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Re: Multilateral CSA Staff Notice Publication and Request for Comments –
Proposed Amendments to National Instrument 45-106 Prospectus and Registration Exemptions Relating to the Offering Memorandum Exemption in Alberta, New Brunswick and Saskatchewan, Reports of Exempt Distribution

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Dear Madams:

My name is Kenton Rustulka and I am a Licensed Exempt Market Representative in British Columbia, Alberta and Saskatchewan and I am responding to the above proposed amendments to NI 45-106, CSA Staff Notice dated 20Mar14.

From the CSA Staff Notice – Harmonization

The OM Exemption is an exemption designed to facilitate early stage and small business financing. Not surprisingly, this type of financing often tends to be quite local in nature. Consequently, differences in approach among jurisdictions can very appropriately reflect differences in local capital markets. However, harmonized securities regulation continues to be a goal of the members of the CSA and we are therefore interested in public comment on both the relative merits of the different approaches to the OM Exemption and the extent to which harmonization needs to be a priority in this area of securities regulation.

My response to Harmonization:

We as Canadians are very much diversified. Each Province is unique politically, economically and culturally. Though the concept looks and sounds good but in reality no two provinces are alike. I believe the thought behind this is that for reasons of administration costs being reduced and that the same regulations would be easily kept across Canada, there would be more harm than good in the end. I believe there would be more harm to the private capital markets than benefits derived to investors, industry members, and the many small and medium size businesses that seek the assistance of the market.

As a reminder, the role of the Federal Securities Regulator is not the mandate of the Federal Government nor should they have this mandate since they have enough to do to run the country and NOT get themselves into the people's personal investing. The Supreme Court of Canada had a ruling that the domain of each of the provinces and each regulatory body should attend to the needs of it constituents according to the unique needs and demands of its LOCAL ECONOMY and public sentiment.

Each province NEEDS their own Securities Regulator because they are more aware of what that provinces people want. Though we exists in Canada the People in…Let's say Alberta and BC…have different views than those of Newfoundland and Quebec. To say the least the Western Provinces do not like to be dictated to from those in the East…now I am not saying this in a manner that is insulting…but in truth. The Western Province People know what they want and they want to be able to invest the way they want to invest and only the local provincial Securities Regulator would be able to see this without bias. The Private capital market is certainly not a "one size fits all" environment, and regulatory authorities that truly have the BEST INTEREST of the investing public and wish to foster a fair and efficient capital market will illicit active involvement from their local industry participants and that is best done on a provincial level. I believe in open dialogue between provinces to assist each other in wording policies for their own province but each province, with the help of the people in their province should make decisions for that province.

Mandate of the ASC

As it is written, "The mission of the ASC is to foster a fair and efficient capital market in Alberta and to protect investors." Also, "The ASC will adhere to the general principles of ethical behavior, accountability, excellence in management, prudent financial management, high quality service to the public, communications with stakeholders and **fairness in the marketplace**."
www.finance.alberta.ca/business/agency-governance/agencies/A/Alberta-Securities-Commission-Mandate-and-Roles.pdf

I want to bring to attention the bold black and under line portion of the above, "**fairness in the marketplace."** The proposal that is before us will only **restricts investors and issuers alike.** It would restrict the issuer from raising capital in a timely manner and it would restrict the investor by taking their rights away to invest how they wish and how much they wish. This contradicts the stated Mission of the ASC. If we are about to put policies, rules and regulations on one market then all MUST BE THE SAME TO BE FAIR! I know the other markets would be appalled with these restrictions and would appeal it as well.

In Alberta we would see many great projects that would falter or possibly fail which would cause the total loss of investors funds, which is the opposite in which I believe the ASC wants to do. The ASC as stated before is to protect the investor, not hinder or cause a lose in investors funds. The capital markets are just that, "Capital Markets", the ability to capitalize on good and wholesome issuers and their projects and we Albertans are seeing such success in this market that hundreds if not thousands or moving from the conventional markets because there is tangibility here where there is none in the other markets. More restrictions is not we need as investors but more freedoms to make sound decisions after great education, but to allow us to make mistakes and learn from them. Let us educate the public without prejudice of other markets and show the benefits for this market. I heard someone say once that to help people you do not place more laws upon them but you educate them, teach them, so that they can take back control over their decisions on how and with whom they wish to invest with. We need to improve upon the criminal laws and harsher punishments for those who breach their contracts with investors and other industry members. I am a retired Police Officer and the problem is not the LAW, it was with the JUSTICE that did not accompany the law.

CSA Staff Notice – Proposed Amendments:

In Alberta, Quebec and Saskatchewan, the Proposed Amendments contemplate the following:

-to limit the risks associated with an investment by a retail investor in illiquid securities, new caps on the aggregate amount that can be sold to any one investor under the OM Exemption in a 12 month period have been proposed:

- $10,000 in respect of all investors who are not eligible investors; and
- $30,000 in respect of investors who are individuals that are not accredited investors and who do not qualify as specified family members, close personal friends or close business associates under the FFBA exemption;

My response: Constitutional Rights:

Simply put…this is a direct infringement on an individual's rights and freedoms!

Once again I say that dictating to the people is not freedom. We live in a democracy where the people are supposed to make the decisions and not single individuals or influential people/associations who do not like the Capital Markets because they are losing clients and money every day. People are becoming educated and they do not like what other Markets are doing to them with fees, which can be so many that it makes my head spin to know they can charge for almost anything and the people can do nothing about it. **Competition has always been good** for countries who are becoming great, and Canada is still learning how to become great. If these other markets want to compete then they need to clean house and clean up their act and stop taking advantage of their clients, which I was one of them at one point and those institutions made more money from me than I made through fees and leveraging my funds. Everyone should have the right to choose if they want to invest in this market or not. We need to protect the investor for sure but not by limiting them but going after the issuing violators who SOME have done and are still doing without really being brought to justice, giving those violators stronger and more sever penalties for their criminal activities. Thre is no regulation that can safeguard against the swings in the market or losses

incurred due to unforeseen BUT HONEST events and limiting the rights of individuals is going to change that. Limiting the rights of **ALL** because of **a handful** of complaints from a few does not solve the perceived problem and in my opinion investors to other risks not currently taken into consideration.

CHARTER OF RIGHTS:

I would like to bring to the Provincial Securities Commissions and CSA attention the Charter of Rights that clearly state, "**Everyone has the right to life, liberty and security of the person and the right not to be deprived thereof"** and the Canadian Bill of rights states, **"the right of the individual to life, liberty, security of the person and enjoyment of property, and the right not to be deprived thereof except by due process of law".**

I believe that with the above mentioned Charter and Canadian Bill…a person should have the right to freely choose their own paths in life for their careers, earning potential and how I wish to invest for the sole purpose of looking after my own retirement. The proposed new changes do the opposite, they take away my right to life, liberty, security and the enjoyment of their own property. It takes away the freedom to invest their after tax dollars as they themselves determine most appropriate. This takes away a persons ability to secure their own current and future well being and the end result….a great retirement. These new changes are a **DIRECT VIOLATION** of their fundamental rights, thus I believe that these new changes and any future changes that restrict or deny a Canadian Citizen the rights to have such freedoms should be seriously abandoned **PERMANENTLY.**

I believe that in a fair and just society, this one argument alone would be evidence enough to put an end to these proposed changes.

I would beg to say and ask this question…has the Alberta Securities Commission consulted the Ministry of Justice on the following proposed changes as it relates to the constitutionality, charter of rights, or bill of rights argument? If they have I would like to see proof of such actions, not as a demand but for the sake of allowing us to know that the ASC has done it's homework well with many counselors, not just a few selected people.

For the next few points I would like to use someone else's well researched material that I believe is done very well, so I will not take credit for such good information. If you wish the source I can provide such when requested.

Concerning Liability

It is well documented that company pension plans have systematically shifted towards defined contribution plans rather than a defined benefit approach, and thus that the responsibility for investing for retirement has been shifted from employers and governments to individuals. These proposed changes significantly and unjustly restrict the choices available to these individuals now charged with the responsibility of planning for their own retirements, without limiting access by institutions, pension funds, and wealthy individuals.

It is also noteworthy to put forth the question of liability should the commissions choose to proceed with the implementation of these proposed limits, thus stripping away the right of the individual. I would have to ask who is going to accept responsibility for any losses that an investor may incur as they are forced to look for other alternatives to the exempt market or find themselves subjected to the volatility of only the public markets? Who will accept responsibility for those losses incurred as a direct result of restricting the amount of potential gains that an investor could have made in the exempt market. For example, an investor wanted to invest $50,000 in an opportunity and was limited to $30,000. The investment pays back a 10% annual return and returns the capital in 5 years, however the stock market returns only 3% during the same period. This represents a significant loss to the investor.

Every investor knows that all investments come with risks, and no investment, not even a GIC is without risk. As it currently stands it is the responsibility of the individual alone to assess those risks and make their own personal investment decisions. If this right is taken away, and this Nanny state policy is implemented, this leaves the question of liability wide open - who will become responsible and liable for any potential losses?

Response: Economic Benefit

Basic Economic Analysis would predict that these proposed changed will have a negative impact to the local and National economy. The broadest measure of the success of an economy is the change in Gross Domestic Product (GDP), which represents the value of goods and services produced in an economy.

Aggregate Supply Curve - The proposed regulations would negatively affect the pool of labor in the market space, land use could be negatively impacted making it less productive, the level of output of capital could be negatively impacted, as there would be significantly less capital available in Alberta and Canada. Regulations such as what is being proposed here, are well documented economically to prove to be harmful through additional cost and time to deal with regulation, complexity is a disadvantage to entry and continued support, and often costs businesses efficiency and productivity.

Aggregate Demand Curve - Private investment plays a significant part in calculating the aggregate demand curve, expectations of real net profits from investment projects will be put at risk as undercapitalization becomes more of an ongoing threat to the capital markets, real costs to businesses including the inability to borrow to fund capital projects, the deteriorating business conditions within the exempt market itself will limit new entrants to the market space. These proposed changes can cause investment spending to fall in Canada but can have devastating impacts on Alberta which does not see much in the way of other forms of funding such as Venture Capital, etc. If the profitability of future projects is reduced this reduces investment spending.

Additional **demand on borro**wing – as private investment money decreases it may force governments, other to branches of government, or create hard moneylenders to enter the capital markets. This "crowding out" of private investment money will cause additional demands for capital and drive up its cost.

The exempt market plays an important role in the capital markets in Canada, especially for small and medium sized businesses. Small and medium sized businesses represent a significant percentage of Canada's GDP and are often seen as the backbone of the Canadian economy. There is a need and an important role for the exempt market in supporting the growth and expansion of the small and medium sized business. Every public company that was once a private company, many of them got a helping hand or their real start from the very investors who the commissions are now suggesting to impose these limits.

Canada's economy is forecasted by GDP and is fueled by the entrepreneur and the small and medium sized businesses that will see a significant reduction in their ability to raise capital, in addition to the already increased complexities in regulation and for the many reasons listed above will prove harmful to the Alberta economy.

The Exempt Market has been vital in the raise of capital for a number of very successful and economically beneficial projects. To verify the economic impact of the Exempt Market would take nothing more than to look at the companies and projects that have been built or supported by its efforts. Walton International Group who employs hundreds of individuals and has Billions of dollars of assets under management. Prestige Capital who with the recent completion of their hotels has seen and will continue to bring economic benefits in what they estimate as $500 million to the local area. Olympia Trust who started with Exempt Market dollars now employs hundreds of people. Just recently capital raised from the exempt market has enabled a SME Highway Rock Products to grow from 25 employees to 170 employees. These are just a few examples that illustrate the employment and economic benefits that this industry brings to the Canadian economy.

Comment – Quantity or Quality

These proposed changes are a "check in the box" exercise, which we understood from multiple attendances at Alberta Securities Commission education and training seminars was exactly the opposite of what is desired. This check in the box exercise will eliminate any real need for proper KYC and Suitability. The perception and your statement to Investors and the Industry becomes $30,000 is an acceptable loss.
Considering the wide range of investors that fall into the "eligible" category – a $30,000 loss for a client with $50,000 in net financial assets (NFA) is very different than a$30,000 loss for a client with $900,000 in

NFA. Under your proposed new limits, there is no differentiation.

Suitability would become nothing more than a quantitative exercise and no longer a qualitative assessment of the individual and their needs and makes the roles of Exempt Market Dealer and Dealing Representative redundant. Issuers who are already struggling with the justification of additional costs and administration of having to work with Exempt Market Dealers would have a legitimate argument to the value of working with a Dealership should you impose these changes. NI 31-103 was implemented only in September of 2010 to move the environment toward a qualitative assessment with new KYC and KYP requirements. These proposed changes are a step backwards and again not what we have been led to believe by regulatory authorities as the direction they themselves wished to see the industry progress.

Comment – Diversification

At a time when the public markets are volatile and the economic outlook is unpredictable at best, people are looking for truly non-correlated assets to diversify their portfolios. Alternatives have been traditionally used as a opportunity to reduce systemic risk, bolster returns, offer diversification that would limit losses to investors who are exposed to the public markets for both high net worth investors and institutional investors. At a time when alternative investments are needed the most, the securities commissions are proposing to restrict access only to those investors that are already wealthy.

Comment – Under Capitalization Risk

Undercapitalization of projects will increasingly become a significant risk factor, as dollars are limited based upon a check in the box quantitative exercise rather than qualitative suitability assessment that currently exists. This will produce greater competition for limited dollars that would over expose potential Issuers to the risk that he capital can not be raised not due to lack of interest or opportunity but due to government imposed caps. Alberta and other parts of Canada rely on the exempt market to raise capital offering employment, economic growth, diversity, and stability to the Canadian economy. Such proposed limits threaten to significantly reduce the amount of dollars raised for real estate projects that provide housing and office space, could limit oil and gas exploration and production, and restrict the growth of small and medium sized businesses limiting their potential growth and expansion of their products and services.

Comments - Challenges for Regulators

The proposed changes come with major changes to the regulators as well. Who will monitor the $30,000 annual limit? EMD's or an individual dealing representative will have no possible way to ensure with 100% accuracy if the client has invested only $30,000 in a 12 month period.

In addition to that, Issuers will not know what activities and as a result of client privacy and client confidentiality may inadvertently allow a trade to occur in which the investor has invested more than his/her limit. In an illiquid investment, how is this to be dealt with, who will monitor these activities, etc.

I believe the proposed changes are a significant step backwards and exposes not only investors but Issuers and current industry professionals (EMD's, Dealing Representatives, etc.) to significant risks currently non existent under the current regulations. These proposed limits are a regression to NI 31-103 and need to be reconsidered.

Comments - Industry Impact

We could foresee a potential impact on the Industry as a whole by imposing such limits. We believe that these types of limits would eliminate any incentives for new entrants into the market space (EMD's, Dealing Representatives and/or Issuers) in addition to change the way current industry participants conduct their business.

The industry as a result of the new regulations in 2010 has seen its challenges in raising capital for companies. Many individuals have already chosen to leave the industry permanently. Although this has had some positive impacts, such as weeding out some individuals who may have been less than desirable to remain in the industry, it has also impacted the amount of capital that was available for Issuers. Further changes could **see more people leave the industry**, this time the more educated and professional

individual in search of other opportunities. At a cap of $30,000 per year, it would be almost impossible to service clients with the same level of quality service that many clients have come to expect and many professionals chose to provide.

Despite best efforts, such restrictions could **push dealing representatives toward higher commissioned products, restrict their ability to offer true diversification, force registrants to seek other Business Activities, significantly reduce the time they spend on research and continuing education** as this new limits could **significantly impact the current lifestyles of Dealing Representatives.**

Dealing Representatives currently employed in this market space may have no choice put to **seek Other Business Activities** to supplement their loss of income and the risk to investors is that again this becomes **a quantitative exercise rather than a qualitative relationship**. The proposed changes limiting each investor to a maximum of $30,000 per year would significantly **impact the current lifestyles of many of the Dealing Representatives** in the market today. This would mean that the dealing representative in order to maintain the same standard of living that they are accustomed to would have to: a) Take on Other Business Activities, b) or Service More Clients. Both of these options provide **greater risk to the investor** as with such imposed limits it becomes **a tick in the box exercise and the requirement to know the client and suitability are significantly diminished**. Should a dealing representative have to take on other activities to fill the gap in income to support their lifestyles, it again becomes a matter of professional level service. We are encouraging less than professional people to the industry at a time when we need and want more educated and professional people to join. You may also see people leave the industry to pursue other activities, as they can no longer support their families and lifestyles in the manner in which they have become accustomed. Full time employment in the industry will become less likely and the exempt market may become a secondary service or a luxury service offered by a limited few.

Issuers may find that due to the limitations and the increased risks of paying fees, and going through the appropriate channels, the risks of regulatory changes, undercapitalization, etc. are not justified and **Issuers would seek other means to raise capital** that do not fall under regulatory supervision.

Under the proposed changes, there is **little to no viability in operating a smaller Exempt Market Dealership** and may well be a non viable option to pursue career opportunities without considering Other Business Activities.

These changes will **stifle the markets and restrict its ability to respond to market demands**. These markets often fuel the start of other things and the proposed changes may have the negative impact of stifling the economy and the creativity often found in small to medium sized enterprises in which this industry supports.

We would suggest that the Commissions have not given enough thought and consideration to the wide spread implications of said recommended changes and should reconsider their position. It might be helpful in the future that should the Commissions wish to improve upon existing regulations or propose future changes that in a fair and efficient market, would actually consult the professionals who earn their livelihoods and would happily work side in step with the commissions before such proposed changes are publically released.

Formulating lengthy responses such as these take reputable dealerships, dealing representatives and other industry participants away from the much important roles that they play in our economy. Providing investors who would otherwise not even know about such proposed limitations with much needed information in order to formulate a response too is very time consuming and in this case could have been limited in nature if prior consultation with industry had been the first step. I am sure that the commissions with their limited resources as well agree that there is a more effective and more efficient way of handling these matters in the future.

CSA Staff Notice – Audited Financials

To provide investors with an opportunity to monitor the use by an issuer of the funds it raises, a requirement that an issuer provide ongoing annual audited financial statements and specified disclosure of

its use of proceeds derived from distributions under the OM Exemption.

Comments – Audited Financials

This is an area that would certainly be worth further discussion. Although we believe that the intent here is good, I believe that there are circumstances in which Audited Financials are an additional and expensive cost to an issuer and may not add any value or protection to an investor. There is also the potential for reduced returns to the investor due to increased ongoing costs, as well as risks that come as a manager becomes distracted more and more in trying to remain compliant with regulations rather than dedicating his resources to the details of managing his or her project.

We are not in disagreement with this point as there are many merits to audited financials, but a blanket approach should be avoided as we believe that there are circumstances where audited financials would not add value and may adversely affect the outcome of some opportunities, especially small raises or certain capital raises that do not produce income that would need to raise additional capital to be held in reserve for this ongoing expense.

It is proposed that Issuers provide annual Audited Financial Statements. Although I respect the intent of this proposed change and can see the merit of it in some cases, I also can see some problems.

a) the average investor does not know how to read financial statements well enough to understand the implications to their investment without significant explanation. Most investors do not invest on the basis of financial statements, but rather plain English explanations of the investment opportunity. Many enjoy the exempt market because it offers opportunities that they can understand. Providing a financial statement, whether audited or not, will not assist them in their evaluation of the current state of affairs. Providing a written annual report that offers an explanation of the events and activities completed would be more effective and better received, financials could be included but need to be explained.
b) to whom is the intended audience for audited financials is to be directed. I believe audited financials can add significant value in assessing performance for those industry professionals who know what to look for but can be lost on the average investor. It is also noteworthy that financials, including Audited Financials are sometimes more art than science and creative license is often granted to management.
c) the additional cost will come out of the investors returns, thus it is an additional cost paid for by investors, that cost may not be warranted
d) audited financial statements to a non operating asset class may expose the investment to unnecessary ongoing financial risk (having to raise reserve funds for audited financials x # of years), may result in cash calls or lack of compliance if a project runs longer than expected, etc. Some investments once the capital has been raised do not receive income and have undetermined time lines and an audited financial statement is an additional cost that may offer no benefit.
e) should a concern or discrepancy be highlighted as a result of whatever the source, audited financials, annual review, on-going due diligence – What are the options available to the Dealerships, Dealing Representatives, Investors, etc. to take the necessary actions to intervene? This is a question that I would certainly like to see discussed in more detail.

Comments - Related Party Transactions

Although we prefer to engage with Industry participants that are independent third party transactions, there are disclosures in place that require non-arms length and related party transactions to be fully disclosed. We would like to see from the Commissions a better definition as it relates to the "related party issuers" as I believe the intent here is to limit or restrict " a single purpose issuer (related party) from seller only his/her own product. Even to that extent, to disallow a company or an individual to support and/or sell their own product or the product or a related party is again a restriction of life, liberty and security. I believe there can be better disclosure surrounding these kinds of transactions but do not support disallowing them.

CSA Staff Notice – Eligible Investor Test

After further consideration, the AMF, ASC and FCAA determined not to propose excluding principal residence at this time but instead are seeking public feedback on this matter. Factors that influenced that decision include the following:
- the $30,000 investment cap, discussed below, limits the potential exposure of an investor to a risky investment;

- excluding principal residence may treat investors with similar net worth differently depending upon the types of assets they choose to hold; and
- implications to capital raising.

Comments – Eligible Investor Test

I believe we have made its arguments clear regarding the proposed $30,000 investment cap but will address the exclusion of principal residence. Although I believe that this would have a smaller impact on the industry and the individual investor, it should be noted that many investors opt to pay down their mortgages as a part of their overall strategy and to disclose an investors right to invest or to penalize him or her for choosing to implement their investment strategy in one way vice another is wrong. Considering an individual's net worth (which includes their primary residence) is an important consideration when getting to know one's client. Those clients who choose to pay down their mortgages should not be penalized for doing so. Many Canadians view their primary residence as their largest financial asset and have plans to dispose, down size, etc. as part of their retirement planning.

CSA Staff Notice - Marketing Materials

The Participating Jurisdictions have proposed that any marketing materials used in connection with a distribution under the OM Exemption be incorporated by reference into the OM so that there is statutory liability for a misrepresentation. We have included a definition of marketing materials in the Proposed Amendments. The AMF, ASC and FCAA have proposed that the marketing materials be filed with securities regulators.

- to provide investors with the same rights of action in respect of all disclosure made in relation to a distribution under the OM Exemption, a requirement that all marketing materials relating to a distribution under an offering memorandum be deemed to form part of an offering memorandum and be required to be incorporated by reference;

Comments – Marketing Materials

We would welcome the following change of having marketing materials be incorporated by reference into the OM to protect against misrepresentation. Although I believe every investor is responsible for his or her investment decisions, it is and should be a decision that was made with information that is factual. Our initial concern would lie with the how this marketing material is dealt with at a regulatory level. Should these materials require detailed reviews and permission to be granted to an Issuer, and this review can not be conducted in a timely or objective manner this could have negative impacts on the industry, including missed timing of opportunities, increased pressure to deadlines that could present challenges (e.g. meeting the 150 minimum investor deadline, etc.).

CSA Staff Notice - Ongoing Annual Disclosure

When the OM Exemption was first being considered for adoption, some form of ongoing financial disclosure requirement was considered. However, we concluded that it was not necessary as we thought most small issuers would be subject to annual financial statement requirements under applicable corporate law. This assumption has proven inaccurate. Many issuers using the OM Exemption are not organized under business corporation's statutes and are not subject to an annual financial statement requirement.

In the absence of financial statements, security holders are unable to assess how the financing proceeds have been used. Accordingly, the Participating Jurisdictions have proposed a requirement that an issuer relying on the OM Exemption prepare annual financial statements within 120 days of its financial yearend. We also propose that a discussion of the use of proceeds accompany the financial statements.

Comments - Ongoing Annual Disclosure

We agree that every company should complete financials each and every year in a timely fashion as this is simply good business practice. A discussion of the use of proceeds in our opinion would be the most valuable part of this proposed change as numbers are often difficult for the average investor to interpret or understand but a plain language description of the use of the proceeds allows for each investor to assess the value of their investment, an annual report written in plain language may provide more value.

General Comments

As an aside but as the topic that has come up in discussions with other industry members, particularly with Issuers as well as Investors, there is a concern, borderline FEAR of submitting comments, especially those comments in disagreement with proposed government policy, that those individuals, or industry members would now or in the future be singled out or penalized for their comments. I find this very disconcerting that Canadian citizens express this kind of fear of their own government. Just governments protect the rights of each and every individual equally under the law and the fact that people for right or wrong reason have this concern is something that should be reviewed. I believe that this fear has limited the number of responses of many individuals who do not wish to attract the attention of any government or quasi government organization.

To Summarize our comments regarding the proposed changes:

- We believe that limits on investments are best assessed by investors and their advisors who complete KYC and suitability assessments currently implemented as a result of NI 31-103.
- The proposed changes unjustly singles out and restricts the exempt markets in comparison to other financial markets/institutions such as the MFDA, IIROC, etc.
- The proposed restrictions will expose the exempt market and its industry partners with undue risks such as Undercapitalization among others.

I want to thank you allowing us to give you feedback that I believe is not very important to myself but to all Canadian Investors who wish to continue to live in a democracy and still believes in hearing from the people so that the BEST INTERESTS of the investors will be considered and not the best interest of a company, organization, or institution that only wishes to profit from the uneducated Canadian Citizen.
I believe this market has fantastic potential not to only create great wealth, which will create greater revenue for Canada and also the simple fact more taxes to help run our country well.

Sincerely and respectfully written,

Kenton Rustulka
Exempt Market Representative

CC:

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