

May 19, 2008
John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, Ontario M5H 3S8
By e-mail: jstevenson@osc.gov.on.ca

Re: Proposed National Instrument 31-103

Dear Sir:

Thank you for the opportunity to provide commentary on proposed National Instrument 31-103. I am an Ontario resident who invests in small Canadian Mutual Funds. I fear that I will have to pay for the costs of the requirements that these instruments impose on investment fund managers,

While reviewing the 1200 page document I wondered how am I "The Common Investor", to be expected to review, comprehend and comment on these regulations for which I will ultimately have to pay the cost?

As I understand this document, my fund manager will have to purchase various forms of insurance for the handling of funds and securities, even though they may never have direct access to them. How does this benefit anyone but the Insurance Industry? This creates an unfair burden on the "Common Investor" who will be forced to pay for unnecessary insurance.

In your "Summary" you acknowledge that these rules may create barriers to entry, as you state "it is to foster fair and efficient markets", yet, you know that barriers to entry impede efficient markets. I believe that the burden to comply with additional regulations and costs will cause some smaller funds to fold and prevent gifted entrepreneurial fund managers from starting new ones. This only serves to provide an increasing monopoly for the larger investment companies. How is this to benefit "The Common Investor"?

Your Summary states, "The public comment process is outside the mandate of the Project". How can you get meaningful constructive comments from those who will profit from your imposed rules? It is clear that the "Common Investor" will pay for these changes and will ultimately suffer under them. Why are we to pay your wages and higher insurance premiums while you meddle in our financial affairs?

Please stop this project now and impose a moratorium on future projects. "WE, The Common Investors" are aware of the risks in the markets, and do not need the infantilizing efforts proposed in this National Instrument 31-103. Furthermore, we do not want this ineffective meddling to impede upon our financial endeavors.

Regards,
Joseph Charles Heslip