



CONISTON INVESTMENT CORP.

June 29, 2007

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Secretary
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To: British Columbia Securities Commission
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New Brunswick Securities Commission
Registrar of Securities, Newfoundland and Labrador
Registrar of Securities, Northwest Territory
Registrar of Securities, Yukon Territory
Registrar of Securities, Nunavut

RE: RESPONSE TO REQUEST FOR COMMENTS – PROPOSED NATIONAL INSTRUMENT 31-103

Coniston Investment Corp., formed in 1999, provides financial advisory services to clients including mergers and acquisitions advice and in raising both equity and debt for public or private companies. These services allow smaller issuers which are not served by major investment brokers to access the capital markets. The funding available for capital raising is

provided by banks, pension funds, issuers and other institutional investors as well as sophisticated investors with private equity funds.

For the past eight years Coniston has acted as an agent on twenty-five private placements raising a total of \$75 million for companies in the technology, biotechnology, payroll services and mining sectors and has advised on a \$4 million acquisition of an administrative manufacturing company.

As the principal and owner of Coniston, Paul Parisotto has been a trading analyst (1983-1984) and Manager, Original Listings (1985-1994) at the Toronto Stock Exchange. Subsequently he was employed as a senior officer in corporate finance/investment banking for two firms, Marleau, Lemire Securities Inc. and HSBC Securities (Canada) Inc. until 1999.

In conducting its business, Coniston restricts its activities to providing advice to smaller companies seeking funds for growth and development or who are seeking to access the market through transactions such as reverse take-overs. Coniston submits that the proposed rule will have an adverse affect on this business model without providing any additional protection for consumers.

Coniston does not receive (in trust or otherwise) funds from investors as all transactions occur through other advisors such as law firms. Compensation is received through commissions and equity participation from the issuer clients. The principal market for funding are accredited investors under relevant securities laws. As a Limited Market Dealer in compliance with all regulatory requirements, Coniston believes the Exempt Market Dealer provisions of NI 31-103 requires modification as set out below.

Proficiency Requirements

With respect to the proficiency requirements of Part 4 the experience of Limited Market Dealers who have been engaged in business for five years or more should qualify current registrants as “grandfathered” under the provisions.

Solvency Requirements

As a Limited Market Dealer which does not deal in cash or securities of clients whose funding and settlements are routed through attorneys or other professional organizations, a requirement for FIB bond insurance will offer no additional protection to Coniston clients. None of the categories of required coverage would apply to Coniston’s business model and an exemption from FIB bond insurance should be provided to Exempt Market Dealers who are following that model.

Audit Requirements

The financial accounts of Coniston are not complicated and involve no client financial assets. Furthermore, as noted under Solvency Requirements above, Coniston does not deal in cash or securities of clients. Preparation of financial statements is accordingly fairly simple. To impose an audit requirement on Exempt Market Dealers operating in this manner is an additional cost which provides no enhanced consumer protection. Coniston believes that

financial statements prepared without an audit should be acceptable under this category where there is no involvement in client assets.

Coniston, through the experience and knowledge of its principal, is well aware of the regulatory requirements under existing securities legislation and regulation. It is advised by knowledgeable counsel and has a business model which enables it to provide relatively low cost services to a market segment not served by larger institutions. It believes it can continue to provide high quality services to its clients in full compliance with the proposed regulatory regime provided the proposed amendments are included. Coniston submits that none of its proposed amendments to the published notice will have an adverse effect on consumer protection but will eliminate costly and unnecessary regulatory burdens.

Yours truly,

CONISTON INVESTMENT CORP.

by: 
Paul A. Parisotto, President