objective of the Dealer Managed Fund as disclosed in its simplified prospectus;
 - c. if the Trade is made pursuant to paragraph A of this Decision, the Dealer Managed Fund does not place the order to purchase, on a principal or agency basis, with a Related Underwriter;
 - d. if the Trade is made pursuant to paragraph B of this Decision, the terms of the Trade are better than the terms quoted by one or more dealers who

are neither affiliates nor associates of the Related Person (the “Independent Dealers”) with whom the Trade is made;

- e. if the Trade is a purchase of Non-Government Debt Securities pursuant to paragraph A or paragraph B of this Decision,
 - i. the issuer of the Non-Government Debt Securities is not a “related issuer” or “connected issuer”, as defined in National Instrument 33-105 Underwriting Conflicts, of the Dealer Manager or Related Person, as the case may be, or any of their respective affiliates or associates;
 - ii. neither the Dealer Manager nor Related Person, as the case may be, nor any of their respective affiliates or associates is
 - (a) the issuer of the Non-Government Debt Securities, or
 - (b) a promoter of the issuer of the Non-Government Debt Securities; and
 - iii. the Non-Government Debt Securities have been given, and continue to have, an “approved rating” by an “approved rating organization” as such terms are defined in section 1.1 of NI 44-101 - Short Form Prospectus Distributions; and
 - f. if the Trade is a purchase of Non-Government Debt Securities pursuant to paragraph B of this Decision, the Dealer Managed Fund does not purchase from a Related Person during the 60-day period after the Offering of such Non-Government Debt Securities, if the Related Person acted
 - i. as underwriter in the Offering of the Non-Government Debt Securities, or
 - ii. as a selling group member selling more than 5% of the underwritten Non-Government Debt Securities;
- (2) prior to effecting any Trade pursuant to this Decision,
- a. the simplified prospectus of the Dealer Managed Fund discloses that it may
 - i. invest in Non-Government Debt Securities pursuant to paragraph A of this Decision, and

- ii. purchase or sell Non-Government Debt Securities or Government Debt Securities pursuant to paragraph B of this Decision; and
 - b. the annual information form of the Dealer Managed Fund describes the policies or procedures referred to in paragraph (3) below;
- (3) prior to effecting any Trade pursuant to this Decision, the Dealer Managed Fund has in place written policies or procedures to ensure that,
 - a. there is compliance with the conditions of this Decision;
 - b. in connection with any Trade in Non-Government Debt Securities pursuant to paragraph A of this Decision,
 - i. there are stated factors or criteria for allocating Non-Government Debt Securities purchased for two or more Dealer Managed Funds and other accounts managed by the Dealer Manager, and
 - ii. there is full documentation of the reasons for any allocation to a Dealer Managed Fund that departs from the stated allocation factors or criteria;
 - c. in connection with any Trade in Government Debt Securities or Non-Government Debt Securities pursuant to paragraph B of this Decision,
 - i. each Dealer Managed Fund maintains an itemized daily record of all such Trades showing, for each Trade,
 - (a). the name and principal amount of the debt securities,
 - (b) if the Trade is in Government Debt Securities, the relevant benchmark Canada bond (the "Benchmark Bond"), the bid-ask price of the Benchmark Bond, and the price that was paid or received by the Dealer Managed Fund on the Trade,
 - (c) if the Trade is in Non-Government Debt Securities, the relevant Benchmark Bond (or, in the case of US\$-Pay Non-Government Debt Securities, the relevant US Treasury Bond), the bid-ask price of the Benchmark Bond or US Treasury Bond, and the spread over the Benchmark Bond or US Treasury Bond that was paid or received by the Dealer Managed Fund on the Trade,

- (d) the time and date of the Trade, and
 - (e) the name of the dealer on the Trade;
- ii. the Dealer Manager of each Dealer Managed Fund maintains written records of the quotations received from Independent Dealers, and each Dealer Managed Fund maintains a daily consolidated record of the quotations (including the price, quantity, times and date) received from one or more Independent Dealers, in respect of each Trade made with a Related Person;
 - iii. the Manager of the Dealer Managed Fund conducts a timely review of each Dealer Managed Fund's Trades with Related Persons to confirm that each Trade
 - (a) represented the business judgment of the Dealer Manager uninfluenced by considerations other than the best interests of the Dealer Managed Fund, or
 - (b) was, in fact, in the best interests of the Dealer Managed Fund;
- (4) the following particulars of each Trade pursuant to this Decision are set out in a report certified by the Dealer Manager and filed on SEDAR, in respect of each Dealer Managed Fund and no later than 30 days after the end of the month in which one or more such Trades were made:
- a. in the case of a purchase of Non-Government Debt Securities pursuant to paragraph A of this Decision,
 - i. the date of the Offering of Non-Government Debt Securities, whether the Offering was made pursuant to a prospectus or on a prospectus-exempt basis, the Offering price, and the date that the purchase was made,
 - ii. the issuer of the Non-Government Debt Securities, the lead underwriter(s) or syndicate manager(s) (if any) of the Offering and, if none of the Related Underwriters was the lead underwriter or syndicate manager and if applicable to the type of Offering, the portion of the Offering underwritten by the Related Underwriters,

- iii. if applicable to the type of Offering, whether the lead underwriter or syndicate manager had indicated its intention (if any) to engage in market stabilization activities,
 - iv. the principal amount of Non-Government Debt Securities purchased by the Dealer-Managed Fund,
 - v. the price at which the purchase was made,
 - vi. if Non-Government Debt Securities were purchased for two or more Dealer Managed Funds and other accounts managed by the Dealer Manager, the aggregate amount so purchased and the percentage of such aggregate amount that was allocated to each Dealer Managed Fund, and
 - vii. the dealer from whom the Dealer Managed Fund purchased the Non-Government Debt Securities and the fees or commissions, if any, paid by the Dealer Managed Fund in respect of such purchase;
- b. in the case of a Trade in Government Debt Securities or Non-Government Debt Securities pursuant to paragraph B of this Decision,
- i. the issuer of the debt securities,
 - ii. the principal amount of debt securities purchased or sold by the Dealer Managed Fund,
 - iii. the price at which the purchase or sale was made,
 - iv. the Related Person with whom the Trade was made, and
 - (a) in the case of a Trade in Government Debt Securities, the price paid or received by the Dealer Managed Fund, or
 - (b) in the case of a Trade in Non-Government Debt Securities, the spread over the relevant Benchmark Bond or US Treasury Bond that was paid or received by the Dealer Managed Fund; and
- c. a certification by the Dealer Manager that the Trade

- i. represented the business judgment of the Dealer Manager uninfluenced by considerations other than the best interest of the Dealer Managed Fund, or
 - ii. was, in fact, in the best interests of the Dealer Managed Fund; and
- (5) each of paragraph A or paragraph B of this Decision, as it relates to the jurisdiction of a Decision Maker, will terminate after the coming into force of any legislation or rule of that Decision Maker dealing with the matters regulated by section 4.1 or section 4.2, respectively, of NI 81-102.

Yours truly,

A Paul A. Dempsey

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**APPENDIX A
TO EXEMPTION LETTER DATED July 10, 2002**

**BMO Harris Private Portfolios
Sedar Proj. No. 427997**

BMO Harris Canadian Bond Income Portfolio
BMO Harris Canadian Conservative Equity Portfolio
BMO Harris Canadian Corporate Bond Portfolio
BMO Harris Canadian Dividend Income Portfolio
BMO Harris Canadian Growth Equity Portfolio
BMO Harris Canadian Income Equity Portfolio
BMO Harris Canadian Money Market Portfolio
BMO Harris Canadian Special Growth Portfolio
BMO Harris Canadian Total Return Bond Portfolio
BMO Harris International Equity Portfolio
BMO Harris U.S. Equity Portfolio
BMO Harris U.S. Growth Portfolio

**BMO Mutual Funds
Sedar Proj. No. 400497**

BMO AIR MILES Money Market Fund
BMO Asset Allocation Fund
BMO Bond Fund
BMO Dividend Fund
BMO Emerging Markets Fund
BMO Equity Fund
BMO Equity Index Fund
BMO European Fund
BMO Far East Fund
BMO Global Balanced Class
BMO Global Bond Fund
BMO Global Financial Services Class
BMO Global Health Sciences Class
BMO Global Opportunities Class
BMO Global Science & Technology Fund
BMO Global Technology Class
BMO International Bond Fund
BMO International Equity Fund
BMO Japanese Fund
BMO Latin American Fund

BMO Money Market Fund
BMO Monthly Income Fund
BMO Mortgage Fund
BMO NAFTA Advantage Fund
BMO Precious Metals Fund
BMO Premium Money Market Fund
BMO Resource Fund
BMO RSP European Fund
BMO RSP Global Balanced Fund
BMO RSP Global Financial Services Fund
BMO RSP Global Health Sciences Fund
BMO RSP Global Opportunities Fund
BMO RSP Global Science & Technology Fund
BMO RSP Global Technology Fund
BMO RSP International Index Fund
BMO RSP Japanese Fund
BMO RSP NASDAQ Index Fund
BMO RSP U.S. Equity Index Fund
BMO Short-Term Income Class
BMO Special Equity Fund
BMO T-Bill Fund
BMO U.S. Dollar Bond Fund
BMO U.S. Dollar Equity Index Fund
BMO U.S. Dollar Money Market Fund
BMO U.S. Growth Fund
BMO U.S. Special Equity Fund
BMO U.S. Value Fund

BMO Nesbitt Burns Group of Funds
Sedar Proj. No. 427996

BMO Nesbitt Burns Bond Fund
BMO Nesbitt Burns Canadian Stock Selection Fund
BMO Nesbitt Burns RRSP Stock Selection Fund
BMO Nesbitt Burns U. S. Stock Selection Fund

Canadian Medical Discoveries Fund. Inc.
Sedar Proj. No. 436287

Canadian Medical Discoveries Fund Inc.

CIBC Mutual Funds
Sedar Proj. No. 427985

Canadian Imperial Equity Fund
CIBC Asia Pacific Index Fund
CIBC Balanced Fund
CIBC Canadian Bond Fund
CIBC Canadian Bond Index Fund
CIBC Canadian Emerging Companies Fund
CIBC Canadian Index Fund
CIBC Canadian Real Estate Fund
CIBC Canadian Resource Fund
CIBC Canadian Short Term Bond Index Fund
CIBC Canadian Small Companies Fund
CIBC Canadian T-Bill Fund
CIBC Capital Appreciation Fund
CIBC Core Canadian Equity Fund
CIBC Dividend Fund
CIBC Emerging Economies Fund
CIBC Emerging Markets Index Fund
CIBC Energy Fund
CIBC European Equity Fund
CIBC European Index Fund
CIBC European Index RRSP Fund
CIBC Far East Prosperity Fund
CIBC Financial Companies Fund
CIBC Global Bond Fund
CIBC Global Bond Index Fund
CIBC Global Equity Fund
CIBC Global Technology Fund
CIBC High Yield Cash Fund
CIBC International Index Fund
CIBC International Index RRSP Fund
CIBC International Small Companies Fund
CIBC Japanese Equity Fund
CIBC Japanese Index RRSP Fund
CIBC Latin American Fund
CIBC Money Market Fund
CIBC Monthly Income Fund
CIBC Mortgage Fund
CIBC Nasdaq Index Fund
CIBC Nasdaq Index RRSP Fund
CIBC North American Demographics Fund

CIBC Precious Metals Fund
CIBC Premium Canadian T-Bill Fund
CIBC U.S. Dollar Money Market Fund
CIBC U.S. Equity Index Fund
CIBC U.S. Index RRSP Fund
CIBC U.S. Small Companies Fund

CIBC Protected Funds
Sedar Proj. No. 427993

5-Year Protected Balanced Index Fund
5-Year Protected Canadian Bond Index Fund
5-Year Protected Canadian Index Fund
5-Year Protected International Index Fund
5-Year Protected U.S. Index Fund

CMDF Early Stage Fund Inc.
Sedar Proj. No. 436285

CMDF Early Stage Fund Inc.

CMDF Venture Fund Inc.
Sedar Proj. No. 436278

CMDF Venture Fund Inc.

Frontiers® Pools
Sedar Proj. No. 427974

Fronters Canadian Equity Pool
Fronters Canadian Fixed Income Pool
Fronters Canadian Short Term Income Pool
Fronters Emerging Markets Equity Pool
Fronters Global Bond Pool
Fronters International Equity Pool
Fronters International Equity RSP Pool
Fronters U. S. Equity Pool
Fronters U. S. Equity RSP Pool

**Guardian Group of Funds No. 3
Sedar Proj. No. 428005**

Alexandria American Growth Fund
Alexandria Canadian Balanced Fund
Alexandria Canadian Growth Fund
Alexandria European Growth Fund
Alexandria Global Biotechnology Fund
Alexandria Global Growth Fund
Alexandria Global Small Cap Fund
Alexandria Global Technology Fund
Alexandria RSP Global Growth Fund
Alexandria RSP Global Technology Fund
Alexandria RSP International Balanced Fund
Centurion American Large Cap Fund
Centurion American Value Fund Ltd.
Centurion Canadian Balanced Fund
Centurion Canadian Value Fund
Centurion Emerging Markets Fund
Centurion Global Communications Fund
Centurion Global Value Fund
Centurion Japanese Value Fund
Centurion RSP American Value Fund
Guardian Canadian Bond Fund
Guardian Canadian Equity Fund
Guardian Canadian High Yield Bond Fund
Guardian Canadian Large Cap Fund
Guardian Canadian Money Market Fund
Guardian Dividend Growth Fund
Guardian Entreprise Fund
Guardian Global Equity Fund
Guardian International Equity Fund
Guardian Monthly Dividend Fund Ltd.
Guardian Monthly High Income Fund
Guardian RSP Foreign Income Fund
Guardian RSP International Income Fund
Guardian RSP U.S. Money Market Fund

**Imperial Pools
Sedar Proj. No. 427990**

Imperial Canadian Bond Pool

Imperial Canadian Equity Pool
Imperial Emerging Economies Pool
Imperial International Bond Pool
Imperial International Equity Pool
Imperial Money Market Pool
Imperial Registered International Equity Index
Imperial Registered U.S. Index Pool
Imperial Short Term Bond Pool
Imperial U. S. Equity Pool

Jones Heward Group of Funds
Sedar Proj. No. 427995

Jones Heward American Fund
Jones Heward Bond Fund
Jones Heward Canadian Balanced Fund
Jones Heward Fund Limited
Jones Heward Money Market Fund

MD Family of Funds
Sedar Proj. No. 436272

MD Dividend Funds

National Bank Diversified Funds
Sedar Proj. No. 400495

National Bank Aggressive Diversified Fund
National Bank Conservative Diversified Fund
National Bank Intrepid Diversified Fund
National Bank Moderate Diversified Fund
National Bank Secure Diversified Fund

National Bank/Fidelity Funds
Sedar Proj. No. 400494

National Bank/Fidelity Canadian Asset Allocation Fund
National Bank/Fidelity Focus Financial Services Fund

National Bank/Fidelity Global Asset Allocation Fund
National Bank/Fidelity Growth America Fund
National Bank/Fidelity International Portfolio Fund
National Bank/Fidelity True North Fund

National Bank Institutional Funds
Sedar Proj. No. 400493

National Bank Corporate Cash Management Fund
National Bank Treasury Management Fund

National Bank Mutual Funds - 2001
Sedar Proj. No. 400491

National Bank American Index Plus Fund
National Bank American RSP Index Fund
National Bank Asia-Pacific Fund
National Bank Bond Fund
National Bank Canadian Equity Fund
National Bank Canadian Index Fund
National Bank Canadian Index Plus Fund
National Bank Canadian Opportunity Fund
National Bank Dividend Fund
National Bank Emerging Markets Fund
National Bank European Equity Fund
National Bank European Small Capitalization Fund
National Bank Future Economy Fund
National Bank Future Economy RSP Fund
National Bank Global Equity Fund
National Bank Global Equity RSP Fund
National Bank Global RSP Bond Fund
National Bank Global Technologies Fund
National Bank Global Technologies RSP Fund
National Bank International RSP Index Fund
National Bank Money Market Fund
National Bank Mortgage Fund
National Bank Natural Resources Fund
National Bank Quebec Growth Fund
National Bank Retirement Balanced Fund
National Bank Small Capitalization Fund
National Bank Treasury Bill Plus Fund

National Bank U.S. Money Market Fund

**National Bank Mutual Funds - 2002
Sedar Proj. No. 461814**

National Bank High Yield Bond Fund

**National Bank Protected Funds
Sedar Proj. No. 400492**

National Bank Protected Canadian Bond Fund
National Bank Protected Canadian Equity Fund
National Bank Protected Global RSP Fund
National Bank Protected Growth Balanced Fund
National Bank Protected Retirement Balanced Fund

**Pinnacle Program Funds
Sedar Proj. No. 446463**

Pinnacle American Core-Plus Bond Fund
Pinnacle American Large Cap Growth Equity Fund
Pinnacle American Mid Cap Growth Equity Fund
Pinnacle American Mid Cap Value Equity Fund
Pinnacle American Value Equity Fund
Pinnacle Canadian Growth Equity Fund
Pinnacle Canadian Mid Cap Value Equity Fund
Pinnacle Canadian Small Cap Growth Equity Fund
Pinnacle Canadian Value Equity Fund
Pinnacle Global Equity Fund
Pinnacle Global Real Estate Securities Fund
Pinnacle Global Tactical Asset Allocation Fund
Pinnacle High Yield Income Fund
Pinnacle Income Fund
Pinnacle International Equity Fund
Pinnacle International Small to Mid Cap Value Equity Fund
Pinnacle RSP American Core-Plus Bond Fund
Pinnacle RSP American Large Cap Growth Equity Fund
Pinnacle RSP American Mid Cap Growth Equity Fund
Pinnacle RSP American Mid Cap Value Equity Fund

Pinnacle RSP American Value Equity Fund
Pinnacle RSP Global Equity Fund
Pinnacle RSP Global Real Estate Securities Fund
Pinnacle RSP International Equity Fund
Pinnacle RSP International Small to Mid Cap Value Equity Fund
Pinnacle Short Term Income Fund
Pinnacle Strategic Balanced Fund

Renaissance Funds
Sedar Proj. No. 427982

Renaissance Canadian Balanced Value Fund
Renaissance Canadian Bond Fund
Renaissance Canadian Core Value Fund
Renaissance Canadian Growth Fund
Renaissance High Yield Bond Fund
Renaissance Canadian Income Trust Fund
Renaissance Canadian Money Market Fund
Renaissance Canadian Small Cap Fund
Renaissance Canadian T-Bill Fund
Renaissance Canadian Developing Capital Markets Fund
Renaissance Euro Fund
Renaissance Global Growth Fund
Renaissance Global Growth RSP Fund
Renaissance Global Sectors Fund
Renaissance Global Sectors RSP Fund
Renaissance Global Technology Fund
Renaissance Global Technology RSP Fund
Renaissance International RSP Index Fund
Renaissance Select Canadian Balanced Fund
Renaissance Select Global Value Fund
Renaissance Select Global Value RSP Fund
Renaissance Select International Growth Fund
Renaissance Select International Growth RSP Fund
Renaissance Tactical Allocation RSP Fund
Renaissance Tactical Allocation Fund
Renaissance U.S. Basic Value Fund
Renaissance U.S. Fundamental Growth Fund
Renaissance U. S. Money Market Fund
Renaissance U.S. RSP Index Fund

Royal Index Funds
Sedar Proj. No. 400499

Royal Canadian Bond Index Fund
Royal Canadian Index Fund
Royal International RSP Index Fund
Royal Premium Canadian Index Fund
Royal Premium U.S. Index Fund
Royal U.S. Index Fund
Royal U.S. RSP Index Fund

Royal Mutual Funds
Sedar Proj. No. 400501

O'Shaughnessy Canadian Equity Fund
O'Shaughnessy U.S. Growth Fund
O'Shaughnessy U.S. Value Fund
Royal \$U.S. Money Market Fund
Royal Asian Growth Fund
Royal Balanced Fund
Royal Balanced Growth Fund
Royal Bond Fund
Royal Canadian Equity Fund
Royal Canadian Growth Fund
Royal Canadian Money Market Fund
Royal Canadian Small Cap Fund
Royal Canadian T-Bill Fund
Royal Canadian Value Fund
Royal Dividend Fund
Royal e-Commerce Fund
Royal Energy Fund
Royal European Growth Fund
Royal Global Balanced Fund
Royal Global Bond Fund
Royal Global Communications and Media Sector
Royal Global Consumer Trends Sector Fund
Royal Global Education Fund
Royal Global Financial Services Sector Fund
Royal Global Health Sciences Sector Fund
Royal Global Infrastructure Sector Fund
Royal Global Resource Sector Fund
Royal Global Technology Sector Fund

Royal Global Titans Fund
Royal International Equity Fund
Royal Japanese Stock Fund
Royal Latin American Fund
Royal Life Science and Technology Fund
Royal Monthly Income Fund
Royal Mortgage Fund
Royal Precious Metals Fund
Royal Premium Money Market Fund
Royal Select Balanced Portfolio
Royal Select Growth Portfolio
Royal Select Income Portfolio
Royal U.S. Equity Fund
Royal U.S. Mid-Cap Equity Fund

Royal Select Choices Portfolio
Sedar Proj. No. 400498

Royal Select Choices Aggressive Growth Portfolio
Royal Select Choices Balanced Portfolio
Royal Select Choices Growth Portfolio
Royal Select Choices Income Portfolio

Scotia Mutual Funds
Sedar Proj. Nos. 400504 & 453614

Scotia American Stock Index Fund
Scotia Canadian Bond Index Fund
Scotia Canadian Mid Large Fund
Scotia Canadian Short Term Income Fund
Scotia Canadian Small Cap Fund
Scotia Canadian Growth Fund
Scotia Canadian Stock Index Fund
Scotia CanAm Stock Index Fund
Scotia CanAm U.S.\$ Income Fund
Scotia Emerging Markets Fund
Scotia Global Income Fund
Scotia International Stock Index Fund
Scotia Mortgage Income Fund
Scotia Nasdaq Index Fund
Scotia Precious Metals Fund

Scotia Premium T-Bill Fund
Scotia T-Bill Fund
Scotia Young Investors Fund

Scotia Private Client Mutual Funds
Sedar Proj. No. 400502

Scotia America Growth Fund
Scotia Canadian Balanced Fund
Scotia Canadian Blue Chip Fund
Scotia Canadian Dividend Fund
Scotia Canadian Income Fund
Scotia CanAM U.S.\$ Money Market Fund
Scotia CanGlobal Mutual Fund
Scotia European Growth Fund
Scotia Latin American Growth Fund
Scotia Money Market Fund
Scotia Pacific Rim Growth Fund

StartingStartups Investment Funds Inc.
Sedar Proj. No. 436240

StartingStartups Investment Funds Inc.

TalvestFunds No. 3
Sedar Proj. No. 436255

Talvest Asian Fund
Talvest Asian RSP Fund
Talvest Bond Fund
Talvest Cdn. Asset Allocation Fund
Talvest Cdn. Equity Growth Fund
Talvest Cdn. Equity Leaders Fund
Talvest Cdn. MultiManagement Fund
Talvest Cdn. Resource Fund
Talvest China Plus Fund
Talvest China Plus RSP Fund
Talvest Dividend Fund
Talvest European Fund

Talvest European RSP Fund
Talvest FPX Balanced Fund
Talvest FPX Growth Fund
Talvest FPX Income Fund
Talvest Global Asset Allocation RSP Fund
Talvest Global Bond RSP Fund
Talvest Global Equity Fund
Talvest Global Equity RSP Fund
Talvest Global Health Care Fund
Talvest Global Health Care RSP Fund
Talvest Global MultiManagement Fund
Talvest Global MultiManagement RSP Fund
Talvest Global RSP Fund
Talvest Global Science & Technology Fund
Talvest Global Science & Technology RSP Fund
Talvest Global Small Cap Fund
Talvest Global Small Cap RSP Fund
Talvest High Yield Bond Fund
Talvest Income Fund
Talvest International Equity Fund
Talvest International Equity RSP Fund
Talvest Millennium High Income Fund
Talvest Millennium Next Generation Fund
Talvest Money Market Fund
Talvest Small Cap Cdn. Equity Fund
Talvest Value Line U. S. Equity Fund
Talvest Value Line U.S. Equity RSP Fund