

April 25, 2007

John Stevenson  
Ontario Securities Commission  
20 Queen St. West  
19<sup>th</sup> Floor, Box 55  
Toronto, Ontario  
M5H 3S8

Re: Proposed NI 31 -103

Dear John,

I am writing to express my concern over the proposed changes in NI 31 – 103. I am a unit holder of the Resolute Performance Fund and feel fortunate that Resolute Funds Ltd. is available to me as a small, individual investor. I do not understand why you are proposing to increase the working capital and insurance requirements for Resolute when they employ a third party as custodian of the unit holder's assets (RBC Dexia). These proposals will serve to increase the costs for small Fund companies and increase the barriers to entry for new Fund companies. No doubt, such costs will be downloaded to the unit holders in the form of higher fees. I am not interested in investing with a large Fund company. They seem more concerned with marketing than managing their portfolios. These proposed changes make me concerned that there will no longer be smaller, entrepreneurial Fund Managers.

Sincerely,

Brian McBain