

Dear Client,

Re: National Instrument 24-101
Institutional Trade Matching and Settlement

Effective April 1, 2007, the Canadian Securities Administrators implemented National Instrument 24-101, Institutional Trade Matching and Settlement as a rule. The rule requires that all parties to any Delivery Against Payment or a Receive Against Payment transaction, have policies and procedures designed and implemented to achieve matching as soon as practical after such a trade is executed and in any event not later than the dates prescribed below:

For trades executed during calendar quarters shown	Matching deadline for trades executed on T*	Performance targets to avoid exception reporting
Q2 and Q3 2007	Noon on T+1	N/A (exception reporting not required)
Q4 2007	Noon on T+1	80% matched by deadline
Q1 and Q2 2008	Noon on T+1	90% matched by deadline
Q3 and Q4 2008	11:59 p.m. on T	70% matched by deadline
Q1 and Q2 2009	11:59 p.m. on T	80% matched by deadline
Q3 and Q4 2009	11:59 p.m. on T	90% matched by deadline
Q1 2010 and beyond	11:59 p.m. on T	95% matched by deadline

**Note: For non-western hemisphere institutional investors matching deadlines are extended by an extra day.*

**"T" above denotes Trade Date.*

The first deadline, October 1st, 2007 requires that all parties have a statement or agreement in place to meet these performance targets, ending in a Trade Date matching requirement. If all parties do not comply with this requirement, **Selective Asset Management Inc.** may be forced to restrict or close those non compliant accounts.

In compliance with this regulation, **Selective Asset Management Inc.** requests that you provide us with your trade matching statement either in written format or refer a **Selective Asset Management Inc.** representative to the posting on your website.

We have included a sample of the statement form being used by members of the Investment Dealers Association of Canada (refer to their website). Kindly provide us with your signed and completed statement on your letterhead at your earliest convenience. You can return this by fax to (416) 640-4233.