

April 14, 2008

John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, Ontario M5H 3S8

By e-mail: jstevenson@osc.gov.on.ca

Re: Proposed National Instrument 31-103

Dear Sir:

Thank you for the opportunity to provide commentary on proposed National Instrument 31-103. I am an Ontario resident, mutual fund investor, and a mother of three small children. As an investor, I ultimately bear the costs of the requirements these instruments impose on investment fund managers.

I find it ironic that your "objective of modernizing, harmonizing and streamlining the registration regime" resulted in almost 1200 pages of text for review. I appreciate the need to be thorough, but the excessive bureaucratic nature of the system calls into question the effectiveness of the process. How can I be expected to review, comprehend and comment on these regulations for which I ultimately pay the cost?

I am perplexed that you acknowledge that these rules create barriers to entry and yet conclude "that the potential barriers created are appropriate in fulfilling the mandate of securities legislation to protect investors and foster fair and efficient markets" (¶5 of http://www.osc.gov.on.ca/Regulation/Rulemaking/Current/Part3/rule_20080229_31-103_summary-comment.pdf "Your Summary"). As I am certain that you know, barriers to entry impede efficient markets.

In point 10 of Your Summary, you state "The public comment process is outside the mandate of the Project". It is absurd that the project mandate is to not include those who pay the costs of your rules. It is clear to me that you have created a dysfunctional 'third-party pay' system: taxpayers fund your bureaucratic adventures, investors pay (with a profit markup) the fund companies for the administration of those rules, and your project mandate specifically excludes consultation with the PAYING public. **You only seek commentary from those who have an incentive to enhance the bureaucracy at my expense!**

Please stop this project now and impose a moratorium on future projects until a National Regulatory Board is in place. Enough is enough.

Regards,
Jeannette Kudela