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By Courier

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Securities Commission
The Manitoba Securities Commission
Ontario Securities Commission
Office of the Administrator, New Brunswick
Registrar of Securities, Prince Edward Island
Nova Scotia Securities Commission
Securities Division, Newfoundland and Labrador
Registrar of Securities, Northwest Territories
Registrar of Securities, Yukon Territory
Registrar of Securities, Nunavut
c/o John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
Suite 800, Box 55
Toronto, ON M5H 3S8

Claude St. Pierre, Secretaire
Commission des valeurs mobilieres du Quebec
800 Victoria Square, Stock Exchange Tower
P.O. Box 246, 22nd Floor
Montreal, Quebec H4Z 1G3

Dear Sirs:

Re: Integrated Disclosure System ? Response to Request for Comments

I am writing in response to the request for comments in the CSA Notice 44-401, 51-401, and propose to make only a few, very general comments, as follows:

1. **The widespread adoption of the integrated disclosure system (?IDS?) will result in the significant improvement in information available for investors and in the efficiency of capital markets.**

   The proposal to adopt an ?evergreen? prospectus system is long overdue. The current, episodic or transactional requirements for disclosure are out of date. The current system and the need for reliance the on prospectus and trading exemptions is extremely inefficient, particularly in multi-jurisdictional offerings, and accomplishes little in the way of investor protection. The improvement in continuous disclosure and in rapid access to market will assist the Canadian capital markets in regaining lost competitiveness to other jurisdictions.

2. **The requirement for reporting issuer status in all jurisdictions will prevent the widespread adoption of IDS.**

The cost and complexity of the requirement to register in all jurisdictions will deter all but the largest issuers from participation in the system. As such, it is unlikely, in my view, that the adoption of IDS will make any significant improvement in Canadian securities regulation: no one will use it. The requirement is unnecessary. The adoption of SEDAR has resulted in easy access for Canadians in all provinces and territories to public documents filed in any one jurisdiction. The requirement will serve only to highlight the inadequacy of the CSA as a substitute for a single, national regulator.

This requirement should be replaced by a requirement that the issuer is a reporting issuer in any one of four principal jurisdictions: British Columbia, Alberta, Ontario and Quebec.

3. **For eligibility, there should be no quantative or size requirement.**

The system will result in a significant incentive for all issuers, large and small, to improve their disclosure.

4. **The SIF and the QIF should not require a prospectus certificate.**

Neither document, by its nature, will contain prospectus level disclosure. A prospectus certificate should be given annually, with the AIF and with a prospectus. A ?no misrepresentation? certificate would be appropriate for a QIF. Because the SIF is required to be filed at times when an issuer may not have full information, or must rely on third party information, the standard should be lower, perhaps something like, ?the Issuer believes the information in this form to be accurate and has no reason to believe that there are material facts relating to this information which have been omitted?.

5. **It should not be necessary to file a SIF 75 days after the closing of an acquisition.**

The requirement for a post-closing SIF is unnecessary. The issuer will almost certainly prepare and file a QIF for a fiscal quarter which ends during the 75 day period. The final SIF likely will be redundant and has the potential to confuse the investing public.

6. **Marketing materials should not be incorporated by reference in an IDS prospectus.**

The inappropriate use of marketing material should be policed by the securities regulatory authorities independently from the use of this system. A requirement to incorporate marketing materials by reference could cause issuers to inadvertently make misrepresentations. Many marketing communications, because of their necessary brevity, do not contain full, true and plain disclosure. The media for dissemination of marketing information is becoming increasingly diverse, including through bulletin boards and chat rooms, and it is increasingly difficult for issuers to control or even be aware of what is being said. You may wish to consider, as an alternative, a requirement that materials produced by the issuer contain a disclaimer that the information is not complete, with a cross reference to the prospectus and its location on SEDAR or the issuer?s website.

These comments represent my personal views, and are not necessarily shared by other members of this firm.

Yours truly,

McCULLOUGH O? CONNOR IRWIN

Jonathan McCullough

JM/st