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Carol Hansell
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John Stevenson
Secretary to the Commission
Ontario Securities Commission
20 Queen St. W., Suite 1903, Box 55
Toronto ON M5H 3S8

Re: Request for Comments – Multilateral Instrument 11-101 *Principal Regulator System* ("MI 11-101")

We appreciate the opportunity to respond to the request for public comment dated May 27, 2005 by the Ontario Securities Commission .

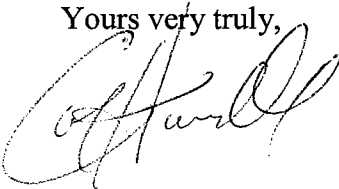
In our view, there is proven and compelling need in Canada for the harmonization of the securities regulation across the provinces and territories. We are not convinced that the passport system being proposed in MI 11-101 goes far enough in achieving that objective. While it may provide an effective means of cooperation amongst the various jurisdictions, it is designed to sustain the differences in legislative approach across those jurisdictions and the continuation of multiple securities regulatory authorities. The cost of sustaining this regime to Canadian investors and issuers far outweighs any benefit derived from being able to refine securities regulation to accommodate purely local issues. The efforts and resources of the Canadian Securities Administrators would, in our view, be better applied to the establishment of a national securities commission and the harmonization of securities laws across the country.

At the same time, we believe that the goal of easing the capital formation process by streamlining the prospectus clearance process is paramount and that, accordingly, the public interest would not be well served if Ontario were to remain separate from a passport system in which all other provinces participate. The passport system is less than ideal, but is a substantial improvement on the patchwork system of securities regulation

that currently exists in Canada. Moreover, concerns that the passport system may lead to a "race to the bottom" are mitigated by the threat of loss of access to the United States market under MJDS for those jurisdictions which begin to depart from North American standards.

Please call either me (416 863 5592) or Patricia Olasker (416 863-5551) if you would like to discuss this with us in greater detail.

Yours very truly,

A handwritten signature in cursive script, appearing to read "Carol Hansell".

Carol Hansell

CH/bab