

May 27, 2008

John Stevenson
Secretary
Ontario Securities Commission
19th Floor, Box 55, 20 Queen Street West
Toronto, Ontario
M5H 3S8

Dear Mr. Stevenson,

Re: Comments on Proposed NI 31-103

Our purpose in submitting comments on the proposed National Instrument 31-103 is to demonstrate to you, as well as the Alberta Securities Commission, that there is room for improvement.

Although we do appreciate the changes you made from the initial draft of National Instrument 31-103, we feel there could be further amendments made to the rule that would successfully achieve harmonization of security regulations:

Canadian Securities Course Requirement

The Canadian Securities Course requirement falls short of any real benefit to agents that sell exempt products. Education requirements should be in place, however for education requirements to be effective they need to be industry specific. An alternative to the CSC would be to allow Exempt Market Dealers to prepare and conduct their own product specific courses to their agents. These product specific courses could be tailored to each product and offer specific industry related facts and information to the advisors. These courses could be approved by the provincial securities commission, therefore meeting the education requirement for advisors registered in the exempt market.

Capital Requirements

The Capital requirement for advisors in the exempt product market does not complement the requirements of advisors registered with the IDA or MFDA. There are currently no capital requirements for advisors in the IDA and MFDA, so to impose these requirements on advisors in the exempt market is unfair. To better harmonize regulations, Bonding or Insurance would be sufficient.

Disclosure of Financial Information for Advisors

To further outline the deficiencies in the harmonization efforts that NI 31-103 is set out to achieve, the delivery of unaudited Financial Statements and Calculation of Excess Working Capital is offside. These filings are currently not a requirement of IDA and MFDA registered advisors, so to make this compulsory for advisors registered with an Exempt Market Dealer is unreasonable.

Know Your Client

The Know Your Client requirement does achieve harmonization. However, the current requirement of a signed Risk Acknowledgement form directly conflicts with the proposal of a KYC requirement. If s KYC requirement will be imposed, major changes to the form will need to be made to better suit the exempt product industry. A committee of select individuals from the exempt market should be formed to redesign the KYC to better suit the industry. The Risk Acknowledgement form should stay in place until an appropriate KYC is developed.

Thank you for providing us with the opportunity to provide our comments and recommendations. Feel free to contact me directly if you would like to discuss further.

Kind regards,



Victor DeLaet, CEO/President
Focused Money Solutions Inc.

