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**Attn: John Stevenson**

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**RE: OSC Staff Consultation Paper 45-710**

I am an independent consultant with a compliance consulting firm. Having worked closely with an EMD over the past 8 months, I would like to offer my opinion on some of the changes the OSC is contemplating.

- 1. Should an Offering Memorandum (OM) exemption be adopted in Ontario? If so, why?**

Yes. The OM exemption can allow small and medium businesses to raise capital without the high costs of a prospectus.

- 2. Should there be any monetary limits on (the OM) exemption?**

Potentially, but the proposed limits are impractical. Further, for transactions conducted through an EMD,

**3. Should we require registrant involvement as a condition of (the OM) exemption? If so, what category of registration should be required?**

Yes and EMDs should be included. To suggest that an EMD could not/should not sell an exempt market security under a prospectus exemption is counterintuitive.

**4. Would a sophistication based exemption be useful for issuers, particularly SMEs, in raising capital?**

Yes; additional exemptions create more opportunity for investors and issuers alike.

Regards,

*"Matt McManus"*

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