

## Clear Sky Capital Inc.

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

Denise Weeres  
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Alberta Securities Commission  
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The Secretary  
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CC:  
Cora Pettipas  
Vice President, National Exempt Market Association  
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Dear Secretary:

We are writing this letter as per the proposed amendments to NI 45-106.

#### About Clear Sky Capital

Clear Sky Capital Inc. is an private equity investment firm, exempt market issuer, in the commercial real estate sector. Headquartered in Phoenix, Arizona, Clear Sky Capital provides superior local and regional market knowledge, property site selection and excellent management skills. Clear Sky Capital's management has a proven 17-year track record of investing in commercial real estate properties.

## Comments

We believe that introducing a maximum investment ceiling of any amount (\$30,000 as proposed) on private equity offerings represents a double standard when it comes to investment opportunities for Canadians. There are no limits on how much an individual investor can put into an emerging market or resource-related mutual fund, yet in 2009, after the public markets had dropped 50% or more, no limits were imposed on investors of these securities. Why wasn't there investment limits imposed on these public market securities?

Does the argument to impose limitations on competing private markets have validity only when public markets are at an all-time high?

Would the proposed investor limitation on exempt market securities have had any consideration in 2009 or 2010?

Public markets are at an all-time high and it is highly probable that they will have a significant correction within the next 24 months. Why is no investment cap imposed on public market securities? Isn't it in the investors' best interest to limit their downside by diversifying?

At this point in time, which market has more risk...one at all-time highs (public markets) or one that is largely independent of public markets? Doesn't investment diversification reduce risk?

For example, an individual investor, based on information from any of the Chartered Banks, can open a trading account and invest their entire net-worth on a single mining stock. That's justifiable under current regulation, but for private equities, which may consist of a portfolio of income-producing real estate properties, there needs to be a maximum investment limit?

We highly recommend removing any limitations on private equity investment and leave the due diligence and regulatory responsibility with each Registered Exempt Market Dealer.

We would be glad to discuss these comments further. Please feel free to contact us at [kevinw@clearskycapitalinc.com](mailto:kevinw@clearskycapitalinc.com).

Kind Regards,



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Clear Sky Capital Inc™