

IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUEBEC, NEW BRUNSWICK,  
NEWFOUNDLAND AND LABRADOR, AND YUKON

AND

IN THE MATTER OF  
THE MUTUAL RELIANCE REVIEW SYSTEM  
FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF  
Middlefield Growth Class  
Middlefield Equity Index Plus Class  
Middlefield U.S. Equity Class  
Middlefield Income Plus Class  
Middlefield Canadian Balanced Class  
Middlefield Global Technology Class  
Middlefield Alternative Energy Class  
(all of which are classes of  
Middlefield Mutual Funds Limited)  
Middlefield Enhanced Yield Fund  
Middlefield Money Market Fund  
(collectively the "Funds")

MRRS DECISION

WHEREAS the securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of Canada, and the Yukon Territory, except British Columbia, Nova Scotia and Prince Edward Island (the "Jurisdictions") has received an application from the Funds for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the Funds be exempted from delivering to securityholders of the Funds annual financial statements for the fiscal year ended December 31, 2001 re-audited by Deloitte & Touche LLP;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for the application;

AND WHEREAS the Funds have represented to the Decision Makers that:

1. The Funds are mutual funds whose securities are currently offered by simplified prospectus dated June 15, 2001.
2. On March 7, 2002, the financial statements for each of the Funds for the year or period ended December 31, 2001 were audited by Arthur Andersen LLP (the "Andersen Financial

Statements"). On May 21, 2002, the Andersen Financial Statements were filed with Canadian Securities Administrators using SEDAR Project Nos. 00450203, 00450266 and 00450235, and were concurrently delivered to securityholders of the Funds on May 23, 2002.

3. On June 3, 2002, Arthur Andersen LLP announced that it has ceased practising public accounting in Canada.

4. The Funds have been advised that Arthur Andersen LLP will no longer consent to the use of previously issued auditors reports for purposes of their simplified prospectuses.

5. The Funds have had Deloitte & Touche LLP re-audit the financial statements of the Funds for the period or year ended December 31, 2001 (the "Deloitte Financial Statements") for the purpose of obtaining the consent required by Section 13.4 of OSC Rule 41-501.

6. The Deloitte Financial Statements were filed on July 4, 2002 accompanied by a letter which indicated that the Deloitte Financial Statements supersede the earlier Andersen Financial Statements.

7. The Deloitte Financial Statements are identical to the Andersen Financial Statements.

8. The auditors' reports for the Deloitte Financial Statements do not contain any reservation.

9. The auditors' reports refer to December 31, 2000 comparative statements as having been audited by other auditors.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (the "Decision");

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Makers with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers pursuant to the Legislation is that the Funds are exempted in respect of the requirement to deliver annual financial statements for the fiscal year ended December 31, 2001 re-audited by Deloitte & Touche LLP.

Dated September 17, 2002.

"Paul M. Moore"

"Robert W. Korthals"

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Relief granted to a group of mutual fund trusts from requirement to deliver re-audited annual financial statements.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am. s. 80(b)(iii).