



CANADA'S VENTURE CAPITAL & PRIVATE EQUITY ASSOCIATION
ASSOCIATION CANADIENNE DU CAPITAL DE RISQUE ET D'INVESTISSEMENT

November 10, 2008

British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission
Autorité des marchés financiers

Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, Ontario
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Autorité des marchés financiers
Tour de la Bourse
800, square Victoria
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Attention: Mr. John Stevenson
Secretary to the Commission
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Attention: Ms. Anne-Marie Beaudoin
Secrétaire de l'Autorité
Fax: (514) 864-6381
Email: consultation-en-cours@lautorite.qc.ca

Dear Sirs/Mesdames:

**Re: Response to Request for Comments Regarding Securities Regulatory Proposals
Stemming from the 2007-2008 Credit Market Turmoil**

I am writing on behalf of the CVCA – Canada's Venture Capital & Private Equity Association ("CVCA"), representing the vast majority of firms in the venture capital and private equity industry across Canada. I am the President of the CVCA and also a full-time President of Macquarie Capital Funds Canada Ltd., a private equity firm.

This comment letter has been prepared in response to the request for comments regarding Securities Regulatory Proposals Stemming from the 2007-2008 Credit Market Turmoil.

We are writing in respect of the proposal to conduct a separate CSA policy review to consider the appropriateness of (i) the income and net financial asset thresholds in the accredited investor definition, and (ii) the \$150,000 exemption.

These exemptions are very important to our industry and we depend on them to raise capital. Nevertheless, we support a review of the thresholds to determine whether the thresholds (or the \$150,000 exemption) are currently at an appropriate level or whether the thresholds should be raised to higher levels.

* * * *

We are pleased to have had the opportunity to provide our comments.

Yours very truly,

A handwritten signature in blue ink, appearing to read 'G. Smith', with a long horizontal flourish extending to the right.

Gregory Smith
President
CVCA – Canada's Venture Capital & Private Equity Association