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VIA FACSIMILE

Attention: John Stevenson, Secretary
Ontario Securities Commission

Fax no.: 416-593 2318

Date: June 6, 2007

Re: Comment on proposed National Instrument 31-103 Registration Requirements

Dear Sir,

In response to the recent proposed National Instrument 31-103 Registration Requirements, we are two futures introducing brokerages in British Columbia having the following comment for your perusal.

The business activity of an introducing broker (IB) does trigger the proposed requirement to register as member of IDA. That means IB's are required to have dual registrations, one under existing requirement of the SRO and another one under the IDA.

In regard to the scale of operation and volume of business we have in British Columbia, dual registration will be extremely burdensome. We have no doubt that existing requirement can fulfill the purpose of registration in terms of (1) proficiency rules, (2) conduct rules, (3) solvency rules.

First, due to the nature of our business, our minimum capital requirement is much lower than other types of dealers. Under normal circumstances, futures IB's financial solvency has minimal effect on customers' funds. The reason is client funds have to be directly deposited with the carrying broker as segregated funds and are never in IB's hands. Carrying broker firms and their principals in the futures industry are required to maintain their customers' funds as margin deposits in the bank accounts which are totally separate from their own.

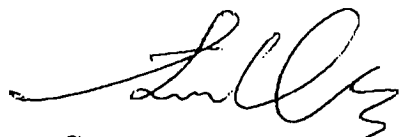
Secondly, under the IDA requirement, applicants for membership can enter into a contractual arrangement known as an Introducing /Carrying Broker Agreement with another member of the IDA. IB's like us have already made similar arrangement with our existing carrying brokers in the US.

In our opinion, it will be redundant for us to register with the IDA and the proposed requirement will create a lot of hardship to our business. The burden includes increased workload (more filing requirement) and increased cost (additional membership fees, insurance expense such as CIPF, and labour cost for maintaining dual registrations).

Looking at the scarce number of futures IB's left in British Columbia, everyone in the industry has been affected by shrinking market share and fierce competition from the US. The proposed registration requirement will be a further blow to our survival and such burden will force many of us out of business.

We sincerely hope that futures IB's should be exempted from the proposed registration requirement. We consider that it is more than sufficient for us to maintain the existing requirement with our own SRO, namely the British Columbia Securities Commission.

Sincerely yours,



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