

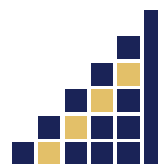


GLOBAL PLUS INCOME TRUST [GIP.UN]

Annual Report 1999

December 31, 1999 and 1998

Managed by Mulvihill Capital Management Inc.



The Mulvihill Premium Funds

Message to the Unitholders

The year 1999 saw the end of the lingering effects of the Asian slump, and a strong resumption of synchronized global growth. Europe, Asia and South America have all now rejoined North America's on-going expansion.

In particular, U.S. growth has remained very strong, prompting a series of modest interest rate hikes by the Federal Reserve in an effort to slow economic growth to a more sustainable level. So far, five upward moves since last June have had little effect. Rather than losing vitality, the U.S. economy is actually gathering speed, with some forecasters now calling for an advance in real GDP in 2000 of close to five percent.

Canada is also experiencing strong real GDP growth in 2000, as it did in 1999. Exports are showing another large increase, reflecting sustained U.S. demand and an upturn in shipments to Europe. The latest IMF forecast for global economic growth predicts a sustained recovery in demand for a wide range of natural resources, which will boost both the volume and price of Canada's commodity exports. New fiscal stimulus and a strong replacement demand cycle for consumer goods are other factors driving the Canadian economy forward. Corporate profits after taxes increased by 31 percent in 1999, and are capable of an even stronger advance this year.

With investor confidence restored, most global equity markets performed extremely well in 1999. Telecommunications and technology shares were exceptional performers, as these companies demonstrated significant revenue growth, and investors boosted the valuation multiples accorded to their stocks. Commodity-based stocks also performed well, based on anticipated increases in global prices for such things as industrial metals, oils and pulp. Only the interest-sensitive sectors were generally poorer performers, as the market began to discount the effects of a higher interest rate environment.

The main concern for 2000 is the climate of rising interest rates, which is likely to continue for some time. Until the effects of higher rates take hold and slow the pace of growth, significant inflationary potential exists. However, at least in the U.S., dramatic productivity improvements are providing a major restraint on inflation by largely offsetting wage gains. If productivity shows similar trends elsewhere, the unusual combination of high growth with low inflation now seen in the U.S. may become more widespread.

A secondary concern is the narrowness of the markets, though this condition has eased as a result of recent corrections in the high-tech sector, and greater investor interest in "old economy" stocks with impressive earnings records. Volatility is also a periodic concern, as investors' inflationary fears wax and wane.

In general, the various Trust portfolios are well positioned to take advantage of current global economic conditions in 2000. While the prevailing mood is positive, management remains alert to the risk of a potential slowdown or 'soft landing' in the U.S. market, and has retained sufficient flexibility to reposition portfolio holdings as circumstances dictate.

We would like to take this opportunity to thank investors for their support during 1999 and we look forward to a mutually beneficial relationship in 2000.

John P. Mulvihill
President
Mulvihill Capital Management Inc.

Donald Biggs
Vice President, Structured Finance
Mulvihill Capital Management Inc.

Global Plus Income Trust

Investment Highlights

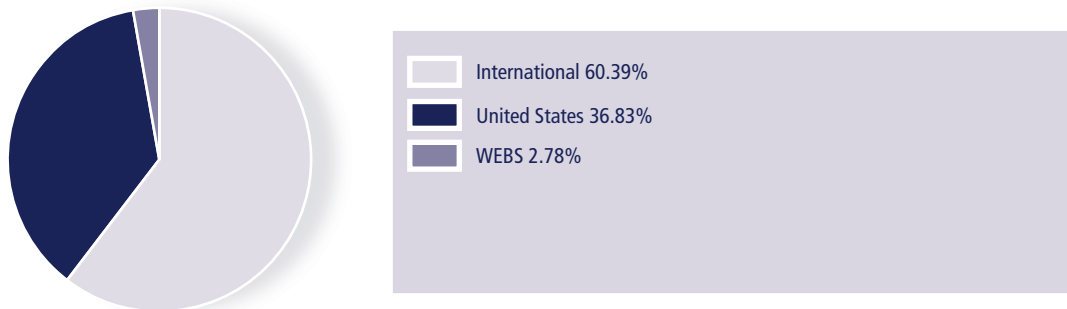
Investment Objectives

The Trust's investment objectives are to provide unitholders of the Trust with a stable stream of quarterly distributions of at least \$0.50 (\$2.00 annually) per unit while returning at a minimum the original issue price of the units to unitholders upon termination of the Trust on December 31, 2009.

Investment Strategy

The Trust intends to achieve its investment objectives by investing its net assets in a diversified portfolio consisting primarily of common shares issued by corporations selected from the Standard and Poor's 100 Index and ADR's of the top 100 corporations trading on the New York Stock Exchange or NASDAQ, selected on the basis of market capitalization. The Trust may also, from time to time, invest up to 25% of its net asset value in World Equity Benchmark Shares (WEBS) compiled by Morgan Stanley Capital International Inc. To generate additional returns above the dividend income generated by the portfolio, the Trust will write covered call options in respect of all or part of the securities in the Portfolio. From time to time, the Trust may hold a portion of its assets in cash equivalents, which may be utilized to provide cover in respect of the writing of cash covered put positions.

Asset Mix



Distribution History

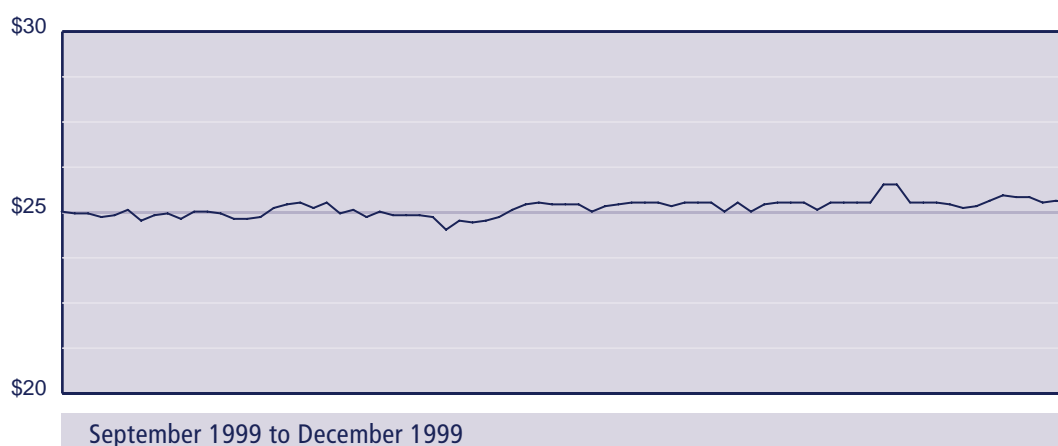
Inception Date: September 1999	Regular Distribution	Special Distribution	Total Distribution
December 1999	\$ 0.60	\$ 0.15	\$ 0.75
Total for 1999			\$ 0.75
Total Distribution			\$ 0.75

Top 10 Holdings:

Philips Electronics N.V. (ADR)
Reuters Group plc (ADR)
Telefonica S.A. (ADR)
Alcatel S.A. (ADR)
Telefonos de Mexico S.A. (ADR)

Lucent Technologies Inc.
Vodafone Airtouch plc (ADR)
IBM Corporation
Intel Corporation
Colt Telecom Group plc (ADR)

Trading History



Commentary

Global Plus Income Trust was launched in September of 1999 at an initial price of \$ 25.00 per unit. As of December 31, 1999 the net assets of the Trust were \$ 120.9 million or \$ 24.976 per unit.

During 1999 distributions made to unitholders exceeded the minimum distribution target of 8 % on an annualized basis. The Trust paid \$ 0.75 that consisted of the regular dividend of \$ 0.60 plus a special dividend of \$ 0.15.

The year 1999 was marked by powerful moves and high volatility in stock prices globally with market returns in such countries as Germany, France and Japan outperforming the strong returns from the U.S. market. The themes that were present in Europe and Asia, as well as North America, include robust moves in the Technology and Telecommunications sectors on the basis of revenue and market share growth.

Also current in the market was an atmosphere in which central banks were raising interest rates in an effort to slow down the growth of their respective economies. This resulted in an environment in which the markets exhibited wide swings in valuation enabling the Trust to generate high levels of covered call and put writing premiums.

Continued investor uncertainty is likely to be a recurrent theme in the equity markets going forward as concerns about the reemergence of inflation could dampen market performance. Accordingly the Trust's underlying investments are conservatively positioned to include high quality stocks diversified across a variety of countries as well as a prudent level of cash reserves in order to continue to meet our investment objectives.

Auditors' Report

To the Unitholders

We have audited the statements of net assets and of investments of Global Plus Income Trust as at December 31, 1999 and the statements of financial operations, changes in net assets and gain on sale of investments for the period then ended. These financial statements are the responsibility of the Trust's Manager. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Canada. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Manager, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the net assets of the Trust and its investments as at December 31, 1999 and the results of its operations, changes in its net assets and gain on sale of investments for the period then ended in accordance with accounting principles generally accepted in Canada.

Chartered Accountants

Deloitte + Touche LLP

Toronto, Ontario

March 10, 2000

Global Plus Income Trust

Financial Statements

Statement of Net Assets

December 31, 1999

	1999
Assets	
Investments at Market Value (Average Cost - \$80,545,752)	\$86,787,555
Short-Term Investments (Average Cost - \$38,924,726)	38,908,330
Interest Receivable	126,885
Dividends Receivable	5,605
Subscriptions Receivable	5,844
	125,834,219
Liabilities	
Bank Indebtedness	2,694,352
Accrued Liabilities	248,274
Due to Brokers	2,002,080
	4,944,706
Net Assets, Represented By Unitholders' Equity	\$ 120,889,553
Number of Units Outstanding (Note 4)	4,840,235
Net Asset Value Per Unit	\$ 24.9760

On behalf of the Manager,
Mulvihill Fund Services Inc.


Director: John P. Mulvihill


Director: David N. Middleton

Statement of Financial Operations

Period ended December 31, 1999

	1999
Income	
Dividends	\$115,951
Interest	842,984
Withholding Tax	(15,647)
	943,288
Expenses (Note 5)	
Custodian and Other Fees	56,897
Management Fees	438,634
Goods and Services Tax	34,687
	530,218
Net Investment Income	413,070
Gain on Sale of Investments	3,410,391
Change in Unrealized Appreciation of Investments and Foreign Currency	6,240,184
Net Gain on Investments	9,650,575
Total Results of Financial Operations	\$10,063,645
Net Investment Income Per Unit	\$0.0869
Net Gain on Investments Per Unit	2.0295
Total Results of Financial Operations Per Unit (based on the weighted average number of units outstanding during the period of 4,755,000)	\$2.1164

Financial Statements

Statement of Changes in Net Assets

Period ended December 31, 1999

	1999
Net Assets, Beginning of Period	\$ -
Unit Transactions	
Proceeds From Units Issued, Net of Issue Costs	114,450,024
Proceeds From Reinvestment of Distributions	5,844
	114,455,868
Total Results of Financial Operations	10,063,645
Distributions to Unitholders (Note 6)	
From Net Investment Income	(12,669)
From Net Realized Gain on Sale of Investments	(3,410,392)
Non-Taxable Distribution	(206,939)
	(3,630,000)
Increase in Net Assets During the Period	120,889,513
Net Assets, End of Period	\$120,889,513

Statement of Gain on Sale of Investments and Options

Period ended December 31, 1999

	1999
Proceeds From Sale of Investments	\$33,219,056
Cost of Investments Sold	
Cost of Investments, Beginning of Period	-
Cost of Investments Purchased	110,354,417
	110,354,417
Cost of Investments, End of Period	(80,545,752)
	29,808,665
Gain on Sale of Investments of Investments	\$3,410,391

Global Plus Income Trust

Financial Statements

Statement of Investments

December 31, 1999

	Par Value/ No. of Shares	Average Cost (\$)	Market Value (\$)	% of Portfolio
Short-term Investments				
Treasury Bills				
Government of Canada, Jan 6, 2000	3,000,000	\$2,990,880	\$2,990,880	
Government of Canada, Mar 2, 2000	13,219,000	13,054,556	13,054,556	
Government of Canada, Mar 16, 2000	22,311,000	22,045,966	22,045,966	
Government of the United States, Jan 13, 2000	470,000	687,892	637,973	
		38,779,294	38,765,375	99.3%
Promissory Note				
Province of British Columbia Jan 24, 2000	100,000	145,432	142,955	0.4%
		38,924,726	38,908,330	99.7%
Accrued interest		-	126,885	0.3%
Total Short-term Investments		\$38,924,726	\$39,035,215	100.0%
Investments				
World Equity Benchmark Shares ("WEBS")				
WEBS - Japan Index	50,000	\$1,115,907	\$1,177,186	
WEBS - United Kingdom Index	40,000	1,239,077	1,237,624	
Total WEBS		2,354,984	2,414,810	2.8%
Foreign Common Stocks - excluding USA				
Australia				
News Corporation	50,000	2,197,188	2,760,298	3.2%
United Kingdom				
BP Amoco	30,000	2,392,111	2,568,160	
Reuters Group	30,000	3,286,336	3,499,084	
Vodafone Group	45,000	3,167,490	3,214,935	
Glaxo Wellcome PLC	35,000	3,020,355	2,822,540	
Colt Telecom	10,000	1,710,086	2,944,318	
Total United Kingdom		13,576,378	15,049,037	17.4%
Netherlands				
Ing Groep NV	30,000	2,452,823	2,641,226	
Koninklijke Philips Electronics NV	20,000	3,130,898	3,896,891	
Royal Dutch	30,000	2,621,953	2,616,871	
Equant NV	5,000	694,999	808,244	
Total Netherlands		8,900,673	9,963,232	11.5%
Finland				
Nokia Corporation	10,000	2,307,716	2,742,257	3.2%
France				
Alcatel Alsthom	50,000	2,367,444	3,247,409	
Aventis S.A.	30,000	2,748,538	2,462,619	
Total Sponsored	25,000	2,383,900	2,498,701	
Total France		7,499,882	8,208,729	9.5%

Global Plus Income Trust

Financial Statements

Statement of Investments (continued)

December 31, 1999

	Par Value/ No. of Shares	Average Cost (\$)	Market Value (\$)	% of Portfolio
Investments				
Foreign Common Stocks - excluding USA (continued)				
Japan				
Bank of Tokyo-Mitsubishi	100,000	2,369,961	2,011,590	
Hitachi Limited	12,000	1,937,280	2,803,597	
Honda Motor Limited	20,000	2,440,772	2,208,238	
Total Japan		6,748,013	7,023,425	8.0%
Mexico				
Telefonos de Mexico SA	20,000	2,929,898	3,247,409	3.7%
Spain				
Telefonica de Espana SA	30,000	2,423,674	3,412,486	4.0%
Total Foreign Common Stocks - excluding USA		46,583,422	52,406,873	60.5%
Foreign Common Stocks - USA				
Data Processing and Reproduction				
IBM Corporation	20,000	3,280,771	3,117,513	
Microsoft Corporation	15,000	2,077,902	2,527,567	
Total Data Processing and Reproduction		5,358,673	5,645,080	6.5%
Electrical Components and Instruments				
Intel Corporation	25,000	2,893,852	2,970,026	
Texas Instruments	15,000	2,235,181	2,097,285	
Total Electrical Components and Instruments		5,129,033	5,067,311	5.8%
Energy Equipment and Services				
Halliburton Co.	45,000	2,795,311	2,614,164	3.0%
Food And Household Products				
Procter & Gamble Co.	15,000	2,446,883	2,371,962	2.7%
Health and Personal Care				
Bristol-Myers Squibb Co.	30,000	3,210,078	2,779,241	
Johnson & Johnson	15,000	2,068,266	2,016,100	
Total Health and Personal Care		5,278,344	4,795,341	5.5%

Global Plus Income Trust

Financial Statements

Statement of Investments (continued)

December 31, 1999

	Par Value/ No. of Shares	Average Cost (\$)	Market Value (\$)	% of Portfolio
Investments				
Foreign Common Stocks - USA (continued)				
Merchandising				
Home Depot Inc.	15,000	1,226,499	1,484,336	1.8%
Telecommunications				
Lucent Technologies Inc.	30,000	2,937,447	3,239,291	3.7%
Financial Services				
Citigroup	19,000	1,417,055	1,523,666	
Merrill Lynch & Co.	20,000	2,307,746	2,410,299	
Total Financial Services		3,724,801	3,933,965	4.5%
Multi-Industry				
United Technologies Corporation	30,000	2,710,355	2,814,422	3.2%
Total Foreign Common Stocks - USA		31,607,346	31,965,872	36.7%
Total Investments		\$80,545,752	\$86,787,555	100.0%

Notes to the Financial Statements

1. Establishment of the Trust

Global Plus Income Trust (the “Trust”) is an investment trust established under the laws of the Province of Ontario on August 30, 1999. The Trust began operations on September 13, 1999 and will terminate on December 31, 2009 and its assets will be distributed to unitholders unless unitholders determine to continue the Trust by a majority vote at a meeting called for such purpose.

The manager of the Trust is Mulvihill Fund Services Inc. (“Mulvihill”) and the Trust’s investment manager is Mulvihill Capital Management Inc. (the “Investment Manager”). The Royal Trust Company (the “Trustee”) is the trustee and acts as custodian of the assets of the Trust.

2. Investment Objectives of the Trust

The Trust intends to achieve its investment objectives by investing in a diversified portfolio consisting principally of common shares issued by corporations selected from the Standard & Poor’s 100 Index and American Depositary Receipts (“ADRs”) of the top 100 corporations selected on the basis of market capitalization whose ADRs are trading on the New York Stock Exchange or NASDAQ. In addition, in order to provide further global investment opportunities, the Trust may, from time to time, invest up to a maximum of 25% of its net asset value in World Equity Benchmark Shares (“WEBS”) that seek to provide investment results that track the performance of a specific country index compiled by Morgan Stanley Capital International Inc.

To generate additional returns above the dividend income earned on the portfolio, the Trust will, from time to time, write covered call options in respect of all or part of the securities in the portfolio. In addition, the Trust may write cash covered put options in respect of securities in which the Trust is permitted to invest. Additionally, the Trust may purchase call options with the effect of closing out existing call options written by the Trust and may also purchase put options to preserve the value of the portfolio where appropriate. The Trust may enter

into trades to close out positions in such permitted derivatives.

From time to time the Trust may hold a portion of its assets in cash equivalents.

3. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with accounting principles generally accepted in Canada. The following is a summary of significant accounting policies.

Valuation of investments

Securities are valued at market value, which is determined by the closing sale price on the recognized stock exchange on which the securities are listed or principally traded. If no sale has taken place on that day, valuation will be at the last published sale price if this is between the last recorded bid price (the price someone is willing to pay) and the last recorded asked price (the price at which someone is willing to sell). If the last published sale price is not between the bid and the asked price, the bid or the asked price is used, whichever is nearer the last published sale price.

Short-term investments are valued at cost plus accrued interest, which approximates market value.

Listed options are valued at market values as reported on recognized exchanges. Over the counter options are valued using an appropriate valuation model.

Investment transactions and income

Investment transactions are accounted for on a trade date basis. Realized gains and losses on the sale of investments and unrealized appreciation or depreciation of investments are determined on an average cost basis.

Option fees paid or received are reflected as deferred credits in investments so long as the options are outstanding. Any difference resulting from revaluation is included in unrealized appreciation or depreciation in investments.

Dividend income is recorded on the ex-dividend date. Interest income is recorded daily as it is earned.

Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the prevailing rate of exchange on each valuation date. Purchases and sales of investments, and income derived from investments, are translated at the rate of exchange prevailing on the respective dates of such transactions.

4. Unitholders' Equity

The Trust is authorized to issue an unlimited number of transferable, redeemable trust units of one class, each of which represents an equal, undivided interest in the net assets of the Trust.

All units have equal rights and privileges. Each whole unit is entitled to one vote at all meetings of unitholders and is entitled to participate equally with respect to any and all distributions made by the Trust, including distributions of net income and net realized capital gains, and distributions upon the termination of the Trust. Units are issued only as fully paid and are non-assessable. Fractions of units are proportionately entitled to all of these rights except voting rights.

Units may be surrendered at any time for redemption but will be redeemed only on a monthly valuation date. Unitholders whose units are redeemed on a December valuation date will be entitled to receive a redemption price per unit equal to the net asset value per unit. Unitholders whose units are redeemed on any other valuation date will be entitled to receive a redemption price per unit equal to the net asset value per unit less the lesser of (i) 4% of such net asset value per unit and (ii) \$1.00. Under the terms of a Recirculation Agreement, the Trust may, but is not obligated to, require the Recirculation Agent to use its best efforts to find purchasers for any units tendered for redemption.

On September 9, 1999, the Trust issued 4,400,000 units at \$25.00 per unit for total gross cash proceeds

of \$110,000,000. On October 3 and October 12, 1999, the Trust issued 400,000 and 40,000 units at \$25 per unit, respectively, for total gross cash proceeds of \$10,000,000 and \$1,000,000. Costs of \$6,549,976 were incurred in connection with these offerings and the establishment of the Trust.

Following are the unit transactions for the period:

	1999
Units outstanding, beginning of period	-
Units issued for cash	4,840,000
Units issued on reinvestment of distribution	235
Units outstanding, end of period	4,840,235

5. Management Fees And Expenses

The Trust is responsible for all ongoing trustee, manager, legal, accounting and audit fees as well as all other expenses incurred by the Trustee and manager in the ordinary course of business relating to the Trust's operations. The Trust is also responsible for commissions and other costs of portfolio transactions and any extraordinary expenses of the Trust which may be incurred from time to time.

Fees are payable to the manager under the terms of the trustee agreement and to the Investment Manager under the terms of an investment management agreement. The fees are payable at annual rates of 0.10% and 1.15%, respectively, of the Trust's net asset value calculated and payable monthly, plus applicable taxes.

Charges to the Trust for the period were as follows:

	Expenses	Expenses as a percent of average net assets
1999	\$530,218	1.51%

Average net assets are calculated to be the average of the net assets determined at each valuation date of the Trust.

6. Distributions

The Trust endeavours to make quarterly distributions to unitholders of net income and net realized capital gains and option premiums on the last day of March,

Global Plus Income Trust

Notes to the Financial Statements

June, September and December in each year. Unitholders may elect to reinvest distributions received from the Trust in additional units.

Distributions for the period were as follows:

Distribution per unit:	1999
Taxable dividends	\$0.0026
Net realized gain on sale of investment	0.7046
Non-taxable distribution	0.0428
	<u>\$ 0.7500</u>

The non-taxable distribution received by the unitholders reduces the adjusted cost base of the unit for tax purposes.

7. Income Taxes

The Trust is a "mutual fund trust" as defined in the Income Tax Act (Canada) (the "Act"). The Trust is subject to tax in each taxation year under Part I of the Act on the amount of its income for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of the amount paid or payable to unitholders in the year. Income tax paid by the Trust on any net realized capital gains not paid or payable is recoverable by the Trust to the extent and in the circumstances provided in the Act.

Given the investment and distribution policies of the Trust and taking into account expenses, the Trust does not expect to bear any appreciable non-refundable income tax.

No amount is payable on account of income taxes in 1999.

8. Commission Charges

Total commissions paid in 1999 in connection with portfolio transactions were \$148,231.

9. Uncertainty Due To The Year 2000 Issue

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than a date. Although the change in date has occurred, it is not possible to conclude that all aspects of the Year 2000 Issue that may affect the Trust, including those related to investees, suppliers, or other third parties, have been fully resolved.

10. Statement Of Portfolio Transactions

The Trust will provide, without charge, a Statement of Portfolio Transactions (unaudited) upon written request by any unitholder to the Trust at:

121 King Street West, Suite 2600,
Toronto, Ontario, M5H 3T9.

Mulvihill Capital Management Inc.

Mulvihill Capital Management Inc. is a leading Canadian investment counselor responsible for the care of institutional and personal assets. The company manages corporate, pension, insurance, endowment, trust and mutual funds under a wide variety of investment mandates. Founded in 1985 as CT Investment Counsel Inc., the investment arm of Canada Trust, the company emerged in 1995 as an independent company operated by a cohesive team of senior managers and owners who have been together for more than a decade. The company's scale and independent structure allow it to provide clients with a uniquely customized approach to asset management.

The Mulvihill Funds are managed by Mulvihill Capital's structured finance group. This area of the company concentrates exclusively on creating and managing products tailored to meet very specific investment objectives. Assets are generally managed to meet specific absolute return levels rather than taking on the additional risk of targeting relative returns. This methodology allows the company to make investment decisions that meet the client's needs rather than to make investments to rival the competition.

Mulvihill's personal asset management division, Mulvihill Wealth Management, offers a comprehensive specialized approach tailored to clients' personal strategies. This not only relieves the client's burden of day-to-day investment decisions but also provides financial peace of mind for today and tomorrow. The company's personalized service and customized reporting assure that its powerful team of professionals is always working toward your current objectives and that you are fully aware of the progress you are making.

Mulvihill's reputation has been built on its ability to provide customized portfolios that meet the stated needs of its clients. The Premium Income investments are prime examples of that customized approach to asset management.

Other Premium Income products within the Mulvihill Group include Premium Income Corporation, MCM Split Share Corp., and Global Telecom Split Share Corp.

These funds are Mutual Fund Corporations and traded on the Toronto Stock Exchange over the past year as follows:

	Symbol	High	Low
First Premium Income Trust	FPI.UN	\$ 28.20	\$ 25.00
First Premium U.S. Income Trust	FPU.UN	\$ 27.75	\$ 24.75
First Premium Oil & Gas Income Trust	FPG.UN	\$ 9.90	\$ 5.75
60 Plus Income Trust	SIX.UN	\$ 27.25	\$ 24.80
Global Plus Income Trust	GIP.UN	\$ 25.50	\$ 24.25
Premium Income Corporation	PIC.A/PIC.PR.A	\$ 13.85/15.65	\$ 10.25/14.40
MCM Split Share Corp.	MUH.A/MUH.PR.A	\$ 15.10/15.35	\$ 11.00/14.40
Global Telecom Split Share Corp.	GT.A/GT.PR.A	\$ 20.65/16.60	\$ 14.00/14.40

YEAR 2000

The year 2000 concern originates from the use in computer applications of a two-digit field to denote the year (for example, “99” for 1999) rather than a four-digit field. As a result, when entering the year 2000, the two-digit field will read “00” and affected computers may assume the year is 1900. The Trusts could be adversely affected by this problem if the computer systems used by MCM, Mulvihill and other service providers do not properly process and calculate date-related information from and after January 1, 2000.

In conducting their respective businesses, the Trusts will rely on information generated by the computer systems of third party service providers, including MCM, Mulvihill, The Royal Trust Company, Montreal Trust Company of Canada, banks, stock exchanges, utilities and other third parties for critical services. MCM and Mulvihill have advised the Trusts that they have put in place Year 2000 plans in an effort to ensure that their information systems are Year 2000 compliant and have, where necessary, modified and tested their mission critical systems. MCM and Mulvihill do not believe that there would be any material impact on the Trusts if their respective systems were not Year 2000 compliant, given that the assets of the Trusts and records relating to those assets, as well as accounting and other financial data, are maintained by The Royal Trust Company as trustee and custodian, and that certain Unitholder records are maintained by Montreal Trust Company of Canada as registrar and transfer agent or by CDS through the book-based system. MCM and Mulvihill have paid the costs associated with their Year 2000 plans. To prepare for the possibility that adequate steps have not been taken, MCM and Mulvihill also prepared and approved formal Year 2000 contingency plans. To date, neither MCM nor Mulvihill has reported any problems relating to their computer systems arising out of year 2000 concerns which would adversely affect the Trusts.

Mulvihill also made enquires of The Royal Trust Company and Montreal Trust Company of Canada in order to assess the status of their information systems with respect to year 2000 readiness issues. In response, Mulvihill received assurances from such service providers that all internal testing and any required adjustments were completed well in advance of January 1, 2000. There can be no assurance, however, that any of the Trusts’ third party service providers have, or will have, information systems that are Year 2000 compliant and that the NAV of the Trusts will not be adversely affected. In addition, while MCM considers the Year 2000 readiness of the issuers of Trusts’ securities in making investment decisions, there is no assurance that such issuers are Year 2000 compliant. If any such issuers are not Year 2000 compliant, the NAV of the Trust could be adversely affected.

Board of Advisors

John P. Mulvihill

Chairman & President,
Mulvihill Capital Management Inc.

David N. Middleton

Vice President, Finance & CFO,
Mulvihill Capital Management Inc.

Robert W. Korthals

Corporate Director

C. Edward Medland

President, Beauwood Investments Inc.

Information

Auditors:

Deloitte & Touche LLP
BCE Place
181 Bay Street, Suite 1400
Toronto, Ontario M5J 2V1

Transfer Agent:

Montreal Trust
151 Front Street, 8th Floor
Toronto, Ontario M5J 2N1

Shares Listed:

Toronto Stock Exchange
trading under
FPI.UN, FPU.UN, FPG.UN, SIX.UN, GIP.UN

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