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April 6, 2004

(800) 421 8511

Mr. John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West, 19th floor, Box 55
Toronto, ON, M5H 3S8

Re: Canadian Securities Administrators ("CSA") Proposed National Instrument 81-107
Independent Review Committee for Mutual Funds ("IRC")

Dear Secretary Stevenson,

Capital International Asset Management (Canada), Inc. ("CIAMC") appreciates the opportunity to comment on the above proposal. For your information CIAMC is investment adviser to the Capital International Funds in Canada, and part of The Capital Group Companies organization, a worldwide investment management organization.

Upon reviewing the comment letter submitted by the Investment Funds Institute of Canada ("IFIC"), we do support the general observations and recommendations provided by IFIC.

However, CIAMC is concerned with the undefined scope of the IRC's responsibilities as outlined under the proposal. Specifically the conflict of interest in section 3.1(2) and the examples of possible areas of conflict cited are broadly stated; consequently the IRC may find it extremely difficult to implement their role effectively. Being held under possible liability for fiduciary breach, an IRC might likely determine the need to review any and all aspects of the manager's operations, including all specific portfolio transactions, to fulfill its duties. We believe this would defeat the purpose intended by CSA, and necessitate that the IRC delve into the manager's day-to-day operations. Further, to the extent that the IRC's level of activities would thus be increased so as to satisfy its fiduciary duties under this standard, it would accordingly increase the costs associated with maintaining an IRC.

Each investment management organization has a unique set of features as to its structure, affiliations and operations. Therefore we believe it would be most appropriate for the IRC to define in its charter the role of identifying possible conflicts specific to the organization, and to establish suitable procedures to review and resolve such conflicts. This will necessitate ongoing interaction with the fund manager, but at the appropriate and reasonable level. Thereby, the IRC's role would be limited to oversight, and would not unnecessarily extend to instituting a granular level of review in a manner that will not ultimately serve unit holders' interests.

We appreciate this opportunity to provide our thoughts on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "J.C. Massar".

J.C. Massar
President

The Capital Group Companies

Capital International

Capital Guardian

Capital Research and Management

Capital Bank and Trust

American Funds