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Sent by Email

Attention: All Provincial and Territorial Securities Regulators (except the Ontario Securities Commission)

Dear Sirs and Mesdames:

Subject: Comments on Proposed National Instrument 11-102 Passport System

Independent Financial Brokers of Canada (IFB) is pleased to provide our comments on the passport system being proposed by the Canadian Securities Administrators (CSA), excepting the Ontario Securities Commission (OSC).

IFB is supportive of this initiative as it represents a step towards simplifying and harmonizing the current system of 13 different regulators that contributes significantly to the complexity and cost of doing business in Canada's financial marketplace.

IFB is a professional association comprised of some 4,000 individually licensed financial advisors. Many of our members are registered mutual fund or securities representatives with clients located in multiple provincial/territorial jurisdictions. The current, fragmented approach to securities regulation in Canada has often presented them with real barriers to serving these clients, arising from the increased cost and time spent on regulatory compliance required to conduct business in various jurisdictions. Ultimately, such barriers have a negative affect on consumers by reducing their ability to access the financial advice of the advisor of their choice. A regulatory system should not create a regime where consumers are restricted from receiving the services they want or require. Therefore, we support the principal regulator system and implementing administrative policies and procedures which will provide a more co-ordinated approach for all market participants. We encourage the participating jurisdictions to continue to explore opportunities to reduce costs for individual advisors, like our members.

Eventually there might well be a move to a single, national securities regulator which will help to reduce the inherent costs and regulatory inefficiencies that exist in a system of 13 separate regulators. In the meantime, however, IFB is disappointed that Ontario continues to refuse to take advantage of the interim steps afforded by participation in the passport system to address these current inefficiencies. We will encourage Ontario to establish co-operative procedural interfaces so that market participants in Ontario are not unduly disadvantaged.

IFB thanks the CSA for the opportunity to present our views. Should you have questions on our response, please contact the undersigned.

Yours truly,



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