

STATEMENT OF POLICIES

The following Statement of Policies is provided as a requirement of the Ontario Securities Commission. The business activities of Hymas Investment Management Inc. ("HIM") include acting as a Dealer. HIM does not engage in underwriting securities issues nor does it intend to engage in such activities.

The securities laws of the Province of Ontario require securities dealers and advisors when they trade in, or advise with respect to their own securities or securities of certain other issuers to which they, or certain other parties related to them, are related or connected, to do so only in accordance with particular disclosure and other rules. In certain provinces and territories, these rules require dealers and advisors, prior to trading with or advising their customers or clients, to inform them of the relevant relationships and connections with the issuer of the securities. Clients and customers should refer to the applicable provisions of these securities laws for the particulars of these rules and their rights or consult with a legal advisor.

HIM has a relationship with the pooled fund listed in this statement. HIM or its directors, officers, partners or other employees may from time to time recommend that you trade in, or provide to you advice about, a security issued by this fund. If you wish further information concerning the relationship between HIM and this fund, please contact us.

The person listed below is a related issuer of HIM for the purposes of the requirements referred to above:

- The Malachite Aggressive Preferred Fund, which is a pooled fund managed and distributed by HIM.

This list may be updated from time to time as necessary.

Where HIM exercises discretion under your authority in the purchase or sale of securities for your account, HIM may not exercise that discretion in connection with transactions which involve this fund unless we have obtained your prior specific and informed written consent.

Clients who have given discretionary authority to purchase or sell securities of this fund will be sent annually a copy of this Statement of Policies and will be required to confirm the granting of discretionary authority in respect of these securities on an annual basis.

It is a policy, as well as duty of HIM to deal fairly, honestly and in good faith with its customers and clients.

HIM does not have any related issuers that are reporting issuers and therefore there are no such relationships to be disclosed at this time.

If you have any questions or require copies of this Statement of Policies, please contact Hymas Investment Management Inc.

November 29, 2001

AUTHORIZATION

I/We have read the preceding Statement of Policies and authorize Hymas Investment Management Inc. to exercise its discretion to purchase securities of the listed issuer for my account.

Signature:

Name (please print):

Signature:

Name (please print):

Account Number(s):

Date: