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To: jstevenson@osc.gov.on.ca Cc: Greg.Sorbara@fin.gov.on.ca, lettertoed@thestar.ca Subject: Proposed Mutual Fund Rules

To indicate my view on the proposals I might simply add the rest of the headline to Glorianne Stromberg's article in the Sunday Star, namely: "...Are DANGEROUS to the investor."

I will take another quote from Ms. Stromberg to emphasise my distaste of the 'old boy, well met' attitude that runs through Bay Street and the proposals you are forwarding which echo same..."(you are) asking us to rely on shame (of the fund managers) and investor alertness rather than statutory sanction (and we shouldn't) put too much trust in shame."

You already rely completely on investor alertness to measure the valuation processes used by funds in their determination of daily closing NAV's, and you certainly hold no statutory sanction or continuous review of same. Meanwhile, the Minister of Finance does not even rely on that much for valuation practices of the LSIF's! The fact is that the pricing policies set down by fund managers in their AIF's are so arbitrary and inconsistent, and some principles are so completely unwarranted, that I hazard mutual fund investors continue to be bilked of \$millions under your watch (*by, for instance, inflating NAV's during the RRSP season and deflating same when faced with redemption cycles.*) The shame is entirely yours (and by that I mean the OSC's) and the Finance Minister's.

The only honourable thing you guys at the OSC can do is resign. You take years to draft and present such self-serving, toothless proposals; proposals which serve only to pamper and protect the fund industry and not protect investors: it is truly disgusting. Resign!

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