No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold in the United States or to U.S. persons. See ''Plan of Distribution''.

New Issue **PROSPECTUS** September 28, 2005

Top 10 Canadian Financial Trust

$150,000,013.10 (Maximum)
$16.10 per Unit

$100,000,014.10 (Minimum)
$16.10 per Unit

This prospectus qualifies the issuance of transferable, redeemable trust units (the ''Units'') of Top 10 Canadian Financial Trust (the ''Trust'') an investment trust established under the laws of Ontario.

The Trust has established the following investment goals in connection with the offering of Units hereunder (see ''Investments of the Trust — Investment Objectives''):

(i) to provide unitholders of the Trust (''Unitholders'') with tax-efficient quarterly cash distributions in an amount targeted to be 7.5% per annum on the net asset value (''NAV'') of the Trust; and

(ii) to return the original issue price of the Units offered hereunder to Unitholders upon termination of the Trust on December 31, 2010 (the ''Termination Date'').

Based upon the existing capital loss carry forwards of approximately $65.8 million available to the Trust, the Trust expects that all of the quarterly cash distributions payable by it over the five year life of the Trust will be return of capital distributions that are generally not subject to tax (returns of capital reduce the adjusted cost base of Units). Accordingly, these distributions are intended to be tax efficient when compared to those made on units of a trust that depends solely on capital gains, interest, dividends and/or other sources of investment income (net of expenses, losses and loss carry forwards) to pay distributions. See ''Canadian Federal Income Tax Considerations''.

The Trust will invest the net proceeds of this offering exclusively in securities of: (i) the six largest Canadian banks and (ii) the four largest Canadian life insurance companies (the ''Financial Portfolio''). The Trust will generally invest not less than 5% and not more than 15% of the Trust's assets in each of the companies in the Financial Portfolio.

The Financial Portfolio currently includes the common shares of the following issuers:

Banks	**Life Insurance Companies**
Bank of Montreal	Great-West Lifeco Inc.
The Bank of Nova Scotia	Industrial Alliance Insurance and Financial Services Inc.
Canadian Imperial Bank of Commerce	Manulife Financial Corporation
National Bank of Canada	Sun Life Financial Inc.
Royal Bank of Canada	
The Toronto-Dominion Bank	

The Financial Portfolio will be actively managed by Mulvihill Capital Management Inc. (''MCM''), the Trust's investment manager. To generate additional returns above the dividend income earned on the Financial Portfolio, the Trust will, from time to time, write covered call options in respect of some or all of the securities in the Financial Portfolio. The securities which are subject to call options and the terms of such options will vary from time to time as determined by MCM.

Price: $16.10 per Unit

	Price to the Public[1]	Agents' Fees	Net Proceeds to the Trust[2]
Per Unit	$ 16.10	$ 0.805	$ 15.295
Total Minimum Offering[3][4]	$100,000,014.10	$5,000,000.71	$ 95,000,013.39
Total Maximum Offering[4]	$150,000,013.10	$7,500,000.65	$142,500,012.50

Notes:

(1) The offering price was established by negotiation between the Agents and the manager of the Trust.

(2) Before deducting the expenses of the issue (estimated at $750,000 and subject to a maximum of 1.5% of the gross proceeds of the offering) which, together with the Agents' fees, will be paid out of the proceeds of this offering.

(3) There will be no closing unless a minimum of 6,211,181 Units are sold. If subscriptions for a minimum of 6,211,181 Units have not been received within 90 days following the date of issuance of a receipt for this prospectus, the offering may not continue without the consent of the Canadian securities regulators and those who have subscribed for Units on or before such date.

(4) The Trust has granted the Agents an option (the ''Over-Allotment Option''), exercisable until 30 days after the closing of the offering, to offer up to 1,397,515 additional Units on the same terms set forth above. This prospectus qualifies the distribution of the Over-Allotment Option and the Units issuable on the exercise thereof. If the Over-Allotment Option is exercised in full, the total price to the public under the maximum offering will be $172,500,004.60, the Agents' fees will be $8,625,000.23 and the net proceeds to the Trust will be $163,875,004.37.

Units may be surrendered for redemption at any time but will be redeemed only on a monthly Valuation Date (as defined below). Unitholders whose Units are redeemed on the December Valuation Date in each year will be entitled to receive a redemption price per Unit equal to the NAV per Unit determined as of such Valuation Date. Unitholders whose Units are redeemed on any other Valuation Date will be entitled to receive a redemption price per Unit equal to the NAV per Unit determined as of such other Valuation Date, less the lesser of: (i) 4% of such NAV per Unit; and (ii) $0.60. Units surrendered for redemption by a Unitholder at least five business days prior to the last day of the month (a ''Valuation Date''), will be redeemed on such Valuation Date and the Unitholder will receive payment on or before the fifteenth day following such Valuation Date. See the ''Redemption of Units''.

The Trust will terminate on the Termination Date and its net assets will be distributed thereafter to Unitholders. See ''Termination of the Trust''.

The Toronto Stock Exchange has conditionally approved the listing of the Units offered hereunder. Listing is subject to the Trust fulfilling all of the requirements of such stock exchange on or before November 29, 2005.

In the opinion of counsel, provided that the Trust qualifies as a mutual fund trust within the meaning of the *Income Tax Act* (Canada) (the ''Tax Act''), the Units will be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, and registered education savings plans. See ''Canadian Federal Income Tax Considerations'' and ''Eligibility for Investment''. Recent legislation, with effect from January 1, 2005, has eliminated the limit in respect of foreign property that may be held by pension funds and other deferred income plans.

See ''Risk Factors'' for a discussion of certain factors that should be considered by prospective investors in Units. There is no assurance that the Trust will be able to achieve its distribution or NAV preservation objectives. The Agents may over-allot or effect transactions as described under ''Plan of Distribution''.

The Trust is not a trust company and, accordingly, the Trust is not registered under the trust company legislation of any jurisdiction as it does not carry on business as a trust company. The Trust is an investment trust which offers and sells its Units to the public. Units are not ''deposits'' within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under provisions of that Act or any other legislation.

RBC Dominion Securities Inc., CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., Desjardins Securities Inc., HSBC Securities (Canada) Inc., Canaccord Capital Corporation, Dundee Securities Corporation, Blackmont Capital Inc. and Raymond James Ltd. (collectively, the ''Agents'') conditionally offer the Units, subject to prior sale, on a best efforts basis, if, as and when issued by the Trust and accepted by the Agent in accordance with the conditions contained in the Agency Agreement, and subject to the approval of certain legal matters by Osler, Hoskin & Harcourt LLP, on behalf of the Trust, and Davies Ward Phillips & Vineberg LLP, on behalf of the Agents. See ''Plan of Distribution''.

Subscriptions will be received for the Units offered hereby, subject to rejection or allotment in whole or in part, and the right is reserved to close the subscription books at any time. Closing of this offering is expected to occur on or about October 18, 2005, but no later October 31, 2005. Registrations and transfers of Units will be effected only through the book-entry only system administered by The Canadian Depository for Securities Limited. Beneficial owners of Units will not have the right to receive physical certificates evidencing their ownership.

TABLE OF CONTENTS

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus.

The Trust

Top 10 Canadian Financial Trust (the ''Trust'') is an investment trust established under the laws of the Province of Ontario pursuant to a trust agreement (the ''Trust Agreement'') dated as of February 15, 2000, as amended on August 2, 2005. The manager of the Trust is Mulvihill Fund Services Inc. (''Mulvihill'') and the Trust's investment manager is Mulvihill Capital Management Inc. (''MCM'').

The Offering

Offering: The offering consists of transferable, redeemable trust units (the ''Units'') of the Trust.

Amount: Maximum: $150,000,013.10 (9,316,771 Units)
Minimum: $100,000,014.10 (6,211,181 Units)

Price: $16.10 per Unit

The offering price was established by negotiation between the Agents and the manager of the Trust, so as not to be dilutive to existing Unitholders.

Termination Date: The Trust will terminate on December 31, 2010 (the ''Termination Date'') unless Unitholders determine to continue the Trust by a majority vote at a meeting called for such purpose. See ''Termination of the Trust''.

Investment Goals: The Trust has established the following investment goals in connection with the offering of Units hereunder:

(i) to provide unitholders of the Trust (''Unitholders'') with tax-efficient quarterly cash distributions in an amount targeted to be 7.5% per annum on the net asset value (''NAV'') of the Trust; and

(ii) to return the original issue price of the Units offered hereunder to Unitholders upon termination of the Trust on the Termination Date.

Based upon the existing capital loss carry forwards available to the Trust, the Trust expects that all of the quarterly cash distributions payable by it over the five year life of the Trust will be return of capital distributions that are generally not subject to tax (returns of capital reduce the adjusted cost base of Units). Accordingly, these distributions are intended to be tax efficient when compared to those made on units of a trust that depends solely on capital gains, interest, dividends and/or other sources of investment income (net of expenses, losses and loss carry forwards) to pay distributions. See ''Canadian Federal Income Tax Considerations''.

These goals are in addition to the Trust's investment objectives set forth under ''Investments of the Trust — Investment Objectives''.

Tax-Loss Carry Forwards: At a meeting of Unitholders on August 2, 2005, Unitholders approved the proposal described below under ''The Trust — Background to and Restructuring of the Trust'' and the Trust changed its name to Top 10 Canadian Financial Trust. The Trust previously invested in a diversified portfolio consisting principally of common shares issued by leading ''digitally based'' companies operating in the Telecommunications Services, Telecommunication Equipment Supplier, Enabling Hardware and Software and Related Digital Commerce, Services and Products sectors. As a result of the significant decline in the value of technology stocks since April 2000, the NAV of the Trust declined to approximately $15 million and the Trust accumulated approximately $65.8 million of capital losses since its inception. See ''The Trust — Background to and Restructuring of the Trust''.

Investment Strategy:

The Trust will invest the net proceeds of this offering exclusively in securities of: (i) the six largest Canadian banks and (ii) the four largest Canadian life insurance companies (the ''Financial Portfolio''). The Trust will generally invest not less than 5% and not more than 15% of the Trust's assets in each of the companies in the Financial Portfolio. See ''Investments of the Trust''. Pending completion of the offering, the Trust will hold its assets in cash and cash equivalents.

The Financial Portfolio will be actively managed by MCM. To generate additional returns above the dividend income earned on the Financial Portfolio, the Trust will, from time to time, write covered call options in respect of some or all of the securities in the Financial Portfolio. The securities which are the subject to call options and the terms of such options will vary from time to time as determined by MCM.

Financial Portfolio:

The table below sets out, as at September 23, 2005, the name, market capitalization, dividend yield, average 30-day volatility and 5-year compound annual growth rate of the securities for issuers whose common shares are included in the Financial Portfolio:

	Market Capitalization ($CAD Million)	Dividend Yield	30-Day Price Volatility	5-Year Price CAGR
Banks				
Bank of Montreal	29,819.50	3.34%	12.69%	12.03%
The Bank of Nova Scotia	42,771.02	3.20%	9.11%	15.13%
Canadian Imperial Bank of Commerce	24,602.36	3.66%	11.01%	8.83%
National Bank of Canada	10,126.97	2.92%	13.84%	20.27%
Royal Bank of Canada	54,723.84	3.05%	17.28%	12.31%
The Toronto-Dominion Bank	40,588.73	2.95%	8.89%	5.55%
Life Insurance Companies				
Great-West Lifeco Inc.	25,760.62	2.93%	16.11%	13.45%
Industrial Alliance Insurance and Financial Services Inc.	2,303.62	1.75%	16.15%	12.45%
Manulife Financial Corporation	48,971.43	1.97%	12.72%	14.62%
Sun Life Financial Inc.	25,139.60	2.39%	11.61%	6.55%

Quarterly Distributions:

The Trust will endeavour to make quarterly cash distributions of net income, net realized capital gains and option premiums to Unitholders on the last day of March, June, September and December in each year in an amount targeted to be 7.5% per annum on the net asset value (''NAV'') of the Trust (currently approximately 7.0% of the offering price). The Trust has determined to base the distributions it pays on the NAV of the Trust in order to better facilitate the preservation and enhancement of the Trust's NAV and to enable Unitholders to benefit from any increases in the NAV of the Trust through the resulting increased distributions. The Trust expects that all of the quarterly cash distributions payable by it over the life of the Trust will be return of capital distributions. The quarterly distributions will be determined using the last NAV prior to the declaration date for the distribution. There can be no assurance that the Trust will be able to make distributions at such rates. If, in any year after such distributions, there would otherwise remain in the Trust additional net income or net realized capital gains, the Trust intends to make, on December 31 of that year, a special distribution of such portion of the remaining net income and net realized capital gains as is necessary to ensure that the Trust will not be liable for income tax thereon under the *Income Tax Act* (Canada) (the ''Tax Act''). See ''Canadian Federal Income Tax Considerations''.

Covered Call Option Writing:

Based on the assumptions referred to under ''Covered Option Writing — Sensitivity Analysis'', the following represents the percentage of the Trust's Financial Portfolio against which covered call options would need to be written at different volatility levels to pay the targeted distribution of 7.5% per annum on the NAV of the Trust.

% Of Financial Portfolio Required To Be Written To Achieve Target Distribution of 7.5% (Net of Fees and Expenses)

		Average Volatility Of The Individual Stocks In The Financial Portfolio								
		10%	12%	14%	16%	18%	20%	22%	24%	26%
	2%	134.1%	103.8%	83.7%	69.7%	59.5%	51.8%	45.8%	41.0%	37.1%
% Out-Of-The-Money	**1%**	91.7%	74.4%	62.5%	53.8%	47.1%	41.9%	37.8%	34.3%	31.5%
	0%	63.0%	53.9%	47.2%	41.9%	37.7%	34.3%	31.4%	29.0%	26.9%

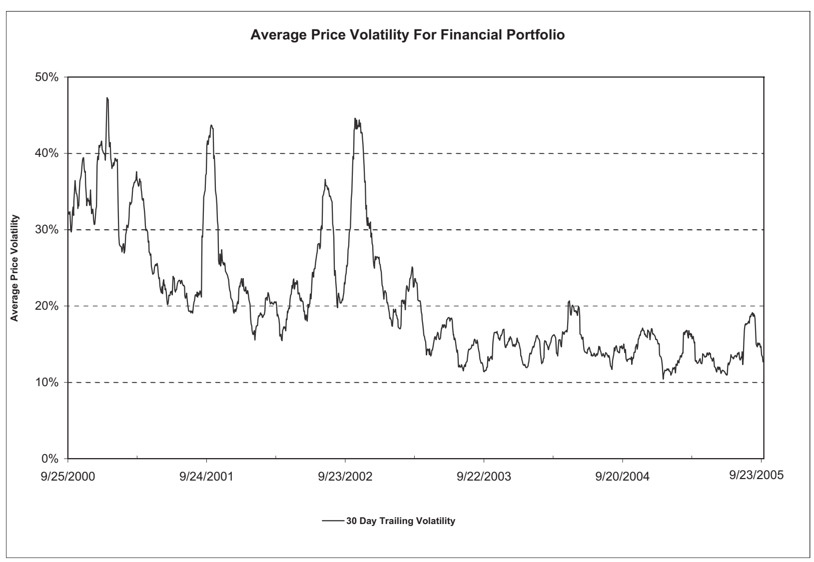
The composition of the Financial Portfolio, the securities which may be subject to call options and put options and the terms of such options will vary from time to time, based on MCM's assessment of the market conditions. See ''Investments of the Trust''.

Volatility History:

The historical average, low, high and current value of the trailing 30-day volatility (expressed in percentages on an annualized basis) for all of the securities in the Financial Portfolio for the 5 years ended September 23, 2005 is as follows:

5 Year Volatility

	Average	Low	High	Current
Financial Portfolio	20.87%	10.43%	47.29%	12.94%



The information set forth above is historical and is not intended to be, nor should it be construed as, an indication as to future volatility levels of the securities in the Financial Portfolio.

Redemptions:	Units may be surrendered for redemption at any time but will be redeemed only on a monthly Valuation Date (as defined below). Units surrendered for redemption by a Unitholder at least five business days prior to the last day of the month (a ''Valuation Date''), will be redeemed on such Valuation Date and the Unitholder will receive payment on or before the fifteenth day following such Valuation Date. Unitholders whose Units are redeemed on the December Valuation Date in each year will be entitled to receive a redemption price per Unit equal to the NAV per Unit determined as of such Valuation Date. Unitholders whose Units are redeemed on any other Valuation Date will be entitled to receive a redemption price per Unit equal to the NAV per Unit determined as of such other Valuation Date less the lesser of: (i) 4% of such NAV per Unit; and (ii) $0.60. See ''Redemption of Units''.
Issuance of Units:	The Trust will not issue Units for net proceeds per Unit less than the most recently calculated NAV per Unit prior to the date of the setting of the subscription price without the approval of Unitholders by a two-thirds majority vote.
Eligibility for Investment:	In the opinion of counsel, provided that the Trust qualifies as a mutual fund trust within the meaning of the Tax Act, the Units will be qualified investments for trusts governed by registered retirement savings plans, deferred profit sharing plans, registered retirement income funds and registered education savings plans. See ''Canadian Federal Income Tax Considerations'' and ''Eligibility for Investment''. Recent legislation, with effect from January 1, 2005, has eliminated the limit in respect of foreign property that may be held by pension funds and other deferred income plans.
Investment Manager:	MCM is the investment manager of the Trust. MCM is one of the largest managers of covered call option funds in Canada. MCM is an employee-owned investment counsellor which manages, in addition to the Mulvihill family of funds, investments for numerous pension and endowment funds and for individuals having a significant net worth. MCM's total assets under management exceed $3 billion. See ''Management of the Trust — The Investment Manager''.
Manager:	Mulvihill is the Manager of the Trust and is responsible for providing or arranging for the provision of administrative services required by the Trust. See ''Management of the Trust — The Manager''.
Trustee:	The Royal Trust Company is the trustee of the Trust, acts as custodian of the assets of the Trust and is responsible for certain aspects of the day-to-day administration of the Trust. See ''Management of the Trust — The Trustee''.

Risk Factors

An investment in Units is subject to certain risk factors, including:

(i) NAV per Unit will vary as the value of the securities in the Financial Portfolio varies;

(ii) all of the securities held in the Financial Portfolio will be securities of companies in the financial services and life insurance industries and as a result, the Trust's holdings will not be diversified;

(iii) the fact that the amount of dividends, distributions and option premiums received by the Trust and the value of the securities comprising the Financial Portfolio will be influenced by factors beyond the Trust's control means that there are no assurances that the Trust will be able to achieve its stated investment goals of paying quarterly cash distributions and returning the original issue price of Units offered hereunder to Unitholders upon termination of the Trust;

(iv) fluctuations in prevailing interest rates;

(v) liquidity and counterparty risks associated with the writing of covered call options and cash covered put options;

(vi) the Units may trade at a discount to NAV;

(vii) the Trust's reliance on its investment manager, MCM;

(viii) counterparty risks associated with securities lending;

(ix) the risk that the Trust may lose its status as a mutual fund trust; and

(x) the fact that the Trust is relying on CRA's published administrative practice regarding the manner in which the Trust will treat the dispositions of securities and option transactions for tax purposes and that no advance income tax ruling in respect thereof has been requested or received.

See ''Risk Factors''.

Canadian Federal Income Tax Considerations

The Trust will designate to the extent permitted by the Act the portion of the net income distributed to Unitholders as may reasonably be considered to consist of net realized taxable capital gains of the Trust, net of realized capital losses and net capital loss carry forwards, and the taxable dividends received, or deemed to be received, by the Trust on shares of taxable Canadian corporations. Any such designated amount will be deemed for purposes of the Act to be received or realized by Unitholders in the year as a taxable capital gain or taxable dividend from a taxable Canadian corporation, as the case may be. To the extent that amounts are designated as taxable dividends from taxable Canadian corporations, the normal gross-up and dividend tax credit rules will apply. Any loss of the Trust for purposes of the Tax Act cannot be allocated to, and cannot be treated as the loss of, a Unitholder.

In determining its income for tax purposes, the Trust intends, in accordance with CRA's published administrative practice, to treat gains and losses realized on the disposition of securities in the Financial Portfolio, option premiums received on the writing of covered call options and cash covered put options (and which are not exercised prior to the end of the year) and any losses sustained on closing out such options, as capital gains and capital losses.

Under the Tax Act, a trust is permitted to deduct in computing its income an amount which is less than the amount of its distributions. This will enable the Trust to utilize, in a particular year, losses from prior years without affecting the ability of the Trust to distribute its income annually. The amount distributed to a Unitholder but not deducted by the Trust will not be required to be included in the income of the Unitholder. However, unless such amount relates to the non-taxable portion of capital gains, the taxable portion of which has been allocated to the Unitholder, the adjusted cost base of the Unitholder's Units would be reduced by such amount.

A Unitholder who disposes of Units held as capital property (on redemption or otherwise) will realize a capital gain to the extent that the proceeds of disposition exceed the adjusted cost base of the Units and any reasonable costs of disposition.

For a detailed explanation of the Canadian federal income tax considerations, see ''Canadian Federal Income Tax Considerations''.

Summary Of Fees And Expenses Payable By The Trust

The following table contains a summary of the fees and expenses payable by the Trust. For further particulars, see ‘‘Fees and Expenses’’.

Type of Charge	Description
Fees payable to the Agents for selling Units	$0.805 per Unit
Expenses of issue	The Trust will pay the expenses incurred in connection with the offering of Units by the Trust (estimated to be $750,000 subject to a maximum of 1.5% of the gross proceeds of the offering).
Fee payable to MCM for acting as investment manager of the Trust	Annual rate of 1.0% of the Trust’s NAV calculated and payable monthly, plus applicable taxes.
Fee payable to Mulvihill for acting as manager of the Trust	Annual rate of 0.10% of the Trust’s NAV calculated and payable monthly, plus applicable taxes.
Operating expenses of the Trust	The Trust will pay all ordinary expenses incurred in connection with its operation and administration, estimated to be $250,000 per annum. The Trust will also be responsible for commissions and other costs of securities transactions and any extraordinary expenses which may be incurred by it from time to time.
Service Fee	The Trust will pay a service fee (the ‘‘Service Fee’’) which will be paid to each dealer whose clients hold Units. The Service Fee will be calculated and paid at the end of each calendar quarter and will be equal to 0.30% annually of the net asset value of the Units held by clients of the dealer.

GLOSSARY

Black-Scholes Model a widely used option pricing model developed by Fischer Black and Myron Scholes in 1973. The model can be used to calculate the theoretical value of an option based on the current price of the underlying security, the strike price and term of the option, prevailing interest rates and the volatility of the price of the underlying security.

business day any day on which the Toronto Stock Exchange is open for business.

call option the right, but not the obligation, of the option holder to buy a security from the seller of the option at a specified price at any time during a specified time period or at expiry.

cash covered put option a put option entered into in circumstances where the seller of the put option holds cash equivalents or other acceptable cash cover (as defined in NI 81-102) sufficient to acquire the securities underlying the option at the strike price throughout the term of the option.

cash equivalents means, and for the purposes of ‘‘cash cover’’ and ‘‘cash covered put option’’, ‘‘cash’’ as used therein means:

(a) cash on deposit at the Trust’s custodian; or

(b) an evidence of indebtedness that has a remaining term to maturity of 365 days or less and that is issued, or fully and unconditionally guaranteed as to principal and interest, by:

(i) any of the Federal or Provincial Governments of Canada; or

(ii) the Government of the United States; or

(iii) a Canadian financial institution;

provided that, in the case of (ii) and (iii), such evidence of indebtedness has a rating of at least R-1 (mid) by Dominion Bond Rating Service Limited or the equivalent rating from another approved rating organization; or

(c) other cash cover as defined in NI 81-102.

covered call option a call option entered into in circumstances where the seller of the call option holds the underlying security throughout the term of the option.

in-the-money in relation to a call option, means a call option with a strike price less than the current market price of the underlying security and, in relation to a put option, means a put option with a strike price greater than the current market price of the underlying security.

NAV per Unit the NAV of the Trust divided by the number of Units then outstanding.

Net Asset Value or NAV the net asset value of the Trust which, on any date, will be equal to the difference between the aggregate value of the assets of the Trust and the aggregate value of the liabilities of the Trust on that date. See ‘‘Redemption of Units — Net Asset Value’’.

NI 81-102 National Instrument 81-102 of the Canadian Securities Administrators (or any successor policy, rule or national instrument), as it may be amended from time to time.

option premium the purchase price of an option.

out-of-the-money in relation to a call option, means a call option with a strike price greater than the current market price of the underlying security and, in relation to a put option, means a put option with a strike price less than the current market price of the underlying security.

probability a numerical measure, generally expressed as a percentage, of the likelihood that an event will occur.

put option the right, but not the obligation, of the option holder to sell a security to the seller of the option at a specified price at anytime during a specified time period or at expiry.

Tax Act	means the *Income Tax Act* (Canada).
strike price	in relation to a call option, means the price specified in the option that must be paid by the option holder to acquire the underlying security or, in relation to a put option, the price at which the option holder may sell the underlying security.
volatility	in respect of the price of a security, is a numerical measure of the tendency of the price to vary over time.
$	means Canadian dollars unless otherwise indicated.

THE TRUST

Top 10 Canadian Financial Trust (the ''Trust''), formerly Digital World Trust, is an investment trust established under the laws of the Province of Ontario pursuant to a trust agreement dated as of February 15, 2000, as amended on August 2, 2005 (the ''Trust Agreement'') between Mulvihill Fund Services Inc. (''Mulvihill''), as manager, and The Royal Trust Company (the ''Trustee''), as trustee. Mulvihill is a wholly-owned subsidiary of Mulvihill Capital Management Inc. (''MCM''), the Trust's investment manager. See ''Management of the Trust''.

The principal office of the Trust, of Mulvihill and of MCM is located at 121 King Street West, Standard Life Centre, Suite 2600, Toronto, Ontario, M5H 3T9.

Background to and Restructuring of the Trust

At a meeting of Unitholders on August 2, 2005, Unitholders approved the proposal described below and the Trust changed its name to Top 10 Canadian Financial Trust. The Trust previously invested in a diversified portfolio consisting principally of common shares issued by leading ''digitally based'' companies operating in the Telecommunications Services, Telecommunication Equipment Supplier, Enabling Hardware and Software and Related Digital Commerce, Services and Products sectors. As a result of the significant decline in the value of technology stocks since April 2000, the NAV of the Trust declined to approximately $15 million and the Trust accumulated approximately $65.8 million of capital losses since its inception. In an effort to provide the Trust with the ability to grow in size, increase in value and utilize these tax losses, Unitholders were asked to consider and vote upon a proposal to reposition the Trust and its portfolio. In addition, Mulvihill and MCM agreed to reduce their fees from a total of 1.20% to 1.10% per annum of the Trust's NAV from and after August 2, 2005.

Under the proposal, the Trust:

- amended its investment strategy and investment restrictions. The Trust now invests exclusively in the six largest Canadian banks and the four largest Canadian life insurance companies by market capitalization;
- amended its investment objectives. The Trust's new investment objectives are to provide Unitholders with a stable stream of quarterly cash distributions targeted to be 7.5% per annum on the NAV of the Trust and to return the NAV per Unit as of August 2, 2005 (on a post-consolidated basis) of $15.60 to Unitholders upon termination of the Trust on December 31, 2010;
- extended the termination date of the Trust to December 31, 2010 from December 31, 2009;
- consolidated the outstanding Units of the Trust on a 5 to 1 basis;
- may issue additional Units on a non-dilutive basis; and
- will pay an annual service fee of 0.30% of NAV provided the Trust completes this offering.

Status of the Trust

While the Trust is technically considered to be a mutual fund under the securities legislation of certain provinces of Canada, the Trust is not a conventional mutual fund and has been exempted from certain requirements of NI 81-102.

The Trust differs from a conventional mutual fund in a number of respects, most notably as follows: (i) the units of the Trust (the ''Units'') are redeemable monthly whereas the securities of most conventional mutual funds are redeemable daily; (ii) the securities of most conventional mutual funds do not have stock exchange listings; and (iii) unlike most conventional mutual funds, the Units will not be offered on a continuous basis.

INVESTMENTS OF THE TRUST

Investment Goals

The Trust has established the following investment goals in connection with the offering of Units hereunder:

(i) to provide unitholders of the Trust (''Unitholders'') with tax-efficient quarterly cash distributions in an amount targeted to be 7.5% per annum on the net asset value (''NAV'') of the Trust; and

(ii) to return the original issue price of the Units offered hereunder to Unitholders upon termination of the Trust on December 31, 2010 (the ''Termination Date'').

These goals are in addition to the Trust's investment objectives set forth below under ''— Investment Objectives''. Based upon the existing capital loss carry forwards available to the Trust, the Trust expects that all of the quarterly cash distributions payable by it over the life of the Trust will be return of capital distributions that are generally not subject to tax (returns of capital reduce the adjusted cost base of Units). Accordingly, these distributions are intended to be tax efficient when compared to those made on units of a trust that depends solely on capital gains, interest, dividends and/or other sources of investment income (net of expenses, losses and loss carryforwards) to pay distributions. See ''Canadian Federal Income Tax Considerations''.

Investment Objectives

The Trust's investment objectives are:

(i) to provide unitholders of the Trust (''Unitholders'') with a stable stream of quarterly cash distributions in an amount targeted to be 7.5% per annum on the net asset value (''NAV'') of the Trust; and

(ii) to return the NAV per Unit as of August 2, 2005 (on a post-consolidated basis) of $15.60 to Unitholders upon termination of the Trust on December 31, 2010 (the ''Termination Date'').

Investment Strategy

The Trust will invest the net proceeds of this offering exclusively in securities of: (i) the six largest Canadian banks and (ii) the four largest Canadian life insurance companies (the ''Financial Portfolio''). The Trust will generally invest not less than 5% and not more than 15% of the Trust's assets in each of the companies in the Financial Portfolio.

The Financial Portfolio currently includes the common shares of the following issuers:

Banks	**Life Insurance Companies**
Bank of Montreal	Great-West Lifeco Inc.
The Bank of Nova Scotia	Industrial Alliance Insurance and Financial Services Inc.
Canadian Imperial Bank of Commerce	Manulife Financial Corporation
National Bank of Canada	Sun Life Financial Inc.
Royal Bank of Canada	
The Toronto-Dominion Bank	

Pending completion of the offering, the Trust will hold its assets in cash and cash equivalents. The Financial Portfolio will be actively managed by MCM, the Trust's investment manager. To generate additional returns above the dividend income earned on the Financial Portfolio, the Trust will, from time to time, write covered call options in respect of all or part of the securities in the Financial Portfolio. In addition, the Trust may hold a portion of its assets in cash equivalents which may be used to provide cover in respect of the writing of cash covered put options in respect of securities in which the Trust is permitted to invest. The composition of the Financial Portfolio, the securities which are subject to call options and put options and the terms of such options will vary, from time to time, based upon MCM's assessment of market conditions.

Investment Criteria

The Trust is subject to certain investment criteria that, among other things, limit the common shares and other securities the Trust may acquire to comprise the Financial Portfolio. The Trust's investment criteria may not be changed without the approval of the Unitholders by a two-thirds majority vote at a meeting called for such purpose. See

‘‘Unitholder Matters — Acts Requiring Unitholder Approval’’. The Trust’s investment criteria provides that the Trust may:

(i) purchase securities of an issuer only if such securities are common equity securities of issuers included in the Financial Portfolio. The Trust will generally invest not less than 5% and not more than 15% of the Trust’s assets in the securities of each issuer in the Financial Portfolio;

(ii) not purchase equity securities of issuers other than those permitted under paragraph (i) and may only purchase debt securities if such securities are cash equivalents;

(iii) write a call option in respect of any security only if such security is actually held by the Trust at the time the option is written;

(iv) not dispose of any security included in the Financial Portfolio that is subject to a call option written by the Trust unless such option has either terminated or expired;

(v) write put options in respect of any security only if (a) the Trust is permitted to invest in such security, and (b) so long as the options are exercisable, the Trust continues to hold cash equivalents sufficient to acquire the securities underlying the options at the aggregate strike price of such options;

(vi) reduce the total amount of cash equivalents held by the Trust, only if the total amount of cash equivalents held by the Trust remains an amount not less than the aggregate strike price of all outstanding put options written by the Trust;

(vii) not enter into any arrangement (including the acquisition of securities for the Financial Portfolio and the writing of covered call options in respect thereof) where the result is a dividend rental arrangement for the purposes of the Tax Act;

(viii) purchase put options on individual securities in the Financial Portfolio or exchange-traded indexed put options and purchase call options and put options with the effect of closing out existing call options and put options written on the Trust;

(ix) purchase derivatives or enter into derivatives or other transactions to facilitate achieving the investment objectives of the Trust;

(x) not make or hold any investment that would result in more than 10% (by fair market value) of the Trust’s property being ‘‘taxable Canadian property’’ or other ‘‘specified property’’ as described in proposed amendments to the Tax Act released by the Minister of Finance (Canada) on September 16, 2004; and

(xi) not make or hold any investments that would result in the Trust failing to qualify as a ‘‘mutual fund trust’’ or a ‘‘unit trust’’ within the meaning of the Tax Act.

Use of Other Derivative Instruments

The Trust may purchase put options on individual securities in the Financial Portfolio or exchange-traded indexed put options in order to protect the Trust from declines in the market prices of the individual securities in the Financial Portfolio or in the value of the Financial Portfolio as a whole. The Trust may enter into trades to close out positions in such permitted derivatives. In addition to writing covered call options and cash covered put options, and to the extent permitted by Canadian securities regulators from time to time, the Trust may purchase call options and put options with the effect of closing out existing call options and put options written by the Trust.

Securities Lending

In order to generate additional returns, the Trust may lend Financial Portfolio securities to securities borrowers acceptable to the Trust pursuant to the terms of a securities lending agreement between the Trust and any such borrower (a ‘‘Securities Lending Agreement’’). Under a Securities Lending Agreement: (i) the borrower will pay to the Trust a negotiated securities lending fee and will make compensation payments to the Trust equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as ‘‘securities lending arrangements’’ for the purposes of the Tax Act; and (iii) the Trust will receive prescribed collateral security. Any securities lending by the Trust will be done in accordance with NI 81-102.

FINANCIAL PORTFOLIO INVESTMENTS

The Trust will invest, as soon as possible after closing of this offering, the net proceeds of this offering in accordance with the Trust's investment objectives, strategy and criteria. To enhance returns to the Trust, MCM may, from time to time, adjust the composition of, and relative weightings within, the Financial Portfolio. See ''Investments of the Trust''.

The Financial Portfolio

The tables below set out, as at September 23, 2005, the following information for each entity whose securities are included in the Financial Portfolio: name, market capitalization, dividend yield, the average 30-day volatility and the 5-year price compound annual growth rate.

	Market Capitalization ($CAD Million)	Dividend Yield	30-Day Price Volatility	5-Year Price CAGR
Banks				
Bank of Montreal	29,819.50	3.34%	12.69%	12.03%
The Bank of Nova Scotia	42,771.02	3.20%	9.11%	15.13%
Canadian Imperial Bank of Commerce	24,602.36	3.66%	11.01%	8.83%
National Bank of Canada	10,126.97	2.92%	13.84%	20.27%
Royal Bank of Canada	54,723.84	3.05%	17.28%	12.31%
The Toronto-Dominion Bank	40,588.73	2.95%	8.89%	5.55%
Life Insurance Companies				
Great-West Lifeco Inc.	25,760.62	2.93%	16.11%	13.45%
Industrial Alliance Insurance and Financial Services Inc.	2,303.62	1.75%	16.15%	12.45%
Manulife Financial Corporation	48,971.43	1.97%	12.72%	14.62%
Sun Life Financial Inc.	25,139.60	2.39%	11.61%	6.55%

Voting Rights in the Financial Portfolio

Holders of Units will have no voting rights in respect of the securities comprising the Financial Portfolio. Such securities will be voted in accordance with the proxy voting policy of the Trust described below.

Proxy Voting Policy

The Trust has adopted the following proxy guidelines (the ''Proxy Guidelines'') with respect to the voting of proxies received by it relating to voting securities held by the Trust:

(a) *Auditors:* The Trust will vote for proposals to ratify auditors except where non-audit-related fees paid to such auditors exceed audit-related fees.

(b) *Board of Directors:* The Trust will vote for nominees of management on a case-by-case basis, examining the following factors: independence of the board and key board committees, attendance at board meetings, corporate governance positions, takeover activity, long-term company performance, excessive executive compensation, responsiveness to shareholder proposals and any egregious board actions. The Trust will withhold voting for any nominee who is an insider and sits on the audit committee or the compensation committee. The Trust will also withhold support for those individual nominees who have attended less than 75% of the board meetings held within the past year without a valid excuse for these absences.

(c)	*Compensation Plans:*	The Trust will vote on matters dealing with share-based compensation plans on a case-by-case basis. The Trust will review share-based compensation plans with a primary focus on the transfer of shareholder wealth. The Trust will generally vote for compensation plans only where the cost is within the industry maximum except where (i) participation by outsiders is discretionary or excessive or the plan does not include reasonable limits on participation or (ii) the plan provides for option re-pricing without shareholder approval. The Trust will also vote against any proposals to reprice options.
(d)	*Management Compensation:*	The Trust will vote on employee stock purchase plan (''ESPPs'') on a case-by-case basis. The Trust will generally vote for broadly based ESPPs where all of the following apply: (i) there is a limit on employee contribution; (ii) the purchase price is at least 85% of fair market value; (iii) there is no discount purchase price with maximum employer contribution of up to 25% of employee contribution; (iv) the offering period is 27 months or less; and (v) potential dilution is 10% of outstanding securities or less. The Trust will also vote on a case-by-case basis for shareholder proposals targeting executive and director pay, taking into account the issuer's performance, absolute and relative pay levels as well as the wording of the proposal itself. The Trust will generally vote for shareholder proposals requesting that the issuer expense options or that the exercise of some, but not all options be tied to the achievement of performance hurdles.
(e)	*Capital Structure:*	The Trust will vote on proposals to increase the number of securities of an issuer authorized for issuance on a case-by-case basis. The Trust will vote for proposals to approve increases where the issuer's securities are in danger of being delisted or if the issuer's ability to continue to operate is uncertain. The Trust will vote against proposals to approve unlimited capital authorization.
(f)	*Constating Documents:*	The Trust will generally vote for changes to constating documents which are necessary and can be classified as ''housekeeping''. The following amendments will be opposed: (i) the quorum for a meeting of shareholders is set below two persons holding 25% of the eligible vote (this may be reduced in the case of a small organization where it clearly has difficulty achieving quorum at a higher level, but the Trust will oppose any quorum below 10%); (ii) the quorum for a meeting of directors should not be less than 50% of the number of directors; and (iii) the chair of the board has a casting vote in the event of a deadlock at a meeting of directors if that chair is not an independent director.

The Proxy Guidelines also include policies and procedures pursuant to which the Trust will determine how to cause proxies to be voted on other non-routine matters including shareholder rights plans, proxy contests, mergers and restructurings and social and environmental issues.

The Trust will retain Institutional Shareholder Services Canada Corp. to administer and implement the Proxy Guidelines for the Trust.

COVERED OPTION WRITING

General

The writing of call options by the Trust will involve the selling of call options in respect of some or all of the securities in the Financial Portfolio. Such call options may be either exchange traded options or over-the-counter options. Because call options will be written only in respect of securities that are in the Financial Portfolio and because the investment criteria of the Trust prohibit the sale of securities subject to an outstanding option, the call options will be covered at all times.

The holder of a call option purchased from the Trust will have the option, exercisable during a specific time period or at expiry, to purchase the securities underlying the option from the Trust at the strike price per security. By selling call options, the Trust will receive option premiums, which are generally paid within one business day of the writing of the option. If at any time during the term of a call option or at expiry, the market price of the underlying securities is above the strike price, the holder of the option may exercise the option and the Trust will be obligated to sell the securities to the holder at the strike price per security. Alternatively, the Trust may repurchase a call option which is in-the-money by paying the market value of the call option. If, however, the option is out-of-the-money at expiration of the call option, the holder of the option will likely not exercise the option and the option will expire. In each case, the Trust will retain the option premium. See ''Call Option Pricing'' below.

The amount of option premium depends upon, among other factors, the volatility of the price of the underlying security. The higher the volatility, the higher the option premium. In addition, the amount of the option premium will depend upon the difference between the strike price of the option and the market price of the underlying security at the time the option is written. The smaller the positive difference (or the larger the negative difference), the more likely it is that the option will become in-the-money during the term and, accordingly, the greater the option premium. See ''Call Option Pricing'' below.

If a call option is written on a security in the Financial Portfolio, the amounts that the Trust will be able to realize on the security during the term of the call option will be limited to the dividends received during such period plus an amount equal to the sum of the strike price and the premium received from writing the option. In essence, the Trust will forgo potential returns resulting from any price appreciation of the security underlying the option above the strike price in favour of the certainty of receiving the option premium.

Call Option Pricing

Many investors and financial market professionals price call options based on the Black-Scholes Model. In practice, however, actual option premiums are determined in the marketplace and there can be no assurance that the values generated by the Black-Scholes Model can be attained in the market.

Under the Black-Scholes Model (modified to include dividends), the primary factors which affect the option premium received by the seller of a call option are the following:

the volatility of the price of the underlying security	the volatility of the price of a security measures the tendency of the price of the security to vary during a specified period. The higher the price volatility, the more likely that the price of that security will fluctuate (either positively or negatively) and the greater the option premium. Price volatility is generally measured in percentage terms on an annualized basis, based on price changes during a period of time immediately prior to or ''trailing'' the date of calculation.
the difference between the strike price and the market price of the underlying security at the time the option is written	the smaller the positive difference (or the larger the negative difference), the greater the option premium.
the term of the option	the longer the term, the greater the call option premium.
the ''risk-free'' or benchmark interest rate in the market in which the option is issued	the higher the risk-free interest rate, the greater the call option premium.
the dividends expected to be paid on the underlying security during the relevant term	the greater the dividends, the lower the call option premium.

Sensitivity Analysis Relating to Option Premium

The table below illustrates the sensitivity of annualized option premiums from writing call options on securities to: (i) the average volatility of securities; and (ii) the excess of the strike price over the market price of securities expressed as a percentage of such market price at the time the options on the securities are written (or percentage out-of-the-money). The option premiums are expressed as a percentage and have been calculated using a Black-Scholes Model (modified to include dividends) based on the following assumptions:

1. the range of volatility shown in the table approximates the range of the historical average volatility of securities in the Financial Portfolio;

2. all options are exercisable at maturity and are written at the same percentage out-of-the-money;
3. all options have a term of 30-days (for illustrative purposes only — this assumption is not necessarily indicative of the extent to which options will be written by the Trust);
4. the Canadian risk-free or benchmark interest rate equals 2.43%; and
5. the average return from the dividends paid on the securities comprising the Financial Portfolio is 2.82%.

ANNUALIZED PREMIUMS FROM WRITING COVERED CALL OPTIONS (MEASURED AS A % RETURN)

Average Volatility Of The Individual Stocks In The Financial Portfolio

		10%	12%	14%	16%	18%	20%	22%	24%	26%
	2%	4.8%	7.1%	9.4%	11.9%	14.4%	17.0%	19.6%	22.2%	24.9%
% Out-Of-The-Money	**1%**	8.4%	11.0%	13.6%	16.3%	18.9%	21.6%	24.3%	27.0%	29.8%
	0%	13.5%	16.2%	18.9%	21.7%	24.4%	27.1%	29.9%	32.6%	35.3%

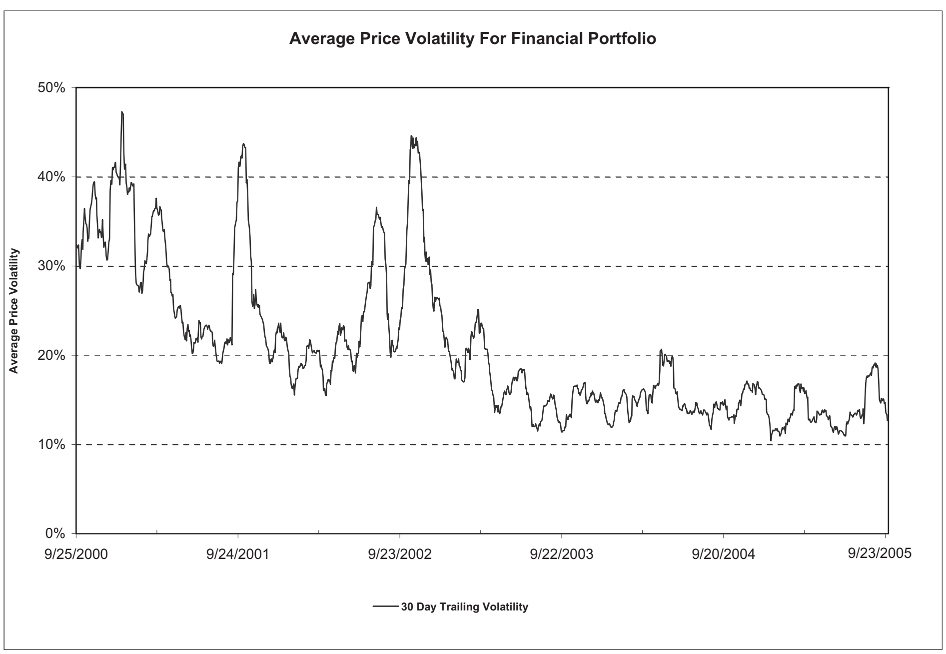
The composition of the Financial Portfolio, the securities which may be subject to call options and put options and the terms of such options will vary from time to time, based on MCM's assessment of the market conditions. See ''Investments of the Trust''.

Volatility History

The historical average, low, high and current value of the trailing 30-day volatility (expressed in percentages on an annualized basis) for all of the securities in the Financial Portfolio for the 5 years ended September 23, 2005 is as follows:

5 Year Volatility

	Average	Low	High	Current
Financial Portfolio	20.87%	10.43%	47.29%	12.94%



The information set forth above is historical and is not intended to be, nor should it be construed as, an indication as to future volatility levels of the securities in the Financial Portfolio.

Sensitivity Analysis

Based on the assumptions set out below, and maintenance of a constant Financial Portfolio NAV by assuming no gains or losses in the underlying Financial Portfolio securities at the expiration of the option, the following represents the percentage of the Trust's Financial Portfolio against which covered call options would need to be written at different volatility levels to pay the targeted distribution of 7.5% per annum on the NAV of the Trust:

1. the net proceeds from the offering are $141.75 million;
2. distributions on the Units are 7.5% per annum on the NAV of the Trust;
3. the range of volatility shown in the table approximates the range of the historical average volatility of the securities in the Financial Portfolio;
4. all call options are exercisable at maturity and are written at the same percentage out-of-the-money;
5. all securities comprising the Financial Portfolio are subject to 30-day call options throughout the relevant period (for illustrative purposes only — this assumption is not necessarily indicative of the extent to which covered call options will be written by the Trust);
6. the Canadian risk-free or benchmark interest rate equals 2.43%;
7. the average return from the dividends paid on the securities in the Financial Portfolio is 2.82%; and
8. annual expenses (ordinary and extraordinary) for the Trust are $250,000, plus the fees payable to MCM and Mulvihill, which total 1.10% of total assets of the Trust, plus applicable tax.

% Of Financial Portfolio Required To Be Written To Achieve Target Distribution of 7.5%
(Net of Fees and Expenses)

Average Volatility Of The Individual Stocks In The Financial Portfolio

		10%	12%	14%	16%	18%	20%	22%	24%	26%
	2%	134.1%	103.8%	83.7%	69.7%	59.5%	51.8%	45.8%	41.0%	37.1%
% Out-Of-The-Money	**1%**	91.7%	74.4%	62.5%	53.8%	47.1%	41.9%	37.8%	34.3%	31.5%
	0%	63.0%	53.9%	47.2%	41.9%	37.7%	34.3%	31.4%	29.0%	26.9%

Utilization of Cash Equivalents

The Trust may, from time to time, hold a portion of its assets in cash equivalents. The Trust may also, from time to time, utilize such cash equivalents to provide cover in respect of the writing of cash covered put options, which is intended to generate additional returns and to reduce the net cost of acquiring the securities subject to the put options. Such cash covered put options will only be written in respect of securities in which the Trust is permitted to invest. See ''Investments of the Trust — Investment Criteria''.

The holder of a put option purchased from the Trust will have the option, exercisable during a specific time period or at expiry, to sell the securities underlying the option to the Trust at the strike price per security. By selling put options, the Trust will receive option premiums, which are generally paid within one business day of the writing of the option. The Trust however, must maintain cash equivalents in an amount at least equal to the aggregate strike price of all securities underlying the outstanding put options which it has written. If at any time during the term of a put option or at expiry, the market price of the underlying securities is below the strike price, the holder of the option may exercise the option and the Trust will be obligated to buy the securities from the holder at the strike price per security. In such case, the Trust will be obligated to acquire a security at a strike price which may exceed the then current market value of such security. If, however, the option is out-of-the-money at the expiration of the put option, the holder of the option will likely not exercise the option and the option will expire. In each case, the Trust will retain the option premium.

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 including, without limitation: authorizing the payment of operating expenses incurred on behalf of the Trust; preparing financial statements and financial and accounting information as required by the Trust; ensuring that Unitholders are provided with financial statements (including interim and annual financial statements) and other reports as are required by applicable law from time to time; ensuring that the Trust complies with regulatory requirements and applicable stock exchange listing requirements; preparing the Trust's reports to Unitholders and the Canadian securities regulatory authorities; providing the Trustee with information and reports necessary for it to fulfil its fiduciary responsibilities; determining the amount of distributions to be made by the Trust; and negotiating contractual agreements with third-party providers of services, including registrars, transfer agents, auditors and printers.

Mulvihill is a wholly-owned subsidiary of MCM.

Mulvihill shall exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of Unitholders, and in connection therewith, shall exercise the degree of care, diligence and skill that a reasonably prudent manager would exercise in similar circumstances.

Mulvihill may resign as manager of the Trust upon 60 days' notice to the Trust and to the Unitholders or upon such lesser notice period as the Trustee may accept. If Mulvihill resigns it may appoint its successor but, unless its successor is an affiliate of Mulvihill, its successor must be approved by Unitholders. 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.

Mulvihill is entitled to fees for its services under the Trust Agreement as described under ''Fees and Expenses'' and will be 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 wilful misconduct, bad faith, negligence or breach of its obligations under the Trust Agreement.

The management services of Mulvihill under the Trust Agreement are not exclusive and nothing in the Trust Agreement prevents Mulvihill from providing similar management services to other investment funds and other clients (whether or not their investment objectives and policies are similar to those of the Trust) or from engaging in other activities.

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

Name and Municipality of Residence	Office
JOHN P. MULVIHILL Toronto, Ontario	Chairman, President, Secretary and Director
SHEILA S. SZELA Toronto, Ontario	Treasurer and Director
JOHN H. SIMPSON Toronto, Ontario	Director

The Investment Manager

MCM will manage 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, 2000 as amended on August 2, 2005.

MCM was incorporated in 1984 by The Canada Trust Company under the name CT Investment Counsel Inc. (''CTIC'') to manage the institutional pension fund business of The Canada Trust Company. In 1985, The Canada Trust Company and The Canada Permanent Trust Company amalgamated resulting in all of the pension assets managed by The Canada Permanent Trust Company being transferred to CTIC management. In addition, the investment professionals of The Canada Permanent Trust Company joined the CTIC team.

In February 1995, John P. Mulvihill purchased 100% of CTIC from The Canada Trust Company and changed CTIC's name to Mulvihill Capital Management Inc. During 1995, MCM also established a wealth management division headed by John H. Simpson, who joined the firm from Fidelity Investments Canada Limited.

MCM is the portfolio manager of the following funds which have completed prospectus offerings of shares or units in the respective amounts indicated: First Premium Income Trust ($165 million), Premium Income Corporation ($501 million), First Premium U.S. Income Trust ($335 million), First Premium Oil and Gas Income Trust ($54.7 million), MCM Split Share Corp. ($189.7 million), Global Telecom Split Share Corp. ($170 million), Sixty Plus Income Trust ($100 million), Global Plus Income Trust ($121 million), Top 10 Canadian Financial Trust (formerly Digital World Trust) ($122.7 million), Pro-AMS U.S. Trust ($570.5 million), Pro-AMS Trust ($1.13 billion), Mulvihill Pro-AMS 100^{PLUS} (Cdn$) Trust ($178.1 million), Mulvihill Pro-AMS 100^{PLUS} (US$) Trust (U.S.$37.4 million), Mulvihill Pro-AMS RSP Split Share Corp. ($105 million) and World Financial Split Corp. ($471.2 million).

MCM is an employee-owned investment counsellor which, in addition to its management of the Mulvihill family of funds, manages investments for numerous pension and endowment funds and investment portfolios of individuals having a significant net worth. MCM's total assets under management exceed $3 billion.

Directors and Officers of MCM

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

Name and Municipality of Residence	Office
JOHN P. MULVIHILL Toronto, Ontario	Chairman, President and Director
DONALD BIGGS Ancaster, Ontario	Vice-President
JOHN A. BOYD Toronto, Ontario	Vice-President
MARK CARPANI Toronto, Ontario	Vice-President, Fixed Income
PAUL MEYER Toronto, Ontario	Vice-President, Equities
JOHN H. SIMPSON Toronto, Ontario	Senior Vice-President
SHEILA S. SZELA Toronto, Ontario	Vice-President, Finance and Chief Financial Officer
JACK WAY Toronto, Ontario	Vice-President, Equities

Except as indicated below, each of the foregoing has held his or her current office or has held a similar office in MCM during the five years preceding the date hereof.

Prior to re-joining MCM, Mr. Carpani was Vice-President, Portfolio/Risk Manager from 1998 to 1999 and then Senior Vice-President, Chief Operating Officer of Reinsurance Group of America, Financial Products. Prior to joining MCM, Ms. Szela was at Deloitte & Touche LLP from January 1997 to May 2002. She was a Senior Manager, Assurance and Advisory Services at Deloitte & Touche LLP from September 2000 to May 2002, and a Manager, Assurance and Advisory Services prior to August 2000.

The team of individuals responsible for investment management at MCM all have significant experience in managing investment portfolios. The officers of MCM who will primarily be responsible for the management of the Trust's portfolio are John P. Mulvihill and Donald Biggs. Also assisting in the management of the investment portfolios are: Jennifer Zabanah, Paul Meyer, Jack Way, Sheila Szela, John Germain, Jeff Dobson and Dylan D'Costa.

John P. Mulvihill, Chairman of MCM, is the senior portfolio manager of MCM and has over 30 years of investment management experience. Prior to purchasing CTIC from The Canada Trust Company in 1995, Mr. Mulvihill had been Chairman of CTIC since 1988. At CTIC he had primary responsibility for the asset allocation and portfolio management of CTIC's pension and mutual fund assets.

Jennifer Zabanah, prior to joining MCM in June 1997, had been employed from 1988 at The Canada Trust Company. For the last three years of her employment at The Canada Trust Company, she was a member of the Capital Markets Group and was a Risk Position Portfolio Manager at the time of her departure. In this capacity, she worked extensively with options and other derivative instruments.

Paul Meyer has been with MCM since September 1990 and is currently a Portfolio Manager and member of the Equity Team. Paul is a key member of the portfolio management group at MCM and has investment experience in the Canadian, U.S. and ADR markets.

Jack Way has been with MCM since August 1998 and brings an extensive background in asset management with over 23 years of experience as an investment manager of which the past eight years were spent working in the U.S. market.

John Germain has been with MCM and the Structured Products Team since March 1997. Prior to joining MCM, he had been employed at Merrill Lynch Canada Inc. since 1992. For the last two years of his employment at Merrill Lynch Canada Inc., he was a member of the Fixed Income Trading Group.

Jeff Dobson joined MCM in April 2001 after nearly 16 years at Scotia Capital. He brings extensive experience in portfolio management, especially in the use of equity options. His most recent position prior to joining MCM was managing a portfolio of volatility comprised of equity options, their underlying stocks, as well as, equity index derivatives.

Donald Biggs, Vice-President of MCM, has extensive experience in managing derivative instruments. Prior to joining MCM, Mr. Biggs was Vice-President, Bonds and Cash Management at OMERS where he had overall responsibility for Derivative Products.

Sheila S. Szela, Vice-President, Finance and Chief Financial Officer, joined MCM in June 2002. For the 5½ years prior to joining MCM, Ms. Szela worked with Deloitte & Touche LLP where she was most recently Senior Manager in their financial services group. Ms. Szela is a chartered accountant and CFA.

Dylan D'Costa, has been with MCM and the Structured Products Team since January 2001 where he has worked extensively on valuing, pricing and trading equity options. Prior to joining MCM, he had been employed at CIBC Mellon where he worked with the valuations group.

Ownership of MCM

MCM is controlled by John P. Mulvihill.

Investment Management Agreement

The services to be provided by MCM pursuant to the Investment Management Agreement will include making all investment decisions for the Trust and managing the call option writing and put option writing of the Trust, all in accordance with the investment objectives, strategy and criteria of the Trust. Decisions as to the purchase and sale of securities and as to the execution of all portfolio and other transactions will be made by MCM. In the purchase and sale of securities for the Trust and the writing of option contracts, MCM will seek to obtain overall services and prompt execution of orders on favourable terms.

Under the Investment Management Agreement, MCM is required to act at all times on a basis which is fair and reasonable to the Trust, to act honestly and in good faith with a view to the best interests of the Unitholders of the Trust and, in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent portfolio manager would exercise in comparable circumstances. The Investment Management Agreement provides that MCM shall not be liable in any way for any default, failure or defect in any of the securities of the Trust, nor shall it be liable if it has satisfied the duties and standard of care, diligence and skill set forth above. MCM will, however, incur liability in cases of wilful misfeasance, bad faith, negligence or breach of its obligations under the Investment Management Agreement.

The Investment Management Agreement, unless terminated as described below, will continue in effect until the termination of the Trust on December 31, 2010. The Trustee may terminate the Investment Management Agreement if MCM has committed certain events of bankruptcy or insolvency or is in material breach or default of the provisions thereof and such breach has not been cured within 30 days after notice thereof has been given to MCM by the Trustee. Except as described above, MCM cannot be terminated as investment manager of the Trust.

Except as set out below, MCM may not terminate the Investment Management Agreement or assign the same except to an affiliate of MCM, without Unitholder approval. MCM may terminate the Investment Management Agreement if the Trust is in material breach or default of the provisions thereof and such breach or default has not been cured within 30 days of notice of same to the Trustee or if there is a material change in the fundamental investment objectives, strategy or criteria of the Trust.

If the Investment Management Agreement is terminated, Mulvihill will promptly appoint a successor investment manager to carry out the activities of MCM until a meeting of Unitholders is held to confirm such appointment.

MCM is entitled to fees for its services under the Investment Management Agreement as described under ''Fees and Expenses'' and will be reimbursed for all reasonable costs and expenses incurred by MCM on behalf of the Trust. 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 wilful 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:

Name and Municipality of Residence	Principal Occupation
John P. Mulvihill Toronto, Ontario	Chairman and President, MCM
Michael M. Koerner Toronto, Ontario	Corporate Director
Robert K. Korthals Toronto, Ontario	Corporate Director
C. Edward Medland Toronto, Ontario	President, Beauwood Investments Inc. (private investment company)
Sheila S. Szela Toronto, Ontario	Vice President, Finance and Chief Financial Officer, MCM

The Trustee

The Royal Trust Company is 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 NAV, net income and net realized capital gains of the Trust and maintaining the books and records of the Trust.

The Trustee may resign upon 60 days' notice to Unitholders and Mulvihill or such lesser notice as Mulvihill may accept. The Trustee may be removed with the approval of a two-thirds majority vote cast at a meeting of Unitholders of the Trust called for such purpose or by Mulvihill in the event the Trustee has committed certain events of bankruptcy or insolvency or is in material breach or default of its obligations under the Trust Agreement which breach has not been cured within 30 days after notice thereof has been given to the Trustee. Any such resignation or removal shall become effective only upon the acceptance of appointment by a successor. If the Trustee resigns or is removed by Mulvihill, its successor may be appointed by Mulvihill. The successor must be approved by Unitholders if the Trustee is removed by

Unitholders. If no successor has been appointed within 60 days, the Trustee or any Unitholder may apply to a court of competent jurisdiction for the appointment of a successor.

The Trust Agreement provides that the Trustee shall not be liable in carrying out its duties under the Trust Agreement except where it is in breach of its obligations under the Trust Agreement or where the Trustee fails to act honestly and in good faith, and in the best interests of Unitholders to the extent required by laws applicable to trustees, or to exercise the degree of care, diligence and skill that a reasonably prudent trustee would exercise in comparable circumstances. In addition, the Trust Agreement contains other customary provisions limiting the liability of the Trustee and indemnifying the Trustee in respect of certain liabilities incurred by it in carrying out its duties.

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

The Trustee is entitled to receive fees from the Trust as described under ''Fees and Expenses'' and to be reimbursed for all expenses and liabilities which are properly incurred by the Trustee in connection with the activities of the Trust.

CONFLICTS OF INTEREST

MCM is engaged in a wide range of investment management, investment advisory and other business activities. The services of MCM under the Investment Management Agreement are not exclusive and nothing in the Investment Management Agreement prevents MCM or any of its affiliates from providing similar services to other investment funds and other clients (whether or not their investment objectives, strategies and policies are similar to those of the Trust) or from engaging in other activities. MCM's investment decisions for the Trust will be made independently of those made for its other clients and independently of its own investments. On occasion, however, MCM may make the same investment for the Trust and for one or more of its other clients. If the Trust and one or more of the other clients of MCM are engaged in the purchase or sale of the same security, the transactions will be effected on an equitable basis.

DESCRIPTION OF THE UNITS

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. As of the date hereof, there are 636,927 Units outstanding after giving effect to the proposal (including the consolidation of Units) described under ''The Trust — Background to and Restructuring of the Trust'', which was effected on August 5, 2005.

All Units have equal rights and privileges except that Units issued to a trust managed by Mulvihill or an affiliate of Mulvihill all or part of whose investment strategy is to track performance of the Units of the trust (a ''Related Trust''), a counterparty to a forward agreement entered into with a Related Trust (a ''Counterparty'') or an entity designated by a Counterparty (a ''Designated Party'') may be redeemed at NAV on any Validation Date. Except as set forth under ''Unitholder Matters — Acts Requiring Unitholder Approval'', 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.

The provisions or rights attaching to the Units may only be modified, amended or varied with the consent of Unitholders given in accordance with provisions contained in the Trust Agreement as described herein under the heading ''Unitholder Matters — Acts Requiring Unitholder Approval''.

On December 16, 2004, the *Trust Beneficiaries' Liability Act, 2004* (Ontario) came into force. This statute provides that holders of units of a trust are not, as beneficiaries, liable for any act, default, obligation or liability of the trust if, when the act or default occurs or the liability arises, (i) the trust is a reporting issuer under the *Securities Act* (Ontario), and (ii) the trust is governed by the laws of Ontario. The Trust is a reporting issuer under the *Securities Act* (Ontario) and it is governed by the laws of Ontario by virtue of the provisions of the Trust Agreement.

The Trust may issue additional Units at NAV following completion of the offering without Unitholder approval to a Related Trust, Counterparty or a Designated Party. Except for additional Units which may be issued to Related Trusts, Counterparties or a Designated Party, the Trust does not currently intend to issue additional Units following completion of the offering except: (i) by way of private placement or public offering where the net proceeds per Unit to be received by the Trust are not less than the most recently calculated NAV per Unit prior to the date of the setting of the subscription price by the Trust; (ii) on a distribution of Units or on an automatic reinvestment of distributions of net income or net realized capital gains; or (iii) with the approval of Unitholders.

DISTRIBUTIONS

The Trust will endeavour to make quarterly cash distributions of net income, net realized capital gains and option premiums to Unitholders on the last day of March, June, September and December in each year in an amount targeted to be 7.5% per annum of the NAV of the Trust (currently approximately 7.0% of the offering price). The Trust has determined to base the distributions it pays on the NAV of the Trust in order to better facilitate the preservation and enhancement of the Trust's NAV and to enable Unitholders to benefit from any increases in the NAV of the Trust through the resulting increased distributions. Purchasers under the offering will not be receiving the distribution to be paid by the Trust to Unitholders on September 30, 2005. The quarterly distributions will be determined using the last NAV prior to the declaration date for the distribution.

Based on the current level of dividends, distributions and option premiums available under current market conditions and the anticipated expenses of the Trust, it is believed that such quarterly cash distributions are sustainable. However, there can be no assurance that the Trust will be able to make distributions at such rate.

The amount of distributions in any particular calendar quarter will be determined by Mulvihill, as manager, having regard to the investment objectives of the Trust, the net income and net realized capital gains of the Trust during the calendar quarter and in the year to date, the net income and net realized capital gains of the Trust anticipated in the balance of the year and distributions made in previous calendar quarters.

If, in any year after such distributions, there would otherwise remain in the Trust additional net income or net realized capital gains, the Trust intends to make, on December 31 of that year, a special distribution of such portion of the remaining net income and net realized capital gains as is necessary to ensure that the Trust will not be liable for income tax thereon under the Tax Act. See ''Canadian Federal Income Tax Considerations''.

Cash distributions will be payable in Canadian dollars to Unitholders of record at 5:00 p.m. (Toronto time) on the record date which will generally be on or about the fifteenth day before such distribution date. All cash distributions, except those reinvested pursuant to a distribution reinvestment plan, will be paid by cheque to Unitholders proportionately based on their respective holdings of Units and will be mailed to Unitholders at their addresses listed in the register of Unitholders to be maintained by the Trust's registrar and transfer agent or paid in such other manner as may be agreed to by the Trustee.

Each Unitholder will be mailed annually, no later than March 31, information necessary to enable such Unitholder to complete an income tax return with respect to amounts paid or payable by the Trust in respect of the preceding taxation year of the Trust. See ''Canadian Federal Income Tax Considerations''.

DISTRIBUTION REINVESTMENT PLAN

A Unitholder may elect to reinvest distributions received from the Trust in additional Units by notifying the Trust's transfer agent that the Unitholder wishes to participate in the Plan. Distributions will be automatically reinvested on behalf of those Unitholders electing to participate in the Plan.

Distributions payable to participants in the Plan (the ''Participants'') will be paid to Computershare Investor Services Inc. in its capacity as agent under the Plan (the ''Plan Agent'') and applied to purchase Units. Such purchases will either be made from the Trust through the purchase of new Units or in the market. If the 20 day weighted average trading price of a Unit on The Toronto Stock Exchange for the 20 trading days preceding the distribution date (or, if the distribution date is not a business day, on the last business day before the distribution date) plus applicable commissions or brokerage charges (collectively, the ''Market Price'') is less than the NAV (as defined below under ''Redemption of Units — Net Asset Value'') per Unit as at that date, the Plan Agent will apply the distribution to purchase Units in the market. If the Market Price of the Units on the applicable distribution date is greater than the NAV per Unit, the Plan Agent will apply the distribution to purchase Units from the Trust through the issue of new whole Units at a price per Unit equal to the greater of (i) NAV per Unit on the distribution date; and (ii) 95% of such Market Price on the distribution date.

Purchases in the market will be made during the 15 business day period next following the distribution date at such times as the Market Price of the Units is less than the NAV per Unit as at the distribution date. Upon the expiration of such period, the unused part, if any, of the distribution attributable to the Participants will be used to purchase Units from the Trust on the basis set forth above. The Units purchased in the market or from the Trust will furnish to each Participant in proportion to their share of the distribution. The Plan Agent will furnish to each Participant a report of the Units purchased for that account. The Plan Agent's charges for administering the Plan will be paid by the Trust. The reinvestment of distributions under the Plan will not relieve participants of any income tax applicable to such distributions. See ''Canadian Federal Income Tax Considerations''.

Participants may terminate their participation in the Plan at any time by written notice to the Plan Agent and thereafter distributions payable to such Participants will be made in cash. The Trustee may terminate the Plan, in its sole discretion, upon not less than thirty days' notice to the Participants.

REDEMPTION OF UNITS

Units may be surrendered at any time for redemption to Computershare Investor Services Inc., the Trust's registrar and transfer agent, but will be redeemed only on the monthly Valuation Date (as defined below). Units surrendered for redemption by a Unitholder at least five business days prior to the last day of a month (a ''Valuation Date'') will be redeemed on such Valuation Date and the Unitholder will receive payment on or before the fifteenth day following such Valuation Date (the ''Redemption Payment Date''). If a Unitholder makes such surrender after 5:00 p.m. (Toronto time) on the fifth business day immediately preceding a Valuation Date, the Units will be redeemed on the Valuation Date in the following month and the Unitholder will receive payment for the Units on the Redemption Payment Date in respect of such Valuation Date.

Unitholders whose Units are redeemed on the December Valuation Date in each year will be entitled to receive a redemption price per Unit (the ''Unit Redemption Price'') equal to the NAV per Unit determined as of such Valuation Date. Unitholders whose Units are redeemed on any other Valuation Date will be entitled to receive a redemption price per Unit equal to the NAV per Unit determined as of such other Valuation Date, less the lesser of: (i) 4% of the NAV per Unit as of such other Valuation Date; and (ii) $0.60, except Units that may be issued to and held by a Related Trust, Counterparty or a Designated Party, which may be redeemed at NAV per Unit on any Valuation Date. See ''Description of the Units''. Any unpaid distribution payable on or before a Valuation Date in respect of Units tendered for redemption on such Valuation Date will also be paid on the Redemption Payment Date.

The redemption right must be exercised by causing written notice to be given within the notice periods prescribed herein and in the manner described under ''Book-Based Only System'' below. Such surrender will be irrevocable upon the delivery of notice to CDS through a CDS Participant, except with respect to those Units which are not paid for by the Trust on the relevant Redemption Payment Date.

Resale of Units Tendered for Redemption

The Trust has entered into an agreement (a ''Recirculation Agreement'') with RBC Dominion Securities Inc. (the ''Recirculation Agent'') whereby the Recirculation Agent has agreed to use commercially reasonable efforts to find purchasers for any Units tendered for redemption prior to the relevant Valuation Date, provided that the holder of the Units so tendered has not withheld consent thereto. The Trust may, but is not obligated to, require the Recirculation Agent to seek such purchasers and, in such event, the amount to be paid to the Unitholder on the Redemption Payment Date will be an amount equal to the proceeds of the sale of the Units less any applicable commission, provided that such amount will not be less than the Unit Redemption Price described above.

Subject to the Trust's right to require the Recirculation Agent to use commercially reasonable efforts to find purchasers for any Units tendered for redemption prior to the relevant Valuation Date, any and all Units which have been surrendered to the Trust for redemption are deemed to be outstanding until (but not after) the close of business on the relevant Valuation Date, unless not redeemed thereon, in which event such Units will remain outstanding.

Net Asset Value

The Net Asset Value of the Trust (''NAV'') on a particular date will be equal to the aggregate value of the assets of the Trust, less the aggregate value of the liabilities of the Trust, including any income, net realized capital gains and other amounts payable to Unitholders on or before such date, expressed in Canadian dollars at the applicable exchange rate on such date. The ''NAV per Unit'' on any day is obtained by dividing the NAV of the Trust on such day by the number of Units then outstanding.

The NAV per Unit will be calculated once per week, other than the last week of the month, in which case the NAV per Unit will be calculated on the last day of the month. If the Trust elects to have a December 15 year end for tax purposes as permitted by the *Income Tax Act* (Canada), the NAV per Unit will also be calculated on December 15 if it is not otherwise the last business day in a week. Such information will be provided by Mulvihill to Unitholders on request and will be available on Mulvihill's website at www.mulvihill.com.

In determining the NAV per Unit of the Trust at any time:

(i) the value of common shares and other securities will be the last board lot sale price of such common shares or other securities on the principal stock exchange on which they are traded prior to the determination of the NAV of the Trust or, if no such sale price is available at that time, the closing price quoted for the security provided that where bid and ask quotes are available, at the average of the bid and the asked price instead of at the quoted closing price;

(ii) where a covered clearing corporation option, option on futures or an over-the-counter option is written, the option premium received by the Trust will, so long as the option is outstanding, be reflected as a deferred credit which will be valued at an amount equal to the current market value of an option which would have the effect of closing the position; any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment. The deferred credit shall be deducted in arriving at the NAV;

(iii) the value of any cash on hand or on deposit, prepaid expenses, cash dividends or distributions declared and interest accrued and not yet received, shall be deemed to be the face amount thereof unless the Trustee determines that any such asset is not worth the face amount thereof, in which event the value thereof shall be deemed to be such value as the Trustee determines to be the fair value thereof;

(iv) the value of a futures contract or of a forward contract shall be the gain or loss with respect thereto that would be realized if, on the Valuation Date, the position in the futures contract or the forward contract, as the case may be, were to be closed out unless ''daily limits'' are in effect, in which case fair value shall be based on the current market value of the underlying interest;

(v) margin paid or deposited in respect of futures contracts and forward contracts shall be reflected as an account receivable and margin consisting of assets other than cash shall be noted as held as margin;

(vi) notes, money market instruments and other debt securities shall be valued by taking the bid price at the calculation time;

(vii) if a Valuation Date is not a business day, then the securities comprising the Financial Portfolio and other Trust property will be valued as if such Valuation Date were the preceding business day;

(viii) if an investment cannot be valued under the foregoing rules or if the foregoing rules are at any time considered by the Trustee to be inappropriate under the circumstances, then notwithstanding such rules, the Trustee shall make such valuation as it considers fair and reasonable; and

(ix) the value of all assets of the Trust quoted or valued in terms of foreign currency, the value of all funds on deposit and contractual obligations payable to the Trust in foreign currency and the value of all liabilities and contractual obligations payable by the Trust in foreign currency shall be determined using the applicable rate of exchange current at, or as nearly as practicable to, the date as of which the NAV is computed.

Book-Entry Only System

Registration of interests in and transfers of the Units will be made only through the book-entry only system. On or about October 18, 2005, but no later than October 31, 2005, the Trustee will deliver to CDS certificates evidencing the aggregate Units subscribed for under this offering. Units must be purchased, transferred and surrendered for retraction or redemption through a CDS Participant. All rights of an owner of Units must be exercised through, and all payments or other property to which such owner is entitled will be made or delivered by, CDS or the CDS Participant through which the owner holds such Units. Upon purchase of any Units, the owner will receive only the customary confirmation. References in this prospectus to a holder of Units means, unless the context otherwise requires, the owner of the beneficial interest in such Units.

The ability of a beneficial owner of Units to pledge such Units or otherwise take action with respect to such owner's interest in such Units (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

An owner of Units who desires to exercise redemption privileges thereunder must do so by causing a CDS Participant to deliver to CDS (at its office in the City of Toronto) on behalf of the owner a written notice of the owner's intention to redeem units, no later than 5:00 p.m. (Toronto time) on the relevant notice date. An owner who desires to redeem Units should ensure that the CDS Participant is provided with notice (the ''Redemption Notice'') of his intention to exercise his redemption privilege sufficiently in advance of the relevant notice date so as to permit the CDS Participant to deliver notice to CDS by the required time. The Redemption Notice will be available from a CDS Participant or Computershare Investor Services Inc., the Trust's registrar and transfer agent. Any expense associated with the preparation and delivery of Redemption Notices will be for the account of the owner exercising the redemption privilege.

By causing a CDS Participant to deliver to CDS a notice of the owner's intention to redeem Units, an owner shall be deemed to have irrevocably surrendered his Units for redemption and appointed such CDS Participant to act as his exclusive settlement agent with respect to the exercise of the redemption privilege and the receipt of payment in connection with the settlement of obligations arising from such exercise.

Any Redemption Notice which CDS determines to be incomplete, not in proper form or not duly executed shall for all purposes be void and of no effect and the redemption privilege to which it relates shall be considered for all purposes not to have been exercised thereby. A failure by a CDS Participant to exercise redemption privileges or to give effect to the settlement thereof in accordance with the owner's instructions will not give rise to any obligations or liability on the part of the Trust to the CDS Participant or to the owner.

The Trust has the option to terminate registration of the Units through the book-entry only system in which case certificates for Units in fully registered form would be issued to beneficial owners of such shares or to their nominees.

Suspension of Redemptions

Mulvihill may direct the Trustee to suspend the redemption of Units or payment of redemption proceeds: (i) during any period when normal trading is suspended on The Toronto Stock Exchange; or (ii) with the prior permission of the Ontario Securities Commission (if required), for any period not exceeding 120 days during which Mulvihill determines that conditions exist which render impractical the sale of assets of the Trust or which impair the ability of the Trustee to determine the value of the assets of the Trust. The suspension may apply to all requests for redemption received prior to the suspension but as to which payment has not been made, as well as to all requests received while the suspension is in effect. All holders of Units making such requests shall be advised by Mulvihill of the suspension and that the redemption will be effected at a price determined on the first Valuation Date following the termination of the suspension. All such Unitholders shall have and shall be advised that they have the right to withdraw their requests for redemption. The suspension shall terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over the Trust, any declaration of suspension made by Mulvihill shall be conclusive.

Purchase for Cancellation

Subject to applicable law, the Trust may at any time or times purchase Units for cancellation at prices not exceeding the NAV per Unit on the Valuation Date immediately prior to such purchase.

UNITHOLDER MATTERS

Meetings of Unitholders

A meeting of Unitholders of the Trust may be convened by Mulvihill or the Trustee at any time and must be convened if requisitioned by the holders of not less than 10% of the Units then outstanding (excluding Units owned by Related Trust, unless such Units are entitled to be voted at such meeting) by a written requisition specifying the purpose of the meeting. Not less than 21 days notice will be given of any meeting of Unitholders. The quorum at any such meeting is two Unitholders present in person or by proxy and representing not less than 10% of the Units then outstanding. If no quorum is present at such meeting when called, the meeting, if called on the requisition of Unitholders, will be terminated and otherwise will be adjourned for not less than 10 days and at the adjourned meeting the Unitholders then present in person or represented by proxy will form the necessary quorum. At any such meeting, each Unitholder will be entitled to one vote for each whole Unit registered in the Unitholder's name.

The Trust does not intend to hold annual meetings of Unitholders.

Acts Requiring Unitholder Approval

Pursuant to the Trust Agreement, the following matters require the approval of Unitholders by a two-thirds majority vote (other than items (iii), (vi), (vii) and (xii) which require approval by a simple majority vote) at a meeting called and held for such purpose:

(i) a change in the fundamental investment objectives and strategy of the Trust as described under ''Investments of the Trust — Investment Objectives'' and ''Investment Strategy'';

(ii) a change in the investment criteria of the Trust as described under ''Investments of the Trust — Investment Criteria'';

(iii) the entering into by the Trust of transactions involving derivatives other than: (A) the writing of covered call options or cash covered put options; (B) the purchase of call options or put options and the entering into of trades by the Trust to close out positions in such derivatives; (C) the purchase of put options to protect the Trust from declines in the market prices of individual securities or in the value of its securities as a whole; and (D) the use of derivative permitted under NI 81-102 to hedge the Trust's foreign exchange exposure;

(iv) any change in the basis of calculating fees or other expenses that are charged to the Trust which could result in an increase in charges to the Trust;

(v) a change of the manager of the Trust, other than a change resulting in an affiliate of such person assuming such position or, except as described herein, a change in the investment manager or trustee of the Trust, other than a change resulting in an affiliate of such person assuming such position;

(vi) a decrease in the frequency of calculating the NAV per Unit or of redeeming Units;

(vii) a change of the auditors of the Trust;

(viii) a reorganization with, or transfer of assets to, another mutual fund trust, if

  (A) the Trust ceases to continue after the reorganization or transfer of assets;

  (B) the transaction results in Unitholders becoming security holders in the other mutual fund trust;

(ix) a reorganization with, or acquisition of assets of, another mutual fund trust, if

  (A) the Trust continues after the reorganization or acquisition of assets;

  (B) the transaction results in the securityholders of the other mutual fund trust becoming Unitholders of the Trust, and

  (C) the transaction would be a significant change to the Trust.

(x) a termination of the Investment Management Agreement (except as described under ''Investment Management Agreement'');

(xi) a termination of the Trust prior to the Termination Date;

(xii) an extension of the Trust beyond the Termination Date; and

(xiii) an amendment, modification or variation in the provisions or rights attaching to the Units.

Mulvihill and the Trustee may, without the approval of or notice to Unitholders, amend the Trust Agreement for certain limited purposes specified therein, including to:

(i) remove any conflicts or other inconsistencies which may exist between any terms of the Trust Agreement and any provisions of any law or regulation applicable to or affecting the Trust;

(ii) make any change or correction in the Trust Agreement which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;

(iii) bring the Trust Agreement into conformity with NI 81-102 or other applicable laws, rules and policies of Canadian securities regulators or with current practice within the securities industry, provided that any such amendment does not adversely affect the pecuniary value of the interest of any Unitholder;

(iv) maintain the status of the Trust as a ''mutual fund trust'' for the purposes of the *Income Tax Act* (Canada); or

(v) provide added protection to Unitholders.

Except for changes to the Trust Agreement which require the approval of Unitholders or changes described above which do not require approval or prior notice to Unitholders, the Trust Agreement may be amended from time to time by Mulvihill and the Trustee upon not less than 30 days prior written notice to Unitholders.

Reporting to Unitholders

The Trust will deliver to Unitholders annual and interim financial statements of the Trust.

Non-Resident Unitholders

At no time may (i) non-residents of Canada; (ii) partnerships that are not Canadian partnerships; or (iii) a combination of non-residents of Canada and such partnerships (all as defined in the Tax Act) be the beneficial owners of a majority of the Units, and the Manager shall inform the registrar and transfer agent of the Trust of this restriction. The Manager may require declarations as to the jurisdictions in which a beneficial owner of Units is resident and, if a partnership, its status as a Canadian partnership. If the Manager becomes aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that the beneficial owners of 40% of the Units then outstanding are, or may be, non-residents and/or partnerships that are not Canadian partnerships, or that such a situation is imminent, the Manager may make a public announcement thereof. If the Manager determines that more than 40% of the Units are beneficially held by non-residents and/or partnerships that are not Canadian partnerships, the Manager may send a notice to such non-resident Unitholders and partnerships, chosen in inverse order to the order of acquisition or in such manner as the Manager may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 30 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Manager with satisfactory evidence that they are not non-residents or partnerships other than Canadian partnerships within such period, the Manager may on behalf of such Unitholders sell such Units and, in the interim, shall suspend the voting and distribution rights attached to such Units. Upon such sale, the affected holders shall cease to be beneficial holders of Units and their rights shall be limited to receiving the net proceeds of sale of such Units.

Notwithstanding the foregoing, the Manager may determine not to take any of the actions described above if the Manager has been advised by legal counsel that the failure to take any of such actions would not adversely impact the status of the Trust as a mutual fund trust for purposes of the Tax Act or, alternatively, may take such other action or actions as may be necessary to maintain the status of the Trust as a mutual fund trust for purposes of the Tax Act.

TERMINATION OF THE TRUST

The Trust will terminate on December 31, 2010 (the ''Termination Date'') unless Unitholders determine to continue the Trust by a majority vote at a meeting called for such purpose. Immediately prior to the Termination Date, MCM will, to the extent possible, convert the assets of the Trust to cash and the Trustee shall, after paying or making adequate provision for all of the Trust's liabilities, distribute the net assets of the Trust to Unitholders as soon as practicable after the Termination Date.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Osler, Hoskin & Harcourt LLP, counsel to the Trust, and Davies Ward Phillips & Vineberg LLP, counsel to the Agents, the following is a summary of the principal Canadian federal income tax considerations generally relevant to prospective purchasers acquiring Units pursuant to this Prospectus who are individuals (other than trusts) and who, for purposes of the *Income Tax Act* (Canada) (the ''Act''), are resident in Canada, deal at arm's length with the Trust and hold their Units as capital property (each a ''Unitholder''). This summary is based upon the facts set out in this Prospectus, the current provisions of the Act, the regulations thereunder, and counsel's understanding of the current administrative practices of Canada Revenue Agency (the ''CRA'') and the specific proposals to amend the Act and regulations thereunder announced prior to the date hereof by the Minister of Finance (the ''Proposed

Amendments''). No assurances can be given that the Proposed Amendments will become law as proposed or at all. This summary is also based on the assumption that the Trust was not established and will not be maintained primarily for the benefit of non-residents of Canada for purposes of the Act. This summary is also based on the assumptions that (i) none of the issuers of the securities in the Financial Portfolio will be a foreign affiliate of the Trust or any Unitholder, (ii) none of the securities in the Financial Portfolio will be a ''tax shelter investment'' within the meaning of section 143.2 of the Tax Act, and (iii) none of the securities in the Financial Portfolio will be a ''participating interest'' in a ''tracking entity'' or a ''foreign investment entity'' (other than an ''exempt interest''), or an interest in a non-resident trust other than an ''exempt foreign trust'' under revised draft legislation released by the Minister of Finance (Canada) on July 18, 2005 (or such proposals as amended or enacted, or successor provisions thereto).

This summary is not exhaustive of all possible federal income tax considerations and does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, other than the Proposed Amendments. This summary does not deal with foreign or provincial income tax considerations, which might differ from the federal considerations summarized herein.

This summary is of a general nature only and does not constitute legal or tax advice to any particular investor. Prospective investors are advised to consult their own tax advisors with respect to the tax consequences to them of a prospective investment in Units in their individual circumstances.

Status of the Trust

Provided that the Trust meets certain prescribed conditions (''minimum distribution requirements'') relating to the number of Unitholders, dispersal of ownership of Units and public trading of its Units at such time and provided that its sole undertaking is and continues to be the investing of its funds in property (other than real property or an interest in real property) as described in this Prospectus, the Trust will qualify at a particular time as a ''mutual fund trust'' as defined in the Act. This summary assumes that the Trust will satisfy the minimum distribution requirements on closing, and that it will elect to be deemed to be a mutual fund trust from the date that it was established to and including the date of closing, and that it will continuously satisfy the minimum distribution requirements thereafter. An additional condition to qualify as a mutual fund trust for purposes of the Tax Act is that the Trust may not be established or maintained primarily for the benefit of non-resident persons unless, at all times, substantially all of its property consists of property other than ''taxable Canadian property'' within the meaning of the Tax Act. If certain Tax Proposals released on September 16, 2004 are enacted as proposed, the Trust would cease to qualify as a mutual fund trust for purposes of the Tax Act if, at any time after 2004, the fair market value of all Units held by non-residents, or partnerships that are not ''Canadian partnerships'' for the purpose of the Tax Act, or any combination of the foregoing, is more than 50% of the fair market value of all issued and outstanding Units unless no more than 10% (based on fair market value) of the Trust's property is at any time ''taxable Canadian property'' within the meaning of the Tax Act and certain other types of specified property. The Trust's investment restrictions prohibit the Trust from exceeding these limits and restrictions on the ownership of Units are intended to limit the number of Units held by non-residents such that non-residents, partnerships that are not Canadian partnerships, or any combination of the foregoing, may not own Units representing more than 50% of the fair market value of all Units.

If the Trust were not to qualify as a mutual fund trust, the income tax consequences described below and under ''Eligibility for Investment'' would in some respects be materially different.

Taxation of the Trust

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 computed pursuant to the Act, 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 to its Unitholders is recoverable by the Trust to the extent and in the circumstances provided in the Act.

In determining the income of the Trust, premiums received by the Trust on covered call options and cash covered put options written by the Trust (and which are not exercised prior to the end of the year) will constitute capital gains of the Trust in the year received, and gains or losses realized upon dispositions of securities of the Trust (whether upon the exercise of call options written by the Trust or otherwise) will constitute capital gains or capital losses of the Trust in the year realized unless the Trust is considered to be trading or dealing in securities or otherwise carrying on a business of buying and selling securities or the Trust has acquired the securities in a transaction or transactions considered to be an adventure in the nature of trade. The Trust will purchase the Financial Portfolio with the objective of earning dividends thereon over the life of the Trust including dividends on securities acquired upon the exercise of cash covered put options written by the Trust, will write covered call options with the objective of increasing the yield on the Financial Portfolio beyond the dividends received on the Financial Portfolio and will write cash covered put options to increase returns and to reduce the net cost of purchasing securities subject to put options. In accordance with CRA's published administrative practice, transactions undertaken by the Trust in respect of covered options and shares will be treated and reported for purposes of the Act on capital account and designations by the Trust with respect to its income and capital gains, as described below, will be made and reported to Unitholders on this basis. Premiums received by the Trust on covered call (or cash covered put) options which are exercised in the taxation year in which the option is written by the Trust are added in computing the proceeds of disposition (deducted in computing the adjusted cost base) to the Trust of the securities disposed of (acquired by) the Trust on exercise of such call (put) options.

The Manager has advised counsel that the Trust has elected in accordance with the Tax Act to have each of its ''Canadian securities'' (as defined in subsection 39(6) of the Tax Act) treated as capital property. Such an election will ensure that gains or losses realized by the Trust on dispositions of Canadian securities will be taxed as capital gains or capital losses.

The Trust generally intends to deduct in computing its income in each taxation year for purposes of the Act the full amount available for deduction in each year (computed on the assumption that options outstanding after the year end will expire unexercised) and therefore, provided that the Trust makes distributions in each year of its net income including net realized capital gains as described under the heading ''Distributions'', it will generally not be liable in such year for income tax under Part I of the Act other than such tax on net realized capital gains that would be recoverable by it in such year.

The Act provides for a special tax on designated income of certain trusts which have designated beneficiaries. This special tax does not apply to a trust for a taxation year if the trust is a mutual fund trust throughout such year. Accordingly, provided that the Trust qualifies, or is deemed to qualify, as a mutual fund trust throughout a taxation year, it will not be subject to the special tax for such taxation year.

Taxation of Unitholders

A Unitholder will generally be required to include in the calculation of the Unitholder's income under the Act the net income and the net realized taxable capital gains of the Trust paid or payable to the Unitholder in the year or deemed so paid or payable, whether received in cash or reinvested in additional Units, including pursuant to the Plan. To the extent that distributions by the Trust to a Unitholder in any year exceed the net income including net realized capital gains of the Trust for the year computed pursuant to the Act, such distributions generally will not be included in the calculation of the Unitholder's income for the year but will reduce the adjusted cost base of the Unitholder's Units.

The Trust will designate to the extent permitted by the Act the portion of the net income distributed to Unitholders as may reasonably be considered to consist of net realized taxable capital gains of the Trust net of realized capital losses and net capital loss carry forwards, and the taxable dividends received, or deemed to be received, by the Trust on shares of taxable Canadian corporations. Any such designated amount will be deemed for purposes of the Act to be received or realized by Unitholders in the year as a taxable capital gain or taxable dividend from a taxable Canadian corporation, as the case may be. To the extent that amounts are designated as taxable dividends from taxable Canadian corporations, the normal gross-up and dividend tax credit rules will apply. Any loss of the Trust for purposes of the Tax Act cannot be allocated to, and cannot be treated as the loss of, a Unitholder.

Under the Act, a trust is permitted to deduct in computing its income an amount which is less than the amount of its distributions. This will enable the Trust to utilize, in a particular year, losses from prior years without affecting the ability of the Trust to distribute its income annually. The amount distributed to a Unitholder but not deducted by the Trust will not be required to be included in the income of the Unitholder. However, unless such amount relates to the non-taxable portion of capital gains, the taxable portion of which has been allocated to the Unitholder, the adjusted cost base of the Unitholder's Units would be reduced by such amount.

The NAV per Unit of the Trust will reflect any income and gains of the Trust that have accrued or have been realized but not made payable at the time Units are acquired. Consequently, Unitholders of the Trust that acquire additional Units, including on the reinvestment of distributions pursuant to the Plan, may become taxable on their share of income and gains of the Trust that accrued or were realized before the Units were acquired and not made payable at such time.

Upon the actual or deemed disposition of a Unit, including on a sale or redemption, a capital gain (or capital loss) will generally be realized by the Unitholder to the extent that the Unitholder's proceeds of disposition exceed (or are less than) the aggregate of the adjusted cost base to the Unitholder of the Unit and any reasonable costs of disposition. For the purpose of determining the adjusted cost base to a Unitholder of Units, when a Unit is acquired, whether on a reinvestment of distributions or otherwise, the cost of the newly-acquired Unit will be averaged with the adjusted cost base of all of the Units owned by the Unitholder as capital property before that time. If a Unitholder participates in the Plan and acquires a Unit from the Trust at a price that is less than the then fair market value of the Unit, it is the administrative position of the CRA that the Unitholder must include the difference in income and that the cost of the Unit will be correspondingly increased.

One half of any capital gains (''taxable capital gains'') realized will be included in computing the income of a Unitholder and one half of any capital loss realized may be deducted against taxable capital gains in accordance with the provisions of the Act.

Unitholders are generally subject to an alternative minimum tax. In general terms, net income of the Trust paid or payable to a Unitholder will not increase the Unitholder's liability under the Act for alternative minimum tax. Amounts designated as net realized capital gains paid or payable to a Unitholder by the Trust or realized on the disposition of Units by the Unitholder may increase the Unitholder's liability for alternative minimum tax.

ELIGIBILITY FOR INVESTMENT

In the opinion of Osler, Hoskin & Harcourt LLP, and Davies Ward Phillips & Vineberg LLP, provided that the Trust qualifies as a mutual fund trust within the meaning of the Act, Units will be qualified investments under such Act for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans or registered education savings plans. Recent legislation, with effect from January 1, 2005, has eliminated the limit in respect of foreign property that may be held by pension funds and other deferred income plans.

USE OF PROCEEDS

The net proceeds from the issue of Units offered hereby assuming the maximum offering (after payment of the Agents' fee and expenses of the issue) are estimated to be $141,750,012.50 and will be used to purchase securities for the Financial Portfolio following closing. See ''Financial Portfolio Investments''.

PLAN OF DISTRIBUTION

Pursuant to an agreement dated as of September 28, 2005 (the ''Agency Agreement'') between RBC Dominion Securities Inc., CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., Desjardins Securities Inc., HSBC Securities (Canada) Inc., Canaccord Capital Corporation, Dundee Securities Corporation, Blackmont Capital Inc. and Raymond James Ltd. (collectively, the ''Agents'') and Mulvihill, MCM and the Trust, the Agents have agreed to offer the Units for sale, as agents of the Trust, on a best efforts basis, if, as and when issued by the Trust. The Agents will receive a fee equal to $0.805 for each Unit sold and will be reimbursed for out-of-pocket expenses incurred by them. The Agents may form a sub-agency group including other qualified investment dealers and determine the fee payable to the members of such group, which fee will be paid by the Agents out of their fees. While the Agents have agreed to use their best efforts to sell the Units offered hereby, the Agents will not be obligated to purchase Units which are not sold.

The Trust has granted the Agents an option (the ''Over-Allotment Option''), exercisable for a period of 30 days from the closing of the offering, to offer up to 1,397,515 additional Units on the same terms set forth above. This prospectus qualifies the distribution of the Over-Allotment Option, and the Units issuable on the exercise thereof. The Agents may exercise the Over-Allotment Option in whole or in part at any time on or before the close of business on the 30th day following the closing of this offering. To the extent that the Over-Allotment Option is exercised, the additional Units will be offered at the offering prices hereunder and the Agents will be entitled to a fee of $0.805 per Unit purchased.

The offering price was established by negotiation between the Agents and the manager of the Trust, so as not to be dilutive to existing Unitholders. As such, the offering price was set to equal the NAV per Unit plus expenses of the offering plus compensation for the opportunity cost, to current Unitholders, of the Trust holding cash until the closing of the offering.

If subscriptions for a minimum of 6,211,181 Units have not been received within 90 days following the date of issuance of a final receipt for this prospectus, this offering may not continue without the consent of those who have subscribed on or before such date. Under the terms of the Agency Agreement, the Agents may, at their discretion on the basis of their assessment of the state of the financial markets and upon the occurrence of certain stated events, terminate the Agency Agreement. Proceeds from subscriptions will be held in a segregated account until the minimum amount of the offering has been attained. In the event the minimum offering is not achieved by the Trust and the necessary consents are not obtained or if the closing of the offering does not occur for any reason, subscription proceeds received from prospective purchasers will be returned to such purchasers promptly without interest or deduction. Subscriptions for Units will be received subject to rejection or allotment in whole or in part. The right is reserved to close the subscription books at any time without notice. Closing will take place on October 18, 2005 or such later date as may be agreed upon by the Trust and the Agents that is on or before October 31, 2005.

The Toronto Stock Exchange has conditionally approved the listing of the Units offered hereunder. Listing is subject to the Trust fulfilling all of the requirements of such stock exchange on or before November 29, 2005.

The Units will be offered in each of the provinces of Canada. The Units have not been and will not be registered under the United States *Securities Act of 1933*, as amended and may not be offered or sold in the United States or to U.S. persons.

Pursuant to policy statements of certain Canadian securities regulators, the Agents may not, throughout the period of distribution, bid for or purchase Units. The foregoing restriction is subject to certain exceptions, on the conditions that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, the Units. Such exceptions include a bid or purchase permitted under applicable by-laws and rules of the relevant self-regulatory authorities relating to market stabilization and passive market making activities and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution. Pursuant to the first mentioned exception, in connection with this offering, the Agents may over-allot or effect transactions in connection with their over-allotted position. Such transactions, if commenced, may be discontinued at any time.

FEES AND EXPENSES

Offering Expenses

The expenses of this offering (including the costs of creating and organizing the Trust, the costs of printing and preparing this Prospectus, legal expenses of the Trust, marketing expenses and legal and other out of pocket expenses incurred by the Agents and certain other expenses subject to a maximum of 1.5% of the gross proceeds of the offering) will, together with the Agent's fees, be paid from the gross proceeds of this offering.

Fees and Other Expenses

Pursuant to the terms of the Investment Management Agreement, MCM is entitled to a fee at an annual rate of 1.0% of the NAV.

Pursuant to the terms of the Trust Agreement, Mulvihill is entitled to a fee at an annual rate of 0.1% of the NAV. Fees payable to MCM and Mulvihill will be calculated and payable monthly based on the NAV as at the Valuation Date of each month.

The Trust will pay for all expenses incurred in connection with the operation and administration of the Trust. It is expected that these expenses will include, without limitation: (a) mailing and printing expenses for periodic reports to Unitholders; (b) fees payable to the Trustee for acting as trustee and custodian of the assets of the Trust and performing certain administrative services under the Trust Agreement; (c) fees payable to Computershare Investor Services Inc. for acting as registrar and transfer agent with respect to Units; (d) fees payable to members of the Advisory Board; (e) any additional fees payable to Mulvihill for performance of extraordinary services on behalf of the Trust; (f) fees payable to the auditors and legal advisors of the Trust; (g) regulatory filing, stock exchange and licensing fees; and (h) expenditures incurred upon the termination of the Trust. Such expenses will also include expenses of any action, suit or other proceedings in which or in relation to which Mulvihill or MCM is entitled to indemnity by the Trust. See ''Management of the Trust''. The Trust will also be responsible for all commissions and other costs of securities transactions. All such expenses will be subject to an independent audit and report thereon to the Trustee and Mulvihill will provide reasonable access to its books and records for such purpose.

The Trust will pay the service fee to be paid to each dealer whose clients hold Units. Such service fee will be equal to 0.30% annually of the value of the Units held by clients of the dealers.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

MCM, Mulvihill and the Trustee will receive the fees described under ''Fees and Expenses'' for their respective services to the Trust and will be reimbursed by the Trust for all expenses incurred in connection with the operation and administration of the Trust.

In accordance with the requirements of the provincial securities regulatory authorities in connection with this offering, MCM has undertaken to the provincial securities regulatory authorities to file insider trading reports, as if the Trust was not a mutual fund, in accordance with applicable securities legislation, for itself and to cause its affiliates, its directors and senior officers and the directors and senior officers of its affiliates who might ordinarily receive knowledge of material facts or changes with respect to the Trust prior to the general disclosure of such facts and changes to file insider trading reports, as if the Trust was not a mutual fund, in accordance with applicable securities legislation in respect of trades made by them in Units. The foregoing undertakings shall remain in full force until such time as all the Units have been redeemed.

MATERIAL CONTRACTS

The following contracts can reasonably be regarded as material to purchasers of Units:

(a) the Trust Agreement described under ''The Trust'';

(b) the Investment Management Agreement described under ''Management of the Trust — Investment Management Agreement''; and

(c) the Agency Agreement described under ''Plan of Distribution''.

Copies of the foregoing agreements, after the execution thereof, may be inspected during business hours at the principal office of the Trust during the course of distribution of the Units offered hereby.

RISK FACTORS

The following are certain considerations relating to an investment in Units which prospective investors should consider before purchasing such securities:

Performance of the Financial Portfolio

NAV per Unit will vary as the value of the securities in the Financial Portfolio varies. The Trust has no control over the factors that affect the value of the securities in the Financial Portfolio, including factors that affect all of the issuers in the Financial Portfolio such as fluctuations in interest rates and factors unique to each issuer such as changes in its management, changes in its strategic direction, achievement of its strategic goals, mergers, acquisitions and divestitures, changes in its dividend policies and other events that may affect the value of its equity securities.

Concentration Risk

The Financial Portfolio will consist only of securities of the companies in the financial services and life insurance industries and, as a result, the Trust's holdings will not be diversified and the NAV may be more volatile than the value of a more broadly diversified portfolio and may fluctuate substantially over short periods of time in response to economic conditions and regulatory changes that specifically affect the provision of financial services or life insurance. This may have a negative impact on the value of the Units.

No Assurances on Achieving Investment Goals

There is no assurance that the Trust will be able to achieve its distribution goals or the Trust's investment goal of returning the original issue price of the Units offered hereunder to Unitholders on the Termination Date.

There is no assurance that the Trust will be able to pay quarterly distributions. The funds available for distribution to Unitholders of will vary according to, among other things, the dividends and distributions paid on all of the securities comprising the Financial Portfolio, the level of option premiums received and the value of the securities comprising the Financial Portfolio. As the dividends and distributions received by the Trust will not be sufficient to meet the objectives of the Trust in respect of the payment of distributions, the Trust will depend on the receipt of option premiums and the realization of capital gains to meet those objectives. Although many investors and financial market professionals price options based on the Black-Scholes Model, in practice actual option premiums are determined in the marketplace and there is no assurance that the premiums predicted by such a pricing model can be attained.

Interest Rate Fluctuations

It is anticipated that the market price of the Units will at any time be affected by the level of interest rates prevailing at such time. A rise in interest rates may have a negative effect on the market price of the Units.

Use of Options and Other Derivative Instruments

The Trust is subject to the full risk of its investment position in the securities comprising the Financial Portfolio, including those securities that are subject to outstanding call options, and those securities underlying put options written by the Trust, should the market price of such securities decline. In addition, the Trust will not participate in any gain on the securities that are subject to outstanding call options above the strike price of the options.

There can be no assurance that a liquid exchange or over-the-counter market will exist to permit the Trust to write covered call options or cash covered put options on desired terms or to close out option positions should MCM desire to do so. The ability of the Trust to close out its positions may also be affected by exchange imposed daily trading limits on options or the lack of a liquid over-the-counter market. If the Trust is unable to repurchase a call option which is in-the-money, it will be unable to realize its profits or limit its losses until such time as the option becomes exercisable or expires. In addition, upon the exercise of a put option, the Trust will be obligated to acquire a security at the strike price which may exceed the then current market value of such security.

In purchasing call or put options or entering into forward or future contracts, the Trust is subject to the credit risk that its counterparty (whether a clearing corporation in the case of exchange traded instruments, or other third party in the case of over-the-counter instruments) may be unable to meet its obligations.

Trading at a Discount

The Trust cannot predict whether Units will trade above, at or below NAV per Unit.

Reliance on the Investment Manager

MCM will manage the Trust in a manner consistent with the investment objectives, strategy and criteria of the Trust. The officers of MCM who will be primarily responsible for the management of the Financial Portfolio have extensive experience in managing investment portfolios. There is no certainty that such individuals will continue to be employees of MCM throughout the term of the Trust.

Securities Lending

The Trust may engage in securities lending as described under ''Investments of the Trust — Securities Lending''. Although the Trust will receive collateral for the loans and such collateral is marked to market, the Trust will be exposed to the risk of loss should the borrower default on its obligation to return the borrowed securities and the collateral is insufficient to reconstitute the portfolio of loaned securities.

Taxation of the Trust

Currently, a trust will be deemed not to be a mutual fund trust if it is established or maintained primarily for the benefit of non-residents unless all or substantially all of its property is property other than taxable Canadian property as defined in the Tax Act. On September 16, 2004, the Minister of Finance (Canada) released Tax Proposals which propose that a trust would lose its status as a mutual fund trust if the aggregate fair market value of all units issued by the trust held by one or more non-resident persons or partnerships that are not Canadian partnerships, or any combination thereof, is more than 50% of the aggregate fair market value of all units issued by the trust where, at that time or any previous time, more than 10% (based on fair market value) of the trust's property is taxable Canadian property or certain other types of property (the ''September 16th Tax Proposals''). If these circumstances applied to the

Trust, the Trust would thereafter cease to be a mutual fund trust and the income tax considerations as described under ‘‘Canadian Federal Income Tax Considerations’’ and under ‘‘Eligibility for Investment’’ would in some respects be materially different. The September 16th Tax Proposals do not currently provide any means of rectifying a loss of mutual fund trust status. On December 6, 2004, the Department of Finance tabled a Notice of Ways and Means Motion which did not include these proposed changes pending further consultation with interested parties.

Treatment of Proceeds of Disposition and Option Premiums

In determining its income for tax purposes, the Trust will treat gains and losses realized on the disposition of securities in the Financial Portfolio, option premiums received on the writing of covered call options and cash covered put options and any losses sustained on closing out options as capital gains and capital losses in accordance with CRA’s published administrative practice. CRA’s practice is not to grant advance income tax rulings on the characterization of items as capital or income and no advance income tax ruling has been applied for or received from CRA.

If, contrary to CRA’s published administrative practice and the advice of counsel or as a result of a change of law, some or all of the transactions undertaken by the Trust in respect of covered options and securities in the Financial Portfolio were treated on income rather than capital account, after-tax returns to Unitholders could be reduced and the Trust may be subject to non-refundable income tax from such transactions.

LEGAL OPINIONS

The matters referred to under ‘‘Eligibility for Investment’’ and ‘‘Canadian Federal Income Tax Considerations’’ and certain other legal matters relating to the securities offered hereby will be passed upon by Osler, Hoskin & Harcourt LLP, on behalf of the Trust, and Davies Ward Phillips & Vineberg LLP, on behalf of the Agents.

CUSTODIAN

The Trustee is the custodian of the Trust, with the power to appoint sub-custodians.

PROMOTER

MCM has taken the initiative in substantially re-organizing the Trust and accordingly may be considered to be a ‘‘promoter’’ of the Trust within the meaning of the securities legislation of certain provinces of Canada. MCM will receive fees from the Trust and will be entitled to reimbursement of expenses incurred in relation to the Trust as described under ‘‘Fees and Expenses’’.

AUDITORS

The auditors of the Trust are Deloitte & Touche LLP, BCE Place, 181 Bay Street, Suite 1400, Toronto, Ontario, M5J 2V1.

REGISTRAR AND TRANSFER AGENT

Pursuant to the Registrar and Transfer Agency Agreement, Computershare Investor Services Inc., at its principal offices in Toronto is the registrar and transfer agent for the Units.

PURCHASER’S STATUTORY RIGHTS

Securities legislation in several of the provinces of Canada provides a purchaser with the right to withdraw from an agreement to purchase securities within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages where the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided such remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the particulars of these rights or consult with a legal advisor.

AUDITORS' CONSENT

We have read the prospectus of the Top 10 Canadian Financial Trust (formerly Digital World Trust) (the ''Fund'') dated September 28, 2005 relating to the sale and issue of Units of the Fund. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use in the above-mentioned prospectus of our report to the Trustee of the Fund on the following financial statements:

- Statements of Net Assets as at December 31, 2004 and 2003;
- Statement of Investments as at December 31, 2004; and
- Statements of Financial Operations, Changes in Net Assets and Loss on Sale of Investments for each of the years in the three-year period ended December 31, 2004.

Our report is dated February 25, 2005 (except Notes 1, 2, 4, 5, 6 and 10 which are as at September 28, 2005).

Toronto, Ontario
September 28, 2005

(Signed) DELOITTE & TOUCHE LLP
Chartered Accountants

AUDITORS' REPORT

To the Trustee of
Top 10 Canadian Financial Trust
(formerly Digital World Trust) (the ''Fund'')

We have audited the accompanying Statements of Net Assets of the Fund as at December 31, 2004 and 2003, the Statement of Investments as at December 31, 2004 and the Statements of Financial Operations, Changes in Net Assets and Loss on Sale of Investments for each of the years in the three-year period ended December 31, 2004. These financial statements are the responsibility of the management of the Fund. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. 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 management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund and its investments as at the dates indicated above, and the results of its operations, the changes in its net assets, and the loss on sale of investments for the periods indicated above, in accordance with Canadian generally accepted accounting principles.

Toronto, Ontario
February 25, 2005 (except Notes 1, 2, 4, 5, 6 and 10
which are as at September 28, 2005)

(Signed) DELOITTE & TOUCHE LLP
Chartered Accountants

STATEMENTS OF NET ASSETS

	June 30, 2005	December 31 2004	December 31 2003
	(unaudited)	(audited)	(audited)
ASSETS			
Investments at market value (cost — June 2005 — $10,334,719; 2004 — $11,825,265; 2003 — $32,673,539)	$ 9,336,075	$10,976,009	$19,174,781
Short-term investments (cost — June 2005 — $5,409,740; 2004 — $7,176,025; 2003 — $8,083,549)	5,326,617	7,055,811	7,995,406
Cash	12,704	89,394	20,162
Dividends receivable	7,361	11,052	7,248
Interest receivable	19,949	14,540	9,798
Due from brokers	1,184,595	3,540,177	21,906
TOTAL ASSETS	15,887,301	21,686,983	27,229,301
LIABILITIES			
Redemptions payable	592	2,580,059	2,931,652
Due to brokers	860,402	1,355,490	68,344
Accrued liabilities	33,803	31,921	40,578
TOTAL LIABILITIES	894,797	3,967,470	3,040,574
NET ASSETS, REPRESENTED BY UNITHOLDERS' EQUITY	$14,992,504	$17,719,513	$24,188,727
Number of Units Outstanding (Note 4)	4,858,670	5,098,619	5,962,815
Net Asset Value per Unit	$ 3.0857	$ 3.4754	$ 4.0566

For Subsequent Events, see Notes 1, 2, 4, 5, 6 and 10.

On behalf of the Manager,
Mulvihill Fund Services Inc.

(Signed) John P. Mulvihill
Director

(Signed) Sheila S. Szela
Director

See accompanying notes to financial statements

STATEMENTS OF FINANCIAL OPERATIONS

	Six Months Ended June 30		Years Ended December 31		
	2005	2004	2004	2003	2002
	(unaudited)			(audited)	
REVENUE					
Dividends	$ 61,944	$ 81,099	$ 262,266	$ 183,089	$ 294,104
Interest, net of foreign exchange	149,155	241,460	(459,682)	(364,995)	35,457
Withholding taxes	(8,433)	(13,619)	(31,681)	(28,816)	(40,399)
TOTAL REVENUE	202,666	308,940	(229,097)	(210,722)	289,162
EXPENSES (Note 5)					
Management fees	96,427	141,403	264,390	321,643	452,123
Custodian and other expenses	85,883	72,213	124,526	124,693	131,204
Goods and services tax	12,216	14,708	26,308	30,315	40,146
TOTAL EXPENSES	194,526	228,324	415,224	476,651	623,473
Net Investment Income (Loss)	8,140	80,616	(644,321)	(687,373)	(334,311)
Loss on sale of investments	(882,535)	(3,103,211)	(13,045,308)	(10,715,552)	(23,053,949)
Change in unrealized appreciation/ depreciation of investments	(110,523)	3,023,129	12,615,723	16,205,277	4,941,792
Net Gain (Loss) on Investments	(993,058)	(80,082)	(429,585)	5,489,725	(18,112,157)
TOTAL RESULTS OF FINANCIAL OPERATIONS	$(984,918)	$ 534	$ (1,073,906)	$ 4,802,352	$(18,446,468)
TOTAL RESULTS OF FINANCIAL OPERATIONS PER UNIT	$ (0.1954)	$ 0.0001	$ (0.1817)	$ 0.6871	$ (2.2574)

(based on weighted average number of Units outstanding during the period June 2005 — 5,040,389; June 2004 — 5,920,870; 2004 — 5,909, 417; 2003 — 6,988,489; 2002 — 8,171,537)

See accompanying notes to financial statements

STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended June 30		Years Ended December 31		
	2005	2004	2004	2003	2002
	(unaudited)			(audited)	
NET ASSETS, BEGINNING OF PERIOD	$17,719,513	$24,188,727	$24,188,727	$27,206,210	$53,624,217
Total Results of Financial Operations	(984,918)	534	(1,073,906)	4,802,352	(18,446,468)
Unit Transactions					
Amount paid for Units redeemed	(758,323)	(467,456)	(3,049,331)	(5,067,843)	(3,995,274)
Proceeds from reinvestment of distributions	—	—	—	—	82,356
Distributions to Unitholders (Note 6)					
Non-taxable distributions	(983,768)	(1,177,649)	(2,345,977)	(2,751,992)	(4,058,621)
Changes in Net Assets during the Period	(2,727,009)	(1,644,571)	(6,469,214)	(3,017,483)	(26,418,007)
NET ASSETS, END OF PERIOD	$14,992,504	$22,544,156	$17,719,513	$24,188,727	$27,206,210

STATEMENTS OF LOSS ON SALE OF INVESTMENTS

	Six Months Ended June 30		Years Ended December 31		
	2005	2004	2004	2003	2002
	(unaudited)			(audited)	
Proceeds from Sale of Investments	$ 5,290,671	$ 7,348,782	$ 16,547,012	$ 20,556,324	$ 14,824,541
Cost of Investments					
Cost of investments, beginning of period	11,825,265	32,673,539	32,673,539	51,444,360	77,910,692
Cost of investments, purchased	4,682,660	2,572,161	8,744,046	12,501,055	11,412,158
	16,507,925	35,245,700	41,417,585	63,945,415	89,322,850
Cost of Investments, End of Period	(10,334,719)	(24,793,707)	(11,825,265)	(32,673,539)	(51,444,360)
	6,173,206	10,451,993	29,592,320	31,271,876	37,878,490
LOSS ON SALE OF INVESTMENTS	$ (882,535)	$ (3,103,211)	$(13,045,308)	$(10,715,552)	$(23,053,949)

See accompanying notes to financial statements

STATEMENT OF INVESTMENTS
June 30, 2005
(Unaudited)

	Par Value/ Number of Shares	Average Cost	Market Value
SHORT TERM INVESTMENTS			
Treasury Bills			
Government of Canada — September 22, 2005	120,000	119,172	$ 119,172
Discount Commercial Paper			
Business Development Corporation, USD — September 20, 2005	425,000	522,471	516,110
Canadian Wheat Board, USD — August 4, 2005	20,000	24,947	24,363
Canadian Wheat Board, USD — August 10, 2005	105,000	130,864	128,002
Export Development Corporation, USD — July 25, 2005	1,920,000	2,371,692	2,333,830
Export Development Corporation, USD — August 30, 2005	500,000	624,403	607,250
Export Development Corporation, USD — September 8, 2005	425,000	519,484	517,161
Export Development Corporation, USD — September 9, 2005	700,00	863,477	850,321
Province of British Columbia, USD — August 8, 2005	190,000	233,230	230,408
Total Discount Commercial Paper		5,290,568	5,207,445
		5,409,740	5,326,617
Accrued Interest			19,949
TOTAL SHORT-TERM INVESTMENTS		**$5,409,740**	**$5,346,566**
INVESTMENTS			
Canadian Common Shares			
Telecommunication Equipment Suppliers			
Nortel Networks Corporation	60,000	**$ 215,630**	**$ 191,400**
Total Canadian Common Shares		**$ 215,630**	**$ 191,400**
United States Common Shares			
Cable & Wireless			
Nextel Communications, Inc., Class A	16,000	$ 587,928	$ 633,172
Enabling Hardware and Software			
Adobe Systems Incorporated	15,000	573,391	525,807
Apple Computer, Inc.	7,000	331,435	315,594
Dell Inc.	11,000	566,111	532,310
Hewlett-Packard Company	15,000	443,098	431,926
Intel Corporation	20,000	625,647	638,366
Microsoft Corporation	17,500	691,814	532,420
Oracle Corporation	25,000	376,070	404,184
Symantec Corporation	10,000	316,656	266,271
Total Enabling Hardware and Software		**3,924,222**	**3,646,878**
Related Digital Commerce			
The Charles Schwab Corporation	40,000	807,222	552,630
Telecommunication Equipment Suppliers			
Avaya Inc.	25,000	556,409	254,758
Cisco Systems Inc.	32,000	756,458	748,990
Motorola Inc.	20,000	429,033	447,297
Total Communications Equipment Suppliers		**1,741,900**	**1,451,045**
Telecommunication Services			
Sprint Corporation	10,000	289,006	307,302
Total United States Common Shares		**$7,350,278**	**$6,591,027**

	Par Value/ Number of Shares	Average Cost	Market Value
Non-North American Common Shares			
Cable & Wireless			
Vodafone Group ADR	15,000	**515,389**	**446,807**
Telecommunication Equipment Suppliers			
Alcatel ADR	30,000	622,009	400,877
Nokia Corp. ADR	20,000	420,207	407,613
Telefonaktiebolaget LM Ericsson ADR	11,000	432,996	430,456
Total Telecommunication Equipment Suppliers		**1,475,212**	**1,238,946**
Telecommunication Services			
China Mobile HK Ltd. SP ADR	25,000	559,340	569,226
Deutsche Telekom AG ADR	15,000	390,973	338,412
Total Telecommunication Services		**950,313**	**907,638**
Total Non-North American Common Shares		**$2,940,914**	**$2,593,391**
Forward Exchange Contracts			
Sold USD $499,000, Bought CAD $622,187 @ 0.802010 — July 6, 2005			$ 11,094
Sold USD $343,000, Bought CAD $425,284 @ 0.806520 — July 13, 2005			5,301
Sold USD $454,000, Bought CAD $573,558 @ 0.791550 — July 20, 2005			17,751
Sold USD $1,196,000, Bought CAD $1,504,478 @ 0.794960 — July 27, 2005			40,514
Sold USD $381,000, Bought CAD $474,725 @ 0.802570 — August 10, 2005			8,528
Sold USD $104,000, Bought CAD $129,490 @ 0.803150 — August 10, 2005			2,234
Sold USD $647,000, Bought CAD $805,668 @ 0.803060 — August 17, 2005			14,134
Sold USD $793,000, Bought CAD $978,167 @ 0.810700 — September 1, 2005			8,409
Sold USD $1,433,000, Bought CAD $1,750,956 @ 0.818410 — September 14, 2005			(856)
Total Forward Exchange Contracts			**$ 107,109**

See accompanying notes to financial statements

STATEMENT OF INVESTMENTS — (Continued)
June 30, 2005
(Unaudited)

	Number/ of Contracts	Proceeds	Market Value
INVESTMENTS			
OPTIONS			
Written Covered Call Options (100 shares per contract)			
Alcatel ADR — July 2005 @ $11	(150)	$ (6,772)	(1,842)
Apple Computer — July 2005 @ $38	(70)	(19,229)	(6,708)
China Mobile HK Ltd. AP ADR — August 2005 @ $19	(125)	(7,632)	(6,969)
Cisco Systems Inc. — July 2005 @ $18	(160)	(13,265)	(14,265)
Dell Inc. — July 2005 @ $41	(110)	(5,030)	(459)
Deutsche Telekom AG ADR — July 2005 @ $18	(75)	(1,634)	(1,536)
General Electric Company — July 2005 @ $36	(200)	(17,809)	(41,942)
Hewlett-Packard Company — July 2005 @ $24	(150)	(8,555)	(5,933)
Intel Corporation — July 2005 @ $27	(200)	(12,459)	(1,081)
Motorola Inc, July, 2005 @ $19	(200)	(10,309)	(4,534)
Nextel Communications, Inc., Class A — July 2005 @ $31	(160)	(10,164)	(26,405)
Nokia Corp. ADR — July 2005 @ $17	(200)	(9,483)	(3,009)
Nortel Networks Corporation July 2005 @ $4	(600)	(10,800)	(1,760)
Oracle Corporation — July 2005 @ $13	(250)	(7,184)	(12,740)
Sprint Corporation — July 2005 @ $25	(100)	(3,362)	(4,731)
Telefonaktiebolaget LM Ericsson ADR — July 2005 @ $32	(110)	(9,124)	(5,110)
The Charles Schwab Corporation — July 2005 @ $11	(400)	(19,292)	(7,828)
TOTAL OPTIONS		**$ (172,103)**	**$ (146,852)**
TOTAL INVESTMENTS		**$10,334,719**	**$9,336,075**

See accompanying notes to financial statements

STATEMENT OF INVESTMENTS
December 31, 2004
(Audited)

	% of Portfolio	Par Value/ Number of Shares	Average Cost	Market Value
SHORT-TERM INVESTMENTS				
Treasury Bills				
Government of Canada — January 27, 2005		510,000	$ 506,742	$ 506,742
Government of Canada — February 24, 2005		310,000	307,848	307,848
Government of Canada — March 10, 2005		165,000	163,910	163,910
Government of Canada — April 7, 2005		870,000	863,745	863,745
Total Treasury Bills	26.1%		**1,842,245**	**1,842,245**
Discount Commercial Paper				
Canadian Wheat Board, USD — January 25, 2005		500,000	611,744	597,553
Canadian Wheat Board, USD — April 18, 2005		1,150,000	1,406,696	1,366,582
Export Development Corporation, USD — January 21, 2005		1,800,000	2,185,714	2,147,008
Province of British Columbia, USD — April 12, 2005		625,000	761,315	742,978
Total Discount Commercial Paper	68.6%		**4,965,469**	**4,854,121**
Term Deposit				
Royal Bank of Canada Term Deposit 2.25%, USD — January 5, 2005	5.1%		368,311	359,445
	99.8%		7,176,025	7,055,811
Accrued Interest	0.2%			14,540
TOTAL SHORT-TERM INVESTMENTS	100.0%		**$7,176,025**	**$7,070,351**
INVESTMENTS				
Canadian Common Shares				
Enabling Hardware and Software				
ATI Technologies Inc.		25,000	590,532	$ 581,500
Total Canadian Common Shares	5.3%		**$ 590,532**	**$ 581,500**
United States Common Shares				
Enabling Hardware and Software				
Adobe Systems Incorporated		7,500	$ 573,391	$ 563,789
Dell Inc.		11,000	566,111	555,390
EMC Corporation		20,000	354,213	356,330
IBM Corporation		5,000	623,405	590,568
Lexmark International, Inc.		5,000	531,987	509,214
Microsoft Corporation		25,000	988,306	800,065
Network Appliance, Inc.		13,000	539,373	517,433
Oracle Corporation		25,000	376,070	410,965
Total Enabling Hardware and Software	39.2%		**4,552,856**	**4,303,754**
Related Digital Commerce, Services and Products				
General Electric Company		20,000	1,097,495	874,650
The Charles Schwab Corporation		60,000	1,210,833	859,792
Total Related Digital Commerce, Services and Products	15.8%		**2,308,328**	**1,734,442**
Telecommunication Equipment Suppliers				
Avaya Inc.		25,000	556,409	515,205
Motorola Inc.		20,000	429,033	412,164
QUALCOMM Inc.		10,000	507,475	508,016
Total Telecommunication Equipment Suppliers	13.1%		**1,492,917**	**1,435,385**

STATEMENT OF INVESTMENTS
December 31, 2004 — (Continued)
(Audited)

	% of Portfolio	Par Value/ Number of Shares	Average Cost	Market Value
Telecommunication Services				
Nextel Communications, Inc., Class A	5.2%	16,000	587,928	575,112
Total United States Common Shares	**73.3%**		**$8,942,029**	**$8,048,693**
Non-North American Common Shares				
Enabling Hardware and Software				
SAP AG ADR	4.8%	10,000	$ 504,864	$ 529,702
Telecommunication Equipment Suppliers				
Alcatel ADR		30,000	622,009	561,813
Telefonaktiebolaget LM Ericsson ADR		11,000	432,996	415,027
Total Telecommunication Equipment Suppliers	8.9%		**1,055,005**	**976,840**
Telecommunication Services				
China Mobile (Hong Kong) Limited ADR		20,000	460,512	411,205
Vodafone Group PLC ADR		15,000	515,389	492,080
Total Telecommunication Services	8.3%		975,901	903,285
Total Non-North American Common Shares	**22.0%**		**$2,535,770**	**$2,409,827**
Forward Exchange Contracts				
Sold USD $820,000, Bought CAD $1,040,002 @ 0.788460 — January 5, 2005				$ 57,484
Sold USD $467,000, Bought CAD $570,326 @ 0.818830 — January 12, 2005				10,743
Sold USD $596,000, Bought CAD $744,702 @ 0.800320 — January 19, 2005				30,510
Sold USD $1,475,000, Bought CAD $1,790,049 @ 0.824000 — January 26, 2005				22,459
Sold USD $611,000, Bought CAD $730,896 @ 0.835960 — February 2, 2005				(1,331)
Sold USD $458,000, Bought CAD $550,468 @ 0.832020 — February 9, 2005				1,590
Sold USD $1,754,000, Bought CAD $2,073,482 @ 0.845920 — February 16, 2005				(28,577)
Sold USD $839,000, Bought CAD $998,691 @ 0.840100 — February 23, 2005				(6,822)
Sold USD $1,381,000, Bought CAD $1,640,922 @ 0.841600 — March 2, 2005				(14,179)
Sold USD $599,000, Bought CAD $736,750 @ 0.813030 — March 9, 2005				18,860
Sold USD $662,000, Bought CAD $813,918 @ 0.813350 — March 9, 2005				20,524
Total Forward Exchange Contracts	**1.0%**			**$ 111,261**

STATEMENT OF INVESTMENTS
December 31, 2004 — (Continued)
(Audited)

	% of Portfolio	Number of Contracts	Proceeds	Market Value
OPTIONS				
Written Cash Covered Put Options (100 shares per contract)				
Cisco Systems Inc — February 2005 @ $19		(320)	$ (22,767)	$ (17,915)
Intel Corporation — January 2005 @ $23		(270)	(26,943)	(31,289)
Symantec Corp. — January 2005 @ $27		(100)	(17,113)	(27,175)
Texas Instruments Inc. — January 2005 @ $24		(185)	(18,676)	(7,905)
Total Written Cash Covered Put Options	(0.5)%		**(85,499)**	**(84,284)**
Written Covered Call Options (100 shares per contract)				
Adobe Systems Incorporated — January 2005 @ $65		(50)	(7,959)	(4,592)
Alcatel ADR — January 2005 @ $15		(180)	(10,839)	(6,159)
ATI Technologies Inc. — January 2005 @ $24		(125)	(10,125)	(6,215)
Avaya Inc. — January 2005 @ $17		(150)	(7,806)	(6,319)
China Mobile (Hong Kong) Limited ADR — January 2005 @ $17		(100)	(4,899)	(6,539)
Dell Inc. — January 2005 @$43		(110)	(5,355)	(1,784)
EMC Corporation — January 2005 @$15		(120)	(6,944)	(6,987)
General Electric Company — January 2005 @ $37		(100)	(5,909)	(4,139)
Lexmark International, Inc. — February 2005 @ $88		(50)	(15,074)	(3,733)
Microsoft Corporation — January 2005 @$27		(125)	(4,343)	(2,505)
Motorola Inc. — January 2005 @ $17		(100)	(6,802)	(5,871)
Network Appliance, Inc. — January 2005 @$34		(130)	(24,144)	(13,442)
Nextel Communications, Inc., Class A — January 2005 @ $29		(80)	(5,961)	(10,414)
QUALCOMM Inc. — January 2005 @$44		(100)	(12,584)	(3,505)
SAP AG ADR — January 2005 @ $46		(60)	(7,211)	(97)
The Charles Schwab Corporation — January 2005 @ $12		(450)	(10,953)	(6,707)
Telefonaktiebolaget LM Ericsson ADR — January 2005 @ $33		(78)	(10,659)	(1,980)
Total Written Covered Call Options	(1.1)%		**(157,567)**	**(90,988)**
TOTAL OPTIONS	(1.6)%		$ (243,066)	$ (175,272)
TOTAL INVESTMENTS	100.0%		$11,825,265	$10,976,009

See accompanying notes to financial statements

NOTES TO FINANCIAL STATEMENTS

1. Establishment and Restructuring of the Fund

Top 10 Canadian Financial Trust (formerly Digital World Trust) (the ''Fund'') was originally established as an investment trust under the laws of the Province of Ontario on February 15, 2000 under the name Digital World Trust. The Fund began operations on February 23, 2000.

The manager of the Fund is Mulvihill Fund Services Inc. (the ''Manager'') and the Fund'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 Fund.

On August 2, 2005 Unitholders voted in favour of a proposal (the ''Proposal'') to:

- amend the investment strategy and investment restrictions of the Fund. The Fund now invests exclusively in the six largest Canadian banks and the four largest Canadian life insurance companies by market capitalization;
- amend the investment objectives of the Fund. The Fund's new investment objectives will be to provide Unitholders with a stable stream of quarterly cash distributions targeted to be 7.5% per annum on the net asset value (''NAV'') of the Fund and to return the NAV per Unit as of the date the Proposal is adopted upon termination of the Fund on December 31, 2010;
- In connection with the Proposal, the Fund changed its name to Top 10 Canadian Financial Trust to reflect better its new investment strategy and Mulvihill Fund Services Inc., as manager, and Mulvihill Capital Management Inc., as investment manager, agreed to reduce their fees from a total of 1.20% to 1.10% of the Trust's NAV from and after the effective date of the Proposal;
- extend the termination date of the Fund to December 31, 2010 from December 31, 2009;
- consolidate the remaining Units of the Fund immediately following the effective date of the Proposal on a 5 to 1 basis;
- add a one-time redemption right to permit Unitholders to redeem their Units at 100% of NAV for the August 31, 2005 redemption. The annual redemption right available in December of each year at 100% of the NAV per Unit will remain in place and will not be affected;
- permit the Fund to issue additional Units on a non-dilutive basis; and
- provide for the payment of an annual service fee of 0.30% of NAV if the Fund completes a public offering of additional Units after the Proposal has been approved.

2. Investment Objectives of the Fund

Until August 2, 2005 the Fund invested in a diversified portfolio consisting principally of common shares issued by leading ''digitally based'' companies listed on a major North American stock exchange or quoted on NASDAQ with a market capitalization in excess of U.S. $5.0 billion and which operate within the sectors of telecommunication services, telecommunication equipment suppliers, enabling hardware and software and related digital commerce, services and products.

After the proposal was approved by Unitholders, the Fund universe was changed to invest in (i) the six largest Canadian banks and (ii) the four largest Canadian life insurance companies by market capitalization. The Fund is invested in cash and cash equivalents pending completion of the Offering.

To generate additional returns, the Fund may, from time to time, write covered call options in respect of all or part of the securities in the portfolio. In addition, the Fund may write cash covered put options in respect of securities in which the Fund is permitted to invest. Additionally, the Fund may purchase call options with the effect of closing out existing call options written by the Fund and may also purchase put options to preserve the value of the portfolio where appropriate. The Fund may enter into trades to close out positions in such permitted derivatives.

From time to time the Fund 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, which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reported periods. Actual results may differ from estimates. The significant accounting policies of the Fund are as follows:

Valuation of Investments

Investments are recorded in the financial statements at their fair market value at the end of the period, determined as follows:

Securities are valued at fair 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 ask price (the price at which someone is willing to sell). If the last published sale price is not between the bid and the ask price, the bid or the ask 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.

The value of a forward contract shall be the gain or loss with respect thereto that would be realized if, on the Valuation Date, the position in the forward contract was to be closed out.

Investment Transactions and Income

Investment transactions are accounted for on a trade date basis. Realized gains and losses on the sale of investments and change in unrealized appreciation (depreciation) of investments are determined on an average cost basis. Realized gains and losses relating to written options may arise from:

(i) Expiration of written options whereby realized gains are equivalent to the premium received;

(ii) Exercise of written covered call options whereby realized gains or losses are equivalent to the premium received in addition to the realized gain or loss from disposition of the related investments at the exercise price of the option; and

(iii) Closing of written options whereby realized gains or losses are equivalent to the cost of purchasing options to close the positions, net of any premium received.

Realized gains and losses related to options are included in gain (loss) on sale of investments.

Option premiums received are reflected as deferred credits in investments so long as the options are outstanding. Any difference resulting from revaluation is included in change in unrealized appreciation (depreciation) of investments. Premiums received on written put options that are exercised are included in the cost of the security purchased.

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.

Foreign exchange gains (losses) on short-term investments are reflected as interest income (loss). Other foreign exchange gains (losses) are recorded as realized or unrealized gain (loss) on investments, as appropriate.

Generally Accepted Accounting Principles

The Canadian Institute of Chartered Accountants (''CICA'') issued Section 1100, ''Generally Accepted Accounting Principles (''GAAP'')'', which describes what constitutes GAAP and its sources. Since Section 1100 applies for fiscal years beginning on or after October 1, 2003, certain disclosures previously considered GAAP by virtue of general use in the investment funds industry, are no longer considered GAAP. This section primarily impacts the presentation of financial highlights and net income per unit. These disclosures have no impact on the valuation of the Fund or in the calculation of the net asset value per unit of the Fund.

4. Unitholders' Equity

The Fund 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 Fund.

All units have equal rights and privileges, except that units issued to a trust managed by the Manager or an affiliate of the Manager all or part of whose investment strategy is to track performance of the units of the Fund (a ''Related Trust''), a counterparty to a forward agreement entered into with a Related Trust (a ''Counterparty'') or an entity designated by a Counterparty (a ''Designated Party'') may be redeemed at the net asset value on any valuation date. No units have been issued to either a Related Trust, Counterparty or Designated Party. 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 Fund. Fractional units are not entitled to voting privileges.

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 percent of such net asset value per unit and (ii) $0.60, except units held by a Related Trust, Counterparty or a Designated Party, which may be redeemed at the net asset value per unit on any valuation date. Under the terms of a Recirculation Agreement, the Fund 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 August 2, 2005 Unitholders voted in favour of a proposal to add a one-time redemption right to permit Unitholders to redeem their Units at 100% of NAV for the August 31, 2005 redemption. The annual redemption right available in December of each year at 100% of the NAV per Unit will remain in place and will not be affected.

Following are the unit transactions for the year:

	June 2005	December 2004	December 2003
	(unaudited)		
Units outstanding, beginning of year/period	5,098,619	5,962,815	7,261,933
Units redeemed	(239,949)	(864,196)	(1,299,118)
Units outstanding, end of year/period	4,858,670	5,098,619	5,962,815

Under the terms of the normal course issuer bid, the Fund proposes to purchase, if considered advisable, up to a maximum of 489,360 units, 10 percent of its public float as determined in accordance with the rules of the Exchange. The normal course issuer bid will remain in effect until the earlier of April 27, 2006 or until the Fund has purchased the maximum number of units permitted under the bid. As at June 30, 2005, no units have been purchased by the Fund.

Unitholders may obtain a copy of the Notice of Intention to make a normal course issuer bid, without change, by writing to Mulvihill Investors Services at: Investor Relations, 121 King Street West, Suite 2600, Toronto, Ontario M5H 3T9.

Net Asset Value

Net asset value per unit is the difference between the aggregate value of the assets of the Fund and the aggregate value of the liabilities of the Fund on that date divided by the number of units then outstanding. The following are the net asset values of a unit at December 31 for the most recent five-year period:

(Unaudited) June 2005	2004	2003	2002	2001	2000
$3.09	$3.48	$4.06	$3.75	$6.47	$9.06

On June 30, 2005, units on the TSX closed at $2.98 (unaudited) (December 31, 2004 — $3.24) (2003 — $3.90).

5. Management Fees, Expenses and Management Expense Ratios

The Fund 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 Fund's operations. The Fund is also responsible for commissions and other costs of portfolio transactions and any extraordinary expenses of the Fund 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. Until August 2, 2005 the fees were payable at annual rates of 0.10 percent and 1.10 percent, respectively, of the Fund's net asset value calculated and payable monthly, plus applicable taxes. The fee of 0.10 percent is not payable on the value of units held by Related Trusts. After August 2, 2005, the fees are payable at annual rates of 0.10 percent and 1.00 percent respectively of the Fund's net asset value, calculated and payable monthly, plus applicable taxes.

Management Expense Ratio

The management expense ratio is the ratio of all fees and expenses charged to the Fund to average net assets, The following are the management expense ratios for the years ended December 31 for the most recent five years:

2004	2003	2002	2001	2000
1.85%	1.76%	1.65%	1.61%	1.50%*

* Annualized

6. Distributions

Distributions per unit paid during the year were allocated as follows:

	June 2005 (unaudited)	2004	2003
Non-taxable distributions	$0.20	$0.40	$0.40

Until August 2, 2005 the Fund endeavoured to make quarterly cash distributions to unitholders of net income and net realized capital gains and options on the last day of March, June, September and December in each year. After August 2, 2005, the Fund will endeavour to make quarterly cash distributions to unitholders of 7.5% per annum on the Fund's net asset value. Unitholders may elect to reinvest distributions received from the Fund in additional units.

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

7. Income Taxes

The Fund is a ''mutual fund trust'' as defined in the *Income Tax Act* (Canada) (the ''Act''). The Fund 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 Fund on any net realized capital gains not paid or payable is recoverable by the Fund to the extent and in the circumstances provided in the Act.

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

No amount is payable on account of income taxes in 2004 or 2003.

Accumulated non-capital losses of approximately $6.1 million (2003 — $4.0 million) and capital losses of approximately $65.8 million (2003 — $57.6 million) are available for utilization against net investment income and realized gains on sale of investments, respectively, in future years. The non-capital losses have expiration dates extending to 2015 and capital losses can be carried forward indefinitely.

Issue costs of approximately $0.2 million (2003 — $1.7 million) remain undeducted for tax purposes at year end.

8. Commission Charges

Total commissions paid in 2004 in connection with portfolio transactions were $45,702 (2003 — $66,998).

9. Financial Instruments and Risk Management

The Fund's financial statements consist of cash, investments, and certain derivative contracts (options and forward exchange contracts).

Risks of these contracts arise from the potential inability of the counterparties to meet the terms of their contracts and from future movement in currency, stock values and interest rates. The maximum credit risk exposure is the aggregate of all contracts with a positive value as disclosed on the statement of investments. The Fund manages these risks through the use of various risk limits and trading strategies,

Investments and derivative contracts are carried at fair market values. Other instruments are carried at cost, which approximates fair value.

10. Subsequent Event

The Fund has engaged RBC Dominion Securities Inc., CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., Desjardins Securities Inc., HSBC Securities (Canada) Inc., Canaccord Capital Corporation, Dundee Securities Corporation, Blackmont Capital Inc. and Raymond James Ltd. to offer the Units offered pursuant to a prospectus dated September 28, 2005 filed with the securities regulatory authorities in each province in Canada. Consequently, subsequent to the completion of this Offering, assuming the maximum amount of the Offering, the net assets of the Fund will be approximately $151.2 million.

CERTIFICATE OF THE TRUST AND THE PROMOTER

Dated: September 28, 2005

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 9 of the *Securities Act* (British Columbia), by Part 8 of the *Securities Act*(Alberta), by Part XI of *The Securities Act, 1988* (Saskatchewan), by Part VII of *The Securities Act* (Manitoba), by Part XV of the *Securities Act* (Ontario), by Section 63 of the *Securities Act* (Nova Scotia), by Section 74 of the *Securities Act* (New Brunswick) and the respective regulations thereunder, by Part XIV of *The Securities Act* (Newfoundland and Labrador) and by Part II of the *Securities Act* (Prince Edward Island). This prospectus does not contain any misrepresentation likely to affect the value or the market price of the securities to be distributed within the meaning of the *Securities Act* (Quebec) and the regulations thereunder.

MULVIHILL FUND SERVICES INC.
(as Manager on behalf of Top 10 Canadian Financial Trust)

(Signed) JOHN P. MULVIHILL
Chief Executive Officer and President

(Signed) SHEILA S. SZELA
Chief Financial Officer

On behalf of the Board of Directors of Mulvihill Fund Services Inc.

(Signed) JOHN P. MULVIHILL
Director

(Signed) SHEILA S. SZELA
Director

(Signed) JOHN H. SIMPSON
Director

MULVIHILL CAPITAL MANAGEMENT INC.
(as Promoter)

(Signed) JOHN P. MULVIHILL
Chief Executive Officer and President

CERTIFICATE OF THE AGENTS

Dated: September 28, 2005

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 9 of the *Securities Act* (British Columbia), by Part 8 of the *Securities Act* (Alberta), by Part XI of *The Securities Act, 1988* (Saskatchewan), by Part VII of *The Securities Act* (Manitoba), by Part XV of the *Securities Act* (Ontario), by Section 64 of the *Securities Act* (Nova Scotia), by Section 74 of the *Securities Act* (New Brunswick) and the respective regulations thereunder, by Part XIV of *The Securities Act* (Newfoundland and Labrador) and by Part II of the *Securities Act* (Prince Edward Island). To the best of our knowledge, this prospectus does not contain any misrepresentation likely to affect the value or the market price of the securities to be distributed within the meaning of the *Securities Act* (Quebec) and the regulations thereunder.

RBC Dominion Securities Inc.	CIBC World Markets Inc.
By: (Signed) Graham C. Macmillan	By: (Signed) Ronald W.A. Mitchell

Scotia Capital Inc.

By: (Signed) Brian D. McChesney

TD Securities Inc.

By: (Signed) J. David Beattie

BMO Nesbitt Burns Inc.

By: (Signed) David R. Thomas

National Bank Financial Inc.

By: (Signed) Michael D. Shuh

Desjardins Securities Inc.	HSBC Securities (Canada) Inc.
By: (Signed) Stephen Altmann	By: (Signed) Deborah J. Simkins

Canaccord Capital Corporation	Dundee Securities Corporation	Blackmont Capital Inc.	Raymond James Ltd.
By: (Signed) Jens J. Mayer	By: (Signed) David P. Styles	By: (Signed) Patrick S. Leung	By: (Signed) Sara Minatel

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