



June 21, 2006

Mr. Thomas I. A. Allen, Q.C.
Chairman
Task Force to Modernize Securities Legislation in Canada
Suite 1600, 121 King Street West
Toronto, Ontario
M5H 3T9

Dear Mr. Allen:

In response to your recent request, please accept this as permission for your Task Force to publish my comment letter dated November 9, 2005 in your Task Force's final report and to post the letter on your Web site, in both cases on condition that the following comments precede the letter:

“Since the date of the following response, the British Columbia government has announced that it does not expect to implement the *Securities Act, 2004* before December 31, 2007 in order to allow officials to fully participate in the passport and harmonization initiatives envisioned by the Memorandum of Understanding Regarding Securities Regulation, dated September 30, 2004. The Memorandum has been signed by ministers of all provinces and territories except Ontario.

It is the view of the Government of British Columbia that working with government and regulatory officials under the Memorandum provides the best opportunity to improve investor protection and make Canadian regulation more efficient and effective, particularly by seeking national acceptance of an approach based on clear principles and on regulatory requirements and processes designed to achieve results.

The British Columbia government continues to believe that the *Securities Act, 2004* and its associated Rules provide a roadmap for modern securities laws that ensure the integrity and competitiveness of Canada's capital markets and enhance investor protection.”

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Ministry of
Attorney General and
Minister Responsible for
Multiculturalism

Deputy Attorney General

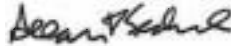
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Once again, thank you for providing me with an opportunity to comment on ways to modernize securities legislation in Canada. I look forward to reviewing the Final Report of your Task Force.

Yours faithfully,

A handwritten signature in dark ink, appearing to read "Allan P. Seckel".

Allan P. Seckel
Deputy Attorney General



November 9, 2005

Mr. Thomas I.A. Allen, Q.C.
Chairman
Task Force to Modernize Securities Legislation in Canada
Suite 1600, 121 King Street West
Toronto, Ontario
M5H 3T9

Dear Mr. Allen:

I appreciated receiving your invitation to comment on ways to modernize securities legislation in Canada and to enhance the competitiveness of Canada's capital markets.

As you know, the British Columbia legislature passed the new BC *Securities Act* in 2004. As the Deputy Minister now responsible for securities regulation in BC, I believe that the new Act and its associated Rules provide a roadmap for modern securities laws that not only ensure the integrity and competitiveness of Canada's capital markets but also enhance investor protection. I anticipate that BC will be in a position to bring the new Act into force in the near future.

Complete information on the new BC legislation and the extensive work performed by the British Columbia Securities Commission may be found on the Commission's Web-site at: <http://www.bcsc.bc.ca/>. I encourage all of your Task Force members and constituents to carefully examine the new BC legislation and guidance. They incorporate some significant changes to key elements of securities regulation to fit the needs of today's markets and investors.

As you also know, the British Columbia government is a signatory to the *Provincial/Territorial Memorandum of Understanding Regarding Securities Regulation* [MOU]. All provinces and territories, except Ontario, have now signed the MOU. One component of the MOU is the harmonization of securities laws across Canada, simplified where appropriate. Although harmonization will help solve difficulties faced by market participants caused by the provincial regulation of securities, it is the view of most MOU participants that harmonized law means uniform law. BC has suggested, however, that rigid uniformity amongst provinces would impede innovation and modernization of securities legislation. Your Task Force may wish to consider the extent to which securities laws should be harmonized across Canada and the effect of harmonization on innovation.

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It also occurs to me that the goals of the MOU and your Task Force share many similarities, particularly with respect to simplifying securities laws, making access to capital more efficient and enhancing investor protection. Accordingly, I will be instructing BC officials working under the MOU to ask their colleagues to investigate ways in which your Task Force and the MOU Taskforce might be of assistance to each other.

Once again, thank you for providing me with an opportunity to comment on ways to modernize securities legislation in Canada. I hope your Task Force members and constituents will be able to fully consider our new, modern BC *Securities Act* and *Rules* and that our two Task Forces may find ways to work together on our common goals.

Yours faithfully,

A handwritten signature in cursive script, appearing to read "Allan P. Seckel".

Allan P. Seckel
Deputy Attorney General