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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](#)**

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Dear Madams:

I am writing to strongly oppose the proposed amendments to NI 45-106 and in particular the proposed annual investment limits for the non-accredited investor.

I have been in the Financial Services industry for 34 years, have held a Life and Disability Insurance license for that entire period, a Mutual Funds license for 10 years and have been involved with what was once referred to as Alternative Investments now more commonly referred to as Exempt Market Investments since 2001. Never in all my years in the industry have I witnessed the proposal of such retrogressive legislation by a regulatory body.

As an Exempt Market Dealing Representative with Pinnacle Wealth Brokers, I believe I have a fundamental right and privilege to serve my clients with non-existent limits just like members of IIROC and the MFDA do.

Implementation of NI 31-103 has made significant inroads for the safety of investors. Exempt Market Dealers have made huge improvements in the level of due diligence performed on each Issuers Product Offering before it reaches our shelf for distribution. Corporate governance, Compliance, Suitability, and Extensive Ongoing Dealer Representative Education are just a few of the changes and improvements enacted for Client Investor protection. This is a collaborative process by all primary stakeholders and is an ongoing evolutionary process and will be for years to come.

The idea or concept of limiting the annual investment limit to \$30,000.00 for non-accredited investors is so wrong on so many levels, I don't even know where to begin. For starters, it is so condescending to

younger intelligent professionals! How could anyone have the audacity to tell these bright responsible intelligent professionals how they can or can't spend or invest their own hard earned money?

\_ People retiring today and on into the future will be spending more time in retirement than they did in their working careers. These individuals even starting in their early accumulation years need to maximize the return on their public and private investment portfolio. This may mean a disproportionate amount being invested in Exempt Market products and well above the \$30,000.00 annual limit.

\_ Greater emphasis today are being placed on financial independence of Government Programs and Health and Wellness even if that means obtaining private medical services in or out of country. These costs can be heavy. This again highlights the need for maximizing returns on investments and may involving investing in Exempt Market Products in excess of the annual \$30,000.00 limit.

\_ Insurance programs like Long Term Care are still relatively new concepts thus the majority of retiring couples self insure knowing that the odds of one of them being in need of long term care in a facility during their lifetime is in excess of 86%. Private long term care today costs upwards of \$6000.00 per month with the average stay period of 5 years.

\_ Growth of private and public resources is of paramount importance today. That is why we are seeing the CPP, other Pension Plans and University Alumni Associations investing in Private Equity to bolster the yields of their investment portfolios. The public markets just can't get the job done with any degree of certainty without help from the private equity markets, so why impose limits on this critical element when obviously it is a necessity??

\_ Intergenerational transfer of wealth and divorce settlements makes the \$30,000.00 annual limit for non-accredited investors so unfair and unworkable that it hinders the Dealing Representative in doing a professional program for the client

\_ In general, this proposed amendment to limit contributions by non-accredited investors will be detrimental to the Exempt Market Dealers, The Dealing Representative, The Issuers of Exempt Market Products, The Canadian Economy and the most important consideration being Our Client

Please reconsider the proposed amendment and allow a true consultative process with all stake holders before proceeding

This submission is being made on my own behalf

If you would like further elaboration on my comments, please contact me at [wayne.cathcart@pinnaclewealth.ca](mailto:wayne.cathcart@pinnaclewealth.ca) or [REDACTED]

Best Regards,  
Wayne Cathcart CFP; RHU  
Dealing Representative,  
Pinnacle Wealth Brokers

Cc: Cora Pettipas  
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