

Date: May 20, 2012

Robert Day
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Ontario Securities Commission
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Sent via Email: rday@osc.gov.on.ca

Cc: The Honourable Dwight Duncan
Minister of Finance

financecommunications.fin@ontario.ca

Dear Mr. Day:

Re: Request for comments regarding statement of priorities

I am writing in response to your request for comments and specific advice on the proposed objectives for the fiscal year ending March 31, 2013.

My feedback focuses on two of the five regulatory goals you have laid out, namely your aim to “consider alternate capital raising exemptions” and your desire to “help investors get the necessary information to enable them to make better investment decisions by applying high standards of disclosure through robust prospectus and continuous disclosure reviews.”

As an Alberta based Issuer working with an Exempt Market Dealer (EMD) with clientele across the country, I have witnessed how the absence of the Offering Memorandum (OM) Exemption in Ontario has stymied Canada’s largest capital market. Product Issuers and Exempt Market Dealers seeking to open up opportunities to attract capital in the Province of Ontario are handcuffed as it is estimated that the current exemptions correspond to only two (2) percent of Ontario’s population. In the same way, residents of Ontario have far fewer options to grow and diversify their assets beyond what is provided by the banks.

Consideration for the adoption of the OM Exemption is not only timely, because of the lack of critical capital available, but also sensible for investor protection and diversification. This will provide for an “alternate capital raising exemption” that supports your desire to heighten disclosure standards. I believe that residents of Ontario as well as other Stakeholders would support fostering an efficient capital market that champion’s investor protection by simply recognizing an exemption that has already proven effective in all other provinces across Canada?

I think it is also relevant to point out that based on the recent positive regulatory/registration changes for EMD’s and dealing representatives, there is a more responsible and knowledgeable intermediary presenting these products to the public. In addition, the OM Exemption will provide many Ontarian's with the ability to build their wealth with solid Exempt Market Products in addition to great investment products that they are more familiar with. To limit this wealth building opportunity to those who are already have wealth is both irresponsible and unfair to the average Ontarian.

I therefore recommend that the adoption of the OM Exemption be identified as a priority for the fiscal year. At minimum, the final published Statement of Priorities should include a detailed list of capital raising exemptions under consideration. I greatly appreciate your consideration in this matter!

Sincerely,

Keith Fraser
Vice President
Prosperity Development Group Ltd.

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