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OCT 03 2017

Ms. Maureen Jensen
Chair and Chief Executive Officer
Ontario Securities Commission
20 Queen Street West, 22nd Floor
Toronto, Ontario
M5H 3S8

Dear Ms. Jensen:

I am pleased to write you in your capacity as Chair of the Ontario Securities Commission (OSC). Pursuant to the requirements of the Agencies and Appointments Directive, this letter sets out the government's expectations for the OSC for the 2018-19 fiscal year.

Ontario's board-governed provincial agencies are vital partners in ensuring the delivery of high quality services to Ontarians. The people of Ontario depend on you to provide leadership to the OSC's board, management and staff. Together with your fellow Commissioners, the Province relies on you to establish the goals, objectives and strategic direction for the OSC consistent with its mandate, its governing legislation and other applicable laws, government policies, and government directions, where appropriate.

As Ontario's securities regulator, the OSC is mandated under the *Ontario Securities Act* and the *Commodity Futures Act* to provide protection to investors and to foster fair and efficient capital markets. Strengthening Ontario's financial services sector and protecting investors are among the priorities highlighted in the 2017 Ontario Budget, *A Stronger, Healthier Ontario*.

As the OSC works to support and implement these government priorities, I expect it to focus on:

- delivering strong investor protection, especially for retail investors, by providing effective regulation, oversight and enforcement;

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- delivering responsive regulation by addressing, in a timely way, important capital market issues, including identifying opportunities to reduce regulatory burden while maintaining appropriate investor protections;
- continuing to engage with market participants with the objective of supporting innovation and promoting capital formation and regulatory compliance;
- continuing to be an innovative, accountable and efficient organization through excellent execution of its operations; and
- continuing to work with the government to support the transition to the Cooperative Capital Markets Regulatory System while maintaining high standards of regulation in Ontario and keeping stakeholders informed and engaged.

I thank you and your fellow Commissioners for your service.

Sincerely,



Charles Sousa
Minister

- c: Scott Thompson, Deputy Minister of Finance
Nancy Kennedy, Associate Deputy Minister, Office of Regulatory Policy and Agency Relations, Ministry of Finance
Kathleen Ward, Executive Lead (A), Cooperative Capital Markets Regulatory System, Ministry of Finance