This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities commission or similar regulatory authority in Canada has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

Initial Public Offering *February 15, 2000*

SUMMIT mcm SERIES

DIGITAL WORLD TRUST

$127,500,000 (Maximum)

$15.00 per Unit

This prospectus qualifies the issuance of transferable, redeemable units (the ''Units'') of the Digital World Trust (the ''Trust''), an investment trust established under the laws of Ontario.

The Trust will invest the net proceeds of this offering primarily in a diversified portfolio of Common Shares issued by leading ''digitally-based'' companies selected from the Digital World Universe (as described below). Companies included in the Digital World Universe must be listed on a major North American stock exchange or quoted on NASDAQ with a market capitalization in excess of US$5.0 billion and operate within the sectors of Telecommunication Services; Telecommunication Equipment Suppliers; Enabling Hardware and Software; and Related Digital Commerce, Services and Products (the ''Digital World Universe''). See ''Portfolio Investments – Representative Digital World Universe''.

The Trust's investment objective is to provide unitholders of the Trust (''Unitholders'') with superior returns through active management of the Trust's portfolio. The Trust expects to provide returns to Unitholders through (a) quarterly distributions and (b) appreciation in the value of the Trust's portfolio.

Cash distributions will primarily be derived from net realized capital gains from the Trust's portfolio including premiums from writing covered call options on the securities held in the Trust's portfolio and from writing cash covered put options on securities in which the Trust is permitted to invest as well as from dividends received on the Trust's portfolio. Mulvihill Capital Management Inc. (''MCM''), the Trust's investment manager, believes that the Trust will be able to deliver significant option premiums and capital appreciation due to the high volatility levels and superior growth prospects of Digital World Universe securities and by generally limiting its uninvested cash positions in order to be substantially invested in the securities in which it is permitted to invest.

The Trust will be actively managed by MCM and the composition of the Trust's 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.

The Trust will terminate on December 31, 2009 (the ''Termination Date'') and its net assets will be distributed thereafter to Unitholders unless Unitholders determine to continue the Trust by a majority vote at a meeting called for such purpose. See ''Termination of the Trust''.

The Toronto Stock Exchange has conditionally approved the listing of the Units, subject to fulfillment by the Trust of the requirements of such exchange on or before May 8, 2000, including the distribution of the Units to a minimum number of Unitholders.

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 Units will be qualified investments for trusts governed by registered retirement savings plans, deferred profit sharing plans, registered retirement income funds and, assuming proposed amendments are enacted, registered education savings plans. **The Units will be foreign property for such plans, where applicable.** See ''Canadian Federal Income Tax Considerations'' and ''Eligibility for Investment''.

See ''Risk Factors'' for a discussion of certain factors that should be considered by prospective investors in Units.

Price: $15.00 per Unit
Minimum Purchase: 100 Units

	Price to the Public[1]	Agents' Fees	Net Proceeds to the Trust[2]
Per Unit	$ 15.00	$ 0.825	$ 14.175
Total Minimum Offering[3]	$ 75,000,000	$4,125,000	$ 70,875,000
Total Maximum Offering[4]	$127,500,000	$7,012,500	$120,487,500

Notes:

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

(2) Before deducting the expenses of issue (estimated at $525,000) 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 5,000,000 Units are sold.

(4) The Trust has granted the Agents an option (the ''Over-Allotment Option''), exercisable for a period of 30 days from the closing of this offering, to offer up to 1,275,000 additional Units on the same terms set forth above, which additional Units are qualified for sale hereunder. If the Over-Allotment Option is exercised in full, the total price to the public under the maximum offering will be $146,625,000, the Agents' fee will be $8,064,375 and the net proceeds to the Trust will be $138,560,625.

Digital World 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 a mutual fund 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., Nesbitt Burns Inc., Scotia Capital Inc., TD Securities Inc., Merrill Lynch Canada Inc., CIBC World Markets Inc., National Bank Financial Inc., Canaccord Capital Inc., Goepel McDermid Inc., HSBC Securities (Canada) Inc. and Trilon Securities Corporation (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 Agents in accordance with the conditions contained in the Agency Agreement, and subject to the approval of certain legal matters by Osler, Hoskin & Harcourt LLP, Toronto, on behalf of the Trust, and McCarthy Tétrault, Toronto, 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 February 23, 2000, but no later than April 14, 2000. Registrations and transfers of Units will be effected only through the book-based 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.

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PROSPECTUS SUMMARY

The following is a summary only and is qualified in its entirety by and should be read in conjunction with the more detailed information appearing elsewhere in this prospectus.

MCM Summit Series

The Digital World Trust is the first in the MCM Summit Series. The MCM Summit Series has been created with a focus on delivering superior returns in respect of the Trust's investment portfolio through quarterly distributions and appreciation in Net Asset Value per Unit. Previous trusts created by MCM (for example the First Premium Income trusts) are focused on paying a stable stream of targeted quarterly distributions while preserving underlying asset values.

The Trust

Digital World Trust (the ''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. 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: $127,500,000 (8,500,000 Units)

Minimum: $75,000,000 (5,000,000 Units)

Price: $15.00 per Unit

Minimum Purchase: 100 Units ($1,500)

Eligibility for Investment: 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 Units will be qualified investments for trusts governed by registered retirement savings plans, deferred profit sharing plans, registered retirement income funds and, assuming proposed amendments are enacted, registered education savings plans. **The Units will be foreign property for such plans, where applicable.** See ''Canadian Federal Income Tax Considerations'' and ''Eligibility for Investment''.

The Digital Sector: MCM believes that a key driver of the economy in the next decade will be the digitization of business processes and the related growth of the Internet and e-commerce. Digitization in this context refers to any product, service or function which is provided or can be converted, transmitted or processed in a digital format.

MCM believes that the leading companies in the digital world will generally operate in four distinct sectors:

1. Telecommunication Services;
2. Telecommunication Equipment Suppliers;
3. Enabling Hardware and Software; and
4. Related Digital Commerce, Services and Products.

Investment Objective: The Trust's investment objective is to provide unitholders of the Trust (''Unitholders'') with superior returns through active management of the Trust's portfolio. The Trust expects to provide returns to Unitholders through (a) quarterly distributions and (b) appreciation in the value of the Trust's portfolio.

Cash distributions will primarily be derived from net realized capital gains from the Trust's portfolio including premiums from writing covered call options on securities held in the Trust's portfolio and from writing cash covered put options on securities in which the Trust is permitted to invest as well as from dividends received on the Trust's portfolio. MCM believes that the Trust will be able to deliver significant option premiums and capital appreciation due to the high volatility levels and superior growth prospects of Digital World Universe securities and by generally limiting its uninvested cash positions in order to be substantially invested in the securities in which it is permitted to invest.

Returns from Covered Call Option Writing:

The following table illustrates the return (net of expenses) from covered call option writing and dividends that can be earned assuming different volatility levels when writing covered call options that are 2% out-of-the-money. The option premiums have been calculated using a Black-Scholes Model (modified to include dividends) based on the assumptions set out under the heading ''Covered Call Option Writing – Sensitivity Analysis.''

Return (net of expenses) from Call Option Premiums and Dividends (Annualized %)

	Average Volatility of the Individual Stocks in the Portfolio					
	30%	**40%**	**50%**	**60%**	**70%**	**80%**
2% Out-Of-The-Money	20.0%	26.6%	33.2%	39.8%	46.4%	52.9%

The weighted average 90-day volatility of the securities in the Representative Digital World Universe as set forth below under the heading ''Portfolio Investments – Representative Digital World Universe'' was 64.3% as of February 11, 2000. See ''Portfolio Investments – Representative Digital World Universe''.

The information set forth above is for illustrative purposes only and should not be construed as a forecast or projection. No assurance can be given that the returns shown in this sensitivity analysis would ever be available or realized.

Investment Strategy:

The Trust will invest the net proceeds of this offering primarily in a diversified portfolio of Common Shares issued by leading ''digitally based'' companies selected from the Digital World Universe (as described below). Companies included in the Digital World Universe must be listed on a major North American stock exchange or quoted on NASDAQ with a market capitalization in excess of US$5.0 billion and operate within the sectors of Telecommunication Services; Telecommunication Equipment Suppliers; Enabling Hardware and Software; and Related Digital Commerce, Services and Products (the ''Digital World Universe''). See ''Portfolio Investments – Representative Digital World Universe''.

The Trust will, from time to time, write covered call options in respect of all or part of the securities in the Trust's portfolio. In addition, the Trust may write cash covered put options in respect of securities in which the Trust is permitted to invest. The Trust will be actively managed by MCM, its investment manager, and the composition of the Trust's portfolio, the securities that are 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 market conditions.

Equity Weightings:

The following table sets out the ranges within which the Trust may allocate its investments and the weightings which the Trust currently anticipates will apply to its initial allocation of investments:

	Permitted Range	Initial Investments
Telecommunication Services	0-100%	40%
Telecommunication Equipment Suppliers	0-50%	20%
Enabling Hardware and Software	0-50%	20%
Related Digital Commerce, Services and Products	0-30%	20%

Representative Digital World Universe:

The following are the names of corporations whose securities have been selected by MCM as being representative of securities in the Digital World Universe:

Telecommunication Services:

Nippon Telegraph & Telephone Corp.
Deutsche Telekom AG
AT&T Corp.
Vodafone AirTouch plc.
MCI WorldCom, Inc.
British Telecommunications plc
France Telecom SA
Bell Atlantic Corporation
Telecom Italia SpA
BCE Inc.
GTE Corporation
Sprint Corporation
Global Crossing Ltd.
Orange plc
Cable & Wireless Communications plc
US West, Inc.
Qwest Communications Intl. Inc.
Nextel Communications, Inc.
COLT Telecom Group plc
Telefonos de Mexico, SA
ALLTEL Corporation
NEXTLINK Communications, Inc.
United States Cellular Corporation
Telecom Corporation of New Zealand Limited

Telecommunication Equipment Suppliers:

Cisco Systems, Inc.
Lucent Technologies Inc.
Nokia Corporation
Nortel Networks Corporation.
Ericsson LM Telephone Co.
Motorola, Inc.
QUALCOMM Incorporated
Alcatel SA
JDS Uniphase Corporation
Tellabs, Inc.
Amdocs Limited
Applied Micro Circuits Corporation

Enabling Hardware and Software:

Microsoft Corporation
Oracle Corporation
Hewlett-Packard Company
Compaq Computer Corporation
Canon Inc.
VERITAS Software Corporation
SAP Aktiengesellschaft
Gateway, Inc.
3Com Corporation
VeriSign, Inc.
Adobe Systems Incorporated
Dassault Systemes SA

Related Digital Commerce Products and Services:

General Electric Company
America Online, Inc.
Sony Corporation
The Charles Schwab Corporation
CMGI, Inc.
First Data Corporation
eBay Inc.
Network Solutions, Inc.
TD Waterhouse Group, Inc.
E*TRADE Group, Inc.
Scient Corporation
Healtheon/WebMD Corporation

Investment Manager:	MCM has been retained to act as investment manager of the Trust in accordance with the investment objective, strategy and criteria of the Trust. MCM is also the investment manager of the Mulvihill First Premium family of funds which have, in the aggregate, completed prospectus offerings of shares or units of approximately $1.2 billion including Global Telecom Split Share Corp. (''Global Telecom'') which completed an offering of $170 million in June 1998 and invested the net proceeds in a diversified portfolio principally of Common Shares issued by selected companies operating in the telecommunications industry. The Class A Shares were initially issued at a price of $15.00 per Class A Share and as of February 14, 2000, the closing trading price of a Class A Share on The Toronto Stock Exchange was $19.00. Global Telecom paid dividends on its Class A Shares in 1999 of $8.20 per Class A Share. 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 $3.5 billion. See ''Management of the Trust – Investment Manager''. MCM has taken the initiative in founding and organizing the Trust and is a promoter of the Trust within the meaning of applicable securities legislation. See ''Promoter''.
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''.
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. The initial cash distribution will be payable on March 31, 2000. The Trust may also, in the discretion of the Manager, make other distributions at any time in addition to quarterly cash distributions if it considers it appropriate. The amount of the quarterly distributions may fluctuate from quarter to quarter and there can be no assurance that the Trust will make any distributions in any particular quarter or 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 after December 14 but on or before December 31 of that year, to distribute 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). See ''Canadian Federal Income Tax Considerations''.
Distribution Reinvestment Plan:	Unitholders may elect to reinvest distributions received from the Trust in additional Units. See ''Distribution Reinvestment Plan''.
Termination:	The Trust will terminate on December 31, 2009 (the ''Termination Date'') and its net assets will be distributed thereafter to Unitholders unless Unitholders determine to continue the Trust by a majority vote at a meeting called for such purpose. See ''Termination of the Trust''.

Redemptions: Units may be surrendered at any time for redemption 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 (commencing with the December 2000 Valuation Date) 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''.

Risk Factors

An investment in Units is subject to certain risk factors, including: (i) the fact that the amount of dividends and option premiums received by the Trust and the value of the securities comprising the Trust's portfolio will be influenced by factors beyond the Trust's control means that there are no assurances that the Trust will be able to pay quarterly cash distributions or that the Trust will achieve superior returns; (ii) since the securities in the Digital World Universe will generally have high volatility, there may be significant fluctuations in the NAV per Unit; (iii) market and economic conditions affecting the Digital Sector; (iv) the Units may trade at a discount or premium to Net Asset Value; (v) the Trust's reliance on its investment manager, MCM; (vi) fluctuations in prevailing interest rates; (vii) liquidity and counterparty risks associated with the writing of covered call options, cash covered put options and the purchase of cash secured put options; (viii) fluctuations in the value of the U.S. dollar or other foreign currencies; (ix) virtually all of the Trust's portfolio will be subject to foreign market exposure; (x) potential unlimited liability for obligations incurred by the Trust; (xi) the fact that the Trust is relying on The Canada Customs and Revenue Agency'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; (xii) the Trust's lack of operating history and the current absence of a public trading market for the Units; and (xiii) Year 2000 readiness issues. See ''Risk Factors''.

Canadian Federal Income Tax Considerations

A Unitholder will generally be required to include in computing income for a year the amount of income of the Trust for tax purposes, including net taxable capital gains, if any, paid or payable to the Unitholder by the Trust in the year. The Trust will generally be required to pay U.S. withholding tax on its U.S. source dividend income and may be required to pay other foreign tax in respect of ADRs. A taxable Unitholder of the Trust will generally be entitled to foreign tax credits in respect of U.S. or other foreign taxes paid by the Trust on the Unitholder's share of U.S. and other foreign source dividend income of the Trust designated in respect of the Unitholder, under and subject to the general foreign tax credit rules under the *Income Tax Act* (Canada) and depending upon other foreign source income or losses and foreign taxes paid by the Unitholders. In determining its income for tax purposes, the Trust intends, in accordance with The Canada Customs and Revenue Agency's published administrative practice, to treat gains and losses realized on the disposition of securities in the Trust's 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 options, as capital gains and capital losses. 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	$0.825 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 $525,000).
Fee payable to MCM for acting as investment manager of the Trust	MCM will receive (i) an annual fee of 1.10% of the Trust's NAV calculated and payable monthly, plus applicable taxes and (ii) an annual performance fee per Unit equal to 10% of the amount by which (a) cash distributions paid in a financial year plus the change in the NAV per Unit of the Trust since the December Valuation Date of the previous financial year exceeds (b) 20% of the NAV per Unit at the December Valuation Date of the previous financial year. In calculating the performance fee for the 2000 financial year, NAV per Unit at the December Valuation Date of the previous financial year shall be deemed to be $15.00. No performance fee will be paid in a financial year (x) if cumulative total returns have not exceeded a 15% cumulative return since inception on the original investment of $15.00 and (y) unless the total return for the Trust for such year exceeds the simple average of the annual total return for such year of the Scotia Capital 91-day T-Bill Index and the NASDAQ-100 Index.
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 $225,000 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.

GLOSSARY

ADRs	American Depository Receipts issued by a depository that evidence a beneficial interest in securities of an issuer that are held on deposit by the depository.
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 and New York stock exchanges are 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
Common Shares	includes common shares, instalment receipts for common shares and ADRs and other securities that are convertible into, exchangeable for or carry the right to purchase common shares of an issuer.
covered call option	a call option entered into in circumstances where the seller of the call option holds the underlying security through the term of the option.
Digital Sector	refers to companies with products, services or functions which are provided or can be converted, transmitted or processed in a digital format or which provide, supply or facilitate digitalization. See ''Portfolio Investments'' and ''The Digital Sector Overview''.
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 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 and NAV Per Unit''.
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.
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

Digital World Trust (the ''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 (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.

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 Units are to have a stock exchange listing whereas the securities of most conventional mutual funds do not; and (iii) unlike most conventional mutual funds, the Units will not be offered on a continuous basis.

INVESTMENTS OF THE TRUST

Investment Objective

The Trust's investment objective is to provide unitholders of the Trust (''Unitholders'') with superior returns through active management of the Trust's portfolio. The Trust expects to provide returns to Unitholders through (a) quarterly distributions and (b) appreciation in the value of the Trust's portfolio.

Cash distributions will be made from dividends received on the Trust's portfolio and net realized capital gains from the Trust's portfolio including option premiums from writing covered call options on securities held in the Trust's portfolio and from writing cash covered put options on securities in which the Trust is permitted to invest. MCM believes that the Trust will be able to deliver significant option premiums and capital appreciation due to the high volatility levels and superior growth prospects of Digital World Universe securities and by generally limiting its uninvested cash positions in order to be substantially invested in the securities in which it is permitted to invest.

Investment Strategy

The Trust will invest the net proceeds of this offering primarily in a diversified portfolio of Common Shares issued by leading ''digitally-based'' companies defined as those companies with products, services or functions which are provided or can be converted, transmitted or processed in a digital format or which provide, supply or facilitate digitization. Selected companies must be listed on a major North American stock exchange or quoted on NASDAQ with a market capitalization in excess of US$5.0 billion and operate within the sectors of Telecommunication Services; Telecommunication Equipment Suppliers; Enabling Hardware and Software; and Related Digital Commerce, Services and Products (the ''Digital World Universe''). See ''Portfolio Investments – Representative Digital World Universe''.

The Trust will, from time to time, write covered call options in respect of all or part of the securities in the Trust's portfolio. In addition, the Trust may write cash covered put options in respect of securities in which the Trust is permitted to invest.

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. See ''Portfolio Investments – Utilization of Cash Equivalents'' and ''Investments of the Trust – Investment Criteria''.

The Trust will be actively managed by MCM and the composition of the Trust's 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 for its 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 not:

(a) except as provided in paragraphs (b), (e) and (g), purchase securities of an issuer unless:

  (i) such securities are Common Shares issued by corporations selected from the Digital World Universe;

  (ii) such Common Shares are listed for trading on a major North American stock exchange or on NASDAQ;

  (iii) such Common Shares are issued by corporations that have a market capitalization in excess of US$5.0 billion (determined at the time of purchase);

  (iv) after such purchase, no more than 50% of the NAV per Unit (determined at the time of purchase) is invested in each of the Telecommunication Equipment Suppliers and the Enabling Hardware and Software sectors of the Digital World Universe. The determination of the parameters for the definition of each of those sectors will be made by MCM and the Manager, acting reasonably; and

  (v) after such purchase, no more than 30% of the NAV per Unit (determined at the time of purchase) is invested in the Related Digital Commerce, Services and Products sector of the Digital World Universe. The determination of the parameters for the definition of this sector will be made by MCM and the Manager acting reasonably. A company will only be included in this sector if it provides digital products and services or has adopted or is adopting digital processes in its business strategy which MCM believes will result in material benefits to such company;

(b) purchase debt securities unless such securities are cash equivalents;

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

(d) dispose of any security included in the Trust's portfolio that is subject to a call option written by the Trust unless such option has either terminated or expired;

(e) write put options in respect of any security unless (i) the Trust is permitted to invest in such securities, and (ii) 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;

(f) reduce the total amount of cash equivalents held by the Trust to an amount less than the aggregate strike price of all outstanding put options written by the Trust; or

(g) purchase call options or put options except as specifically permitted under NI 81-102.

In addition, but subject to these investment criteria, the Trust has adopted the standard investment restrictions and practices set forth in NI 81-102 (as it may be amended from time to time). A copy of such standard investment restrictions and practices will be provided by the Manager to any person on request.

Use of Other Derivative Instruments

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. The Trust may also purchase put options in order to protect the Trust from declines in the market prices of the individual securities in the Trust's portfolio or in the value of the Trust's portfolio as a whole. The Trust may enter into trades to close out positions in such permitted derivatives.

The Trust may also use derivatives permitted under NI 81-102 to hedge the Trust's foreign currency exposure. Such permitted derivatives may include clearing corporation options, futures contracts, options on futures, over-the-counter options and forward contracts.

PORTFOLIO INVESTMENTS

The Trust will endeavour to invest, as soon as possible after closing of this offering, the net proceeds of this offering in accordance with the Trust's investment objective, strategy and criteria. See ''Investments of the Trust''.

Representative Digital World Universe

The table below sets out, as at February 11, 2000, the following information for corporations whose securities have been selected by MCM as being representative of the securities comprising the Digital World Universe: the market capitalization of the securities in billions of U.S. dollars; the compound average annual growth rate (''CAGR'') in the price of the securities for the period from February 10, 1995 to February 11, 2000 (unless otherwise noted); and the average 90 day volatility in the price of the securities.

Telecommunication Services

Company	Market Cap. (US$-Billions)	CAGR[1]	90 Day Volatility	Prices From
Vodafone AirTouch plc	278.8	55.4%	70.9%	10-Feb-95
Deutsche Telekom AG	261.1	53.6%	63.0%	18-Nov-96
Nippon Telegraph & Telephone Corp.	234.0	14.6%	36.4%	10-Feb-95
France Telecom SA	168.1	95.7%	58.5%	20-Oct-97
AT&T Corp.	155.4	15.5%	49.9%	10-Feb-95
MCI WorldCom, Inc.	143.0	46.9%	59.5%	10-Feb-95
Telecom Italia SpA	118.2	49.2%	58.0%	11-May-95
British Telecommunications plc	106.1	21.5%	63.6%	10-Feb-95
Bell Atlantic Corporation	87.0	15.8%	33.4%	10-Feb-95
BCE Inc.	75.6	51.1%	52.7%	10-Feb-95
GTE Corporation	64.7	14.7%	36.6%	10-Feb-95
Sprint Corporation	55.6	41.7%	40.1%	10-Feb-95
Cable & Wireless Communications plc	52.7	28.4%	68.4%	10-Feb-95
Orange plc	47.2	85.9%	46.7%	27-Mar-96
Global Crossing Ltd.	44.4	225.2%	73.8%	13-Aug-98
Nextel Communications, Inc.	41.6	66.1%	69.5%	10-Feb-95
US West, Inc.	37.1	25.5%	32.2%	10-Feb-95
COLT Telecom Group plc	37.0	228.0%	62.1%	09-Dec-96
Qwest Communications International Inc.	34.6	104.5%	48.7%	24-Jun-97
Telefonos De Mexico, SA	34.4	32.4%	48.6%	10-Feb-95
ALLTEL Corporation	20.2	17.8%	39.2%	10-Feb-95
NEXTLINK Communications, Inc.	13.0	144.9%	85.5%	26-Sep-97
Telecom Corporation of New Zealand Limited	7.4	4.3%	24.7%	10-Feb-95
United States Cellular Corporation	5.3	13.2%	76.4%	10-Feb-95
Average	88.4	60.5%	54.1%	

Telecommunication Equipment Suppliers

Company	Market Cap.	CAGR(1)	90 Day Volatility	Prices From
	(US$-Billions)			
Cisco Systems, Inc.	448.0	102.0%	43.8%	10-Feb-95
Nokia Corporation	229.2	82.9%	68.7%	10-Feb-95
Lucent Technologies Inc.	169.3	65.3%	70.4%	04-Apr-96
Nortel Networks Corporation	161.9	69.7%	63.4%	10-Feb-95
Ericsson LM Telephone Co.	161.7	66.9%	61.3%	10-Feb-95
Motorola, Inc.	107.3	19.4%	61.5%	10-Feb-95
QUALCOMM Incorporated	93.5	107.2%	104.6%	10-Feb-95
JDS Uniphase Corporation	72.1	192.1%	97.5%	10-Feb-95
Alcatel SA	55.9	25.7%	56.7%	10-Feb-95
Tellabs, Inc.	24.4	56.4%	66.3%	10-Feb-95
Amdocs Limited	13.0	148.8%	55.3%	19-Jun-98
Applied Micro Circuits Corporation	12.5	423.1%	93.1%	25-Nov-97
Average	129.1	113.3%	70.2%	

Enabling Hardware and Software

Company	Market Cap.	CAGR(1)	90 Day Volatility	Prices From
	(US$-Billions)			
Microsoft Corporation	520.2	66.8%	44.1%	10-Feb-95
Oracle Corporation	168.4	68.6%	80.8%	10-Feb-95
Hewlett-Packard Company	121.6	35.9%	58.0%	10-Feb-95
VERITAS Software Corporation	44.7	185.2%	87.2%	10-Feb-95
Compaq Computer Corporation	43.5	28.1%	62.8%	10-Feb-95
Canon Inc.	36.8	23.1%	53.9%	10-Feb-95
SAP Aktiengesellschaft	36.2	45.6%	90.3%	18-Sep-95
VeriSign, Inc.	21.4	454.2%	104.3%	30-Jan-98
3Com Corporation	21.3	19.4%	74.4%	10-Feb-95
Gateway, Inc.	17.7	60.1%	55.6%	10-Feb-95
Adobe Systems Incorporated	10.9	41.0%	69.3%	10-Feb-95
Dassault Systemes SA	9.9	61.3%	68.0%	28-Jun-96
Average	87.7	90.8%	70.7%	

Related Digital Commerce, Services and Products

Company	Market Cap.	CAGR(1)	90 Day Volatility	Prices From
	(US$-Billions)			
General Electric Company	438.4	38.7%	31.7%	10-Feb-95
America Online, Inc.	129.6	121.8%	68.9%	10-Feb-95
Sony Corporation	116.9	40.0%	58.1%	10-Feb-95
The Charles Schwab Corporation	32.0	65.5%	75.8%	10-Feb-95
CMGI, Inc.	27.6	198.5%	108.5%	10-Feb-95
First Data Corporation	20.8	13.9%	34.3%	10-Feb-95
eBay Inc.	19.8	923.3%	79.6%	23-Sep-98
Network Solutions, Inc.	10.1	336.7%	103.9%	25-Sep-97
Healtheon/WEBMD Corporation	8.3	570.4%	87.9%	10-Feb-99
Scient Corporation	6.2	1594.4%	85.5%	13-May-99
E*TRADE Group, Inc.	6.0	78.9%	74.1%	16-Aug-96
TD Waterhouse Group, Inc.	5.4	-53.8%	61.1%	23-Jun-99
Average	68.4	327.4%	74.2%	

Note:
(1) CAGR not annualized if less than one year of price data.

The information contained in the above section is historical and is not intended to be, nor should it be construed to be, an indication as to the future trading levels of the securities comprising the Digital World Universe.

THE DIGITAL SECTOR OVERVIEW

MCM believes that a key driver of the economy in the next decade will be the digitization of business processes and the related growth of the Internet and e-commerce. Digitization in this context refers to any product, service or function which is provided or can be converted, transmitted or processed in a digital format.

The shift towards a more digital world is often referred to as the ‘‘Digital Revolution’’ and may be one of the most significant business developments in history. Today, companies such as Microsoft, AOL, and Charles Schwab are being valued on the basis of the financial market’s anticipation of significant growth resulting from the Digital Revolution. MCM believes that companies that successfully deliver digital products or digitize their products and services will capture significant advantages and market share over their competitors. The Digital Revolution sets the stage for significant growth of these companies.

Growth of the Internet

The Internet has emerged as a global communications medium to deliver and share information and conduct business digitally. The dramatic growth in the number of Internet users has led to the proliferation of information and services on the Internet, including financial and other content and media services. Businesses are beginning to use the Internet to cut the cost of purchasing, manage supplier relationships, streamline logistics and inventory, plan production, and reach new and existing customers more effectively. Corporations have found that, while the Internet is challenging traditional business models, it also provides significant competitive advantages to companies that are leaders in fully embracing its capabilities.

The Internet is more than just a communications tool to transmit information or content. The Internet is empowering both the *creators* and the *distributors* of content, along with facilitating the delivery of content to anyone who can access the Web.

Despite the rapid growth in the use of the Internet and the number of its subscribers, it appears that penetration is still in its initial stages. In North America, the subscriber base is still approximately only 32% of the total available market. On a global basis, penetration is approximately 4%, implying that the Internet is in its infancy, and possesses the potential for future growth.

The Emergence of e-Commerce

With the emergence of the Internet as an accessible, fully interactive digital medium, many individuals and companies that have traditionally conducted business in person, through the mail or over the telephone can now increasingly conduct business digitally. E-commerce allows for the removal of geographic limitations for participants and dramatically increases access to new markets and customers. MCM expects that consumer use of e-commerce will accelerate as more individuals gain access to the Internet, as the speed of Internet access increases and as security concerns are alleviated.

Digital Business Processes

As a result of the Digital Revolution capturing and effectively exploiting information is a key to improving business processes, and therefore corporate performance. The Internet is transforming business models and the competitive position of industries and companies. In effect the digital infrastructure which is being built will provide content and service providers with increasing access to markets and demand. Companies which successfully digitize their business processes and improve upon the convenience or value of an existing service will, MCM believes, enjoy a significant competitive advantage.

The following are examples of large, well-established companies that have adopted a digital strategy:

- **General Electric:** uses the Internet for procurement. In 1998, its lighting division lowered its purchasing labour costs by 30 percent and its material costs by up to 20 percent. By the end of 2000, GE aims to have all 12 of its business units purchasing materials via the Internet, and thereby expects to save US$500-$700 million.
- **Cisco Systems:** in 1998 saved US$363 million (approximately 17.5 percent of total operating costs) by putting key business applications on the Internet. Its technical support productivity increased by 200-300 percent per year, lowering technical support staff costs by US$125 million. Customers downloaded new software releases directly from Cisco's site, saving the company US$180 million in distribution, packaging and duplication costs.
- **Federal Express:** Two-thirds of the company's shipping transactions in 1998 were transmitted and received using online services. The company's own proprietary network handled 54 million transactions a day, allowing it to keep track of every package FedEx delivered, every step of the way. Using this system, National Semiconductor, a FedEx logistics customer, saw a reduction of its average customer delivery cycle from four weeks to one week, and a drop in its distribution costs from 2.9 percent of sales to 1.2 percent.

Despite these impressive examples, the Digital Revolution is only beginning. Growth is expected to accelerate not only in the technology sector, but across all sectors of the economy as the number of companies adopting a digital strategy and applying the Internet to their businesses increases, along with the number of people connecting to the Internet.

Industry Sectors

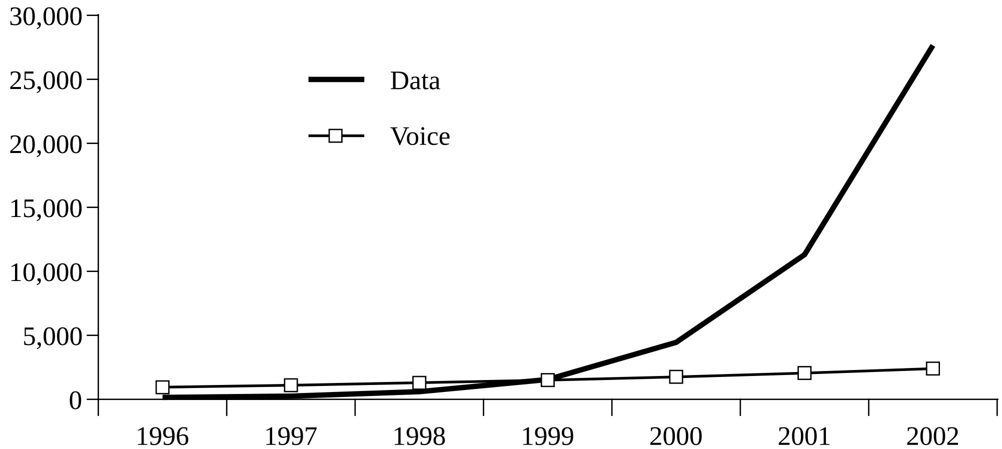
MCM believes that the leading companies in the digital world will generally operate in four distinct sectors. These sectors are:

1. Telecommunication Services;
2. Telecommunication Equipment Suppliers;
3. Enabling Hardware and Software; and
4. Related Digital Commerce, Services and Products.

Telecommunication Services

The telecommunication services sector is poised to grow rapidly due to digitization and the growth of data transmission. Data transmission is the fastest growing component of overall global telecommunications network time usage, growing in 1998 at a rate of 115% a year compared to a growth rate of 17% a year for voice transmission. In the United States, data traffic has now surpassed voice traffic. The further adoption of the Internet and related e-commerce services will add to the rate of growth of data transmission and should present service providers with significant opportunities.

Comparative Total Worldwide Network Demand
(Billions of Packets)



Source: RBC Dominion Securities Inc.

Potential demand and potential for growth in demand exists in both the developed and developing regions of the world. In the developing world, the demand is for access to basic telecommunications services, which requires basic infrastructure and equipment build-ups. In the developed world, there is an escalating demand for high-speed data transmission and wireless services.

Telecommunication Equipment Suppliers

Increases in data transmission over telecommunications lines along with the demand for more intensive applications over the Internet have forced telecommunication service providers to undertake significant infrastructure and bandwidth investments. Communication carriers around the world are building out fiber optic networks; technological advancements including optical amplification and new photonic switches make these high-speed networks more possible and more efficient. Many of the systems are being rebuilt and upgraded to accommodate this demand for bandwidth and equipment providers are continually developing new applications and increasingly advancing their technology to meet growing demands for bandwidth and transmission speeds. For example, Nortel Networks developed their Succession line of products as an upgrade strategy for existing telecommunications providers as it allows the transmission of data packets over a traditional voice network, a less costly alternative to complete network replacement. Both Lucent and Nortel Networks have also developed a network which is based on high-speed optical digital technology.

Enabling Hardware and Software

Increased demand for digital products and services has spurred demand for enabling hardware and software. MCM believes that for companies to meet their digital strategies they will demand enhanced software and hardware capabilities along with improved infrastructure. This should result in an increase in the demand for these products and services and the number of providers of them.

Companies like Microsoft and Oracle are producing software that facilitates a company’s switch to a more digital strategy. Hardware companies such as Intel are increasing microprocessor speeds and capacities so as to allow for the smoother operation of digital processes.

Related Digital Commerce, Services and Products

MCM believes that the ability of existing companies to employ the Internet and its capabilities to digitize their business processes may transform them into formidable competitors allowing them to capture market share away from other non-‘‘digital’’ competitors. Growth in e-commerce, via the Internet has spurred a whole new generation of companies that are oriented to offering Internet related products and services directly to customers. These companies are driving usage and attracting users to the Internet by providing valuable and appealing content. Companies such as AOL, Amazon.com, and eBay, which operate solely on the Internet, for Internet users.

In addition, this growth has provided opportunities for legacy companies such as General Electric, and Boeing to adapt to the digital world and to digitize their business processes. Internet commerce presents these companies with the opportunity to lower purchasing costs, reduce inventories, decrease cycle times, provide more efficient and effective customer service, lower sales and marketing costs and provide new sales opportunities. For example Charles Schwab, a financial services company, has dramatically increased sales by providing investors the ability to implement orders over the Internet. The service is virtually instantaneous and the transaction costs are dramatically reduced.

COVERED CALL 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 equity securities of the Digital World Universe held in the Trust's 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 equity securities that are in the Trust's 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 ''Portfolio Investments – Covered Call Option Writing – Call Option Pricing''.

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 ''Portfolio Investments – Covered Call Option Writing – Call Option Pricing''.

If a call option is written on a security in the Trust's 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.

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 between February 10, 1995 and February 11, 2000;
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 90 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 risk-free or benchmark interest rate equals 5.65%; and
5. the return from the dividends paid is 0.52%.

ANNUALIZED PREMIUMS FROM WRITING COVERED CALL OPTIONS(1)

	AVERAGE VOLATILITY											
%Out-Of-The-Money	**30%**	**35%**	**40%**	**45%**	**50%**	**55%**	**60%**	**65%**	**70%**	**75%**	**80%**	**85%**
5%	17.5%	21.4%	25.3%	29.3%	33.2%	37.2%	41.1%	45.1%	49.0%	53.0%	56.9%	60.8%
4%	19.0%	22.9%	26.9%	30.8%	34.8%	38.7%	42.7%	46.6%	50.6%	54.5%	58.4%	62.4%
3%	20.6%	24.6%	28.5%	32.5%	36.4%	40.4%	44.3%	48.3%	52.2%	56.1%	60.0%	63.9%
2%	22.3%	26.3%	30.2%	34.2%	38.1%	42.1%	46.0%	49.9%	53.8%	57.7%	61.6%	65.5%
1%	24.2%	28.1%	32.0%	36.0%	39.9%	43.8%	47.7%	51.6%	55.5%	59.4%	63.3%	67.2%

Note:

(1) Measured as a percentage return of the market value of the underlying securities at the time of the writing of the options.

The information set forth above is provided for illustrative purposes only and should not be construed as a forecast or projection. No assurance can be given that the returns shown in this sensitivity analysis would ever be available or realized. The range of percentage out-of-the-money shown in the above table is based on the range generally utilized by MCM in writing call options.

Volatility History

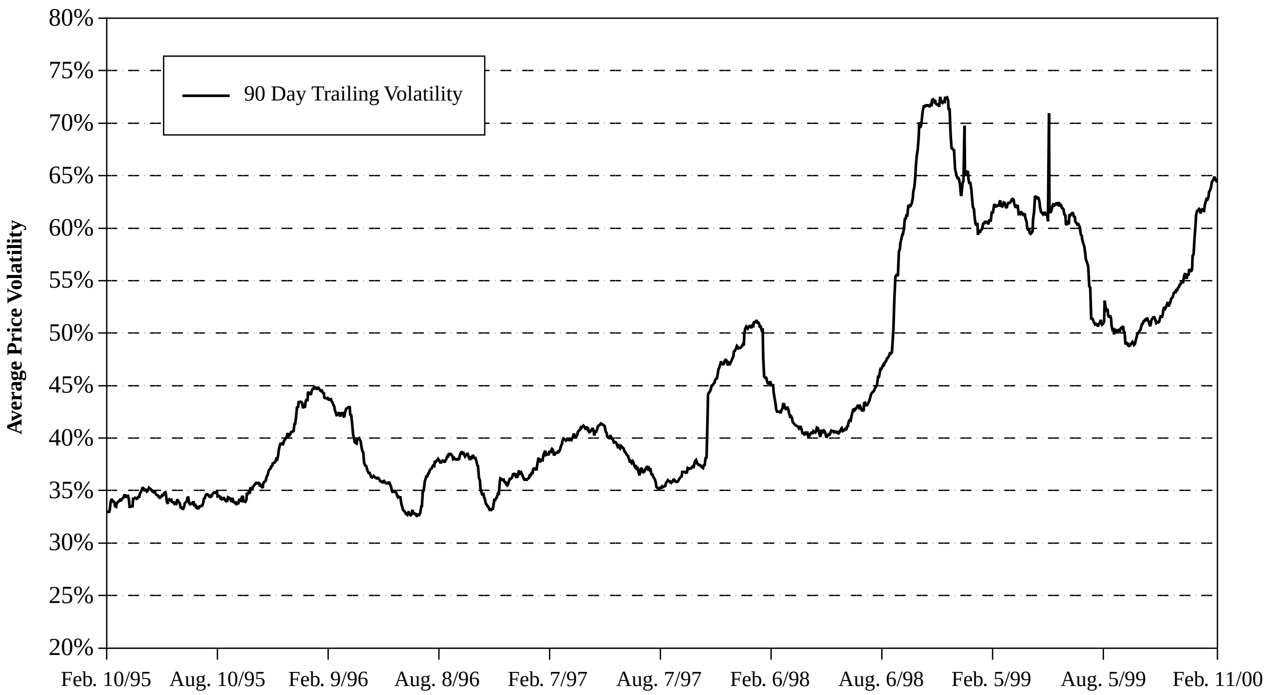
The following table illustrates the historical highest, lowest and average trailing 90 day volatility (expressed in percentage terms on an annualized basis) of the representative corporations of the Digital World Universe listed under the heading ‘‘Portfolio Investments – Representative Digital World Universe’’ from February 10, 1995 to February 11, 2000 and the current trailing 90 day volatility.

	High	Low	Average	Close
Telecommunication Services	62.3%	22.2%	34.0%	54.1%
Telecommunication Equipment Suppliers	83.2%	34.0%	48.6%	70.2%
Enabling Hardware and Software	75.7%	36.2%	50.0%	70.7%
Related Digital Commerce, Services and Products	142.4%	34.8%	57.8%	72.4%

The following chart represents the trailing 90 day volatility of the representative portfolio of stocks assuming the following investment sector weightings:

Telecommunication Services	40%
Telecommunication Equipment Suppliers	20%
Enabling Hardware and Software	20%
Related Digital Commerce, Services and Products	20%

Average Price Volatility of All Securities in the Representative Digital World Universe



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 Trust’s portfolio.

Sensitivity Analysis

The table below represents an assessment of the sensitivity of the net return to Unitholders from dividends and option premiums of the Trust (excluding any gains or losses on the Trust’s portfolio investments, dividend increases or decreases and any amounts paid to close out in-the-money options) to: (i) the average volatility of the individual securities that may comprise the Trust’s portfolio; and (ii) the excess of the strike price over the market price of the securities expressed as a percentage of such market price at the time the option is written (or percentage out-of-the-money) using a modified Black-Scholes Model based on the following assumptions:

1. the net proceeds from the offering are $93.975 million and are fully invested;
2. the range of volatility shown in the table approximates the range of the historical average volatility of the securities of the Representative Digital World Universe listed under the heading ‘‘Portfolio Investments – Representative Digital World Universe’’;
3. all call options are exercisable at maturity and are written at the same percentage out-of-the-money;

4. all securities comprising the Trust's portfolio are subject to 90 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);
5. the risk-free or benchmark interest rate equals 5.65%;
6. the average return from the dividends paid on the securities is 0.52%;
7. dividends on the securities in the Representative Digital World Universe are subject to a 15% withholding tax;
8. there are no changes in the value of the U.S. dollar or other foreign currencies relative to the Canadian dollar throughout the relevant period;
9. there are no capital gains or losses on the securities in the Trust's portfolio for the period during which the call options are outstanding; and
10. annual expenses (ordinary and extraordinary) for the Trust are $225,000 plus the fees payable to MCM and Mulvihill, which total 1.20% of the NAV of the Trust, plus applicable tax and the performance fee payable to MCM.

This information is provided for illustrative purposes only and should not be construed as a forecast or projection. No assurance can be given that the returns shown in this sensitivity analysis will ever be available or realized. The range of percentage out-of-the-money shown in the following table is based on the range generally utilized by MCM in writing call options.

RETURN (NET OF EXPENSES) ON UNITS FROM CALL OPTION PREMIUMS AND DIVIDENDS (ANNUALIZED %)

	AVERAGE VOLATILITY OF THE INDIVIDUAL STOCKS IN THE PORTFOLIO											
% Out-Of-The-Money	**30%**	**35%**	**40%**	**45%**	**50%**	**55%**	**60%**	**65%**	**70%**	**75%**	**80%**	**85%**
5%	15.4%	19.0%	22.5%	25.8%	29.1%	32.4%	35.7%	39.0%	42.4%	45.7%	49.0%	52.3%
4%	16.8%	20.5%	23.8%	27.1%	30.4%	33.7%	37.0%	40.4%	43.7%	47.0%	50.3%	53.6%
3%	18.3%	21.8%	25.1%	28.5%	31.8%	35.1%	38.4%	41.7%	45.0%	48.3%	51.6%	54.9%
2%	20.0%	23.3%	26.6%	29.9%	33.2%	36.5%	39.8%	43.1%	46.4%	49.7%	52.9%	56.2%
1%	21.5%	24.8%	28.1%	31.4%	34.7%	38.0%	41.3%	44.5%	47.8%	51.1%	54.3%	57.6%

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.

The table below illustrates the sensitivity of annualized option premiums from writing cash covered put options on securities to: (i) the average volatility of securities; and (ii) the excess of the market price of securities over the strike price 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 same assumptions utilized to illustrate the sensitivity of annualized option premiums from writing call options. See ''Portfolio Investments – Covered Call Option Writing – Call Option Pricing''.

ANNUALIZED PREMIUMS FROM CASH COVERED PUT OPTION WRITING[(1)]

	AVERAGE VOLATILITY											
% Out-Of- The-Money	**30%**	**35%**	**40%**	**45%**	**50%**	**55%**	**60%**	**65%**	**70%**	**75%**	**80%**	**85%**
10%	6.9%	9.7%	12.7%	15.9%	19.2%	22.5%	25.9%	29.4%	32.8%	36.3%	39.8%	43.3%
8%	8.9%	12.1%	15.4%	18.7%	22.2%	25.7%	29.2%	32.8%	36.3%	39.9%	43.5%	47.1%
6%	11.4%	14.8%	18.3%	21.9%	25.5%	29.1%	32.7%	36.4%	40.1%	43.7%	47.4%	51.1%
4%	14.2%	17.9%	21.5%	25.3%	29.0%	32.7%	36.5%	40.2%	44.0%	47.7%	51.5%	55.2%
2%	17.5%	21.3%	25.1%	29.0%	32.8%	36.6%	40.4%	44.3%	48.1%	51.9%	55.7%	59.5%

Note:

(1) Measured as a percentage return of the market value of the underlying securities at the time of the writing of the option. The returns do not include amounts received as interest income on the underlying cash equivalents.

The information set forth above is provided for illustrative purposes only and should not be construed as a forecast or projection. No assurance can be given that the returns shown in this sensitivity analysis would ever be available or realized. The range of percentage out-of-the-money shown in the above table is based on the range generally utilized by MCM in writing put options.

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 semi-annual 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:

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

The Investment Manager

MCM will manage the Trust's investment portfolio in a manner consistent with the investment objective, 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.

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 First Premium Income Trust, Premium Income Corporation, First Premium U.S. Income Trust, First Premium Oil and Gas Income Trust, MCM Split Share Corp., Global Telecom Split Share Corp., Sixty Plus Income Trust and Global Plus Income Trust, which have completed prospectus offerings of shares or units in the amount of $165 million, $100 million, $335 million, $54.7 million, $142.5 million, $170 million, $100 million and $121 million, respectively.

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 $3.5 billion.

Directors and Officers of MCM

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

JOHN P. MULVIHILL Toronto, Ontario	Chairman, President, CEO, Secretary, Treasurer and Director
CHRIS P. BELLEFEUILLE Ancaster, Ontario	Vice-President
DONALD BIGGS Dundas, Ontario	Vice-President, Structured Products
JOHN A. BOYD Toronto, Ontario	Vice-President
ROBERT W. CRUICKSHANK Etobicoke, Ontario	Vice-President, Marketing

Alan C. Leach . . . . Scarborough, Ontario	Vice-President
Edwin W. McDougald . . . . Toronto, Ontario	Vice-President
Sandra G. McLeod . . . . Toronto, Ontario	Vice-President
David N. Middleton . . . . Toronto, Ontario	Vice-President, Finance
Robert K. Ross . . . . Mississauga, Ontario	Vice-President
Helen J. Rotenberg . . . . Toronto, Ontario	Vice-President
John H. Simpson . . . . Toronto, Ontario	Senior Vice-President
Michael Sirola . . . . Toronto, Ontario	Vice-President, Fixed Income

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

Prior to joining MCM, Mr. Bellefeuille was Senior Manager of Business Development at Scotia Investment Management Ltd. from 1992 to June 1997. Prior to joining MCM, Mr. Biggs was Vice-President, Bonds and Cash Management at Ontario Municipal Employees Retirement Board (''OMERS'') from 1996 to December 1997. Prior to becoming Vice President at OMERS, Mr. Biggs was Portfolio Manager, Derivative Instruments of OMERS from 1994 to 1996 and continued to have overall responsibility for Derivative Products at OMERS until his departure in 1997. Prior to joining MCM, Mr. Cruickshank was Director of Business Development at CIBC Mellon from 1992 to 1998. Prior to joining MCM, Mr. McDougald was Vice-President and Director for Equity Capital Markets for Nesbitt Burns Inc. from 1994 to 1998. Prior to joining MCM, Ms McLeod was a Vice-President, Private Client Services of Bank of Montreal from November 1996 to January 1998. Prior to joining Bank of Montreal, Ms McLeod was a partner of KPMG Peat Marwick Thorne from May 1995 to November 1996 and Director, Personal Advisory Services from May 1991 to May 1995. Prior to joining MCM, David N. Middleton was Manager of Finance, Creson Corporation, Toronto, Ontario from March 1990 to March 1995. Prior to joining MCM in 1998, Ms Rotenberg was the Managing Director of Economic Investment Trust Ltd. from 1989 to 1998. John H. Simpson was President of Fidelity Investments Canada Limited, Toronto, Ontario from July 1992 to March 1995. Prior to joining MCM, Michael Sirola was Assistant Vice-President, Fixed Income at Sceptre Investment Counsel (''Sceptre''), Toronto, Ontario from September 1992 to February 1997 and Fixed Income Manager at Sceptre from 1989 through September 1992.

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 four additional Chartered Financial Analysts (CFAs): Jennifer Karkheck, Paul Meyer, Jack Way and David Middleton.

John P. Mulvihill, Chairman of MCM, is the senior portfolio manager of MCM and has over 25 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.

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

Prior to joining MCM in June 1997, Jennifer Karkheck had been employed from 1988 at CT. For the last three years of her employment at CT, 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 for over 6 years 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 brings an extensive background in asset management with over 21 years experience as an investment manager of which the past six years were spent working in the U.S. market.

David Middleton has been with MCM for 5 years and is currently Chief Financial Officer and Vice-President, Finance. David is a chartered accountant and CFA with an extensive background in taxation and information technology.

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 program of the Trust, all in accordance with the investment objective, 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, 2009. Mulvihill 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 and the Trustee by Mulvihill. 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 Mulvihill and to the Trustee or if there is a material change in the fundamental investment objective, 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 may establish an advisory board (the ‘‘Advisory Board’’) consisting of up to five members appointed by Mulvihill to assist Mulvihill in performing its services under the Trust Agreement. All fees and expenses of the Advisory Board will be paid by the Trust and have been included in the Trust’s estimated annual operating expenses of $225,000.

The Trustee

The Royal Trust Company is the trustee of the Trust under the Trust Agreement. It will act 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, or any of its officers, directors, employees or agents, 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.

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 Valuation 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''.

The Trust may issue additional Units at NAV following completion of this 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 Designated Parties, the Trust does not currently intend to issue additional Units following completion of this offering, except (i) by way of rights offerings to existing Unitholders, provided the net proceeds per Unit issued pursuant to the exercise of such rights is not less than the most recently calculated NAV prior to the issue of such rights, (ii) with the approval of Unitholders, (iii) by way of Unit distributions, or (iv) as a result of reinvestment of cash distributions. See ''Distribution Reinvestment Plan''.

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. The initial cash distribution is anticipated to be payable on March 31, 2000. The Trust may also, in the discretion of the Manager, make other distributions at any time in addition to quarterly cash distributions, if it considers it appropriate. The amount of the quarterly distributions may fluctuate from quarter to quarter and there can be no assurance that the Trust will make any distributions in any particular quarter or quarters.

The amount of distributions in any particular calendar quarter will be determined by Mulvihill, as manager, having regard to the investment objective 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 after December 14 but on or before December 31 of that year, to distribute 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). 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 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

Subject to obtaining any necessary regulatory approvals to permit the issuance of Units under the Trust's distribution reinvestment plan (the ''Plan'') and the resale thereof without a prospectus and compliance by the Trust with all applicable legal and regulatory requirements, 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. All 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 Montreal Trust Company of Canada 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 be allocated to the Participants in proportion to their share of the distribution. The Plan Agent will furnish to each Participant a report of the Units purchased for the Participant’s account in respect of each distribution and the cumulative total of all 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 Montreal Trust Company of Canada, 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 (commencing with the December 2000 Valuation Date) 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 ‘‘Redemption of Units – Book-Based System’’. 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 or 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 each 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.

In determining the NAV 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 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 Trust's 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-Based System

Except for Units that may be issued to a Related Trust, Counterparty or a Designated Party, registration of interests in and transfers of the Units will be made only through the book-entry only system. On or about February 23, 2000, but no later than April 14, 2000, the Trust 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 (except a Related Trust, Counterparty or Designated Party) 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 Montreal Trust Company of Canada, 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 Units 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 New York Stock Exchange; or (ii) with the prior permission of the Ontario Securities Commission, 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 a 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 (excluding Units owned by a Related Trust unless such Units are entitled to be voted at such meeting). 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 (excluding Units held by or voted by a Related Trust, unless such Units are voted as directed by holders of units of such Related Trust or as otherwise required by securities regulatory authorities) 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 Objective'' 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 derivatives 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; and

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

(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 semi-annual financial statements of the Trust.

TERMINATION OF THE TRUST

The Trust will terminate on December 31, 2009 (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, Toronto, counsel to the Trust, and McCarthy Tétrault, Toronto, 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 The Canada Customs and Revenue Agency (''Revenue Canada'') 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 assumption that the issuers of securities in the Trust's portfolio will not be foreign affiliates of the Trust or of any Unitholder.

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, so that it may 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. If the Trust were not to so qualify as a mutual fund trust, the income tax consequences described below 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, or deemed to be 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 its 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 Trust's portfolio beyond the dividends received on the Trust's 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 Revenue Canada's published administrative practice, transactions undertaken by the Trust in respect of 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 Trust's portfolio will include securities which are not denominated in Canadian dollars. Option premiums, the cost and proceeds of disposition of securities, dividends, interest and all other amounts will be determined for the purposes of the Act in Canadian dollars at the exchange rate prevailing at the time of the transaction. The Trust may realize gains or losses by virtue of the fluctuation in the value of foreign currencies relative to Canadian dollars.

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 including 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. 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 on which such distributions are made.

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. 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.

The Trust will also make designations in respect of its income from foreign sources so that, for the purpose of computing any foreign tax credit or deduction to a Unitholder, the Unitholder will be deemed to have paid as tax to the relevant foreign government that portion of the dividend withholding taxes or other applicable foreign taxes paid by the Trust to the relevant foreign government that is equal to the Unitholder's share of the Trust's income (calculated under the rules in the Act) from such foreign source. A taxable Unitholder will generally be entitled to foreign tax credits in respect of such foreign dividend withholding taxes under and subject to the general foreign tax credit rules under the Act and depending upon other foreign source income or loss of and foreign taxes paid by the Unitholder. Unitholders will be informed each year of the amount of the Trust's net income, net realized taxable capital gains, income from foreign sources and foreign taxes paid to enable the Unitholders to complete their income tax returns.

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 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. The cost to a Unitholder of Units received on the reinvestment of distributions of the Trust will be equal to the amount reinvested.

Three-quarters of any capital gains (''taxable capital gains'') realized will be included in computing the income of a Unitholder and three-quarters of any capital loss realized may be deducted against taxable capital gains in accordance with the provisions of the Act. A Unitholder who has realized a capital loss on the sale of Units may have all or a portion of that loss denied if the ''superficial loss'' rules in the Act apply. This may be the case where the Unitholder (or a person affiliated with the Unitholder) has acquired additional Units in the period commencing 30 days prior to the sale of Units and ending 30 days after the sale of Units. Unitholders are urged to consult with their own tax advisors.

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, Toronto, and McCarthy Tétrault, Toronto, 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, pursuant to the Proposed Amendments, registered education savings plans. The Units will be foreign property for such plans, where applicable.

USE OF PROCEEDS

The net proceeds from the issue of Units offered hereby (after payment of the Agents' fee and expenses of the issue and assuming the maximum offering) are estimated to be $119,962,500 and will be used to purchase the Trust's portfolio as soon as possible after closing. See ''Portfolio Investments – Representative Digital World Universe''.

PLAN OF DISTRIBUTION

Pursuant to an agreement dated as of February 15, 2000 (the ''Agency Agreement'') between RBC Dominion Securities Inc., Nesbitt Burns Inc., Scotia Capital Inc., TD Securities Inc., Merrill Lynch Canada Inc., CIBC World Markets Inc., National Bank Financial Inc., Canaccord Capital Inc., Goepel McDermid Inc., HSBC Securities (Canada) Inc. and Trilon Securities Corporation (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 $0.825 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 this offering, to offer up to additional 1,275,000 Units on the same terms set forth above, which additional Units are qualified for sale hereunder. 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 price hereunder and the Agents will be entitled to a fee of $0.825 per Unit in respect of each Unit purchased.

Proceeds from subscriptions will be held by the Agents in trust in a segregated account until closing. If subscriptions for a minimum of 5,000,000 Units have not been received within 60 days following the date of issuance of a final receipt for this prospectus, such offering may not continue without the consent of the securities authorities and 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. In the event the minimum offering is not achieved 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 February 23, 2000 or such later date as may be agreed upon by the Trust and the Agents that is on or before April 14, 2000.

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 which stabilize or maintain the market price of the Units at levels other than those which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

FEES AND EXPENSES

Initial 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) will, together with the Agents' 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 1.10% of the NAV. In addition, MCM is entitled to an annual performance fee per Unit equal to 10% of the amount by which cash distributions paid in a financial year plus the change in the NAV per Unit of the Trust since the December Valuation Date of the previous financial year exceeds 20% of the NAV per Unit at the December Valuation Date of the previous financial year. In calculating the performance fee for the 2000 financial year, NAV per Unit at the December Valuation Date of the previous financial year shall be deemed to be $15.00. No performance fee will be paid in a financial year if cumulative total returns have not exceeded a 15% cumulative return since inception on the original investment of $15.00. In each year the 15% cumulative return is based on the greater of: (i) $15.00 or (ii) the Net Asset Value per Unit at the December Valuation Date of the previous financial year.

In addition, in any given year, no performance fee will be paid to MCM unless the total return of the Trust for that year exceeds the simple average of the annual total return for such year of the Scotia Capital 91-day T-Bill Index and the NASDAQ-100 Index (the ''Benchmark'').

Mulvihill believes that no single publicly available index appropriately reflects the Trust's fundamental investment objective and investment strategy. Mulvihill believes that the Benchmark is appropriate because it recognizes that the Trust's investment strategy is more conservative than simply investing in Digital World Universe securities and because the Trust seeks to make significant cash distributions to its Unitholders. In addition, such a benchmark would also recognize that a significant portion of the assets of the Trust may not fully participate in the returns of the Trust's underlying equity holdings and that the Trust's primary focus is to seek to generate superior returns rather than generating returns relative to a specific equity benchmark.

Pursuant to the terms of the Trust Agreement, Mulvihill is entitled to a fee at an annual rate of 0.10% of the NAV (excluding the value of Units held by Related Trusts). 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 Montreal Trust Company of Canada 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, MCM or the Trustee 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.

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 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:

Distributions

There is no assurance that the Trust will be able to pay quarterly distributions or that the Trust will achieve superior returns. The funds available for distribution to Unitholders will vary according, among other things, to the dividends paid on all of the securities comprising the Trust's portfolio, the level of option premiums received and the value of the securities comprising the Trust's portfolio. As the dividends received by the Trust will not be sufficient to meet the Trust's objectives in respect of the payment of distributions, the Trust will depend on the receipt of option premiums 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 can be no assurance that the values generated by such pricing model can be attained.

Net Asset Value

The securities in the Digital World Universe will generally have high volatility and the NAV of the Trust may vary significantly according, among other things, to the value of all of the securities comprising the Trust's portfolio.

Conditions Affecting the Digital Sector

Since the Trust's portfolio will include securities issued only by companies that operate in the Digital World Universe, 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 telecommunications and similar services. In addition, the value of the Trust's portfolio will be influenced by other factors which are not within the control of the Trust, including the financial performance of the corporations included in the Trust's portfolio, their dividend payment policies and financial market and economic conditions generally.

Trading at a Discount

The Trust cannot predict whether Units will trade above, at or below Net Asset Value 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 Trust's 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.

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 Trust's 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 or purchase cash secured 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.

Foreign Currency Exposure

As a significant portion of the Trust's portfolio may be comprised of securities and options denominated in U.S. dollars or other foreign currencies, the NAV of the Trust and the value of the dividends and option premiums received by the Trust will, when measured in Canadian dollars, be affected by fluctuations in the value of the U.S. dollar or other foreign currencies relative to the Canadian dollar.

Foreign Market Exposure

The Trust's portfolio may, at any time, consist of securities of issuers established in jurisdictions outside Canada and the United States. Although most of such issuers will be subject to uniform accounting, auditing and financial reporting standards comparable to those applicable to Canadian and U.S. companies, some issuers may not be subject to such standards and, as a result, there may be less publicly available information about such issuers than a Canadian or U.S. company. Volume and liquidity in some foreign stock markets may be less than in Canada and the U.S. and, at times, volatility of price may be greater than in Canada or the U.S. As a result, the price of ADRs may be affected by conditions in the market on which the securities underlying the ADRs are traded.

Unitholder Liability

The Trust Agreement provides that no Unitholder shall be subject to any liability whatsoever, in tort, contract or otherwise, to any person in connection with Trust property or the obligations or the affairs of the Trust and all such persons shall look solely to the Trust property for satisfaction of claims of any nature arising out of or in connection therewith and the Trust property only shall be subject to levy or execution. Notwithstanding the foregoing statement in the Trust Agreement, because of uncertainties in the law relating to investment trusts such as the Trust, there is a risk that a Unitholder could be held personally liable for obligations of the Trust. It is intended that the Trust's operations be conducted in such a way as to minimize any such risk. In particular, the Investment Manager will follow the investment objective and the investment strategy of the Trust and, where feasible, will cause every written instrument creating an obligation of the Trust, including any agreement related to the borrowing of money, to contain an express disavowal of liability upon the Unitholders. In any event, it is considered that the risk of any personal liability of Unitholders is minimal in view of the anticipated equity of the Trust, the nature of its activities, the intention of the Manager, where feasible, to require that any agreement which is related to the borrowing of money by the Trust include an express disavowal of liability of Unitholders and the limit of any indebtedness which may be incurred by the Trust. In the event that a Unitholder should be required to satisfy any obligation of the Trust, such Unitholder will be entitled to reimbursement from any available assets of the Trust.

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 Trust's 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 The Canada Customs and Revenue Agency's (''Revenue Canada'') published administrative practice. Revenue Canada'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 Revenue Canada.

If, contrary to Revenue Canada's published administrative practice, some or all of the transactions undertaken by the Trust in respect of options and securities in the Trust's portfolio were treated on income rather than capital account, after-tax returns to Unitholders could be reduced.

Operating History

The Trust is a newly organized investment trust with no previous operating history and there is currently no public market for the Units.

Year 2000 Issues

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

In conducting their respective businesses, the Trust will rely on information generated by the computer systems of third party service providers, including MCM, Mulvihill, The Royal Trust Company, Montreal Trust Company of Canada, banks, stock exchanges, utilities and other third parties for critical services.

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

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

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, Toronto, on behalf of the Trust, and McCarthy Tétrault, Toronto, 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 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 Registrar and Transfer Agency Agreement to be signed on or prior to closing, Montreal Trust Company of Canada, at its principal offices in Toronto will be appointed 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' REPORT

To the Trustee of
DIGITAL WORLD TRUST

We have audited the statement of financial position of Digital World Trust as at February 15, 2000. This statement of financial position is the responsibility of the Trust's management. Our responsibility is to express an opinion on this statement of financial position based on our audit.

We conducted our audit in accordance with 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, this statement of financial position presents fairly, in all material respects, the financial position of the Trust as at February 15, 2000 in accordance with generally accepted accounting principles.

Toronto, Canada
February 15, 2000

DELOITTE & TOUCHE LLP
Chartered Accountants

COMPILATION REPORT

To the Trustee of
DIGITAL WORLD TRUST

We have reviewed, as to compilation only, the accompanying pro forma statement of financial position of Digital World Trust as at February 15, 2000 which has been prepared for inclusion in the prospectus relating to the issue of Units of the Trust. In our opinion, the pro forma statement of financial position has been properly compiled to give effect to the transactions and assumptions described in the notes thereto.

Toronto, Canada
February 15, 2000

DELOITTE & TOUCHE LLP
Chartered Accountants

DIGITAL WORLD TRUST

STATEMENT OF FINANCIAL POSITION
February 15, 2000

	Actual	Pro forma (Unaudited)[3]
ASSETS		
Cash	$15	$ —
Investment in portfolio securities	—	119,962,500
Total	$15	$119,962,500
UNITHOLDERS' EQUITY		
Unitholders' Equity (Notes 1 and 3):		
Units (Actual 1 Unit; pro forma 8,500,001 Units, net of issue costs)	$15	$119,962,500

Approved by the Manager:

(Signed) John P. Mulvihill
Director

(Signed) David N. Middleton
Director

NOTES

1. **Units Authorized and Outstanding**

Establishment of the Trust and Authorized Units

Digital World Trust (the ''Trust'') was established under the laws of the Province of Ontario on February 15, 2000 by a trust agreement (the ''Trust Agreement'') made between The Royal Trust Company and Mulvihill Fund Services Inc. (''Mulvihill''). The Trust is authorized to issue an unlimited number of Units. On February 15, 2000, the Trust issued 1 Unit for $15.00 cash.

2. **Significant Accounting Policy**

The Trust's investment in portfolio securities is presented at acquisition cost on a trade date basis.

3. **Pro Forma Balance Sheet (unaudited)**

The pro forma balance sheet gives effect, as at February 15, 2000, to the following transactions:

(a) The issue of 8,500,000 Units for total gross proceeds of $127,500,000.

(b) The payment of estimated costs relating to this offering of $7,537,500, which amount is comprised of the fee payable to the agents in this offering of $7,012,500 and issue costs of $525,000.

(c) The completion of the purchase of an investment portfolio at a cost of $119,962,500.

4. **Agency Agreement and Custodian**

The Trust has engaged RBC Dominion Securities Inc., Nesbitt Burns Inc., Scotia Capital Inc., TD Securities Inc., Merrill Lynch Canada Inc., CIBC World Markets Inc., National Bank Financial Inc., Canaccord Capital Inc., Goepel McDermid Inc., HSBC Securities (Canada) Inc. and Trilon Securities Corporation to offer for sale to the public pursuant to a prospectus dated February 15, 2000 the Units described in Notes 1 and 3.

Pursuant to the Trust Agreement, The Royal Trust Company acts as trustee and custodian of the assets of the Trust and is also responsible for certain aspects of the Trust's day-to-day operations. In consideration for the services provided by The Royal Trust Company, the Trust will pay a monthly fee to be agreed upon between The Royal Trust Company and Mulvihill.

5. **Manager and Investment Manager**

The Trust has retained Mulvihill to act as manager under the Trust Agreement and has retained Mulvihill Capital Management Inc. (''MCM'') to act as investment manager under an Investment Management Agreement dated February 15, 2000. Pursuant to such agreements, MCM and Mulvihill are entitled to fees at the annual rates of 1.10% and 0.10%, respectively, of the Net Asset Value of the Trust. Such fees are calculated and payable monthly. In addition, MCM is entitled an annual performance fee per Unit equal to 10% of the amount by which (a) cash distributions paid in a financial year plus the change in the NAV per Unit of the Trust since the December Valuation Date of the previous financial year exceeds (b) 20% of the NAV per Unit at the December Valuation Date of the previous financial year. In calculating the performance fee for the 2000 financial year, NAV per Unit at the December Valuation of the previous financial year shall be deemed to be $15.00. No performance fee will be paid in a financial year if (x) cumulative total returns have not exceeded a 15% cumulative return since inception on the original investment of $15.00 and (y) unless the total return for the Trust for such year exceeds the simple average of the annual total return for such year of the Scotia Capital 91-day T-Bill Index and the NASDAQ-100 Index.

6. **Uncertainty due to the Year 2000 Issue**

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

CERTIFICATE OF THE MANAGER AND THE PROMOTER

Dated: February 15, 2000

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 7 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 13 of the *Securities Act* (New Brunswick) and the respective regulations thereunder, by Part XIV of *The Securities Act* (Newfoundland) 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 and on behalf of the Digital World Trust)

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

(Signed) DAVID N. MIDDLETON
Chief Financial Officer

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

(Signed) JOHN P. MULVIHILL
Director

(Signed) DAVID N. MIDDLETON
Director

(Signed) JOHN H. SIMPSON
Director

MULVIHILL CAPITAL MANAGEMENT INC.
(as Promoter)

(Signed) JOHN P. MULVIHILL

CERTIFICATE OF THE AGENTS

Dated: February 15, 2000

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 7 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 13 of the *Securities Act* (New Brunswick) and the respective regulations thereunder, by Part XIV of *The Securities Act* (Newfoundland) 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.

By: (Signed) FREDERICK CHANN

NESBITT BURNS INC.	SCOTIA CAPITAL INC.	TD SECURITIES INC.	MERRILL LYNCH CANADA INC.
By: (Signed) PAUL D. ALLISON	By: (Signed) BRIAN D. MCCHESNEY	By: (Signed) J. DAVID BEATTIE	By: (Signed) GLEN L. DAY

CIBC WORLD MARKETS INC.

By: (Signed) DANIEL J. MCCARTHY

NATIONAL BANK FINANCIAL INC.

By: (Signed) IAN MCPHERSON

CANACCORD CAPITAL INC.	GOEPEL McDERMID INC.	HSBC SECURITIES (CANADA) INC.
By: (Signed) DOUGLAS DOIRON	By: (Signed) TRACEY L. MCVICAR	By: (Signed) CRAIG S. COOK

TRILON SECURITIES CORPORATION

By: (Signed) TREVOR D. KERR

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