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The Secretary  
Ontario Securities Commission  
20 Queen Street West  
22nd Floor  
Toronto, Ontario M5H 3S8

**Re: CSA Proposed Amendments Relating to the Offering Memorandum Exemption**

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Dear Madams:

I am writing to comment on the proposed amendments to NI 45-106, in particular the proposed annual investment limits for non-accredited investors.

As a Dealer Representative in the Private or Exempt Market Space for approximately 6 years, and having been an investor in this space prior to becoming a DR, I have both seen and experienced many successes along with some failures in the market.

I think I would be safe to say that no failure was caused by any investor placing too much of their money into a particular product. The loss to that investor may have been greater but the failure of the product would have most likely been due to a shortfall of funds or some type of fraud or economic disruption.

I have experienced the evolution of this market space grow from what some have branded it years ago as “The Wild West” to what is now a very strong and secure Market space, offering investors of all calibers, diversity and security along with more significant and predictable returns on their Hard Earned Investable Dollars.

We have all been fortunate that throughout this evolution, the Securities Administrators, along with concerned Issuers and EMD’s and their DR’s, have been able to work together on the structuring and implementation of strong and effective suitability guidelines which assist us with the placement of investors dollars.

As these guidelines have assisted in creating an alignment of investor needs with issuer opportunities, I feel they have also been instrumental in helping to set a very high standard of entry level for the issuers to meet in order to be accepted onto the Respectable EMD Product shelves.

Although the current regulations and guidelines create a strong harmonization between all players in this Exempt Market “Sand Box” and do help minimizing many of the risks to all players, they certainly DO NOT guarantee or assure the success or failure of any given investment product.

By following the current guidelines we are all doing our best to succeed while protecting ourselves along the way by minimizing the risks we are able to.

By implementing a contribution limit of \$30 K per year on eligible investors, I feel the administrators will be destroying what we have all worked so hard for to achieve, with the implementation of NI 31-103, the opportunity for investors to have a secure and diverse alternative for their investable dollars.

A few of my concerns are as follows:

- You, The Securities Administrators, supposedly “ Industry Professionals” who should be trying to assist in creating INTEGRITY and ACCOUNTABILITY in our industry, are attempting to ROB us of our rights to invest or reinvest in Honest and Upstanding products that have been working well for us.
- It ANGERS me that such a concerned group of Administrators cannot see the damage they would create in this market by implementing such a regulation which would cause a quick implosion of the Exempt Market.
- You are gravely infringing on my rights and freedoms as an Albertan and a Canadian to making my own choices as an investor.
- Since larger or mid cap investors will be eliminated from investing in this market place with the \$30 K contribution limit, a shortfall of funding to many issuers WILL occur, quite possibly causing them to fail thus creating a loss to the most disciplined investor, including those who follow the already follow the stringent and well thought out suitability guidelines put into place.
- How is this limit protecting the investor? IT IS NOT. All it is doing is limiting the amount of the loss which was created not by poor economy, not by poor corporate governance, not by fraud, but by a shortage of larger dollar amounts funding the investment and carrying it to completion.
- Will the Securities Administrators who infringed on our rights and implemented this *contribution limit*, which in turn created the funding shortage and the failure of an investment, be the ones who step up with the required capital to fill that Gap and put the issuer back on track to complete and succeed the investment? I think NOT
- I, along with many of my clients, are invested in the Agricultural Market, farming. No one dictates to us what crops to grow, how many acres to plant, how much to spend on input costs, or what color of equipment we should run in our fields. Those decisions are made by following our own suitability guidelines we have structured over the years as they pertain to our own operation. They were structured by evaluating our successes and failures, our knowledge of market risks, and advice of the professionals we work with but ultimately the final decisions are our own, much like the evolution of the Exempt Market.
- Will the next step be to dictate to me how I should vote in the next election by mailing me my pre-selected election ballot?

We all know there are many more reasons this limit should not be imposed but a strong focus on following proper guidelines is crucial no doubt.

If the Securities regulators are sincere in their concerns about protecting investors from losses, lets see them step up and push our courts and legal systems to enforcement of harsher penalties, & prompt and efficient legal avenues that make a noteworthy example of those fraudsters that cause the losses we have seen in the past. Legitimate market players want to eliminate market fraud, as it paints us all with a bad brush as indicated by these proposed limits.

This submission is being made on my own behalf.

If you would like further elaboration on my comments, please feel free to contact me at **EMAIL**.

Regards,

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