



Portfolio Management & Financial Counsel

**NEXUS INVESTMENT MANAGEMENT INC.**  
120 Adelaide Street West, Suite 1010  
Toronto, Ontario M5H 1T1  
Tel: (416) 360-0580  
Fax: (416) 360-8289  
www.nexusinvestments.com

William W. Berghuis  
R. Denys Calvin  
Geoffrey J. Gouinlock  
Fergus W. Gould  
James E. Houston  
John C.A. Stevenson  
Dianne C. White

March 28, 2012

Ontario Securities Commission  
Autorité des marchés financiers  
New Brunswick Securities Commission  
Financial Services Regulation Division, Service NL,  
Government of Newfoundland and Labrador

c/o John Stevenson, Secretary  
Ontario Securities Commission  
20 Queen Street West  
Suite 1900, Box 55  
Toronto, Ontario M5H 3S8

- and -

Madame Anne-Marie Beaudoin  
Corporate Secretary  
Autorité des marchés financiers  
800, square Victoria, 22e étage  
C.P. 246, tour de la Bourse  
Montréal (Québec) H4Z 1G3

Dear Sirs and Madams:

**Re: Multilateral Instrument 32-102**  
**Registration Exemptions for Non-Resident Investment Fund Managers**

Nexus Investment Management Inc. ("Nexus") appreciates the opportunity to provide these comments on the proposed Multilateral Instrument 32-102.

By way of background, Nexus is a Toronto-based investment manager that provides discretionary portfolio management and financial counselling services to private clients, trusts and charitable foundations. We manage investments on both a segregated account basis and through a family of pooled funds. The firm was established in 1988 and is owned by its principals. Nexus is registered in Ontario, British Columbia, Alberta, Québec and New Brunswick as a portfolio manager ("PM") and in Ontario as an investment fund manager ("IFM").

As a general comment, we find the proposed approach to non-resident IFM registration to be both inconsistent with that of proposed Multilateral Policy 31-102 and operating utterly at cross-purposes to the considerable efforts all the Canadian Securities Administrators in recent years to achieve better harmonization of registration requirements generally. In short, it represents a step backward in registrant regulation.

Presumably the two jurisdictional groups did not decide upon their differing approaches to non-resident IFM registration either in isolation or lightly. Nevertheless, there cannot possibly be two such fundamentally different principles of regulation that some compromise could not have been arrived at. The financial markets and its various players deserve a better result than has been achieved here. Surely a single, uniform *national* solution can be found.

As you will note from the enclosed copy of our comment letter on proposed Multilateral Policy 31-202, we whole-heartedly endorse the approach proposed therein. But if there must be a search for middle ground between the two proposals, would it not be enough to require a non-resident IFM to register as such only if it is not already registered in the jurisdiction as a PM? This would thereby ensure non-domestic firms that operate only as IFMs are registered domestically, while requiring domestic firms to be registered in only one capacity (PM or IFM, but not both) in those domestic jurisdictions where they conduct business.

We trust you will find these comments useful and persuasive, and would welcome the opportunity to discuss them with you or respond to any questions you may have.

Yours truly,



R. Denys Calvin

c.c. Lindy Bremner, British Columbia Securities Commission



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British Columbia Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission  
Manitoba Securities Commission  
Registrar of Securities, Prince Edward Island  
Nova Scotia Securities Commission  
Registrar of Securities, Northwest Territories  
Superintendent of Securities, Yukon Territory  
Registrar of Securities, Nunavut

Lindy Bremner  
British Columbia Securities Commission  
701 West Georgia Street  
P.O. Box 10142  
Pacific Centre  
Vancouver, BC V7Y 1L2

Dear Sirs and Madams:

**Re: Proposed Multilateral Policy 31-202**  
**Registration Requirement for Investment Fund Managers**

Nexus Investment Management Inc. ("Nexus") appreciates the opportunity to provide these comments on the proposed Multilateral Policy 31-202.

By way of background, Nexus is a Toronto-based investment manager that provides discretionary portfolio management and financial counselling services to private clients, trusts and charitable foundations. We manage investments on both a segregated account basis and through a family of pooled funds. The firm was established in 1988 and is owned by its principals. Nexus is registered in Ontario, British Columbia, Alberta, Québec and New Brunswick as a portfolio manager ("PM") and in Ontario as an investment fund manager ("IFM").

We endorse whole-heartedly your proposed approach to non-resident IFM registration and the interpretation of the registration requirement. In addition, as you will note from the enclosed copy of our comment letter on Multilateral Instrument 32-102, we find the approach proposed therein to be both inconsistent with yours and operating utterly at cross-purposes to the considerable efforts all the Canadian Securities Administrators in recent years to achieve better harmonization of registration requirements generally.

Presumably the two jurisdictional groups did not decide upon their differing approaches to non-resident IFM registration either in isolation or lightly. Nevertheless, there cannot possibly be two such fundamentally different principles of regulation that some compromise could not have been arrived at. The financial markets and its various players deserve a better result than has been achieved here. Surely a single, uniform *national* solution can be found.

We trust you will find these comments useful and persuasive, and would welcome the opportunity to discuss them with you or respond to any questions you may have.

Yours truly,



R. Denys Calvin

c.c. Mr. John Stevenson, Ontario Securities Commission  
Me Anne-Marie Beaudoin, Autorité des marchés financiers