

March 6, 2007

Ontario Securities Commission
Alberta Securities Commission
British Columbia Securities Commission
Autorité des marchés financiers
Saskatchewan Financial Services Commission
The Manitoba Securities Commission
Nova Scotia Securities Commission

Via email: kwells@osc.gov.on.ca

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Dear Sir/Madam:

**Re: Request for Comment: Proposed Amendments to National Policy 41-201
*Income Trusts and Other Indirect Offerings (NP 41-201)***

Thank you for the opportunity to comment on the proposed amendments to NP 41-201. The proposed amendments would provide additional clarification and guidance on the views of the Canadian Securities Administrators about issues relating to indirect offerings including business income trusts, real estate investment trusts (REITs) and royalty trusts (collectively referred to as income trusts).

About egX Canada

Global Financial Group Inc. (GFG), through its wholly owned subsidiary egX Markets Inc., is developing a global securities exchange system designed for the listing and trading of real estate securities. GFG's goal is to provide investors with a regulated, transparent and liquid marketplace for real estate securities.

GFG intends to launch its first marketplace in Canada under **egX** Canada, a wholly owned subsidiary of GFG. Following the launch of **egX** Canada, GFG intends to develop its model internationally, creating a global market for real estate securities.

GFG is a public company listed and posted for trading on the TSX Venture Exchange. GFG is seeking recognition from the British Columbia Securities Commission (BCSC) of **egX** Canada as an exchange.

Initially, **egX** Canada will provide a marketplace to trade individual revenue producing properties converted to publicly traded assets in the form of Real Property Investment Units (RPI Units). In addition, **egX** Canada intends to introduce other securitized real estate products, including mortgage pool and land bank securities.

On November 20, 2006, GFG filed its final application with the British Columbia Securities Commission for recognition of **egX** Canada as an exchange. In January 2007, the BCSC published a Proposed Recognition Order and related documents for public comment. The comment period closed on February 26, 2007. The notice and related documents may be found at:

<http://www.bcsc.bc.ca/policy.asp?id=5280&scat=BCN&title=BC%20Notices>.

On receipt of a recognition order from the BCSC, GFG intends to seek exemptive relief from the other securities regulatory authorities in Canada to operate **egX** Canada across the country.

RPI Units

As we have noted, RPI Units will be one of the initial securities that trade on **egX** Canada. An RPI Unit will consist of a share of an issuer and a segregated interest in a debenture. Individual issuers will have flexibility in the rights and attributes which they attach to the share and debenture components of the RPI Unit. The unit will trade as a "bundled security" (*i.e.*, the share and debenture will not be separate securities) until the debentures have been fully repaid.

The debenture component of an RPI Unit is to be secured by way of a security interest registered over the issuer's real estate assets. The debenture serves three purposes:

1. to provide unitholders with a registered charge against the assets of the issuer,
2. to provide a flexible mechanism for the distribution of cash payments to unitholders, and
3. to secure priority over any subsequent charges or encumbrances over the assets.

Investors and industry professionals will likely compare RPI Units to income trusts because, like income trusts, RPI Units distribute earnings to unitholders and, like REITs, the earnings are derived from underlying real estate assets. Increased consistency and comparability in the disclosure of income trusts and securities that distribute earnings to unitholders can only serve to benefit all parties. For that reason, we welcome the additional guidance provided in proposed amendments to NP 41-201.

Disclosure Relating to Distributable Cash

As noted in the proposed amendments to NP 41-201, distributable cash is a non-GAAP measure that generally refers to the net cash generated by an income trust's businesses or assets that is available for distribution to the income trust's unitholders.

Much like income trusts, RPI Units are designed to distribute the net cash from the underlying real estate asset to unitholders.

We feel that the enhancement of disclosure on the sources of distributable cash is a critical component of the proposed amendments. Investors are increasingly seeking investments with current income (yield). It is important that these investors be informed, in a manner that is both consistent and clear, about the potential risks associated with investing in securities that provide the appearance of stable and predictable returns.

As noted in the proposed amendments, it is also important for unitholders to have information about the sources of the distributed cash that they receive, including whether the issuer borrowed amounts to finance distributions, and whether distributions include amounts that are not properly classified as a return on capital. We agree that if cash distributions paid do not equal distributable cash, the issuer should disclose the reasons for the difference between the two amounts.

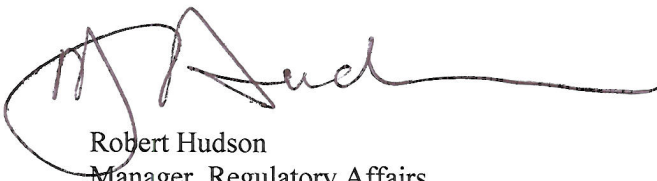
In contrast to a traditional fixed-income security, an income trust's ability to consistently make distributions to unitholders is closely tied to the operations of the operating entity or the performance of the income trust's assets. It is important that an income trust's disclosure doesn't create the impression that the distributions are somehow guaranteed, and that investors understand this fundamental difference.

egX Canada will take into consideration all aspects of the proposed amendment to NP 41-201 when drafting guidelines on the disclosure practices for RPI Unit issuers.

We will continue to monitor regulatory amendments proposed by the Canadian Securities Administrators as we look forward to egX Canada becoming a recognized exchange in Canada.

If you have any questions, please do not hesitate to contact me.

Yours truly,



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Global Financial Group

cc: Leo Chamberland, President, GFG
Rosy Mondin, General Counsel, GFG
Angela Huxham, President, egX Canada
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