

December 18, 2008

John Stevenson, Secretary
Ontario Securities Commission
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Via Email and Fax

RE: Framework 81-406, changes to *Point of Sale Disclosure and Delivery*

This letter is to express our MFDA Dealer view on the new regulation on the *Point Of Sale Disclosure and Delivery* request for comment. *Please circulate a copy of the letter to all members of The Joint Forum.*

Our Dealer, Keybase Financial Group Inc. supports the intent of the Fund Facts document to provide better and simpler disclosure for investor.

However, as a Dealer the requirement to provide delivery prior to the mutual fund sale put a tremendous onus on compliance overview to provide that Financial Advisors not only deliver the fund facts information but to show proof of delivery. The Compliance requirement is typically fulfilled by the Dealer back-office after the sale. This process is centralized and coordinated by NCAF business processing, review and fulfillment at the Dealer back-office.

If the new Fund Facts document is to be delivered before or at the point of sale, fulfillment of the regulatory requirement may now shift to the Financial Advisor. This process will create undue hardship on the Dealer to supervise and control delivery. It will also be a logistic nightmare to monitor whether fulfillment occurs.

If the onus now shifts to the Financial Advisor, the Dealer would require extensive new processes, additional staff, training, incurs more red tape and administration burden. In addition, there are various exemptions and options for different types of trades that will require additional tracking and administration.

This cumbersome delivery requirement will be disadvantage to clients for investing quickly into the market. It does not recognize how business is done and the unique relationship that exist between the Financial Advisor and their clients. Extra steps of mailing, faxing or emailing the Fund Facts documents will lengthen the time spent on the sales and increase administration costs.

The framework applies only to the sale of mutual funds and segregated funds and not to other securities offered in the market place. It unfairly discriminates against Investors, Financial Advisors and Dealers who only offers mutual funds and segregated funds securities.

We believe it is important that Investors have access to the information necessary to make good investment decision. For that reason, we strongly support the intent and general content of the proposed Fund Facts document which is intended to eventually replace the prospectuses as the mandated disclosure document for delivery to investors.

Our key concern is with the delivery requirement and with the fact that these requirements will not apply to other securities creating an unlevelled playing field.

We ask, The Joint Forum of Financial Market Regulators (The Joint Form) to reconsider the burden and cost on the delivery requirement. Perhaps a consideration is to accept IFIC proposal. This fast tracks the production and availability of the Fund Facts while allowing a more extensive comment period around the delivery requirement.

I do hope that The Joint Forum will consider our feedback and understand the impact it will have on dealership and/or Financial Advisor and the public mutual fund investors at large.

Yours Truly,

A handwritten signature in black ink, appearing to read "Dax".

Dax Sukhraj
President & CEO

CC: *Ada Yeung, Director, Administration & Chief Compliance Officer*
Stu Beaudoin, Branch Manager & Alternate Compliance Officer