INVESTMENT ADVISORY AGREEMENT  
  
  
 AGREEMENT made this 31st day of December, 1994, by and between  
Ivy Fund (the "Company") and Mackenzie Financial Corporation ("the Advisor")  
  
 WHEREAS, the Company is an open-end investment company with  
one or more investment portfolios, one of which is Ivy Canada Fund (the "Fund");  
and  
  
 WHEREAS, the Company has, on behalf of the Fund entered into  
an agreement with Ivy Management Inc. (the "Manager") to provide management and  
administrative services; and  
  
 WHEREAS, the Company engages in the business of investing and  
reinvesting the assets of the Fund in the manner and in accordance with the  
investment objective and restrictions specified in the currently effective  
Prospectus (the "Prospectus") relating to the Company and the Fund included in  
the Company's Registration Statement, as amended from time to time, filed by the  
Company under the Investment Company Act of 1940 (the "1940 Act") and the  
Securities Act of 1933;  
  
  
  
  
  
  
 NOW, THEREFORE, in consideration of the premises and mutual  
covenants herein contained, the parties agree as follows:  
  
 1. The Company hereby appoints the Adviser to provide the  
investment advisory services specified in this Agreement with regard to the Fund  
and the Adviser hereby accepts such appointment.  
  
 2. (a) The Adviser shall, at its expense, (i) employ or  
associate with itself such persons as it believes appropriate to assist it in  
performing its obligations under this Agreement and (ii) provide all services,  
equipment and facilities necessary to perform its obligations under this  
Agreement.  
  
 (b) The Company shall be responsible for all of  
its expenses and liabilities, including: (1) the fees and expenses of the  
Company's Directors who are not parties to this Agreement or "interested  
persons" (as defined in the 0000 Xxx) of any such party ("Independent  
Directors"); (2) the salaries and expenses of any of the Company's officers or  
employees who are not affiliated with the Manager or the Adviser; (3) interest  
expenses; (4) taxes and governmental fees, including any original issue taxes or  
transfer taxes applicable to the sale or delivery of shares or certificates  
  
  
  
  
  
  
therefor; (5) brokerage commissions and other expenses incurred in acquiring or  
disposing of portfolio securities; (6) the expenses of registering and  
qualifying shares for sale with the Securities and Exchange Commission and with  
various state securities commissions; (7) accounting and legal costs; (8)  
insurance premiums; (9) fees and expenses of the Company's Custodian and  
Transfer Agent and any related services; (10) expenses of obtaining quotations  
of portfolio securities and of pricing shares; (11) expenses of maintaining the  
Company's legal existence and of shareholders' meetings; (12) expenses of  
preparation and distribution to existing shareholders of periodic reports, proxy  
materials and prospectuses; (13) fees and expenses of membership in industry  
organizations; and (14) expenses of qualification of the Company as a foreign  
corporation authorized to do business in any jurisdiction in which the Manager  
determines that such qualification is necessary or desirable.  
  
 3. (a) As manager of the assets of the Fund, the Adviser shall  
make investments for the account of the Fund in accordance with the Adviser's  
best judgment and within the investment objective and restrictions set forth in  
the Prospectus applicable to the Fund, the 1940 Act and the provisions of the  
Internal Revenue Code relating to regulated  
  
  
  
  
  
  
 investment companies, subject to policy decisions adopted by the Company's  
Board of Directors.  
 (b) The Adviser will determine the securities to  
be purchased or sold by the Fund and will place orders pursuant to its  
determinations with any broker or dealer who deals in such securities. The  
Adviser also shall (i) comply with all reasonable requests of the Company for  
information, including information required in connection with the Company's  
filings with the Securities and Exchange Commission and state securities  
commissions, and (ii) provide such other services as the Adviser shall from time  
to time determine, upon consultation with the Manager, to be necessary or useful  
to the administration of the Funds.  
  
 (c) The Adviser shall furnish to the Company's Board of  
Directors periodic reports on the investment performance of the Fund and on  
performance of its obligations under this Agreement and shall supply such  
additional reports and information as the Company's officers or Board of  
Directors shall reasonably request.  
  
 (d) On occasions when the Adviser deems the purchase or sale  
of a security to be in the best interest of the Fund as well as other customers,  
the Adviser, to the extent permitted by applicable law, may aggregate the  
  
securities to be so sold or purchased in order to obtain the best execution or  
lower brokerage commissions, if any. The Adviser also may purchase or sell a  
particular security for one or more customers in different amounts. On either  
occasion, and to the extent permitted by applicable law and regulations,  
allocation of the securities so purchased or sold, as well as the expenses  
incurred in the transaction, will be made by the Adviser in the manner it  
considers to be the most equitable and consistent with its fiduciary obligations  
to the Fund and to such other customers.  
  
 4. The Adviser shall give the Company the benefit of the  
Adviser's best judgment and efforts in rendering services under this Agreement.  
The Company agrees that the Adviser shall not be liable under this Agreement for  
any mistake in judgment or in any other event whatsoever, provided that nothing  
in this Agreement shall be deemed to protect or purport to protect the Adviser  
against any liability to the Company or its shareholders to which the Adviser  
would otherwise be subject by reason of willful misfeasance, bad faith or gross  
negligence in the performance of the Adviser's duties under this Agreement or by  
reason of the Adviser's reckless disregard of its obligations and duties  
hereunder.  
  
  
  
  
  
  
 5. In consideration of the services to be rendered by the  
Adviser under this Agreement, the Company shall pay the Adviser a monthly fee on  
the first business day of each month, at the annual rate of 0.35% of the average  
daily value (as determined on each business day at the time set forth in the  
Prospectus of the Fund for determining net asset value per share) of the net  
assets of the Fund during the preceding month. If the fees payable to the  
Adviser pursuant to this paragraph 5 begin to accrue before the end of any month  
or if this Agreement terminates before the end of any month, the fees for the  
period from that date to the end of that month or from the beginning of that  
month to the date of termination, as the case may be, shall be prorated  
according to the proportion which the period bears to the full month in which  
the effectiveness or termination occurs. For purposes of calculating the monthly  
fees, the value of the net assets of the Fund shall be computed in the manner  
specified in the Prospectus of the Fund for the computation of net asset value.  
For purposes of this Agreement, a "business day" is any day on which the New  
York Stock Exchange is open for trading.  
  
 6. (a) This Agreement shall become effective on November 12,  
1987 and shall continue in effect for a period of two years from the date of its  
execution, provided that the Agreement will continue in effect for more than two  
years  
  
  
  
  
  
  
only so long as the continuance is specifically approved at least annually (i)  
by the vote of a majority of the outstanding voting securities of the Fund (as  
defined in the 0000 Xxx) or by the Company's Board of Directors and (ii) by the  
vote, case in person at a meeting called for that purpose, of a majority of the  
Company's Independent Directors.  
  
 (b) This Agreement may be terminated with   
respect to the Fund at any time, without the payment of any penalty, by a  
vote of a majority of the outstanding voting securities of the Fund (as defined  
in the 0000 Xxx) or by a vote of a majority of the Company's entire Board of  
Directors on 60 days' written notice to the Adviser or by the Adviser on 60  
days' written notice to the Company. This Agreement shall terminate  
automatically in the event of its assignment (as defined in the 1940 Act).  
  
 7. This Agreement shall be construed in accordance with the  
laws of the State of Florida, provided that nothing herein shall be construed in  
a manner inconsistent with the 1940 Act.  
  
  
  
  
  
  
 IN WITNESS WHEREOF, the parties hereto have caused the  
Agreement to be executed as of the date first above written.  
  
 IVY FUND on behalf of Ivy Canada Fund  
  
  
  
 By: /s/ Xxxxxxx X. Xxxxxx  
 TITLE: President  
  
  
 MACKENZIE FINANCIAL CORPORATION  
  
  
  
 By: /s/ Xxxxxxxxx Xxxxxx  
 TITLE: President