

VIA EMAIL

September 24, 2010

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission
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

Delivered to:

John Stevenson
Secretary
Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, ON M5H 3S8
jstevenson@osc.gov.on.ca

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

Dear Sirs/Mesdames:

RE: CSA Notice and Request for Comments – Notice of Proposed Amendments to National Instrument 81-106 *Investment Fund Continuous Disclosure*

The members of the RESP Dealers Association of Canada (RESPDAC)¹ are pleased to provide the Canadian Securities Administrators (CSA) with this letter commenting on the proposed amendments to National Instrument 81-106 *Investment Fund Continuous Disclosure* (NI 81-106), which were published for comment on June 25, 2010.

Apart from these comments, we wish to emphasize that our experience with complying with NI 81-106 since it came into effect has been largely positive, with the outcome being that our

¹ Members of RESPDAC are: C.S.T. Consultants Inc., Children's Education Funds Inc., Heritage Education Funds Inc. and USC Education Savings Plans Inc. Together these entities manage and administer over \$7.5 billion in group and self-directed RESPS that are qualified for sale to the public under a prospectus.

planholders have had continuous access to information about the ongoing administration and operations of the various plans associated with our firms. As we have emphasized in our previous submissions to the CSA, in our view, an appropriate disclosure regime for scholarship plans, including disclosure of the on-going financial operations of the plans, is vital to assist in planholder understanding of their investment.

Our comments on the proposed amendments to NI 81-106 are as follows:

1. **Disclosure of Short-term Debt Instruments** The CSA propose to repeal subsections 3.5(4) and (5), which presently allow scholarship plans, like other investment funds, to aggregate short-term debt investments, rather than detailing each specific holding.

Given the restricted nature of the types of investments that can be made by scholarship plans, we do not view the additional disclosure as being particularly helpful for an investor in his or her understanding of a plan's investments. The current requirement in subsection 3.5(5) to break out information about a specific debt instrument if the aggregate for that instrument exceeds 5 percent of the short-term debt holdings is relevant and provides understandably useful disclosure for investors.

Depending on the particular plan, the proposal to repeal the aggregation currently permitted, may add many lines to the disclosure, without really adding anything of relevance or benefit to an investor.

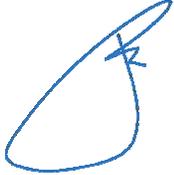
RESPDAC members support the retention of the current aggregation permission.

2. **Disclosure of Net Asset Value** The CSA propose to require investment funds to make available their "net asset value" as calculated under section 14.2 to the "public". Proposed amendments to National Instrument 81-101 require mutual funds to disclose how an investor can access this information. In our view, scholarship plans should be exempt from this requirement, given the "non-unitized" nature of scholarship plans. The CSA have accepted that scholarship plans are different from other investment funds in the MRFP requirements relating to disclosure of "net assets" (see section 3.2 of Form 81-106F1, for example). We believe that much of section 14.2 should not apply to scholarship plans given that "net asset value" calculations are generally not carried out on scholarship plans nor is the information relevant to subscribers. Accordingly, we recommend that NI 81-106 be amended to exempt scholarship plans from this specific proposed requirement as well as the other provisions of section 14.2.

RESPDAC - ADREEEC

Thank you for considering our comments. Please contact James Deeks, RESPDAC's Executive Director, at 416-689-8421 or jdeeks@primarycounsel.com if you have any questions about our comments.

Yours very truly,

A handwritten signature in blue ink, appearing to be 'Paul Renaud', written in a cursive style.

Paul Renaud
Chair

A handwritten signature in blue ink, appearing to be 'James Deeks', written in a cursive style.

James Deeks
Executive Director