



May 29, 2012

Robert Day
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Sent via Email: rday@osc.gov.on.ca

Cc: The Honourable Dwight Duncan
Minister of Finance financecommunications.fin@ontario.ca

Dear Mr. Robert Day:

Re: Feedback on the 2012 – 2013 draft Statement of Priorities

Thank you for allowing this opportunity for feedback to be provided regarding your proposed objectives and initiatives for the coming year.

I strongly believe that Ontario must expand its alternate capital raising exemptions in addition to the accredited investor and \$150,000 exemptions so as to align itself with all of the other jurisdictions in Canada. Under the current regulatory framework, Ontario businesses do not have the same access to capital in their home market as their competitors do, and therefore are subject to an uneven playing field. Adopting further exemptions in Ontario would serve to remedy this punitive situation.

Businesses in the Province of Ontario require investment capital for ongoing operations and growth. Securities rules in Ontario are extremely restrictive and make it very difficult for those in need of financing. Ontario businesses that employ Ontario residents are forced to look outside of the province to raise capital, as the restrictive “accredited investor” and “minimum investment amount” exemptions effectively eliminate 98% of Ontarians as potential investors.

Ontario is the only Province in Canada that restricts the public from accessing investments in exempt market securities which is highly discriminatory. The Ontario Securities Commission must adopt an exemption that would make capital raising for businesses more uniform across the country. **There is no need to re-invent the wheel. The template already exists in all other jurisdictions across Canada. The Ontario Securities Commission must adopt the Offering Memorandum exemption.**

The Ontario Securities Commission – a regulatory body responsible for fostering efficient capital markets – must recognize an exemption that helps Ontario businesses compete with those in every other province across the country. I encourage you to make adoption of this exemption a top priority in the coming year.

Regards,



Fabrizio Lucchese

President