



Quadrus Investment Services Ltd.

255 Dufferin Avenue
London, Ontario N6A 4K1
1.888.532.3322
1.877.814.6492 Fax

VIA E-MAIL: jstevenson@osc.gov.on.ca, consultation-en-cours@lautorite.qc.ca

September 20th, 2011

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
Superintendent of Securities, Prince Edward Island
Nova Scotia Securities Commission
Superintendent of Securities, Newfoundland and Labrador
Superintendent of Securities, Northwest Territories
Superintendent of Securities, Yukon Territory
Superintendent 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

Re: Proposed Amendments to National Instrument 31-103: Cost Disclosure and Performance Reporting

We are writing to provide comments with respect to the proposed amendments to *National Instrument 31-103 Registration Requirements and Exemptions: Cost Disclosure and Performance Reporting* (the "Proposals").

Quadrus Investment Services Ltd. ("Quadrus") is one of the largest mutual fund dealers in Canada with more than 3400 registered investment representatives. It is the exclusive mutual fund dealer for London Life Insurance Company and preferred mutual fund dealer for the Gold key investment representatives of The Great-West Life Assurance Company.



Quadrus Investment Services Ltd.

255 Dufferin Avenue
London, Ontario N6A 4K1
1.888.532.3322
1.877.814.6492 Fax

Although the general principle of providing clients with clear and transparent reporting on performance and costs is noble, the depth and manner of change caused by the Proposals would be both burdensome to all dealers and confusing to clients and dealers.

It would seem that the Proposals would undermine MFDA Rule 5.3.5 which is due to become effective next year. This begs the question as to why the CSA would allow the SROs to implement a rule after considerable effort has been expended by the SROs, the public and the dealership community. There is a credibility issue for both the CSA and the SROs. It is not clear how regulatory oversight on top of regulatory oversight serves anyone well. In the end, mutual fund dealers will have to expend considerable effort and expense making two sets of system and statement reporting changes; the first to comply with MFDA Rule 5.3.5 and the second to comply with the Proposals.

Rather than increased costs, what Canadians should be ensured is a simple and clear measure of performance reporting. It is our belief that MFDA Rule 5.3.5 meets this goal. The encyclopedic listing of the parts of all charges and fees as recommended by the Proposals will baffle many Canadians creating increased confusion about mutual fund investments and adding to their cost as compared to other investment options.

In summary, we are in agreement with the letter put forward by The Investment Funds Institute of Canada ("IFIC") on September 7, 2011. We believe that the IFIC recommendations meet the needs of all stakeholders and we recommend that you consider them seriously as you decide on next steps for this initiative.

Yours truly,

Quadrus Investment Services Ltd.

By: Michael Stanley
President and Chief Executive Officer