



January 24, 2012

To: British Columbia Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission  
Manitoba Securities Commission  
Ontario Securities Commission  
Autorité des marchés financiers  
New Brunswick Securities Commission  
Superintendent of Securities, Prince Edward Island  
Nova Scotia Securities Commission  
Securities Commission of Newfoundland and Labrador  
Superintendent of Securities, Yukon Territory  
Superintendent of Securities, Northwest Territories  
Superintendent of Securities, Nunavut

C/o: John Stevenson, Secretary  
Ontario Securities Commission  
20 Queen Street West  
Suite 1900, Box 55  
Toronto, ON M5H 3S8  
Fax: (416) 593-8145  
Email: [jstevenson@osc.gov.on.ca](mailto:jstevenson@osc.gov.on.ca)

Anne-Marie Beaudoin, Secrétaire  
Autorité des marchés financiers  
Tour de la Bourse  
800, square Victoria  
C.P. 246, 22<sup>e</sup> étage  
Montréal, QC H4Z 1G3  
Fax: (514) 864-6381  
Email: [consultation-en-cours@lautorite.qc.ca](mailto:consultation-en-cours@lautorite.qc.ca)

**Re: Proposed Amendments to National Instrument 41-101  
General Prospectus Requirements**

Dear Sirs,

I applaud your reviewing of the pre-marketing rules to enable Issuers and the general public an opportunity to work together in expanding the number of participants and to provide greater certainty to Issuers.

My responses to the questions posed are as follows:

Questions 1 and 2 – Testing of the waters exemption for IPO issuers

This exemption would likely not significantly expand the information to IPO issuers as Institutional Investors prefer to not be “locked up” in any manner.

Question 3 – Bought Deal Exemption

I do not think the increase in size should be limited. The situation should be monitored based on a reasonable test. The dealer should be reprimanded if they initiate an unreasonable size offering to avail themselves of the exemption. If a limit is imposed it should be at least 100% with the traditional 15% greenshoe. I have been involved in several financings (non-Prospectus) where the strength of the deal interest was significantly larger than expected and the Issuer decided to take the extra to avoid the debt component or second round financing stage. These were in the 200 – 300% increase magnitude.

Question 4 – Term Sheet Provision for Bought Deals

If the goal is to allow as many qualified investors as possible into a deal opportunity, all investors should have access to the term sheet.

Questions 5 to 8 – Comparables

I disagree. If the investors are qualified, they should have the same access to information. The dealers should be required to state that the list is not complete and may not be representative. The comparable list is likely no different than various research papers that are published so I think the request of getting confirmation of confidentiality is overkill, especially given my first response. No rules should be set for the risk of cherry picking only that the Prospectus and other documents should require the disclosure of the criteria the investment dealer used to include them as comparables. Trying to be too prescriptive will only reduce the usefulness of this tool.

Thank you for reviewing this situation and hopefully a more flexible and useful system will result.

Sincerely,

“Gordon Keep”

Gordon Keep  
Executive Vice President  
Fiore Financial Corporation  
Exclusive Advisor to Endeavour Mining Corporation