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File No. N/A

August 6, 2004

VIA E-MAIL

Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, ON M5H 3S8
Attention: John Stevenson, Secretary

Autorité des marchés financiers
Tour de la Bourse
800, square Victoria
C.P. 246, 22e étage
Montréal, QC H4Z 1G3
Attention: Anne-Marie Beaudoin, Directrice du secretariat

Dear Sirs/Mesdames:

Re: Comments on changes to proposed National Instrument 81-106 Investment Fund Continuous Disclosure

I am responding to the CSA's request for comment on the two definitions of "non-redeemable investment fund" used in proposed National Instrument 81-106 Investment Fund Continuous Disclosure. The following comments do not necessarily reflect the views of Gowling Lafleur Henderson LLP.

In Appendix A to the Notice and Request for Comment, the CSA state that the two definitions of non-redeemable investment fund are "not intended to be substantively different, and we intend them to apply to the same types of issuers". However, a plain reading of the definitions supports the conclusion that they are substantively different.

The definition applied in jurisdictions outside of Ontario could include holding companies or conglomerates. Specifically, it could include a company which,

(a) pools money from securityholders for investment in other issuers,

(b) does not give securityholders day-to-day control over the management and investment decisions of the company (whether or not they have the right to be consulted or to give directions), and

(c) issues securities that do not entitle securityholders to receive on demand, or within a specified period after demand, an amount computed by reference to the value of a proportionate interest in the whole or in part of the net assets of the issuer.

The definition could apply to entities such as Onex Corporation or Brascan Corporation. The disclosure requirements in National Instrument 51-102 – Continuous Disclosure Obligations are more appropriate for such issuers.

The Ontario definition of "non-redeemable investment fund" is preferable because it excludes issuers which exercise (or seek to exercise) effective control or which become actively involved in the management of other issuers i.e. the types of issuers described above.

Sincerely,

Paul A. Dempsey

cc: A. Ramsay
A. Mirza