

Date: May 28, 2012

Mr. Robert Day

Manager, Business Planning

Ontario Securities Commission

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Sent via Email: [rday@osc.gov.on.ca](mailto:rday@osc.gov.on.ca)

Cc: The Honourable Dwight Duncan  
Minister of Finance

[financecommunications.fin@ontario.ca](mailto: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 a British Columbia based Dealing Representative/Life Insurance Agent with clientele across the country, I have witnessed how the absence of the Offering Memorandum exemption in Ontario has impaired Canada’s largest capital market. The increasingly isolated, hyper-regulatory atmosphere in Ontario stifles the province on many levels. Small businesses (issuers) and Exempt Market Dealers have only a tiny fraction (a mere two percent) of Ontario’s population – from which to attract investment capital. Also residents of Ontario have far fewer options to grow and diversify their assets beyond the options provided by the banks which support the current regulatory structure.

It would serve everyone if Ontario were to consider the adoption of the OM exemption. It is not only timely, because of the lack of critical capital available to businesses, but also sensible for investor protection. It is an obvious “alternate capital raising exemption” that supports your desired to heighten disclosure standards. What reasonable stakeholder would reject the notion of fostering an efficient capital

market while championing investor protection by simply recognizing an exemption that has already proven effective in all other provinces across Canada?

I recommend that the adoption of the Offering Memorandum 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.

Sincerely,

Peter Ian McArthur CPCA

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