

I would like to make some comments on the OSC “Exempt Market” review paper dated December 14, 2012.

I am happy to see that the OSC is looking into new capital raising prospect exemption since the banking industry has done little to nothing to enable financing for small to medium size businesses in light of the state of the economy since the fall of 2008.

Something has to be done on funding projects on a going forward basis as apposed to the past credit worthiness of a corporation that has battled through losses over the last 4 to 5 years due to the economy. I do however find it disappointing that you are holding all the meetings in Toronto where you know all the bankers reside and can add their negative remarks to any changes.

The concept of “Accredited Investor” and its determination and ability to verify it in my opinion is not working now nor will it ever work in the real world. This being the case I feel the best thing for the public is to scrap this concept completely.

My interest in writing is to encourage as liberal as possible legislation on Crowd Funding. The idea that the OSC can regulate the internet is as believable as AL Gore inventing it. That is unless Ontario has plans to become a province of China.

It is important to maintain a level playing field so advantages of a less regulated off Shore Island are not had. Having said that since I live in a backward country without a national securities regulator I would not have to go that fare another province may do the same.

It is my opinion that the OSC resources would better serve the publics interest in other areas. Situations like the ABC paper debacle and Bre-X gold are two examples that affected the Canadian public worse than a thousand corrupt Crowd Funding portals could.

I do believe in full disclosure but the method of obtaining it may be different than the OSC may have conceived. Instead of up front legislation a check made after the fact to see if funds where invested as promoted and a seal of approval may be given to those companies and portals that can prove their case.

Coming from the sales side I know that sales are accomplished by relationship building not prospectus or OM education. If the banks had the responsibility of teaching the fractural reserve system to every depositor we wouldn't have savings accounts in this country.

The liquidity of these securities sold could be addressed and improved on if the same portals had the ability to offer a secondary market which could be easy if there where no “Accredited Investor” status to review.

I look forward to hearing the results of your scheduled meetings and any further consultations.

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