

My 22, 2007

c/o John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, Ontario M5H 3S8
e-mail: jstevenson@osc.gov.on.ca

Re: Proposed National Instrument 31-103 Registration Requirements

Dear Sir:

Thank you for the opportunity to comment on proposed National Instrument 31-103.

I am a retired Ontario resident who depends upon returns from investment funds for income. I only invest with audited investment fund institutions who do not hold investor money directly and use third party securities custodians.

Section 4.14

I believe that the current working capital level requirement is sufficient for firms that use third party custodians.

Section 4.18

Insuring assets of a fund that has a quality third party custodian does not provide me with any additional benefits. I do not wish to pay for insurance I do not want and do not need.

I find the current Ontario regulations for investment funds entirely adequate. All costs resulting from these types of OSC instruments impact investment fund performance and the incomes of those who depend on them.

Increasing costs and regulations will only support large institutions many of whom invest within the same market indexes of established companies. In the future I look forward to Ontario Securities Commission initiatives to encourage the growth of smaller investment funds with independent value added research and the ability to create wealth for Canadians over the long term.

Sincerely,

Wallace Halladay
Toronto