

4411 Fisher Drive
Richmond, B.C.
V6X 3V6

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Larissa Streu
Senior Legal Counsel, Corporate Finance
British Columbia Securities Commission
PO Box 10142 - 701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
lstreu@bcsc.bc.ca

Tracy Clark
Legal Counsel, Corporate Finance
Alberta Securities Commission
Suite 600 – 250 5th Street SW
Calgary, AB T2P 0R4
tracy.clark@asc.ca

Dear Sirs and Mesdames:

Re: Multilateral CSA Notice 45-312 Proposed Prospectus Exemption for Distributions to Existing Security Holders (the "Exemption")

We are investors in the resource exploration mining industry and write in response to your request for comments on the Prospectus Exemption. The need to allow human beings to make their own decisions and take risks at their own peril should be the norm from our perspective. Legislation to protect the investor these days from unscrupulous marketeers has been greatly reduced with the readily attainable information available on company websites and on Sedar/Sedi filings. We know that we are investing in high risk business ventures and do not need in this day and age the overburden of regulations to protect our funds which are destined for high risk speculation.

We strongly therefore support the Exemption, and see a critical need to bring it into effect as soon as possible. We offer the following comments to the questions posed by you in Multilateral CSA Notice 45-312:

- We feel the “record date” for security ownership should be the 10 days before the announcement of the offering. Much of an investor’s knowledge of an issuer is acquired before he or she makes the decision to invest. Accordingly, we do not see any reason why investors should be unable to participate in an offering of an issuer’s securities immediately after their purchase of the issuer’s securities in the public market. We believe that in many instances, the day after making a decision to purchase an issuer's securities in the public market may be one of the times an investor is most familiar with, and best informed about, that issuer.

- We believe the \$15,000 limit on the total amount that can be invested in any 12-month period (without suitability advice from a registered investment dealer) is too low. Fifteen thousand dollars these days is not a large amount of money. How did this figure even originate ? Is not a figure such as \$100,000 more appropriate in this day and age ? Being a psychologist by training I find it somewhat annoying that the concept of a "nanny" state psychology in the regulatory process has continued to increase which is not at all conducive to high risk investment. By taking risk as a child or adult the personality develops strength and resiliency through mistakes and review of what went wrong. Business succeeds from failure not from success. The success of the Exemption, assuming it is implemented, will not only be measurable in how many shareholders participate in such offerings, but also in the amount of money issuers are able to raise in reliance on the Exemption. Cannot I as an adult decide my own fate? Regulators are but human beings that make decisions on the investors behalf that on the whole hinder business development AND human development.
- While we do not oppose a seasoning or hold period, we feel that, generally, the traditional "four month hold period" is no longer necessary with the current amount of public disclosure and should be revised or removed in the context of most, if not all, prospectus exemptions. SEDAR and SEDI are well established and technology has allowed the pace of capital markets and the amount of public access to information concerning companies to increase considerably, and accordingly the resale restriction regime should be reviewed. Imposing a four month hold period on securities issued in reliance on the Exemption decreases the attractiveness of such securities from the perspective of an investor, and accordingly would decrease the potential effectiveness of the Exemption.
- We strongly oppose coupling the use of the Exemption with any disclosure requirements beyond a comprehensive news release. Requiring an offering document to be delivered or an annual information form to be filed runs counter to the spirit and purpose of the Exemption, being that issuers should have an opportunity to distribute securities from treasury to those investors who are already familiar with the issuer and its business without prohibitively expensive and cumbersome disclosure obligations and filing requirements.

In closing, we applaud the participating jurisdictions for taking the initiative to propose the Exemption and hope that you implement it as soon as possible. We have seen that many companies spend an exorbitant amount of shareholders funds on legal and accounting and therefore reduce the amount of funds to develop the business. There is something wrong in the process that enriches lawyers and accountants excessively because of bureaucratic regulatory excess. We believe the current process being implemented is a first step in reversing this trend.

Yours truly,

Charn Deol
TEL: 604-760-1781

Rajindar Deol