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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
Superintendent of Securities, Yukon Territory
Registrar of Securities, Nunavut

John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West, Suite 1903, Box 55
Toronto, ON
M5H 3S8

Me 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:

**Re: Proposed Amendments to National Instrument 31-103
*Registration Requirements and Exemptions***

We are writing to provide comments of IGM Financial Inc. ("IGM") with respect to the Canadian Securities Administrators ("CSA") Notice of Proposed Amendments to National Instrument 31-103 *Registration Requirements and Exemptions* ("NI 31-103") and to Companion Policy 31-103 *Registration Requirement and Exemptions* ("Companion Policy 31-103CP").

IGM Financial Inc. (IGM) is a diversified financial services company and is one of Canada's largest mutual fund manufacturers, managing over \$120 billion in assets on behalf of clients as of September 30, 2010. Its activities are carried out principally through Investors Group Inc., Mackenzie Financial Corporation (including MRS Inc.) and Investment Planning Counsel Inc. and their subsidiaries. IGM Financial Inc. is a member of the Power group of companies.

Through its various subsidiaries, IGM is registered in several capacities with all members of the CSA, the Mutual Fund Dealers Association of Canada and the Investment Industry Regulatory Organization of Canada. IGM is therefore very interested in proposed amendments to NI 31-103 and Companion Policy 31-103 CP.

General

We are generally pleased with the proposed amendments to NI 31-103 and Companion Policy 31-103CP, particularly those that clarify some of the ambiguities or uncertainties regarding the application of certain sections.

We have participated in the development of the comment letter submitted by the Investment Funds Institute of Canada ("IFIC") and support the comments and concerns raised in that letter. In this letter, we wish to elaborate on certain of IFIC's comments by providing you with more information regarding the application of the outsourcing guidance to our operations, as well as raise certain other issues that are particularly important to IGM.

Application of Outsourcing Guidance to Trade Confirmations

As indicated in the IFIC comment letter, we are very concerned about the application of the outsourcing guidance in Part 11 of Companion Policy 31-103CP and section 14.12 to our operations.

On March 10, 2010, IFIC submitted a letter to OSC staff outlining IFIC members' concerns about the combined effect of: (1) the repeal of Ontario *Securities Act* s. 36(7) ("Section 36(7)"); (2) the implementation of s. 14.12 of NI 31-103; (3) the CSA guidance relating to the outsourcing of certain services as described in Part 11 of Companion Policy 31-103CP; and (4) the publication of MFDA Bulletin #0396-P National Instrument 31-103 Registration Requirements. IFIC members were concerned that the discussion of outsourcing arrangements in MFDA Bulletin #0396-P expressed a regulatory view that was inconsistent with long-standing industry practice and with dealers' and managers' understanding of the history behind Section 36(7), which exempted dealers from the requirement to send trade confirmations where a written confirmation was sent by the fund manager. In the March 10 letter, IFIC recommended that the CSA consider incorporating into NI 31-103 an exemption similar to that found in Section 36(7).

The CSA appears to have decided not to include language similar to Section 36(7) into NI 31-103, but is proposing to amend Companion Policy 31-103CP by adding section 14.12, which comments directly on the application of the outsourcing guidance to arrangements regarding the delivery of trade confirmations. Like IFIC, we would prefer to see a Section 36(7)-type exemption introduced into NI 31-103, but are comfortable with the approach taken in proposed section 14.12 regarding dealers' due diligence obligations. However, we are also of the view that s. 14.12 of the Companion Policy should be amended to confirm that existing documentation is sufficient to satisfy dealers' trade confirmation outsourcing obligations.

To give you a sense of the scope of the impact, we would like to point out to you that one of our investment fund manager subsidiaries, Mackenzie Financial Corporation ("Mackenzie") currently

distributes its funds through approximately 150 registered mutual fund dealers and investment dealers, most of whom historically relied on Section 36(7) because Mackenzie delivers confirms. We expect that other investment fund managers and dealers would have similar arrangements in place (with volumes varying from entity to entity). In our view, it would be unreasonable for the CSA to expect the industry to revisit all of their arrangements with a view to negotiating and executing multiple enforceable contracts as contemplated by Part 11 of Companion Policy 31-103CP. In our view, the existing system and the existing documentation has worked very well for many years and we are unaware of any problems in this area that have put dealers in violation of their obligations or that have resulted in investors not receiving appropriate transaction information.

On the basis of the foregoing, we would like to once again urge the CSA to either incorporate language similar to Section 36(7) into NI 31-103 or to amend proposed section 14.12 of Companion Policy 31-103CP to clarify that existing documentation is sufficient for the purposes of the outsourcing guidance in Part 11.

Content of Form 33-109F6 and Form 33-109F5

We would urge the CSA to give serious consideration to amending Form 33-109F6 (“Form F6”) to reduce the scope of information that is required regarding registered firms’ “specified affiliates” and which, therefore, must be kept current through the filing of Forms 33-109F5 (“Form F5”).

IGM and its sister company, Great-West Lifeco Inc. (“Lifeco”), have a total of approximately 20 subsidiaries which are registered firms under NI 31-103. IGM and Lifeco are both public company subsidiaries of Power Financial Corporation (“PFC”) and Power Corporation of Canada (“PCC”), with distinct bodies of public, non-controlling shareholders. The IGM/Lifeco/PFC/PCC group of companies comprise a significant number of legal entities, throughout the world and in a wide variety of businesses. Most of these legal entities would be “specified affiliates” of each of the IGM and Lifeco registered firms, within a technical reading of the term as currently defined in Form F6.

Since the questions on Form F6 generally contain no monetary materiality thresholds, and are not limited geographically or by industry segment, IGM subsidiaries that are registered firms would be expected to assemble and keep current through the filing of Form F5s large amounts of information in respect of entities over which, in most cases, IGM has no control. We submit that that much of this information is irrelevant as to whether those IGM subsidiaries are fit for registration under securities legislation in Canada. We further submit that it would be highly inefficient that all IGM/Lifeco subsidiaries be required to file identical Form F5s regarding a change that affects any one of them or their specified affiliates.

We strongly urge the CSA to undertake an early review of Form F6 with a view to ensuring that registered firms are only required to collect and keep current information that is directly relevant to their registration status. In this regard, we submit that, in addition to information about the firm, the information on Form F6 should be restricted to information regarding “specified affiliated securities registrants” (which we would propose should mean a firm’s affiliated, Canadian-registered securities firms) and information regarding “other specified affiliates” (which we would propose should mean the registered firm’s parents as well as affiliates registered or licensed to do business in other parts of the financial services industry in Canada). We also submit that certain Form F6 disclosures should be subject to a materiality threshold. One good example is the disclosure currently required in Part 8 of Form F6 with respect to legal actions, which should be subject to a monetary threshold and limited to actions relating to fraud, theft, or securities-related activities (including with disclosures with respect to the registrant firm). As the Form 6 is currently written, a firm must disclose any legal action in which it is a defendant, regardless of size and including actions unrelated to the securities industry (eg. small claims

court actions and wrongful dismissal actions). We submit that such actions are irrelevant for determining a firm's suitability for registration.

We further submit that Form F5 filings should be limited to changes in information regarding the registered firm itself and changes to "material information" regarding "other specified affiliates". For these purposes we submit that "material information" with respect to a firm's "other specified affiliates" should be defined to include a monetary threshold and other limitations designed to capture only information that is directly relevant to the registered firm's continued fitness for registration. We submit that a registered firm should not be required to submit Form F5s in respect of changes to information about its "specified affiliated securities registrants" because those firms would already be required to file their own Form F5 in respect of those changes.

We recognize that these suggestions raise a number of policy issues that would require extensive consideration by the CSA. However, we feel that this is an important issue that is of interest broadly among registered firms and should, therefore, be considered as soon as possible.

We appreciate the opportunity to provide you with our comments on the proposed amendments and would be pleased to answer any questions you may have about these submissions.

Yours very truly,

IGM FINANCIAL INC.



Murray J. Taylor
Co-President and Chief Executive Officer