



June 17, 2014

Hon. Doug Horner
President of the Treasury Board
Minister of Finance
423 Legislature Building
10800 – 97 Avenue
Edmonton, Alberta T5K 2B6

Dear Minister Horner:

Re: Proposed Amendments Relating to the Offering Memorandum Exemption

As a follow up to our recent meeting and our discussion on the proposed amendments to NI 45-106 and, in particular, the proposed \$30,000 annual investment limits for non-accredited investors, Terry and I appreciate the opportunity to comment.

How we structure our investment portfolio is a very individual process. If these proposed amendments represent a case of making policy to protect the few who chose not to diversify their portfolio or simply made bad decisions then it is wrong headed. Although I understand the role of regulators in the investment environment I take issue with their zeal when it comes to limiting our options based on some arbitrary limit.

We recognize that there is 'risk' in any investment. The challenge is to manage that risk and we, like many others, prefer to have some investments that are sheltered from the fluctuations, potential manipulation and, frankly, the poor performance of the public markets.

You have undoubtedly heard all of the rational arguments that highlight the absurdity of these proposed changes; money risked gambling with virtually no oversight or restriction, banks granting lines of credit with little oversight, credit cards maxed with interest rates that border on usury. And yet the securities commissions feel that our investment choices should be limited even when we work with someone who is registered with those very commissions.

Many large pension funds in Canada, and abroad, make significant investments in private equities – in fact the Alberta government does so through AIMCO – and by doing so put their fund members at risk.

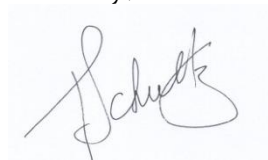
We are aware of the risks and the opportunities of investing in the exempt market and believe the existing rules are adequate. We do not see a role for government in the ultimate decision of

how we invest. It is a very personal process based not only on our net worth but on a sophisticated understanding of risk tolerance, investment goals and preferences.

We ask that you work with your colleagues across the country and oppose these amendments.

Feel free to contact me should you have questions or require additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Schultz", is centered on a light blue rectangular background.

Tim Schultz
President

cc. Denise Weeres, Manager, Legal and Corporate Finance
Alberta Securities Commission
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Calgary, Alberta
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