



Securities Law Subcommittee (Business Law)

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June 20, 2007

John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
Suite 1900, Box 55
Toronto ON M5H 3S8

Re: *Take-over Bids and Issuer Bids – Proposed OSC Rule 62-504 and proposed amendments to Part XX of the Securities Act (Ontario) (Bill 187)*

This submission is made by the Securities Law Subcommittee (the “Subcommittee”) of the Business Law Section of the Ontario Bar Association (“OBA”) to the Ontario Securities Commission (the “OSC”) in response to the request for comments published April 6, 2007 on proposed OSC Rule 62-504 *Take-over Bids and Issuer Bids* (“Rule 62-504”) and related proposed amendments to Part XX of the *Securities Act* (Ontario) (the “Act”) in Bill 187.

We recognize that the intent of the Ontario government in proceeding with the proposed amendments to Part XX of the Act (together with Rule 62-104) is to achieve substantial harmonization of bid rules across Canada when taken together with the adoption of proposed Multilateral Instrument 62-104 by the other members of the Canadian Securities Administrators (the “CSA”). As noted in our previous comment letters (including our letter dated July 28, 2006 on proposed National Instrument 62-104), we fully support the CSA’s efforts at harmonization across Canada of securities requirements, including bid requirements. In our view, however, it would be preferable to achieve harmonization of bid rules through a single national instrument adopted by all members of the CSA, including Ontario, and to this end ensuring that the OSC has the necessary legislative authority to adopt such an instrument.

The advantages of proceeding by way of a single national instrument (instead of having one or more jurisdiction proceed by way of legislative amendments) include the following:

- A single national instrument avoids at the outset the possibility of small differences (intended or unintended) in requirements between jurisdictions,
- A single national instrument facilitates the maintenance of uniformity of requirements going forward, and
- Proceeding by way of legislative amendments may have the effect of delaying desirable changes depending on the government’s legislative priorities at any particular time.

In our view, it is appropriate for the Ontario government to provide the OSC with the necessary legislative authority to adopt comprehensive bid rules as previously contemplated by proposed National Instrument 62-104, as well as comprehensive rules applicable to other areas of securities law. If the government were to take issue with any proposed exercise of this authority by the CSA, it could prevent the relevant instrument from coming into effect in Ontario by withholding its approval of the instrument, as it is currently permitted to do under the Act.

Consistent with the position of the Ontario Government and the OSC, we continue to believe that a single national regulatory body applying uniform securities legislation would be the most effective system for regulating participants in the securities markets and protecting investors, and have consistently expressed that view in past comment letters to the CSA. We also believe, however, that further harmonization of existing rules is desirable whether or not the ultimate goal of a single national system is achieved. Therefore, we continue to support delegation of an appropriate level of rule-making authority to the OSC in order to allow harmonized instruments to be adopted across Canada to the extent possible.

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The members of the Subcommittee are listed in the attached appendix. Please note that not all of the members of the Subcommittee participated in or reviewed this submission, and that the views expressed are not necessarily those of the firms and organizations represented by members of the Subcommittee.

Thank you for this opportunity to comment. If you have any questions, please direct them to Richard Lococo (richard_lococo@manulife.com, 416-926-6620).

Yours truly,

Securities Law Subcommittee
Business Law Section
Ontario Bar Association

Appendix

OBA SECURITIES LAW SUBCOMMITTEE

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Aaron J. Atkinson/Janne M. Duncan/Nancy Eastman, *Fasken Martineau DuMoulin LLP*
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Eleanor K. Farrell/Andrea Jeffery (Secretary), *CPP Investment Board*
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Henry A. Harris, *Gowling Lafleur Henderson LLP*
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Glen R. Johnson/Cornell C.V. Wright, *Torys LLP*
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Liaison:

Erez Blumberger, *Ontario Securities Commission*
Luana DiCandia/Julie K. Shin, *Toronto Stock Exchange*
Nancy N. Mehrad, *Investment Dealers Association of Canada*