

Dow Jones Canada 40 Index Participation Fund

Features

The Dow Jones Canada 40 Participation Fund provides investors with a convenient and flexible way to invest in the performance of the Dow Jones 40 Index, which consists of forty of the largest, most widely held Canadian companies. The Dow Jones Units hold common shares of companies in the Dow Jones 40 Index in the same proportion as they are reflected in the Index. With the Dow Jones 40 participation units, investors can buy or sell shares through a registered broker or dealer just like a stock, they can be bought on margin, sold short or held for the long term. Once trading begins, the price of the units will fluctuate with market demand. However, this price will continue to reflect the core asset share value per unit of the Fund or about 1/25th the level of the Dow Jones 40 Index.

Benefits

The DJ Canada 40 Index Participation Fund is similar to the S&P 60 iShares. DJ Canada 40 participation units allow investors to own a diversified portfolio of the 40 stocks in the Dow Jones 40 Index with a single purchase. Annual expenses for these new participation units are approximately 0.08% per year. By comparison, the annual management fee for the Canadian index mutual funds can reach 0.80% or higher. Any dividends paid are eligible for the Canadian Dividend Tax Credit. The Dow Jones Canada 40 Units are eligible for Registered Retirement Savings Plans, Deferred profit sharing plans, Registered Retirement Income Funds and Registered Education Savings Plans. Because the Units just track the index and the portfolio is not actively managed, it has a low turnover and is therefore both cost and tax effective.

Quick Facts

Exchange:	TSE
Symbol:	DJF
Expenses:	0.08% per annum
Indic. Div.:	n/a
Underlying Index	DJ 40 Index
Approx. Ratio to Index:	1/25 th
Web Site:	http://indexes.dowjones/canada40.com

Comparative Returns (as at 12/31/00)

	<u>1Yr</u>	<u>3Yr</u>	<u>5Yr</u>	<u>10Yr</u>	<u>15Yr</u>
S&P500	(9.1)%	12.3%	18.3%	17.4%	16.0%
TSE 300	7.4%	10.1%	13.6%	10.6%	7.8%
S&P TSE 60	7.9%	11.8%	16.1%	12.1%	8.9%
Dow Jones 40	(18.2)%	(2.9)%	(1.7)%	(0.8)%	(0.6)%

*S&P/TSE 60 returns (10 year) and TSE 300 returns (10 and 15 year) do not include reinvestment of dividends.

Dow Jones 40 Portfolio (as at 12/31/00 ranked by Weighting)

Nortel Networks Corp.	Canadian Pacific Ltd.	Potash Corp of Saskatchewan	TransAlta Corp.
BCE Inc.	Celestica Inc.	Telus Corp.	Nexen Inc.
Royal Bank of Canada	Alberta Energy Co. Ltd.	Abitibi-Consolidated Inc.	Rogers Communications Inc.
Toronto-Dominion Bank	Thomson Corporation	Canadian Natural Resources	Trizec Hahn Corp.
Bombardier Inc.	Barrick Gold Corp.	Imperial Oil Ltd.	Nova Chemicals Corp.
Manulife Financial Corp.	Suncor Energy Inc.	Loblaw Companies Ltd.	Agrium Inc.
Bank of Nova Scotia	Canadian National Railway	Magna International Inc.	Noranda Inc.
Bank of Montreal	Petro-Canada Ltd.	Biochem Pharma Inc.	ATI Technologies Inc.
Canadian Imperial Bank	TransCanada Pipelines Ltd.	Placer Dome Inc.	Corel Corporation
Alcan Aluminum Ltd.	Talisman Energy Inc.	Inco Ltd.	Laidlaw Inc.

Special Considerations and Risk Factors

Dow Jones Canada 40 Index Units (DJF) represent a broadly based portfolio of common stocks and are therefore subject to the risks associated with such investments including the risk that the general level of stock may decline or that dividends might not be paid. Also the performance of DJ Canada 40 units may not replicate the Dow Jones 40 Index exactly because of the fee and expenses associated with operation of the fund and there may be times when there are changes to securities in the Dow Jones 40 Index that are not immediately reflected in the fund.