

Monday, May 21, 2007

John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, ON M5H 3S8
By email: jstevenson@osc.gov.on.ca

RE: Proposed National Investment 31-103

Dear Sir:

As a mutual fund investor residing in Ontario, I am concerned by the excessive regulations that continue to be imposed, with more planned. Such regulations result in excessive Mutual Funds Fees which I must pay.

Canadian Mutual Fund Fees appear to be the highest in the world. May I assume that the highest regulations are imposed on Canadian Mutual Funds? I have to ask whether Canadian investors as well as the public at large are served well by these excessive regulations. I do not feel I need the additional protection of more regulations. The increasing of regulations is harmful to me as an investor, as it increases the cost of doing business and reduces competition by raising barriers to entry for new advisors, thus deterring new advisors and small firms.

My preference for mutual funds as an investment vehicle provides the diversity I need to balance my portfolio. My very talented mutual fund manager and his team may decide to discontinue their efforts on my and many other of their client's behalf if they are discouraged by the continuance of excessive regulation requirements. Currently they are successfully managing my portfolio: I wish for them to continue to do so in their own style, using their particular entrepreneurial skills, without a sense of restriction. I have a sense that excessive regulation stifles their mode of operations.

I can't understand why section 4.18 does not have an exemption for those investment fund managers who use insured-third-party custodians for the assets. Surely, operating with an established Trustee, within existing laws, should be sufficient to protect my interests as well as those of the general public.

I must therefore register my protest against the excessive regulations, existing and planned, imposed on Canadian Mutual Funds.

For the small investor, without access to offering memorandum exemptions, economic livelihood depends on avoiding useless costs. Your leadership in the representation of real investor interests would be much appreciated.

Regards,

Sandra Lee Heslip

5 White Pine Place,
Barrie, Ontario
L4M 5L7
E-mail :sandra.heslip@rogers.com