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File No. 99003

September 25, 2003

Ontario Securities Commission
Alberta Securities Commission
Manitoba Securities Commission
Registrar of Securities, Government of Yukon
Registrar of Securities, Department of Justice,
Government of the Northwest Territories
Securities Commission of Newfoundland and Labrador
Nova Scotia Securities Commission
Commission des valeurs mobilières du Québec
Saskatchewan Financial Services Commission
Office of the Attorney General, Prince Edward Island
Registrar of Securities, Legal Registries Division,
Department of Justice, Government of Nunavut
Department of Justice, Securities Administration Branch, New Brunswick

Dear Sirs/Mesdames:

Proposed Multilateral Instruments 52-109 Requests For Comment

We are writing in response to the Canadian Securities Administrators' Request for Comment in respect of proposed multilateral instrument 52-109 Certification of Disclosure in Companies' Annual and Interim Filings published June 27, 2003 (the "Proposed Instrument").

We are concerned with the fact that the CEO and CFO will be required to provide certain certifications (either expressly or by implication) with respect to disclosure controls and internal controls of entities whose statements are consolidated into the reporting issuer's statements. Requiring the CEO and CFO to certify that they are responsible for "establishing and maintaining" those controls and that they have designed those controls (or caused those controls to be designed), involves an assumption that the CEO and CFO have control over management of the entities being consolidated into their statements. While this may be true in most instances, it will not be so in some others.

The operations of a reporting issuer and its wholly-owned subsidiaries are often run as a consolidated unit, with internal controls of the subsidiary forming part of the integrated control system for the entire operation. Even if this is not the case, the CEO and CFO nevertheless will be in a position to direct or oversee the design and implementation of those

controls for the subsidiary companies. However, if the subsidiary (or other investee entity) is not wholly-owned, the CEO and CFO of the parent company may not be in that position. For example, where the subsidiary has other shareholders, the board of the subsidiary may provide direction to management of the subsidiary without regard to the wishes of or input from the controlling shareholder. This may be the case whether the subsidiary is private or public, although securities regulators will be particularly sensitive to the governance issues where a subsidiary's minority shareholders are members of the public. Issues of this nature may also arise in connection with various joint venture structures that result in a requirement under accounting rules for the reporting issuer to consolidate the financial results of the joint venture, but do not give the CEO and CFO sufficient control to be able to provide the certificate contemplated by the Proposed Instrument.

We would suggest that in these circumstances, the final form of the instrument require the CEO and CFO to conduct due diligence on the controls put in place by the subsidiary's management and permit them to rely in good faith on that diligence. In the case of a public company subsidiary, for example, the CEO and CFO would be permitted to rely on the certificate filed by the public subsidiary's CEO and CFO in connection with their own obligations under the Proposed Instrument.

Please do not hesitate to contact Carol Hansell (416) 863.5592, Rosemary Newman (416) 367.6970 or Maryse Bertrand (514) 841.6460 to discuss our comments further.

Yours very truly,

Carol Hansell

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