

PRO-AMS TRUST

NOTICE OF SPECIAL MEETING OF UNITHOLDERS AND MANAGEMENT INFORMATION CIRCULAR

**Meeting to be held at 8:30 a.m.
April 2, 2004
1 First Canadian Place
Suite 6300
100 King Street West
Toronto, Ontario**

Pro-AMS Trust

121 King Street West
Standard Life Centre
Suite 2600
Toronto, Ontario
M5H 3T9

March 5, 2004

Dear Unitholders:

You are invited to a special meeting (the “**Meeting**”) of holders (“**Unitholders**”) of Units of Pro-AMS Trust (the “**Trust**”) to be held on April 2, 2004 at 8:30 a.m. (Toronto time) at 1 First Canadian Place, Suite 6300, 100 King Street West, Toronto, Ontario.

The main purpose of the Meeting is to consider adding further retraction rights at full net asset value and providing the Trust with additional flexibility in managing its investment portfolio. Unitholders will be asked to vote upon a special resolution regarding the following:

- (a) to permit Unitholders to switch to other Mulvihill funds by adding further retraction rights at 100% of net asset value per Unit from time to time; and
- (b) to provide the Trust with the ability to use interest rate hedging strategies in order to reduce some of the impact of rising interest rates on the net asset value of the Trust. The special resolution would permit the Trust, in appropriate circumstances and in accordance with National Instrument 81-102 — Mutual Funds, to use specified derivatives to assist the Trust in managing its investments and preserving net asset value. For a more detailed description of these transactions, please see the section entitled “Hedges Against Interest Rate Exposure” in the attached Management Information Circular.

It is important to note that all existing retraction rights of Unitholders will not be affected by the proposed special resolution.

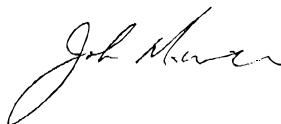
In order to become effective, the special resolution must be approved by a two-thirds majority of the Units represented at the Meeting.

Attached is a Notice of Special Meeting of Unitholders and a Management Information Circular which contain important information relating to the special resolution. You are urged to read the Management Information Circular carefully. If you are in doubt as to how to deal with the matters described in the Management Information Circular, you should consult your financial advisor.

If you are a holder of Units and wish to approve the special resolution, you should contact your broker and submit the enclosed voting instruction form voting in favour of the special resolution, as soon as possible, and in any event no later than 5:00 p.m. (Toronto time) on March 31, 2004. All holders of Units are encouraged to attend the Meeting.

The Trust’s Advisory Board has determined that the special resolution is in the best interests of the Trust and its Unitholders. Accordingly, the Advisory Board recommends that Unitholders of the Trust vote in favour of the special resolution.

Sincerely,



JOHN P. MULVIHILL
President and Chief Executive Officer

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NOTICE OF SPECIAL MEETING OF UNITHOLDERS

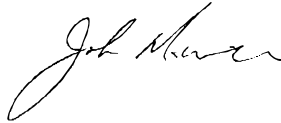
TAKE NOTICE THAT a Special Meeting (the “**Meeting**”) of the holders of Units of Pro-AMS Trust (the “**Trust**”) will be held at 1 First Canadian Place, Suite 6300, 100 King Street West, Toronto, Ontario on April 2, 2004, at the hour of 8:30 a.m. (Toronto time) for the following purposes:

1. To consider and, if thought advisable, approve a special resolution (the “**Special Resolution**”) regarding the following:
 - to permit Unitholders to switch to other Mulvihill funds by adding further retraction rights at 100% of net asset value per Unit from time to time; and
 - to provide the Trust with the ability to use interest rate hedging strategies in order to reduce some of the impact of rising interest rates on the net asset value of the Trust. The special resolution would permit the Trust, in appropriate circumstances and in accordance with National Instrument 81-102 — Mutual Funds, to use specified derivatives to assist the Trust in managing its investments and preserving net asset value, all as more fully described in the accompanying Management Information Circular,
2. To transact such further and other business as may properly come before the Meeting or any adjournment or adjournments thereof.

A copy of the Special Resolution is attached as Appendix I to the accompanying Management Information Circular.

Dated at Toronto, Ontario this 5th day of March, 2004.

By Order of the Board of Directors of the Manager of the Trust



JOHN P. MULVIHILL
President and Chief Executive Officer

Note: Reference should be made to the accompanying Management Information Circular for details of the above matters. If you are unable to be present in person at the Meeting, you are requested to complete and sign the enclosed voting instruction form and to return it in the enclosed envelope provided for that purpose.

PRO-AMS TRUST

Pro-AMS Trust (the “**Trust**”) is a trust constituted pursuant to a Trust Agreement between Mulvihill Fund Services Inc. (“**Mulvihill**”) and The Royal Trust Company (the “**Trustee**”) dated as of February 15, 2001 (the “**Trust Agreement**”). The manager of the Trust is Mulvihill and the investment manager is Mulvihill Capital Management Inc. (“**MCM**”). Mulvihill is a wholly-owned subsidiary of MCM. The principal office of each of the Trust, Mulvihill and MCM is located at 121 King Street West, Standard Life Centre, Suite 2600, Toronto, Ontario, M5H 3T9.

For further information relating to the Trust, see “Appendix II — Additional Information”.

On March 2, 2001, the Trust completed its initial public offering of 42,000,000 Units pursuant to a final prospectus dated February 15, 2001. On March 23, 2001, the Trust issued an additional 3,200,000 Units. As at February 12, 2004, 28,974,605 Units were issued and outstanding. The Trust is scheduled to terminate on December 30, 2012 (the “**Termination Date**”) in accordance with the terms of the Trust Agreement.

The Trust’s investment objectives are: (i) to return at least the original issue price of the Units (\$25.00 per Unit) to Unitholders upon the Termination Date; (ii) to provide Unitholders with a stable stream of monthly distributions; and (iii) to preserve the value of the Trust’s Managed Portfolio (defined below) in order to provide Unitholders with capital appreciation above the original issue price.

To provide the Trust with the means to return the original issue price of the Units on termination, the Trust entered into a forward purchase and sale agreement (the “**Forward Agreement**”) with Royal Bank of Canada pursuant to which Royal Bank of Canada has agreed to pay the Trust an amount equal to \$25.00 in respect of each Unit outstanding on the Termination Date in exchange for the Trust agreeing to deliver to Royal Bank of Canada equity securities (the “**Fixed Portfolio**”) which the Trust acquired with approximately 52.2% of the gross proceeds of the initial public offering. The balance of the net proceeds of the initial public offering was invested in a diversified portfolio (the “**Managed Portfolio**”) consisting principally of equity securities of companies selected from the S&P/TSX 60 Index and of companies with a market capitalization in excess of US\$5.0 billion selected from the S&P 500 Index.

The Trust’s Managed Portfolio is managed by MCM. Cash distributions are derived from net realized capital gains from the Trust’s Managed Portfolio, including premiums from writing covered call options on the securities held in the Managed Portfolio and from writing cash covered put options on securities in which the Trust is permitted to invest as well as from dividends received on the Trust’s Portfolio. MCM is responsible for managing all of the Trust’s activities, including the composition of the Managed Portfolio and the securities which are subject to call options and put options.

CURRENT TRUST PORTFOLIO

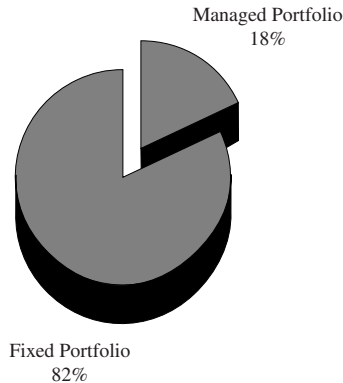
In addition to the Fixed Portfolio securities subject to the Forward Agreement, the Trust has a Managed Portfolio which consists principally of equity securities selected from the S&P/TSX 60 Index and of companies with a market capitalization in excess of US\$5.0 billion from the S&P 500 Index. As of February 12, 2004, the top ten holdings of the Trust's Managed Portfolio were:

<u>Name</u>	<u>Percentage of Managed Portfolio</u>
Cisco Systems Inc.	3.6%
Baker Hughes Inc.	3.6%
Intel Corp.	3.5%
Dell Inc.	3.5%
Pfizer Incorporated	3.4%
Exxon Mobil Corporation	3.2%
Merrill Lynch & Co. Inc.	3.0%
Morgan Stanley	3.0%
Amgen Inc.	3.0%
Citigroup Inc.	3.0%

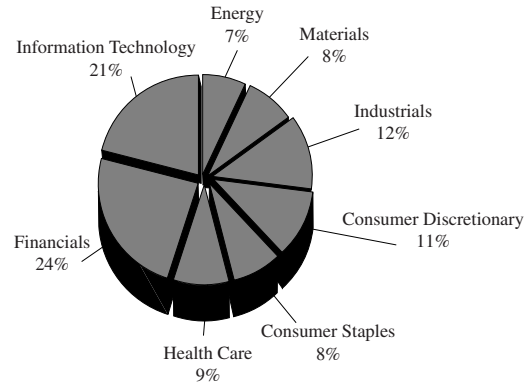
As of February 12, 2004, the top ten holdings of the Trust represented approximately 32.5% of the Trust's Managed Portfolio and approximately 11.1% of the Trust's Managed Portfolio was in cash and short term investments. None of the Trust's Managed Portfolio was in cash covered put positions.

Below is a breakdown showing the allocation of assets between the Trust's Managed Portfolio and Fixed Portfolio, as well as a breakdown of the Managed Portfolio by industry, as of February 12, 2004:

Asset Breakdown of the Trust



Managed Portfolio Asset Breakdown by Industry



Approximately 82% of the Trust's net assets are represented by the Fixed Portfolio and the Forward Agreement, which are sensitive to changes in interest rates.

DETAILS OF THE PROPOSAL

(a) Additional Redemption of Units

Unitholders are being asked to pass a special resolution in the form attached hereto as Appendix I (the “**Special Resolution**”) approving an amendment to the Trust Agreement to permit the manager of the Trust to allow additional redemptions from time to time by any Unitholder at 100% of the net asset value per Unit provided the Unitholder uses the full amount received on the redemption to purchase units of a new or existing Mulvihill fund then being offered to the public by prospectus.

This additional redemption will provide Unitholders with the ability to invest 100% of the net asset value per Unit received on the retraction in other Mulvihill funds when they are being offered to the public by prospectus and permit investment and asset allocation flexibility and choice for the benefit of Unitholders. **It is important to note that all existing retraction rights of Unitholders will not be affected by the proposed Special Resolution.**

Currently, the Trust Agreement provides that only Unitholders who redeem Units on a December valuation date are entitled to receive a redemption price per Unit equal to 100% of the net asset value per Unit. In all other instances, Unitholders who redeem Units on any other valuation date receive a redemption price per Unit equal to the net asset value per Unit, less the lesser of (i) 4% of the net asset value per Unit; and (ii) \$1.00. The Trust’s Advisory Board and the Manager of the Trust believe that it would be in the best interest of Unitholders to provide the Manager with discretion to enable Unitholders to redeem Units on such other dates at 100% of the net asset value per Unit in the circumstances described above.

(b) Hedges Against Interest Rate Exposure

Unitholders are also being asked to approve an amendment to the Trust Agreement to provide the Trust with the ability to use interest rate hedging strategies as permitted under National Instrument 81-102 (“**NI 81-102**”) in order to reduce some of the impact of rising interest rates on the net asset value of the Trust. Since the value of the Fixed Portfolio and Forward Agreement, which now represent approximately 82% of the Trust’s net assets, fluctuates based on interest rates, the Trust’s net asset value is sensitive to interest rate fluctuations. For example, for each 1% increase in interest rates, the value of the Fixed Portfolio and the Forward Agreement could be expected to decline by approximately \$1.48 per Unit, or 7.3%.

If the Special Resolution is approved, the Trust would be permitted to employ a variety of instruments, including U.S. and Canadian government cash instruments or bond futures, put options on bonds and bond futures, interest rate swap agreements denominated in U.S. or Canadian dollars and options on such interest rate swap agreements (swaptions). Use of these instruments in the manner described above is permitted by applicable securities laws and should enhance MCM’s ability to protect the Trust against rising interest rates.

Approval of the amendment to the Trust Agreement would also permit the Trust, in appropriate circumstances and in accordance with NI 81-102, to use other specified derivatives to assist the Trust in managing its investments and preserving net asset value. Such additional transactions will only be entered into upon approval of the Advisory Board and upon prior notice to Unitholders.

RECOMMENDATION OF THE ADVISORY BOARD AND BOARD OF DIRECTORS OF THE MANAGER

The Trust’s Advisory Board and the Manager of the Trust have determined that the Special Resolution is in the best interests of the Trust and its Unitholders and recommends that holders of Units vote in favour of such Special Resolution.

In arriving at such determination, consideration was given to the following factors:

- The Special Resolution provides additional redemption rights to Unitholders.
- Enabling Unitholders to switch investments among other Mulvihill funds at 100% of the net asset value per Unit offers increased investment and asset allocation flexibility and choice for the benefit of Unitholders.
- The addition of these redemption rights does not affect the ability of Unitholders to retract their Units on the same basis on which they may currently retract Units.

- The ability to use interest rate hedging strategies and other specified derivatives in appropriate circumstances should enable MCM to reduce some of the impact of rising interest rates on the net asset value of the Trust for the benefit of Unitholders on a basis permitted by NI 81-102.
- The changes to the redemption rights of the Units will not result in a disposition of such Units.

EXPENSES OF THE PROPOSAL

The Trust has retained RBC Dominion Securities Inc. (“**RBC DS**”) to provide financial advice to the Trust and to solicit votes in favour of the Special Resolution. All costs associated with the Proposal are estimated to be approximately \$1,400,000.00. All of these costs will be borne by Mulvihill Capital Management Inc.

TERMINATION OF THE PROPOSAL

The Special Resolution may, at any time before or after the holding of the special meeting of holders of Units (the “**Meeting**”) (but prior to the entering into of an amendment to the Trust Agreement giving effect to the Special Resolution) be terminated by the Advisory Board without further notice to, or action on the part of, holders of Units if the Advisory Board determines in its sole judgment that it would be inadvisable for the Trust to proceed.

INTEREST OF MANAGEMENT AND OTHERS IN THE PROPOSAL

Mulvihill receives a management fee and MCM receives investment management fees as described in “Appendix — II Additional Information”.

Certain of the officers and advisors of the Trust are also employees or officers of Mulvihill or MCM. See “Appendix II — Additional Information”.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Osler, Hoskin & Harcourt LLP, counsel to the Trust, the following fairly summarizes the principal Canadian federal income tax considerations relating to the Special Resolution that are generally applicable to Unitholders who at all relevant times for purposes of the *Income Tax Act* (Canada) (the “**Tax Act**”) hold such Units as capital property and deal at arm’s length with and are not affiliated with the Trust. Certain Unitholders whose Units might not otherwise qualify as capital property may be entitled to make the irrevocable election in the circumstances permitted by subsection 39(4) of the Tax Act to deem such Units (and all other Canadian securities owned by the holder) to be capital property. This summary is not directed to holders that are “financial institutions” (as defined in the Tax Act), and such holders should consult their own tax advisors.

This summary is based on the current provisions of the Tax Act, the regulations thereunder (the “**Regulations**”), all specific proposals to amend the Tax Act and Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Draft Amendments**”), and counsel’s understanding of the current administrative practices of the Canada Customs and Revenue Agency. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except as mentioned above, does not anticipate any changes in law, nor does it take into account, provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Unitholders, and no representations with respect to the income tax consequences to any particular Unitholders are made. Accordingly, Unitholders should consult their own tax advisors for advice with respect to the tax consequences to them of the Special Resolution, including the application and effect of the income and other tax laws of any country, province, state or local tax authority.

The Trust currently meets and expects to continue to meet (including if the Special Resolution is approved) certain minimum requirements in respect of the public distribution of its Units. Therefore, approval of the Special Resolution will not affect the status of the Trust as a “mutual fund trust” under the Tax Act.

The changes to the Unit provisions set forth in the Special Resolution will not constitute a disposition of Units if the Special Resolution is approved by Unitholders of the Trust.

UNITS AND PRINCIPAL HOLDERS

As of February 12, 2004, there were 28,974,605 Units outstanding.

As of February 12, 2004, to the knowledge of the trustees and officers, no person owned of record more than 10% of the outstanding Units of the Trust other than CDS & Co., the nominee of The Canadian Depository for Securities Limited, which held all of the Units as registered owner for various brokers and other persons on behalf of their clients and others, and the names of the beneficial owners of such Units are not known to the Trust.

GENERAL PROXY INFORMATION

Information Circular

This Information Circular is furnished in connection with the solicitation by management of the Trust of proxies to be used at the Meeting to be held at the time and place and for the purposes set out in the Notice of Special Meeting of Unitholders accompanying this Management Information Circular. The Meeting will be held on April 2, 2004 at 8:30 a.m. (Toronto time) at 1 First Canadian Place, Suite 6300, 100 King Street West, Toronto, Ontario. Sending notice of the meeting and soliciting proxies for the meeting will be paid for by the Trust. Solicitation of proxies will be by mail and may be supplemented by telephone or other personal contact by agents of the Trust.

Voting Rights, Record Date, Quorum and Proxy Information

To be used at the Meeting, a proxy must be deposited with Computershare Trust Company of Canada at 100 University Avenue, Toronto, Ontario M5J 2Y1 (or if by facsimile sent to: 416-263-9524 or 1-866-249-7775) at any time up to 5:00 p.m. (Toronto time) on March 31, 2004, or with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or the day of any adjournment of the Meeting.

Only holders of record at the close of business on March 1, 2004 of Units will be entitled to vote in respect of the matters to be voted at the Meeting, or any adjournment thereof, including the Special Resolution.

With respect to each matter properly before the Meeting, a Unitholder shall be entitled to one vote for each Unit registered in the name of such Unitholder.

Pursuant to the Trust Agreement, a quorum at the Meeting will consist of Unitholders present in person or represented by proxy holding not less than 10% of the outstanding Units of the Trust. If the quorum requirement is not satisfied within one-half hour of the scheduled time for the Meeting, then the Meeting will be adjourned by the Chairman of the Meeting. If adjourned, the Meeting will be rescheduled for 8:30 a.m. on April 13, 2004. At the adjourned meeting, the business of the Meeting will be transacted by those Unitholders present in person or represented by proxy.

Appointment of Proxy Holders

Unitholders who are unable to be present at the Meeting may still vote through the use of proxies. If you are a Unitholder, you should complete, execute and return the enclosed proxy form. By completing and returning the enclosed proxy form, you can participate in the Meeting through the person or persons named on the form. Please indicate the way you wish to vote on each item of business and your vote will be cast accordingly. **If you do not indicate a preference, the Units represented by the enclosed proxy form, if the same is executed in favour of the management appointees named in the proxy form and deposited as provided in the Notice of Special Meeting of Unitholders, will be voted in favour of all matters identified in such Notice of Special Meeting of Unitholders.**

Discretionary Authority of Proxies

The proxy form confers discretionary authority upon the management appointees named therein with respect to such matters, including without limitation such amendment or variation to the Special Resolution, as, though not specifically set forth in the Notice of Special Meeting of Unitholders, may properly come before the Meeting. The Board of Advisors and management does not know of any such matter which may be presented for consideration at the Meeting. However, if any such matter is presented, the proxy will be voted thereon in accordance with the best judgment of the management appointees named in the proxy form.

On any ballot that may be called for at the Meeting, all Units in respect of which the management appointees named in the accompanying proxy form have been appointed to act will be voted in accordance with the

specification of the Unitholder signing the proxy form. If no such specification is made, then the Units will be voted in favour of all matters identified in the Notice of Special Meeting of Unitholders.

Alternate Proxy

A Unitholder has the right to appoint a person other than the management appointees designated on the accompanying proxy form by crossing out the printed names and inserting the name of the person he or she wishes to act as proxy in the blank space provided, or by completing another proxy form. Proxy forms which appoint persons other than the management appointees whose names are printed on the form should be submitted to the Trust and the person so appointed should be notified. A person acting as proxy need not be a Unitholder.

On any ballot that may be called for at the Meeting, all Units in respect of which the person named in a proxy form has been appointed to act shall be voted or withheld from voting in accordance with the specification of the Unitholder signing such proxy form. If no such specification is made, then the Units may be voted in accordance with the best judgment of the person named in the proxy form. Furthermore, the person named in the proxy form will have discretionary authority with respect to any amendments to the matters set forth in the Notice of Meeting and with respect to any other matters that may properly come before the Meeting, and will be voted on such amendments and other matters in accordance with the best judgment of the person named in such proxy form.

Revocation of Proxies

If the accompanying form of proxy is executed and returned, such proxy may nevertheless be revoked by an instrument in writing executed by the Unitholder or his or her attorney authorized in writing, as well as in any other manner permitted by law. Any such instrument revoking a proxy must either be deposited at the registered office of the Trust no later than 5:00 p.m. (Toronto time) on the day before the day of the Meeting or be deposited with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof. If the instrument of revocation is deposited with the Chairman on the day of the Meeting or any adjournment thereof, the instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy.

Solicitation of Proxies

The cost of this solicitation of proxies will be borne by MCM. MCM will reimburse brokers, custodians, nominees and fiduciaries for the proper charges and expenses incurred in forwarding this Management Information Circular and related materials to beneficial owners of Units. In addition to solicitation by mail, officers and directors of the Manager of the Trust may, without additional compensation, solicit proxies personally or by telephone. The Trust has also engaged RBC DS to provide financial advice to the Trust and to solicit proxies from Unitholders for the Meeting. MCM will pay RBC DS the fees described under "Expenses of the Proposal".

Advice to Beneficial Holders

The information set forth in this section is of significant importance to beneficial holders of Units, as the Units are held in the name of CDS & Co., the nominee of The Canadian Depositary for Securities Limited, and not in the name of the beneficial holders of the Units. The Trust utilizes the book-entry only system of registration and thus Unitholders do not hold their Units in their own name ("**Beneficial Unitholders**"). Beneficial Unitholders should note that only proxies deposited by Unitholders whose names appear on the records of the Trust as the registered holders of Units can be recognized and acted upon at the Meeting. Units held by brokers or their nominees through CDS & Co. can only be voted upon the instructions of the Beneficial Unitholder. Without specific instructions, CDS & Co. and brokers/nominees are prohibited from voting Units for their client(s). The Trust does not know for whose benefit the Units registered in the names of CDS & Co. are held. Therefore, Beneficial Unitholders cannot be recognized at the Meeting for purposes of voting their Units in person or by way of proxy unless they comply with the procedure designated below.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Unitholders in advance of Unitholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Unitholders in order to ensure that their Units are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Unitholder by its broker is identical to that provided to registered Unitholders. However, its purpose is limited to instructing the registered Unitholders how to vote on behalf of the Beneficial Unitholders. The majority of brokers now delegate responsibility for obtaining instructions from clients to ADP Investor Communications ("**ADP**"). ADP typically prepares a voting

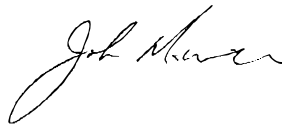
instruction form which it mails to the Beneficial Unitholders and asks Beneficial Unitholders to complete and return directly to ADP. ADP then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Units to be represented at the Meeting. **A Beneficial Unitholder receiving a voting instruction form cannot use that form to vote Units directly at the Meeting; the voting instruction form must be returned to ADP well in advance of the Meeting in order to have the Units voted.**

If you are a Beneficial Unitholder and wish to vote in person at the Meeting, please contact your broker or agent well in advance of the Meeting to determine how you can do so.

If you are a holder of Units and wish to vote in favour of the Special Resolution, you should submit a voting instruction form prior to 5:00 p.m. (Toronto time) on March 31, 2004 voting in favour of the Special Resolution.

Approval of Information Circular

The contents and mailing to Unitholders of this Management Information Circular have been approved by the Advisory Board and Board of Directors of the Manager of the Trust.

A handwritten signature in black ink, appearing to read "John Mulvihill", written in a cursive style.

JOHN P. MULVIHILL
President and Chief Executive Officer

APPENDIX I

SPECIAL RESOLUTION OF THE UNITHOLDERS

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The Trust Agreement is hereby amended by:
 - (a) adding the following as the third sentence of the first paragraph of Section 5.2:

“The Manager may direct the Trustee to pay a redemption price equal to the Net Asset Value per Unit determined as of any business day in respect of which Net Asset Value per Unit shall be determined if the Unitholder applies the full amount of the redemption price to be received for such Units to the purchase of units of a new or existing fund sponsored or promoted by the Manager then being offered to the public by prospectus.”
 - (b) replacing paragraph (iii) of Section 16.3 with the following:

“the entering into by the Trust of transactions involving derivatives other than specified derivatives permitted under NI 81-102;”.
2. Mulvihill Fund Services Inc. and The Royal Trust Company are hereby authorized and directed to take such action and to execute and deliver all such documentation as may be necessary or desirable for the implementation of this special resolution.
3. Notwithstanding the provisions hereof, the Advisory Board to Mulvihill Fund Services Inc., as Manager of the Trust, may revoke this special resolution at any time prior to the execution of an amendment to the Trust Agreement giving effect hereto without further approval of the Unitholders of the Trust.

APPENDIX II
ADDITIONAL INFORMATION
MANAGEMENT OF THE TRUST

The Manager

Pursuant to the Trust Agreement, Mulvihill is the manager of the Trust and, as such, is responsible for providing or arranging for required administrative services to the Trust. Mulvihill is a wholly-owned subsidiary of MCM.

The name and municipality of residence of each of the directors and officers of Mulvihill are as follows:

JOHN P. MULVIHILL	President, Secretary and Director
Toronto, Ontario	
DAVID N. MIDDLETON.	Treasurer and Director
Toronto, Ontario	
JOHN H. SIMPSON	Director
Toronto, Ontario	

Mulvihill receives fees for its services under the Trust Agreement equal to an annual rate of 0.10% of the Trust's net asset value calculated and payable monthly, plus applicable taxes and is reimbursed for all reasonable costs and expenses incurred by Mulvihill on behalf of the Trust. In addition, Mulvihill and each of its directors, officers, employees and agents will be indemnified by the Trust for all liabilities, costs and expenses incurred in connection with any action, suit or proceeding that is proposed or commenced or other claim that is made against Mulvihill or any of its officers, directors, employees or agents in the exercise of its duties as manager, except those resulting from Mulvihill's willful misconduct, bad faith, negligence or breach of its obligations under the Trust Agreement.

Mulvihill may resign upon 60 days' notice to Unitholders and the Trustee or such lesser notice as the Trustee may accept. If Mulvihill resigns, it may appoint its successor, but its successor must be approved by Unitholders unless it is an affiliate of Mulvihill. If Mulvihill is in material default of its obligations under the Trust Agreement and such default has not been cured within 30 days after notice of same has been given to Mulvihill, the Trustee shall give notice thereof to Unitholders and the Unitholders may direct the Trustee to remove Mulvihill and appoint a successor manager.

The Investment Manager

MCM is the Trust's investment manager. MCM is controlled by John P. Mulvihill. MCM manages the Trust's investment portfolio in a manner consistent with the investment objectives, strategy and criteria of the Trust pursuant to an investment management agreement (the "**Investment Management Agreement**") made between Mulvihill as manager and on behalf of the Trust and MCM dated February 15, 2001.

The services provided by MCM pursuant to the Investment Management Agreement include the making of all investment decisions for the Trust and managing the Trust's call option writing and put option writing, all in accordance with the investment objectives, strategy and restrictions of the Trust. Decisions as to the purchase and sale of securities comprising the Trust's investment portfolio and as to the execution of all portfolio and other transactions are made by MCM.

MCM is entitled to fees for its services under the Investment Management Agreement equal to an annual rate of 1.15% of the Trust's net asset value calculated and payable monthly, plus applicable taxes and is reimbursed for all reasonable costs and expenses incurred by MCM on behalf of the Trust. MCM is currently voluntarily deferring a portion of its fee as a result of reducing the distributions payable to Unitholders. MCM is currently receiving fees equal to 0.53% of the Trust's net asset value. In addition, MCM and each of its directors, officers, employees and agents will be indemnified by the Trust for all liabilities, costs and expenses incurred in connection with any action, suit or proceeding that is proposed or commenced or other claim that is made against MCM or any of its officers, directors, employees or agents in the exercise of its duties as investment manager, except those resulting from MCM's willful misconduct, bad faith, negligence or breach of its obligations under the Investment Management Agreement.

The Advisory Board

The Trust has established an advisory board (the “**Advisory Board**”) currently consisting of five members appointed by Mulvihill to assist Mulvihill in performing its services under the Trust Agreement. All fees and expenses of the Advisory Board are paid by the Trust.

The names, municipalities of residence and principal occupations of the members of the Advisory Board are as follows:

<u>Name and Municipality of Residence</u>	<u>Principal Occupation</u>
JOHN P. MULVIHILL Toronto, Ontario	Chairman and President, MCM
MICHAEL M. KOERNER Toronto, Ontario	Corporate Director
ROBERT W. KORTHALS Toronto, Ontario	Corporate Director
C. EDWARD MEDLAND Toronto, Ontario	President, Beauwood Investments Inc. (private investment company)
DAVID N. MIDDLETON Toronto, Ontario	Vice President, Finance, MCM

The Trustee

The Royal Trust Company is the trustee (the “**Trustee**”) of the Trust under the Trust Agreement. It acts as custodian of the assets of the Trust and is responsible for certain aspects of the day-to-day administration of the Trust as described in the Trust Agreement, including executing instruments on behalf of the Trust, processing redemptions, calculating net asset value, net income and net realized capital gains of the Trust and maintaining the books and records of the Trust. The Trustee does not, however, hold the equity securities pledged to the Forward Agreement counterparty as security for the Trust’s obligations thereunder.

The address of the Trustee is 77 King Street West, 11th Floor, Royal Trust Tower, Toronto-Dominion Centre, Toronto, Ontario M5W 1P9.

The Trustee receives fees from the Trust for acting as trustee and custodian of the assets of the Trust and performing certain administrative services under the Trust Agreement and is reimbursed for all expenses and liabilities which are properly incurred by the Trustee in connection with the activities of the Trust.

