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Dear Sirs;

**Re: CSA Registration Reform Project
Proposed Rule 31-103**

I am Manager of Operations for FRPL Finance Ltd. (FRPL), a real estate investment company, who is committed to providing secure and quality investment opportunities to investors as well as providing investment capital to private borrowers secured by first mortgages on resort properties.

To date our sole borrower has been in business for over 25 years and is one of the top resort developers in Canada.

FRPL utilizes prospectus exempt securities to raise capital through both internal and external sales personnel by way of offering memorandums.

It is our strong opinion that should the proposed changes come into force, FRPL and its sales force would be forced to cease operations.

Our concerns relating to the proposed changes are as follows;

1) Canadian Securities Course

The Canadian Securities Course is primarily designed for stock brokers and financial advisers who want to provide financial advice to their clients. FRPL does not provide financial advice to the investing public nor will it in the future. The investment products that we offer to the public, real estate related, are barely covered in the course and the course would not result in any further protection for the public.

2) Know Your Client

FRPL's internal sales personnel do not purport to be financial planners nor financial advisors and we do not represent ourselves to the investing public to be so. We simply provide the investing public an alternative investment opportunity as compared to the regular ones being stocks, mutual funds, GIC's etc. As for the external sales personnel who sell our investments to their clients, we do not have authority over them and their clients and do not get involved in their business. In addition, we strongly believe that our investing clients would not be prepared to discuss their personal affairs with us and we do not believe that it is our business to discuss these issues with them.

3) Working Capital Requirements

All funds received from our investors by our internal and external sales personnel are deposited directly to the issuers account when the exempt securities are issued. The requirement that each sales person must maintain certain levels of working capital, financial bonds and insurance, would result in a majority if not all of both our internal and external sales personnel being put out of business,q and provide no additional protection to the investors.

In summary, FRPL is of the opinion that the investing public is well protected under the current legislation, NI-45-106. The investing public is adequately warned about the risks of investing and the public has to accept responsibility to investigate each and every opportunity and analyze the risks of each one on their own merits.

The proposed changes would not in any way provide further protection for the public and would only dry up investment dollars for legitimate companies that provide economic benefits to the economy and furthermore, would eliminate secure investment opportunities for the investing public. The changes would result in limiting the investment options for the public to the normal ones being stocks, bonds, mutual funds etc.

Thank you for your opportunity to provide our comments to the proposed changes and please feel free to contact the writer should you wish to discuss.

Yours truly,
FRPL Finance Ltd.

Ed Nycholat CA
Manager of Operations