



June 20, 2007

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission
Manitoba Securities Commission
Ontario Securities Commission
Autorite des marches financiers
New Brunswick Securities Commission
Registrar of Securities, Prince Edward Island
Nova Scotia Securities Commission
Superintendent of Securities, Newfoundland and Labrador
Registrar of Securities, Northwest Territories
Registrar of Securities, Yukon Territory
Registrar of Securities, Nunavut

Delivered via email to John Stevenson, Secretary, Ontario Securities Commission, jstevenson@osc.gov.on.ca.

**Re: Registration Reform Project
Comments on proposed National Instrument 31-103
Registration Requirements**

The Real Estate Council of Alberta (RECA) is increasingly aware of the sale of investments in syndicated mortgages through mortgage brokers who are authorized by RECA and others who may or may not be acting as mortgage brokers. RECA is concerned about the regulation of trades in syndicated mortgages and is researching the current regulatory scheme in Alberta and the possibilities to correct any deficiencies. RECA recently met with representatives from the Alberta Securities Commission (ASC) to discuss this concern.

RECA would like to make the CSA aware that RECA does not regulate the content, form and sale of syndicated mortgages. RECA only regulates the conduct of mortgage brokers who undertake traditional mortgage brokering activities. Since RECA's regulation of syndicated mortgages is very limited, investors in syndicated mortgages are not adequately protected. RECA believes that syndicated mortgages are investments that should be regulated by the securities commission as they are in British Columbia, Manitoba, Quebec and Saskatchewan.

It is our understanding that if the new registration reform proposals are accepted, the mortgage exemption would remain. A possible implication of the proposals is that those who currently sell syndicated mortgages in reliance on the offering memorandum or accredited investor exemptions may become authorized as a mortgage broker in order to avoid registration under the securities legislation. If this occurred, the present situation may worsen. While RECA administration has not had opportunity to confirm this position with its Council, RECA would suggest that the CSA remove syndicated mortgages from the mortgage exemption in Alberta to prevent a worsening of the current situation and to better protect investors.

I understand that there will be another opportunity for comments on the proposals. Please keep us informed of the consultation as RECA would like to provide further comments as we progress with our research and discussions with the ASC.

Yours truly,

A handwritten signature in black ink, appearing to read "B. Myroniuk". The signature is fluid and cursive, with a large initial "B" and a long, sweeping underline.

Bob Myroniuk
Executive Director

cc: David McKellar
Member, CSA Registration Reform Project Steering Committee