

June 20, 2007

TO: British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission
The Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
New Brunswick Securities Commission
Registrar of Securities, Prince Edward Island
Nova Scotia Securities Commission
Superintendent of Securities, Newfoundland and Labrador
Registrar of Securities, Northwest Territories
Registrar of Securities, Yukon Territory
Registrar of Securities, Nunavut

c/o John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, Ontario
M5H 3S8
Via Email: jstevenson@osc.gov.on.ca

c/o Anne-Marie Beaudoin, Directrice du secrétariat
Autorité des marchés financiers
Tour de la Bourse
800, square Victoria
C.P. 246, 22 étage
Montreal, Québec
H4Z 1G3
Via Email: consultation-en-cours@lautorite.qc.ca

Dear Sirs/Mesdames:

**RE: RESPONSE TO REQUEST FOR COMMENTS ON PROPOSED
NATIONAL INSTRUMENT 31-103**

This letter is submitted on behalf of the Tetrem Capital Partners Ltd. in response to the Proposed National Instrument 31-103 *Registration Requirements* and Companion Policy 31-103CP and related Request for Comments published by the Canadian Securities Administrators on February 20, 2007.

We would like to thank the CSA for the opportunity to provide our comments on the Instrument and the Policy, which are summarized in the following table.



Issue	New Rule Reference	Comments
Insurance requirements	4.16	4.16 (b) and (c) are unclear as to whether it is meant as 1% of the total assets or 1% of \$25,000,000.00 (i.e. \$250,000.00); as a result further clarification is desired.
Insurance requirements	4.16	4.16 (b) is unclear as to what is meant by ‘handle, hold or have access to’; is this applicable to a portfolio manager who has all client assets within a third party custodial account?; as a result further clarification is desired.
Acquisition of securities or assets of a registrant	6.7	The timelines as proposed under this section may create uncertainty in transactions. The regulator should be required to respond within a shorter period. We propose 10 days for the regulator to respond.
Transition periods for referral agreements	6.15	We propose a one year transition period, not the 120 days proposed.
Information sharing	8.1	This section, as written, would create absurd and undesirable results. We propose that this section be removed in its entirety. It will create significant liability concerns for the disclosing entity. We propose that a hiring firm should be able to review the prior firm’s filed UTN, with the permission of the individual, but that should be the extent of any information sharing.
Advising generally	9.12	We are concerned that by explicitly excluding this class of individual, it will further open the door for the promotion of ill-advised and improper investment schemes and the like that may fall within this definition. This is an area that we would hope the securities administrators would look to bear more scrutiny on, not less.
Registration of senior non-advising officers		We propose that senior non-advising officers of a firm not be registered, as the regulators have access to these individuals through the firm’s registration. It should be incumbent on firms to obtain substantially similar information as is required for registration purposes and conduct the necessary background checks, but this would not require actual registration.
Client Complaints	5.12 CP	The definition of complaint is confusing. If a definition should be provided at all (which we urge it should not) it should involve matters where there may be a breach of regulations or of internal policies, procedures and guidelines. Matters that are service-level oriented or about fund performance and that are not a breach as noted above, should be excluded.



We look forward to the opportunity to provide future comments on this important initiative.

Yours truly,

Tetrem Capital Partners Ltd.

Per:

Don Campbell

Donald I. Campbell, Legal Counsel, Compliance

