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and

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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

Dear Madams:

I wish to comment on the proposed amendments to NI 45-106, in particular the proposed annual investment limits for non-accredited investors, and would appreciate your sincere consideration of what I have to say.

I am a long time investor but I also have responsibilities to other investors as a Dealing Representative in the Exempt (or private) Market.

First, as an investor, I am appalled that you would single out this particular investment vehicle as one in which you feel the need to meddle in what I believe are my rights as a Canadian citizen. To suggest that you are somehow protecting me by limiting my choice in the type and/or amount of investments that I can participate in, reeks of socialism at best. I am not subjected to such limits when it comes to investing in public markets through stocks or mutual funds, despite the inherent risks associated with such volatile investments. Nor do you impose limits on how much I choose to invest in penny stocks, real estate, collectibles, casinos or any number of opportunities to create (or severely destroy) my own personal wealth. I respectfully request that you re-think this proposal and choose to leave capitalism in this country alone.


Secondly, as a Dealing Representative in the Exempt Market, I take the responsibility of Client Suitability very seriously. In the private market, as in the public market, there are already investor protection mechanisms built in and, based on my personal experience, I believe the private market does a more thorough job of implementing these systems. Exempt Market Dealers have created policies and procedures around such things as “know your client”, “know your product”, suitability discussions and restrictions, and compliance approved transactions which

are all strictly enforced. That said, investors should be free to build an investment portfolio based on a variety of options, including non-correlated alternatives to the public market. Their decisions need to take into account their own situation based on income, net worth, risk tolerance, goals, investment sophistication and personal preference. Setting an arbitrary limit, and in only one aspect of the market, without any consideration for the factors mentioned above, is likely more irresponsible than anything a highly regulated Dealing Representative would ever impose on a client themselves.

If you feel you must somehow try to better protect investors, then I would suggest you start by limiting exposure to single products based on a percentage of financial assets (such as supporting the best practice of a 10% concentration rule) but do this across the board rather than singling out the Exempt Market. In other words, don't tell me where I can invest my money – regardless of which market I choose (public or private). As well, I would suggest you turn your focus to the various products themselves in an attempt to safeguard investors by increasing your vigilance on registration requirements. By imposing your regulations at the source of the investment opportunities, you have a better chance of achieving your investor protection goals.

The future financial well-being of Canadian investors, and the entire Exempt Market, depends on how you proceed with this matter. I urge you not to take this lightly and I thank you for your earnest consideration.

Respectfully,


Rob Anderson.

P.S. This submission is being made on my own behalf and I would welcome the opportunity to discuss my comments in further detail. Please feel free to contact me at [REDACTED].

CC:

Cora Pettipas

Vice President, National Exempt Market Association

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