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BARRISTERS AND SOLICITORS

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September 30, 2010

BY ELECTRONIC MAIL

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Securities Commission
Manitoba Securities Commission
Authorité des marches financiers
New Brunswick Securities Commission
Ontario 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
19th Floor, Box 55.
Toronto, Ontario, M5H 3S8
E-mail: jstevenson@osc.gov.on.ca

c/o Anne-Marie Beaudoin
Corporate Secretary
Authorité des marches financiers
800, square Victoria, 22e étage
C.P. 246, tour de la Bourse
Montréal, Quebec H4Z 1G3
E-mail: consultation-en-cours@lautorite.qc.ca

Dear Sirs/Mesdames:

Re: Proposed Amendments to National Instrument 31-103 - Registration Requirements (NI 31-103)

We are counsel to Growth Works Capital Ltd. ("GWC") which manages retail venture capital funds, retail mutual funds and specialty funds through two operating divisions. We are writing on behalf of ourselves and on behalf of GWC to provide comments on the proposed amendments to National Instrument 31-103 – Registration Requirements ("Proposed Amendments").

Amendments relating to International Financial Reporting Standards (IFRS)

We and our clients agree with the spirit of the comments of the Alternative Investment Management Association that with respect to investment funds, the calculation of fair value of a security for the purposes of calculating NAV is set out in section 14.2(1.2) of National Instrument 81-106 *Investment Fund Continuous Disclosure* ("NI 81-106"), and therefore that calculation should be appropriate for the purposes of the requirements in NI 31-103. We further submit that requiring the inclusion of IFRS "fair value" in the context of account statements will result in investor confusion because the calculation of NAV for purchases and redemptions in section 14.2(2) of NI 81-106 ("Pricing NAV") described below and "fair value" under IFRS as set out in the Proposed Amendments may result in different values.

Until September 30, 2003, labour sponsored investment funds in Canada ("LSIFs") recognized the commissions paid on the sale of their shares, and in some cases other share issuance costs, as an asset on their financial statements (the "Deferred Charges"). Funds amortized the Deferred Charges on a straight line basis over the eight year period during which the shares are required to be held in order to retain the benefit of LSIF tax credits. This meant that in calculating what's referred to as "Pricing NAV", LSIFs would include the unamortized balance of Deferred Charges, effectively matching the cost of the Deferred Charges to the time period during which the shares were expected to be held. Effective for fiscal periods ending after January 1, 2004, however, Deferred Charges were no longer recognized as an asset under GAAP. NI 81-106 allows LSIFs to continue to amortize the balance of sales commissions as at December 31, 2003 for purposes of setting the purchase and redemption prices of LSIF shares. The methodology for the pricing of LSIF shares and recording and amortizing of Deferred Charges is described in detail in an LSIF's prospectus and is reconciled to GAAP NAAV annually in the notes to its audited financial statements. We submit that Pricing NAV calculated in accordance with NI 81-106 is a more meaningful number to investors and shareholders as it determines the price for purchases and redemptions and adding "fair value" under IFRS would result in additional and unnecessary confusion.

Restriction on acting for another registered firm

We submit that the restriction on individuals registered as dealing, advising or associate advising representative of a registered firm preventing them from being registered as a dealing, advising or associate advising representative of another registered firm in section 4.1(b) of the Proposed Amendments should not apply in the case of affiliated firms. We recognize the CSA has indicated that the affiliation of firms is a factor it would consider in exemptive relief applications, however, we submit that the Proposed Amendments should include a "carve out" for affiliated firms similar to that available in section 4.1(a) of NI 31-103. First, in the context of affiliated firms, it is often the case that such affiliated firms operate in different product markets, and therefore the potential for conflicts of interest is less serious than with non-affiliated firms. Second, in the context of affiliated firms, conflicts of interest raised by having one individual registered with two affiliated firms could and should be addressed through the adoption of polices and procedures to deal with dual registrations.

We appreciate the opportunity to provide our comments and welcome the opportunity to discuss them further.

Kind regards,

"Tamara L. Howarth"

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