

Toronto

July 9, 2007

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New York

Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, Ontario M5H 3S8
jstevenson@osc.gov.on.ca

Attention: John Stevenson, Secretary

Dear Sirs/Mesdames:

Proposed Ontario Securities Commission Rule 62-504 “Take-over Bids and Issuer Bids”

This letter is being submitted in response to the Notice and Request for Comments published at (2007) 30 OSCB 3211 by the Ontario Securities Commission (“OSC”) concerning proposed OSC Rule 62-504 “Take-over Bids and Issuer Bids” (“Rule 62-504”). It is our belief that proceeding by way of a single national instrument which would have force and effect in all jurisdictions across Canada, on a uniform basis, is the preferable approach for regulating take-over bids and issuer bids in Canada. We believe it is unfortunate that Canada, at this point in the 21st century, will be unable to have a uniform take-over bid rule across the country. To have a multilateral instrument which has force in all jurisdictions except Ontario, and in Ontario to have a complete redrafting of Part XX of the *Securities Act* (Ontario) (the “Act”), governing the take-over bid regime, and a separate local rule, does not produce a regulatory regime which best supports the needs of the Canadian capital markets in an era of globalization. It will produce inefficiencies in that bidders, targets and their advisers will need to look to both the multilateral instrument regime and the separate regime in Ontario and satisfy themselves as to consistency between the regimes, adding time and expense to the take-over bid process.

A single national instrument is, therefore, preferable and we would urge the Ontario government to reconsider its approach to redrafting Part XX of the Act, which has resulted in the OSC having to promulgate Rule 62-504. We would instead encourage the Ontario government to give to the OSC the necessary legislative authority to enact in Ontario the requirements of the multilateral instrument, and would further urge that the proposed amendments to Part XX not be proceeded with and that, instead, the amendments required to Part XX so as to enable the multilateral instrument to have force in Ontario be enacted. The current initiatives of the CSA, except this initiative, are to move towards the most harmonized legislation possible across the country and we applaud this desire for harmonized regulation. Harmonized regulation produces more

efficient capital markets for Canadian capital markets participants as there are no differences among the regulatory rules in place in the various jurisdictions, and any changes to the rules are made uniformly and simultaneously across the country by any amendments to the governing national instrument.

Finally, we are concerned that the legislative scheme governing take-over bids in Ontario will be cumbersome to administer as changes to Part XX of the Act will require time and attention of the legislative assembly in Ontario and we understand it is difficult to ensure timely access to the legislative agenda.

We therefore strongly urge the Ontario government to reconsider the approach to governing take-over bids in Ontario and to instead facilitate the implementation in Ontario of the current proposed multilateral instrument by making the necessary amendments to the current Part XX of the Act.

If you have any questions or comments please contact Stan Magidson ((403) 260-7026), Don Gilchrist ((416) 862-6534) or Rob Yalden ((514) 904-8120).

Yours very truly,

OSLER, HOSKIN & HARCOURT LLP

JS:ms