

March 5, 2007

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

c/o Cameron McInnis, Chair of the National Policy 48 Future-Oriented Financial  
Information Reformulation Committee  
Ontario Securities Commission  
20 Queen Street West  
19th Floor, Box 55  
Toronto, Ontario M5H 3S8  
Fax: 416.593.8244  
E-mail: cmcinnis@osc.gov.on.ca

and

c/o Anne-Marie Beaudoin, Secretary  
Autorité des marchés financiers  
Stock Exchange Tower  
800 Victoria Square  
P.O. Box 246, 22nd Floor  
Montréal, Québec H4Z 1G3  
Fax: 514.864.8381  
E-mail: consultation-en-cours@lautorite.qc.ca

Dear Sirs/Mesdames:

**Proposed Rescission of National Policy 48 Future-Oriented Financial Information  
and Proposed Amendments to National Instrument 51-102 Continuous Disclosure  
Obligations and Related Consequential Amendments**

We are submitting this comment letter to the Canadian Securities Administrators (the “CSA”) in response to the above-noted Request for Comments published at (2006) 29 OSCB 9339.

As we understand the purpose of the proposed amendments to National Instrument 51-102 (“NI 51-102”), it is the intention of the CSA to, among other things, consolidate, in one place, the requirements relating to FOFI, to clarify that FOFI includes “financial outlooks” (such as earnings guidance) and to require certain disclosure relating to previously released forward looking information and FOFI to be included in quarterly MD&A.

Our comments are as follows:

1. We support the removal of the requirement that an auditor’s report accompany FOFI included in a prospectus or circular.
2. We do not feel strongly one way or the other about whether the requirements relating to forward looking information should specifically apply to earnings guidance, nor about the necessity of implementing the proposed rules regarding updating, comparing and withdrawing forward looking information. We wonder whether: (a) existing requirements to disclose material changes (and, for TSX-listed issuers, to disclose material information), coupled with (b) the discipline imposed by the financial markets (which will react negatively if material forward looking information is not updated or withdrawn appropriately) and, in certain provinces, (c) civil liability for secondary market disclosure, are sufficient to motivate reporting issuers to update, compare and withdraw forward looking information where it is believed to be necessary.
3. We note that the wording of proposed section 4A.3, while similar in substance, does not precisely track the forward looking information safe harbour language in the civil liability rules in those provinces in which such rules exist (see section 138.4(9) of the *Securities Act* (Ontario), for example). Given that the forward looking information safe harbour language in the civil liability rules is already different than the safe harbour language used in the United States, we suggest it may be inefficient to have an additional variation on the forward looking information disclaimer language (for example, issuers who are subject to civil liability rules in Canada and potential liability in the U.S. would need to check compliance with all three variants of the disclaimer language). Perhaps you could consider modifying the language in section 4A.3 of NI 51-102 to track more closely the forward looking information disclaimer language in the civil liability rules. Alternatively, you could provide an exception to proposed section 4A.3 which allows compliance with that section if the reporting issuer has complied

with the forward looking disclaimer language requirements in applicable civil liability rules.

4. We would ask the regulators to confirm that statements of performance goals or targets disclosed by a reporting issuer would not be considered “financial outlook”. By way of background, some reporting issuers, in the context of describing their strategy and objectives in their continuous disclosure documents, may set out specific financial targets for the upcoming year, such as earnings per share growth, sales growth, financial ratios, etc. We distinguish this practice, which we believe is intended to provide investors with additional information about the way management measures success in achieving its strategic objectives, from the practice of disclosing an issuer’s expectations for future financial results. The former is a statement of the issuer’s goals, while the latter is a statement of the issuer’s expected financial results. Issuers who provide financial target information typically discuss in subsequent continuous disclosure documents whether the financial targets were achieved.

If you have any questions or comments please feel free to speak with Craig Wright at 613.767.1035 or Desmond Lee at 416.862.5945.

Yours very truly,

OSLER, HOSKIN & HARCOURT LLP  
JS:vk1