

**IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH COLUMBIA,
ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO,
QUEBEC, NEW BRUNSWICK, NOVA SCOTIA,
PRINCE EDWARD ISLAND, NEWFOUNDLAND AND LABRADOR,
YUKON TERRITORY AND NUNAVUT
AND**

**IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM FOR
EXEMPTIVE RELIEF APPLICATIONS**

AND IN THE MATTER OF

StrategicNova Canadian Large Cap Growth Fund
StrategicNova Canadian Large Cap Value Fund
StrategicNova Canadian Midcap Growth Fund
StrategicNova Canadian Midcap Value Fund
StrategicNova Canadian Small Cap Fund
StrategicNova U.S. Large Cap Growth Fund Ltd.
StrategicNova U.S. Large Cap Value Fund
StrategicNova U.S. Midcap Value Fund
StrategicNova U.S. Midcap Value RSP Fund
StrategicNova U.S. Small Cap Fund
StrategicNova Asia-Pacific Fund
StrategicNova Emerging Markets Fund
StrategicNova Europe Fund
StrategicNova Europe RSP Fund
StrategicNova Latin America Fund
StrategicNova World Large Cap Fund
StrategicNova World Equity Fund
StrategicNova World Equity RSP Fund
StrategicNova Canada Dominion Resource Fund Ltd.
StrategicNova Canadian Natural Resources Fund
StrategicNova Canadian Technology Fund
StrategicNova SAMI Fund
StrategicNova USTech Fund
StrategicNova World Precious Metals Fund
StrategicNova World Convertible Debentures Fund
StrategicNova Canadian Bond Fund
StrategicNova Canadian Dividend Fund Ltd.
StrategicNova Canadian Government Bond Fund
StrategicNova Canadian High Yield Bond Fund
StrategicNova Canadian Money Market Fund
StrategicNova Canadian Asset Allocation Fund
StrategicNova Canadian Balanced Fund
StrategicNova Commonwealth World Balanced Fund Ltd.
StrategicNova TopGuns Fund
StrategicNova Canadian Aggressive Balanced Fund
StrategicNova World Strategic Asset Allocation Fund
StrategicNova World Strategic Asset Allocation RSP Fund
(collectively, the “**StrategicNova Funds**”)

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the **‘Decision Maker’**) in each of the provinces and territories of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon Territory and Nunavut (the **‘Jurisdictions’**) has received an application (the **‘Application’**) from StrategicNova Funds Management Inc. (**‘StrategicNova’**), manager of the StrategicNova Funds and from Dynamic Mutual Funds Ltd. (**‘Dynamic’**) which became an affiliate of StrategicNova on September 30, 2002, for a decision pursuant to securities legislation of the Jurisdictions (the **‘Legislation’**) that the time limits pertaining to the distribution of securities under the simplified prospectus and annual information form (the **‘StrategicNova Prospectus’**) of the StrategicNova Funds dated October 30, 2001 be extended to the time limits that would be applicable if the lapse date was November 29, 2002;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the **‘System’**) the Ontario Securities Commission is the principal regulator for the Application;

AND WHEREAS, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 Definitions or in Quebec Commission Notice 14-101;

AND WHEREAS the Funds have represented to the Decision Makers that:

1. Dundee Wealth Management Inc. (**‘DWM’**), the parent company of Dynamic, acquired all of the outstanding shares of StrategicNova Inc. (**‘SNI’**) on September 30, 2002 and Dynamic became an affiliate of StrategicNova.
2. Each StrategicNova Fund is a reporting issuer as defined in the Legislation and is not in default of any of the requirements of such Legislation.
3. Units of the StrategicNova Funds, as applicable, are presently offered for sale on a continuous basis in each of the Jurisdictions through the StrategicNova Prospectus. The earliest lapse date under the Legislation for the distribution of qualified securities of the StrategicNova Funds pursuant to the StrategicNova Prospectus is October 30, 2002. The earliest lapse date of the Dynamic Prospectus under the Legislation of the Jurisdictions is December 13, 2002. As this date is past the requested lapse date extension of November 30, 2002, a lapse date extension is not required for the Dynamic Prospectus.
4. Dynamic is currently in the process of revising the Dynamic Prospectus to include the StrategicNova Funds following the acquisition of SNI by DWM. Dynamic will require additional time to revise the disclosure in respect of the StrategicNova Funds so that it is consistent with the presentation of disclosure for the Dynamic Funds. StrategicNova and Dynamic intend to revise certain features and options available for the StrategicNova Funds so that they are the same as those available for the Dynamic Funds. In order to do this, StrategicNova and Dynamic require additional time to prepare and file a pro forma simplified prospectus and annual information form for review by the CSA. The requested lapse date extension to November 29, 2002 in respect of the StrategicNova Funds would facilitate this redrafting process and give StrategicNova and Dynamic sufficient time to make the necessary revisions for consistent disclosure and compliance with National Instrument 81-101.

5. There have been no material changes in the affairs of any StrategicNova Fund since the filing of the StrategicNova Prospectus other than those for which amendments have been filed. Accordingly, the StrategicNova Prospectus and the amendments thereto represent current information regarding each StrategicNova Fund.
6. StrategicNova and Dynamic intend to submit a pro forma simplified prospectus as soon as possible, but in any event no later than October 30, 2002 to provide the CSA with at least 30 days, as contemplated by subsection 62(2) of the *Securities Act* (Ontario) (and the corresponding provisions in other jurisdictions), to review the changes to the pro forma simplified prospectus resulting from the inclusion of the StrategicNova Funds.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Makers (collectively, the ‘**Decision**’);

AND WHEREAS each Decision Maker is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers pursuant to the Legislation is that the time periods provided in the Legislation as they apply to a distribution of securities under the StrategicNova Prospectus, are hereby extended to the time limits that would be applicable if the lapse date for the distribution of securities under the StrategicNova Prospectus was November 29, 2002.

DATED at Toronto this 30th day of October, 2002

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Headnote

Mutual Reliance Review System for Exemptive Relief Applications -
extension of mutual fund lapse date.

Statutes Cited

Securities Act, R.S.O., 1990 c. S5, as amended, ss. 62(5)