

May 29, 2008

British Columbia Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission  
Manitoba Securities Commission  
Ontario Securities Commission  
Autorité des marchés 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

c/o John Stevenson, Secretary  
Ontario Securities Commission

20 Queen Street West  
19th Floor, Box 55  
Toronto ON M5H 3S8

Anne-Marie Beaudoin, Directrice du secrétariat  
Autorité des marchés financiers  
Tour de la Bourse, 800, square Victoria  
C.P. 246, 22 étage  
Montréal, QC H4Z 1G3

Dear Sirs and Mesdames:

Re: **Proposed National Instrument 31-103 – Registration Requirements – Request for Comment**

We are making this submission in response to the request for comment published on February 29, 2008 by the Canadian Securities Administrators (“CSA”) regarding proposed National Instrument 31-103 - *Registration Requirements* (“NI 31-103”) and the related Companion Policy.

Our comment relates to the existing "security issuer" registration category or its equivalent in those Canadian jurisdictions that have recognized this concept. Based on the most recent proposed version of NI 31-103 and the related instruments, we believe certain security issuer registrants will continue to be subject to the registration requirement, in the restricted dealer category, along the lines contemplated in section 2.3 of the Companion Policy to NI 31-103.

The transition provisions in section 10.1 and Appendix C, respectively, of NI 31-103, suggest that current security issuer registrants will not automatically be transitioned to the new restricted dealer category. Specifically, by contrast with the investment fund

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manager and exempt market dealer registration categories, there is no provision stating that security issuer registrants are not subject to the requirement to be registered as restricted dealers until six months following the effective date (or, if the security issuer registrant applies for registration as a restricted dealer within such six month period, until the regulator has granted the restricted dealer registration).

We believe that it will be necessary for current security issuer registrants and regulatory authorities to consider the appropriate terms and conditions of registration on a case-by-case basis. Accordingly, we would suggest that the transition provisions of NI 31-103 be extended to security issuer registrants as well. This would allow security issuer registrants to continue their past activities while their new registration arrangements are finalized. With the benefit of this transitional period, within the six month period following the implementation of NI 31-103 (the "Implementation Date"):

1. The security issuer registrant would arrange to meet with staff of its principal regulator to discuss whether restricted dealer registration is required;
2. If restricted dealer registration is required, the security issuer registrant would file a Form 33-109F5 to amend its security issuer registration category to restricted dealer and file same with the principal regulator;
3. Assuming that steps 1 and 2 are completed, the security issuer registrant would be able to conduct business in the manner that it has done so to date, including issuing its securities; it need not cease such activities or utilize a registered dealer in connection with such activities from and after the Implementation Date; and
4. The application for registration and settlement of terms and conditions attaching to the restricted dealer registration would be treated under NRS/Passport for Registration when NI 31-103 is implemented, and the principal regulator's staff would discuss the matter with any non-principal regulators to ensure the consistent treatment of the applicant across all jurisdictions.

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We note that our firm, together with other major Canadian law firms, signed a separate comment letter concerning proposed amendments to the *Securities Act* (Ontario) that, we believe, may compromise the harmonization objectives that have been promoted by the CSA and market participants in recent years. We encourage all CSA members to adopt a consistent version of NI 31-103, when finalized, to create, to the greatest possible extent, a harmonized securities registration regime in Canada.

We appreciate this opportunity to comment on the revised version of NI 31-103. If you have any questions, please direct them to Glen Johnson (grjohnson@torys.com, 416-865-8146) or Christine Vogelesang (cvogelesang@torys.com, 416-865-7996).

Yours truly,

