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denise.weeres@asc.ca

consultation-en-cours@lautorite.qc.ca

Denise Weeres
Manager, Legal, Corporate Finance
Alberta Securities Commission
250 – 5th Street SW
Calgary, Alberta T2P 0R4

and

Me Anne-Marie Beaudoin
Directrice du secrétariat
Autorité des marchés financiers
800, square Victoria, 22e étage
C.P. 246, tour de la Bourse
Montréal, Québec H4Z 1G3

comments@osc.gov.on.ca

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 on the proposed amendments to NI 45-106 CSA Staff Notice dated March 20, 2014 and in particular the proposed annual investment limits for non-accredited investors. I am writing from the perspective as a dealing representative and as an investor as I am both.

Both my wife and I are investors in the exempt market and we have a diverse portfolio of such investments. We plan to continue to utilize these investment options in the future if they benefit our situation and they seem like a good fit with our risk tolerance and objectives at the time. This last point is especially pertinent as I do not wish to have a government policy tell me where and how much money I can invest in a specific opportunity or a specific investment sector. I believe I am able to assess the investment opportunity adequately including the business strategy, the risks, the management team and my current objectives and I want to be able to have that option available to me.

I also work as a dealing representative under the umbrella of Raintree which is a very fine exempt market dealership based in Edmonton, Alberta. Since NI 31-103 was introduced into the market many significant and helpful changes have occurred in the private equity markets. As a dealing representative I applaud the changes that I see. Other policies have also been introduced in regards to client diversification, suitability discussion and know your product. Before new legislation is once again

introduced I would like to see these policies continue to germinate and work their way through the market to see what maturity in these policies will achieve.

My concern is that the policy treats a very broad range of clients in the same manner not considering their level of sophistication and or diversification of their assets into other sectors. As a dealing representative this could be perceived that we need less sophistication in the exempt market industry as opposed to more as now it becomes about a \$30,000 limit as opposed to really getting to know our clients and assessing suitability.

There are a couple of situations where I could support a cap on investment dollars; whether it is \$30,000 or some other determined dollar amount. The first scenario might be in the case of an investor that is non-eligible. Currently the cap is \$10,000 per investment product. Perhaps an additional cap of a yearly dollar amount might be suitable for people that find themselves in the process of building a sound financial base. The second scenario is when there is a clear conflict of interest. This would be in the case where the product provider is also the seller of the product or an exempt market dealer produces their own investment product. This situation is rife with potential to injure investors and to not perform sufficient enough due diligence on their own product. Management in those cases is most certainly biased towards their own product for numerous reasons. I could happily support a cap in cases where this is the situation.

Instead of the proposed \$30,000 limit I would prefer to continue to have direction provided to private equity firms, EMD's and dealing representatives to increasing their levels of sophistication in regards to governance, assessing potential investment products, assessing client suitability and know your product compliance. I applaud the direction to have each company provide yearly audited financial statements.

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 areimer@raintreeEmd.com.

Regards,

Art Reimer, BRE

Dealing Representative of Raintree Financial Solutions Inc.

Cc:

Cora Pettipas

Vice President, National Exempt Market Association

cora@nemaonline.ca