

**Darcy Lake**  
Chief Compliance  
Officer  
Private Client Group  
(416) 867-5724

July 18, 2011

John Stevenson, Secretary  
Ontario Securities Commission  
20 Queen Street West, Suite 1903, Box 55  
Toronto ON M5H 3S8  
jstevenson@osc.gov.on.ca

Me Anne-Marie Beaudoin, Corporate  
Secretary  
Autorité des marchés financiers  
800, square Victoria, 22e étage  
C.P. 246, tour de la Bourse  
Montréal QC H4Z 1G3  
consultation-en-cours@lautorite.ca

British Columbia Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission  
Manitoba Securities Commission  
Ontario Securities Commission  
Autorité des marchés financiers  
New Brunswick Securities Commission  
Office of the Attorney General, Prince Edward Island  
Nova Scotia Securities Commission  
Securities Commission of Newfoundland and Labrador  
Registrar of Securities, Northwest Territories  
Registrar of Securities, Yukon Territory  
Registrar of Securities, Nunavut

**SENT VIA EMAIL**

**Re: Notice and Request for Comment – Proposed Amendments to National Instrument 31-103 *Registration Requirements and Exemptions* (the “Notice”)**

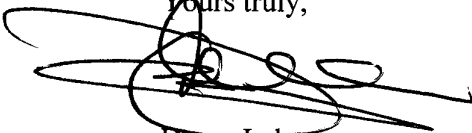
We welcome the opportunity to provide our comments on behalf of BMO Financial Group’s Private Client Group in response to the Notice. We fully support the Canadian Securities Administrators’ (“CSA”) efforts to ensure that all registrants are subject to the same enforcement regime in respect of a breach of National Instrument 31-103 *Registration Requirements and Exemptions* (“NI 31-103” or the “Rule”). However, we believe that the proposed amendments in the Notice create a heavier burden for SRO

members and their dealing representatives than they do for other registrants and are therefore not aligned with their proposed purpose of ensuring that all registrants are subject to the same enforcement regime.

By including as a condition to the exemptions provided in sections 3.16, 9.3 and 9.4 of the Rule, that the registered individual or the registered investment dealer firm comply with the specified corresponding provision of the Investment Industry Regulatory Organization of Canada (“IIROC”) or, in the case of a mutual fund dealer firm, the Mutual Fund Dealers Association of Canada (“MFDA”), the CSA is in effect creating a double jeopardy situation for SRO members. Where an SRO member or one of its dealing representatives is off-side of the corresponding IIROC or MFDA requirement in respect of a requirement specified in section 3.16(1), 3.16(2), 9.3(1), 9.3(2), 9.4(1) or 9.4(2) of the Rule (the “Corresponding Requirements”), such SRO member or its dealing representative, as applicable, will not only be subject to discipline under its respective SRO member rules, but they will also be subject to further discipline under the Rule. While we are not suggesting that SRO members be exempt from the Rule without recourse, we believe non-compliance with the Corresponding Requirements should be handled by their respective SRO, not their respective SRO and the CSA.

We once again thank the CSA for the opportunity to comment upon and contribute to the improvement of NI 31-103. We welcome all opportunities for further consultation, in writing or in person. Please feel free to contact the undersigned if you have any questions about this submission or wish to discuss it further.

Yours truly,



Darcy Lake