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Mr. John Stevenson
Ontario Securities Commission
20 Queen Street West, Suite 1903
Toronto, Ontario
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CC: The Honourable Iris Evans
Legislature Office
#208 Legislature Building
10800 - 97 Avenue
Edmonton, Alberta
T5K 2B6

Dear Mr. John Stevenson and the Honourable Iris Evans

I am writing to you in regards to the proposed changes to the Exempt Securities Market. (NI 31-103) As an exempt securities salesperson I appreciate the opportunity to express my view on the subject at hand.

First I would like to address the issue of the Know Your Client form. Currently in the Exempt Market when we fill out the Offering Memorandum we do go through a Warning page that outlines the risks to investors. Although this may seem interchangeable with the Know Your Client form, I would like to point out that they are two separate forms, each completed for their own purpose. Clearly, the Warning page is required so that investors realize their investment is not guaranteed and that like stocks or mutual funds we are custom to market trends. However, the Know Your Client form has a different intended purpose. That purpose being to find out if the investment is suitable (or not) for the client. These are not interchangeable forms, contrary to some people's current belief.

On this point we then need to determine whether the Know Your Client form is suitable for its intended purpose. Many people will agree that they prefer to give as little information about themselves as possible. Hence, the Know Your Client form will only be as valuable or as suitable as the client is willing to reveal their personal information. So, in many cases the information will be valid but in others it will prove to be totally invalid. To this point, the sales person cannot always be held responsible for their ethical/non-ethical work since the bases of the opinion (the information in the Know Your Client form) is only accurate part of the time.

I should mention that I do agree with holding sales people responsible for doing what is ethically right for the client. My only concern is the method we use to accomplish this task.

The second thing that I would like to address is the proposal to have all sales people take the Canadian Securities Course. Once again, I am defiantly not against holding sales people responsible for their influence over clientele and although the Canadian Securities Course has a 50% pass rate I have no problem taking this course. I do understand that the course is trying to get sales people to act in an ethical manner. However, I feel this course will do little to influence sales people with no conscience. In addition the information will not be applicable to the industry we are in. An ideal solution for testing would be to use the ethics portion of the Canadian Securities Course and implement a segment that is specific to our industry.

If we are to take the Canadian Securities Course, I would expect it be mandatory across the board, including small private firms, larger institutions and major banks. It is only fair we play on an even battle field.

Thank you very much for giving me the time to express my thoughts. I hope that we can come to a constructive solution to benefit all.

Sincerely,

Meghan Williams