



January 12, 2011

VIA E-MAIL

Alberta Securities Commission
British Columbia Securities Commission
Manitoba Securities Commission
Autorité des marchés financiers
New Brunswick Securities Commission
Superintendent of Securities, Newfoundland and Labrador
Registrar of Securities, Department of Justice, Northwest Territories
Nova Scotia Securities Commission
Registrar of Securities, Legal Registries Division, Department of Justice, Nunavut
Ontario Securities Commission
Registrar of Securities, Prince Edward Island
Saskatchewan Financial Services Commission
Registrar of Securities, Government of Yukon Territory

John Stevenson, Secretary
Ontario Securities Commission
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Suite 1900, Box 55
Toronto, Ontario, M5H 3S8
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Anne-Marie Beaudoin
Corporate Secretary
Autorité des marchés financiers
800, square Victoria, 22e étage
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E-mail: consultation-encours@lautorite.qc.ca

Dear Sirs and Mesdames:

**RE: Proposed Amendments to NI 31-103 Registration Requirements and Exemptions -
Registration of International and Certain Domestic Investment Fund Managers**

Background

Greystone Managed Investments Inc. ("Greystone") thanks the Canadian Securities Administrators (CSA) for the opportunity to respond to the proposed amendments to NI 31-103 Registration Requirements and Exemptions Registration of International and Certain Domestic Investment Fund Managers.

Incorporated in 1988, Greystone provides discretionary investment management services to institutional clients across Canada. Greystone is registered as a Portfolio Manager and Exempt Market Dealer in all Canadian provinces, and as an Investment Fund Manager in Saskatchewan.

Client assets under management at September 30, 2010 was approximately \$34 billion and included pension funds, foundations, trusts and endowments, charitable and religious organizations and other institutional accounts. We provide investment management services for segregated and pooled fund portfolios. Greystone manages its pooled funds on a prospectus-exempt basis.

Greystone's institutional-oriented business model can present challenges to regulators attempting to define our business and the risks associated with it. Greystone advises institutional accredited investors or those defined as "permitted clients" in National Instrument 31-103. We work with Boards of Trustees, pension plan consultants, insurance companies and the like, rather than a retail clientele. It is, accordingly, our belief that the rules and regulations arising from consultations similar to this one should consider the implications for institutional



managers and clients and not solely focus on retail business. Our submission, therefore, takes the viewpoint of a large institutional investor.

Questions relating to Investment Fund Manager Registration

As per the proposed amendments to National Instrument 31-103 Registration Requirements and Exemptions and Companion Policy 31-103 CP Registration Requirements and Exemptions, it is our understanding, certain domestic investment fund managers would be required to register in another province or territory (in addition to the Canadian jurisdiction in which its head office is located) if the securityholders are local residents of the province or territory and the manager or the fund has actively solicited local residents to purchase securities of the funds. Greystone opposes these proposed amendments.

The term “investment fund manager” as defined in securities legislation refers to a person or company that directs the business operations or affairs of the investment fund. As Greystone carries out investment fund manager activities solely in Saskatchewan, we believe that the proposed requirement to register in the local jurisdiction of security holders of the investment funds is not in line with the spirit of the Investment Fund Registration category. It is unclear as to the purpose of requiring registration in jurisdictions other than those in which investment fund manager carries out investment fund manager activities.

We believe that an investment fund manager should only be registered in its principal jurisdiction and any other jurisdiction in which the investment fund manager carries out investment manager activity.

We thank the Canadian Securities Administrators for considering these comments and we would be pleased to discuss any issues outlined above.

Respectfully submitted on behalf of Greystone,

Nadine Krenosky, CA, CFA
Chief Compliance Officer