

May 28, 2014

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and

Me Anne-Marie Beaudoin
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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.

My name is Laura Niers and I am a Dealing Representative with Pinnacle Wealth Brokers in Calgary, Alberta. I previously worked in the mutual fund industry but am a newly licensed representative this year in the Exempt Market. I have been an investor in the exempt market industry for nine plus years now.

As a new entrant to the this market, I am impressed with Pinnacle's requirements pertaining to know your client, know your product, suitability and their guidelines with respect to minimizing exposure to one product and overall exposure to the Exempt market as a percentage of investable assets. Investor protection is of paramount importance. The compliance processes are excellent and they hold their representatives to a very high standard. The changes brought forth with NI 31-103 in 2010 were necessary and prudent and have improved the industry tremendously. Perhaps we still have some work to do with respect to better Corporate Governance, oversight, transparency and background checks on the principles coming to the market. Pinnacle is making great strides in this area conducting back ground checks on anyone named in the Offering Memorandum as well as demanding better corporate governance from their issuers. I believe though the Securities Commission should be holding the product issuers to, at the very least, the same standards as a dealing representative obtaining their exempt market license. It is my understanding that the issuers do not have the same level of background checks as we, the investment advisers, are subject to.

As for the proposed \$30,000 annual limit for eligible investors, I feel as though that is a huge step backwards from 2010. We have made great strides in improving the industry as a whole; more transparency, better investor/advisor education, compliance procedures, etc. I would like to continue to build on that. Imposing an arbitrary limit and painting all eligible investors with one brush is

irresponsible and negates the entire know your client philosophy. The KYC is the cornerstone to all investment decisions whether in public or private markets. An arbitrary limit gives no credibility to the client or to the advisor. This is a growing and thriving industry. The Exempt Market is an excellent tool for diversification from public markets. To implement the proposed \$30,000 limit would be extremely damaging to the industry and ALL of the participants.

I urge you to reconsider the proposal for the benefit of all stakeholders.

If you would like further comment, please feel free to contact me at laura.niers@pinnaclwealth.ca.

Sincerely,

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CC:

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