



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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VIA SEDAR

May 15, 2002

Torys LLP

Attention: Deanna Dobrowsky

Dear Sirs/ Mesdames:

**Re: Frontiers International Equity RSP Pool, Frontiers U.S. Equity RSP Pool
 (collectively, the "Frontiers RSP Pools")
 Renaissance Global Growth RSP Fund
 Renaissance Global Sectors RSP Fund
 Renaissance Global Technology RSP Fund
 Renaissance Global Value RSP Fund
 Renaissance International Growth RSP Fund
 Renaissance Tactical Allocation RSP Fund
 (collectively, the "Renaissance RSP Funds")
 - Application for Exemptive Relief pursuant to section 19.1 of National Instrument 81-
 102 ("NI 81-102")
 - App. No. #085/02; SEDAR Project Nos. 418690, 435478 and 435481**

By letter dated April 10, 2002 revising letters dated February 25, February 8 and February 1, 2002 (collectively the "Application"), you applied to the local securities regulatory authority or regulator (collectively, the "Decision Makers") in each of the provinces and territories of Canada (the "Jurisdictions"), on behalf of CM Investment Management Inc. ("CM") in its own capacity and on behalf of the Frontiers RSP Funds, the Renaissance RSP Funds and other mutual funds managed by CM having an investment objective or strategy that is linked to the returns or portfolio of another specified CM mutual fund while remaining 100% eligible for registered plans (all funds collectively referred to as the "RSP Funds") for exemptive relief from section 4.2 of NI 81-102.

From our review of the Application, and your responses to our comments on the Application, we understand the relevant facts and representations to be as follows:

1. CM is a corporation amalgamated under the laws of Canada with its registered office located in Ontario. CM is the manager, trustee, promoter and portfolio manager of the existing RSP Funds.

2. The existing RSP Funds are open-end mutual funds established under the laws of Ontario. Units of the Frontiers RSP Pools are qualified for distribution pursuant to an amended and restated simplified prospectus dated March 28, 2002 in the Jurisdictions. Units of the other existing RSP Funds are qualified for distribution pursuant to a separate amended and restated simplified prospectus dated March 28, 2002 in the Jurisdictions.
3. Each of the existing RSP Funds is a reporting issuer under the securities laws of each of the provinces and territories of Canada. None of the existing RSP Funds is in default of securities legislation in the Jurisdictions.
4. The RSP Funds enter into forward contracts and other derivative instruments (collectively the "Forward Contracts") with one or more institutions to link the return of the RSP Funds to the return of the corresponding underlying funds or to the portfolio securities of the corresponding underlying fund.
5. The Canadian Imperial Bank of Commerce ("CIBC") is a bank listed in Schedule I to the *Bank Act* (Canada). CIBC owns all of the outstanding shares of CM.
6. There may be directors or officers of CIBC and its affiliates that are also directors or officers of CM.
7. The RSP Funds intend to enter into Forward Contracts with CIBC and its affiliates (collectively the "Related Counterparties") so long as the pricing terms of the Forward Contracts are comparable to those offered by the Related Counterparty to other third parties of similar size to the RSP Fund.
8. Each RSP Fund has obtained, or will obtain, exemptive relief from the Jurisdictions in connection with its activities as an "RSP Clone Fund".
9. The independent auditors of the RSP Funds (the "Independent Auditors"), none of whom are themselves directors, officers or employees of CM, or any affiliate of CM, will review all pricing terms of the Forward Contracts with the Related Counterparties to ensure that the RSP Funds will receive pricing terms that are at least as favourable as those offered by the Related Counterparties to other fund groups offering RSP Funds of similar size to the RSP Fund.
10. The prospectuses and any renewals thereof, will disclose the involvement of the Related Counterparty in the Forward Contracts, the Independent Auditors' role and the review of the contracts by the Independent Auditors.
11. The investments by the RSP Funds in the Forward Contracts represent the business judgment of responsible persons uninfluenced by considerations other than the best interests of the RSP Funds.

Decision

This letter confirms that, based on the information in the Application (including the facts and representations above), for the purposes described in the Application, the Decision Makers hereby exempt the RSP Funds from:

- (i) section 4.2 of NI 81-102 - to permit each RSP Fund to enter into Forward Contracts with the Related Counterparties.

The Decision Makers grant the exemptions to permit the RSP Funds to link the return of the RSP Funds to the return of the corresponding underlying funds or to the portfolio securities of the corresponding underlying fund through the investment in Forward Contracts of the Related Counterparties, provided that at the time a RSP Fund makes an investment in the Forward Contracts of the Related Counterparty, the following conditions are satisfied:

- (a) the pricing terms offered by the Related Counterparty to the RSP Fund under the Forward Contracts are at least as favourable as the terms committed by the Related Counterparty to other third parties, which are of similar size as the RSP Fund;
- (b) prior to the RSP Fund entering into the Forward Contracts with the Related Counterparty, the Independent Auditors of the RSP Fund have reviewed the pricing terms offered by the Related Counterparty to the RSP Fund against the pricing offered by the Related Counterparty to other fund groups offering RSP funds of similar size, to ensure that the pricing is at least as favourable;
- (c) the review by the Independent Auditors of the pricing terms of the Forward Contracts will be undertaken not less frequently than on a quarterly basis, and in addition on every renewal or pricing amendment to each Forward Contract during the term of such contract;
- (d) the RSP Fund's prospectus, and any renewal thereof, discloses the Independent Auditors role and their review of the Forward Contracts, as well as the involvement of the Related Counterparty; and
- (e) the RSP Fund will enter into the Forward Contracts with the Related Counterparties only once confirmation of favourable pricing is received from the Independent Auditors of the RSP Fund.

Yours truly,

"Paul A. Dempsey"

Paul A. Dempsey
Manager, Investment Funds
Capital Markets