

April 17, 2008

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

Dear Mr. Stevenson,

I am an Investment Advisor who along with my clientele, invests largely in Canadian mutual funds. I am writing you today to provide comments on the proposed NI 31-103.

This insurance that you propose will increase the already expensive fees charged by mutual funds. When the assets are held with an independent custodian, I believe that the cost of the insurance outweighs its benefits. Has the Commission estimated how much mutual fund fees will rise as a result of this insurance?

As a general comment, it appears that the outcome of this legislation is to limit competition by raising barriers to entry. I do not believe this serves the investing public.

Most importantly, I tried several times to read this document and eventually required the assistance of various compliance officers and legal experts. Don't you think that as the investing public ultimately pays these higher costs, that they should be consulted in a manner that is comprehensible to them?

The current system works fine without adding anymore fees and bureaucracy. Thus, I urge you to leave well enough alone.

Yours Sincerely,

Joseph Hogan, FMA, CIM, FCSI, BA
Investment Advisor, Associate Portfolio Manager
MGI Securities