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The Secretary
Ontario Securities Commission
20 Queen Street West
22nd Floor
Toronto, Ontario M5H 3S8

Re: CSA Proposed Amendments Relating to the Offering Memorandum Exemption

Dear Madams:

I am writing to comment on the proposed amendments to NI 45-106, in particular the proposed annual investment limits for non-accredited investors. I am opposed to imposing annual investment limits for non-accredited investors.

I have been in financial services since 1999 and since that time, I have always striven to provide my clients with financial education and best-in-class products and opportunities to protect and increase their income and assets. I have had my insurance license since 1999, and my Mutual Fund license from 1999 to 2012.

Along with my clients, I have seen and experienced some significant public Equity Market losses. 2001, 2008, and 2011 have been a few of the dates that have shown Public Equity Markets were exposing my clients to risks that were certainly not anticipated, even though the majority of my clients were in balanced portfolios designed to mitigate risk.

I decided to become an Exempt Market Dealing Representative, so that I could offer my clients diversification in the Private Equity Markets, which are not subject to the fluctuations of Public Equity Markets.

I have only held my Exempt Market License for less than a month, and with the research that I have done, I believe the implementation of NI 31-103 with its emphasis on Client Suitability provides a very positive effect on the industry as well as excellent guidelines for conversations with clients about investment selections.

However, I am concerned that imposing annual investment limits for non-accredited investors would negatively impact my future clients. When my clients and I discuss the benefits and risks of both Public and Private Equity Markets, it is apparent that my clients would like to have the ability to diversify their assets into Private Equities. As some of my clients have considerable net worth but do not fall into the Accredited Investor category, an imposed $30,000 annual investment limit could be detrimental to my clients who may make their decision to diversify in the Private Equity Markets.

Because there are some Private Equity Investments that allow a minimum of $25,000 investment, a $30,000 annual limit will restrict diversification for my clients.

Further, looking down the road, I can anticipate some difficulties when a current Private Equity investment has matured and my client wishes to reinvest in Private Equity. If my client has in excess of $30,000 they wish to reinvest are they going to be restricted to the $30,000 limit? This could be quite detrimental to my client's assets, income and their relationship with me, their advisor.

I submit to you that changing the restrictions on the investment amount would do more harm than good for the exempt market industry.

This submission is being made on my own behalf.

If you would like further elaboration on my comments, please feel free to contact me at Shirley.Scott@pinnaclewealth.ca

Respectfully,

Shirley Scott
Private Market Specialist

CC:

Cora Pettipas
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