



March 6th, 2013

John Stevenson
Secretary
Ontario Securities Commission
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Dear Sir:

RE: OSC Exempt Market Review - Comments on OSC Staff Consultation Paper 45-710

We are pleased to provide the comments of CATAAlliance Invest CrowdFund Canada (ICC) on OSC Staff Consultation Paper 45-710. CATAAlliance was founded in 1978 and today is the largest high-tech association in Canada. CATAAlliance's mission is to help maintain Canada as a competitive place to do business and develop world-acclaimed technology products and services. The ICC (www.iCANADA.nu) is a voluntary CATA working committee with over 100 volunteers coast to coast have made contributions to ICC efforts over the last 12 months.

General Comments

We commend the OSC for identifying the issue of capital raising as a key priority that is important to the Canadian capital markets and economy. We also acknowledge the OSC's efforts to address both traditional means of raising funds in the exempt market as well as new developments such as crowdfunding. Our focus is on crowdfunding because of the current gaps in capital raising and the negative impact of those gaps on Canada's ability to innovate in various industry sectors. We encourage the OSC to:

1. **Acknowledge that businesses have different funding needs at different phases in their development.** In order to address the current gaps, it is necessary to recognize that raising capital to support business development is a continuum that starts with identification of an idea or new business opportunity, and then proceeds through execution, operationalization and growth (the full life cycle). Public markets may not be able to properly support each of these phases and viable alternatives need to be available.

2. **Permit simultaneous use of different prospectus exemptions.** There is both an interrelationship as well as signaling that occurs between different types of investors and levels of investment. Multiple prospectus exemptions are often used together and should continue to be allowed in a concurrent fashion (e.g. combining crowd funding with investment based on the accredited investor exemption).
3. **Regulate crowdfunding portals based on the services they provide.** The level of regulation of portals should be based on the functions performed by those platforms. Based on how crowd funding is evolving in other jurisdictions, many portals will not provide any advice or hold any assets. In these cases, a light regulatory approach would be most appropriate. Flexibility in the regulatory approach is crucial because a one-size-fits-all approach will not work. Irrelevant and heavy regulation may make the portal business model unfeasible.
4. **Act quickly.** Crowdfunding is rapidly being introduced in other jurisdictions. If Canada does not provide a Canadian solution, then Canadian entrepreneurs will likely go elsewhere to meet their funding needs, negatively impacting the Canadian economy and reducing investment opportunities in the innovation sector. These opportunities will be lost both at the early stage, and perhaps more seriously, as crowd funded companies mature.

Our comments below focus on the consultation questions on the proposed crowdfunding exemption.

Q1. Would a crowdfunding exemption be useful for issuers, particularly SMEs, in raising capital?

A1. YES.

The Funding and Innovation Gap

According to the 2012 Federal Budget, "Canada's risk capital sector needs further development to effectively support the growth of innovative companies."¹ Canada's technology ecosystem is broken, partly as a result of the well-publicized lack of capital for start-ups. Year over year, Canadian companies on average secure less than half of the venture capital financing secured by their U.S. counterparts.² Venture capital investments in Canada have been dropping since approximately 2001. Although 2011 saw an increase from 2010 of 34% (for a total of \$1.5 billion), funding has still not returned to the level attained in 2007 (\$2.1 billion).³ Weak capital markets contribute to the problem. Fewer IPOs, and acquisitions and failures of Canadian public technology companies, have resulted in high-tech now accounting for just 1.6% of the TSX Composite Index.⁴ Today, Canada lacks a "critical mass" of mid-cap public high-tech companies. This is part of a larger trend of mid-sized companies vanishing from the Canadian economy.⁵ As

¹ 2012 Federal Budget, ch. 3.1, pg. 58.

² Canadian Venture Capital Association, Canada's Venture Capital Market in 2011, pg. 11.

³ CATA Alliance: Discussion Paper on Federal Investment in Canadian Venture Funds, May 2012.

⁴ S&P/TSX Composite: "Index Current Day FactSheet" as of January 31, 2013.

⁵ See <http://www.theglobeandmail.com/report-on-business/economy/canada-competes/vanishing-act-where-did-canadas-mid-sized-companies-go/article4226069/?page=all>.

a result, the exits and stock option returns that used to drive the innovation cycle have been greatly reduced.

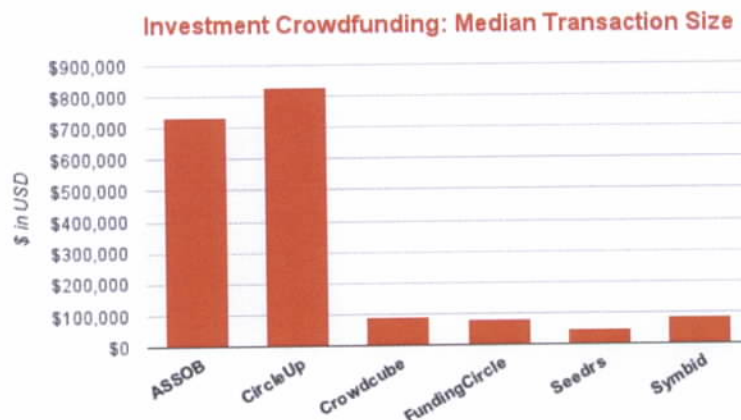
Small and medium-sized businesses (SMEs) make up over 90% of Canada's economic fabric. In Ontario, 60% of our GDP is produced by SMEs. SMEs are a major health and innovation driver for Canada's growth. Innovation is in turn a global health indicator of economic success. Ensuring that our SMEs grow is, therefore, a key success factor for our country. According to the Global Competitiveness Report 2011-2012 (World Economic Forum),⁶ Canada has dropped in position on two global indices on overall economic health. In the Innovation Health ranking, we fell in ranking to the 15th country, behind the UK which is 10th. In the Financial Market Development ranking, Canada dropped to 13th place, behind Australia at 6th place. Australia's better performance than Canada is notable, since Australia is also a resource-based economy. We risk falling further behind on innovation measures if we also fail to pursue innovations in capital formation. Both the UK and Australia, and other countries, like Italy & The Netherlands, already permit forms of equity crowdfunding. In fact, the majority of the highest ranking innovative countries have either legalized equity crowdfunding or are in the process of legalizing it.

The arguments for crowdfunding are simple; Canadian SMEs need alternative sources of capital in order to foster innovation, stimulate job creation and ultimately to be able grow into larger sustainable businesses that go public and expand internationally. If this does not happen, Canadian economic attractiveness and innovation rankings will continue to decline year over year.

Crowd funding in Other Jurisdictions

Figure 1.0 includes a brief summary of investment crowdfunding results from a number of leading crowdfunding portals. Note that there is zero incidence of fraud across these market players (CrowdFund Café Research, 2012).⁷

Figure 1.0 – Investment Crowdfunding – Median Transaction Size



⁶ Global Competitiveness Report 2011-2012, World Economic Forum Report.

⁷ CrowdfundCafe, 2012 Research, http://www.thecrowdfundcafe.com/investment-crowdfunding-works/?goback=%2Egde_4615069_member_175589419.

Figure 2.0 – Average Transaction Size

Investment Crowdfunding: Average Transaction Size						
\$ in USD	ASSOB	CircleUp	Crowdcube	FundingCircle	Seedrs	Symbid
Median Raise	\$734,123	\$826,801	\$88,000	\$80,392	\$48,000	\$83,850
High	N/A	\$2,376,400	\$1,600,000	N/A	\$96,000	\$193,500
Low	N/A	\$500,000	\$19,200	N/A	\$28,000	\$25,800
N	176	8	26	1,404	9	9
Security	Equity	Equity	Equity	Debt	Equity	Equity
Country	AU	US	UK	UK	UK	NL
Investors	All	Accredited	All	All	All	All
Last Updated	10/7/2012	1/13/2013	1/7/2013	1/13/2013	1/13/2013	12/15/2012
<i>Prepared on:</i>	1/24/2013					
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As illustrated in the table above, the average amounts raised through crowdfunding range from USD\$50,000 to USD\$250,000. The amounts are analogous to a friends and family round or smaller angel investment rounds (early round financings). Given the current trend of enabling crowdfunding platforms in other jurisdictions and the fact that entrepreneurs are mobile across borders, we need to keep pace or else risk losing our most promising innovators to other global centres.

It is also important to note the success of the equity crowdfunding portals which are currently in operation, such as the Australian Small Business Offerings Board (ASSOB), CrowdCube (UK), Symbid (Netherlands). These portals have raised \$129 million at ASSOB, \$5.5 million at CrowdCube, and \$600K at Symbid. This is capital that likely would not have been sourced if crowdfunding portals had not been available to all investors, regardless of their wealth.

Key Benefits of Crowdfunding for Issuers

The OSC consultation paper states: "Crowdfunding arguably may provide a new source of capital for start-ups and SMEs that either have limited access to capital or have exhausted other available sources of capital. More traditional funding models may not be available to invest in these issuers and having a more diverse investor pool may lead to increased investment in underfunded businesses. Crowdfunding would also be less expensive than raising capital through a public offering."

While we agree with these comments, we wish to add some additional thoughts.

(1) Address Expense/Inefficiency of Existing Early Stage Funding Methods

The current methods of raising funds for start-ups are grossly inefficient. Founders rely on accessing informal networks of contacts and can spend months or longer explaining their business plans to potential investors. Indeed, founders can easily spend more time on raising capital than on devoting themselves to their actual business activities. This has a direct impact on their prospects for survival and success. While failure to be able to efficiently raise capital is sometimes a sign of a weak business plan or management team, more often the involvement of

young and/or new and untested entrepreneurs is the limiting factor. Founders from groups outside the mainstream are without existing traditional networks of contacts and therefore are at a particular disadvantage.

Economic development agencies, university and college technology transfer offices, incubators and angel networks can and do make the process of finding investors easier. However, as a result of existing securities law constraints, these helpful organizations must make do with “old school” methods of introducing companies to potential investors – such as events, mixers, mentoring programs, and informal introductions – all taking place under the shadow of potentially being involved in activities requiring registration.⁸

Opening up the Internet and other communications technologies (through portals and other social media) promises to reduce these inefficiencies and even enhance investor protection. The extent to which the base of potential investors should be broadened (i.e. to non-accredited investors) is a related, but separate issue.

(2) Broadening the Range of Investors

An important feature of crowdfunding is broadening the range of supporters of early-stage businesses. As the Pebble watch case illustrates, good business opportunities are not always able to attract enough sophisticated investors.⁹ This occurs for many reasons, including fit to investment style, sector, size, biases, knowledge base, etc. The “crowd” can bring more than just money to a start-up. Crowdfunded investment can bring a level of market validation (from both a product and investment perspective) outside the narrow community of accredited investors and VCs. Participating in a crowdfunding venture can also create a sense of community and influence new ideas.

Again, we want to make clear that crowdfunding should not be a substitute for other prospectus exemptions and, in fact, should be considered as complementary. Multiple prospectus exemptions are often used together and should continue to be allowed to be used in a concurrent fashion (e.g., combining crowdfunding with private placements from accredited investors).

Q2. Have we recognized the potential benefits of this exemption for investors?

A2. YES, IN PART. Crowdfunding provides a way for non-accredited investors to profit from their insights, invest in their local communities and engage in Canada's innovation engine to foster growth. Some non-accredited investors are very sophisticated and many will invest wisely for profit. Fortunately, through the power of social media, it is easier than ever to share those insights and bring the benefits to a wider community.

Crowdfunding is also good for other investors in the ecosystem. It will bring more investment opportunities to light, and help reduce risks in early stage investments by spreading funding over a broader investor base. Portals also promise to provide a communication platform for investors to communicate with the issuer and with other shareholders, increasing transparency

⁸ OSC Staff Notice 33-738.

⁹ <http://www.theglobeandmail.com/report-on-business/small-business/sb-money/business-funding/venture-capital-rejection-leads-to-funding-record/article4170756/>.

and accountability. While some investor classes have expressed concern about crowdfunded investing, our experience has been that those concerns are alleviated when they better understand how it can work and how it is actually working in other jurisdictions.

Q3. What would motivate an investor to make an investment through crowdfunding?

A3. While some people invest in start-ups for the promise of potentially high returns commensurate with the risk profile, just as often start-up investors have non-financial objectives: to support friends or family; to promote businesses with a positive social or community impact; to help bring to market a desirable product or service; or even as a hobby in retirement.

Perhaps a better question is, “Why should an investor avoid making an investment through crowdfunding”? Crowdfunding will essentially be start-up investing. Start-up investing is inherently risky. Securities of start-ups are wholly inappropriate for conventional investing objectives such as capital preservation. Crowdfunding investors must be able to sustain the loss of their investment. However, these points are true of virtually all early-stage investing, and are not specific to crowdfunded investments.

Q4. Can investor protection concerns associated with crowdfunding be addressed and, if so, how?

A4. The most serious concern surrounding crowdfunding is that it could be accompanied by Internet-based frauds. The real risk of fraud is open to debate. We note that, in reference to fraud concerns related to crowdfunding, the consultation document mentions the NASAA 2012 Enforcement Report. However, the only actual example raised in that report is the case of Christopher Melville who is accused by the Massachusetts Securities Division of bilking 20 investors out of \$153,396 with “crowdfunding”. Although Melville used the term “crowdfunding”, he:

- did not use a funding portal (which of course would not have allowed his solicitation);
- did not claim to operate under any particular regulatory framework; and
- was not under any of the constraints or oversight envisioned by the JOBS Act or that is currently successfully deployed in other jurisdictions.

There have always been scammers bilking investors and the only thing new in the Melville accusations is that he used the word “crowdfunding”. This is not evidence that crowdfund investing is particularly open to abuse. The degree and potential for abuse is not out of proportion to either the abuse in other forms of investing or the benefits that could occur. As cited in the paper, David Marlett of the National Crowdfunding Association indicated 2% fraud in existing U.S. crowdfunding platforms. We would further note that the crowd has proven to be particularly adept at identifying attempts to defraud.¹⁰

¹⁰ <http://betabeat.com/2012/04/this-is-what-a-kickstarter-scam-looks-like/>.

Anecdotally, a scammer that was banned by the British Columbia Securities Commission tried to raise money via Kickstarter last summer. Almost immediately, someone in the crowd commented on his BCSC ban and he stopped getting further support.

We would highlight the remarkable absence of fraud and abuse in jurisdictions that currently allow crowdfunded investing. This should give us confidence that portals can develop appropriate filters and regulators can establish appropriate rules in the public interest. Moreover, the social media based nature of crowdfunding promises to increase engagement and scrutiny by investors. By way of analogy, think of the increasing importance of on-line product reviews in non-securities consumer protection.

In terms of practical measures, we believe that the risks associated with crowdfunding can be addressed through four key steps:

1. Require all crowdfund investing to be transacted through a portal that is initially exempt (for a period of time) from registration or is registered in a "lite" dealer registration category (such as restricted securities dealer) in order for new entrants to come into the market and to help stimulate the creation of innovative crowdfunding portals. In addition, a party that is currently registered or chooses to register as a dealer should be permitted to operate a portal.
2. Require all crowdfund investing by non-accredited investors to be subject to reasonable limits on the dollar amount invested. These limits should not apply to accredited investors (or other investors that fall under another exemption).
3. Require all crowdfunding investors to agree to a standard-form risk acknowledgement.
4. Require all issuers seeking crowdfunding to provide basic disclosures.

Note that some of our stakeholders suggested there be a requirement that the board of directors of crowdfunded issuers be comprised of a majority of independent directors.

Q5. What measures, if any, would be the most effective at reducing the risk of potential abuse and fraud?

A5. The most important measure would be to establish a simple and proportional regulation for crowdfunding portals. Simplicity is essential, as many stakeholders who wish to establish funding portals are not securities industry professionals. While we believe many portals would voluntarily adopt the measures identified in points 2, 3 and 4 above (reasonable limits on dollar amount invested for non-accredited investors; standard-form risk acknowledgements; and basic disclosure requirements), we feel there is a benefit to standardizing the requirements and expectations, at least until the industry is mature. In addition, the functions of portals, such as vetting issuers through criminal background checks, would add additional protection (see our answer in A17 below).

Q6. Are there concerns with retail investors making investments that are illiquid with very limited options for monetizing their investments?

A6. NO. This is the nature of investing in non-public companies. We note that even securities of reasonably large issuers that are publicly traded on the TSX can be illiquid.

Prospective investors in a crowdfunded issuer should be required to agree to a standard-form risk acknowledgment that puts the investor on notice that he or she is making an early stage investment that involves a high level of risk. The potential lack of liquidity and limited options for monetizing investments should be made clear in the acknowledgement. Over time as the industry matures, these risks and the related disclosure may need to be recalibrated.

In this regard, we note that in Australia there is a secondary market for private company equities through the ASSOB. We see no reason why a portal that facilitates the initial issuance of a security could not also facilitate resales of those same securities.

Q7. Are there concerns with SMEs that are not reporting issuers having a large number of security holders?

A7. YES. In most cases, a balance of small, medium and large investors will be necessary to ensure that issuers do not end with an unreasonably high number of small shareholders. This is one of the main reasons that accredited investors should be permitted to complete larger-value transactions through portals. Any regulatory structure that limits crowdfunding and portals solely to small-value transactions risks creating issuers with unmanageably large numbers of shareholders (a problem that will be all the more serious if the issuer is also undercapitalized).

In any event, all crowdfunded companies will likely end up having somewhat more shareholders than we currently see for small and medium sized enterprises. There are various ways to address the issue of a larger number of shareholders. For example, we expect many of the concerns could be addressed through conventional trust arrangements where a single trustee is the registered owner of shares and crowdfunding investors are the beneficial owners. These arrangements could be administered by third party transfer agents. For example, Equity Financial Trust Company, one of Canada's leading transfer agents, has advised CATAAlliance that, should demand exist, it may be able to provide a solution to the market.

Other solutions may be based on adapting the existing securities law regime to accommodate crowdfunding. For example, there are a number of exemptions based on having 50 or fewer shareholders, excluding current or former employees. These exemptions could be broadened to having 50 or fewer shareholders, excluding current or former employees and crowdfunding investors. This broadening may be appropriate where, for example, only a modest aggregate investment is made by the crowdfunding investors.

Q8. If we determine that crowdfunding may be appropriate for our market, should we consider introducing it on a trial or limited basis? For example, should we consider introducing it for a particular industry sector, for a limited time period or through a specified portal?

A8. NO. We do not believe that staging is necessary in this case because there is enough relevant experience from other jurisdictions to justify moving forward. If there are restrictions, they should be minimal to allow for innovation and different models to be tested.

Additionally, we are not in favour of a staging approach for the following reasons:

1. The market is advancing rapidly in this area and Canada is already “playing catch-up” with other jurisdictions that have, or are poised to have, robust operating platforms. In particular, failing to keep pace with the United States will serve to disadvantage our start-ups as Canadians will be better served by accessing equity crowdfunding portals in the United States. The current reach of models like Kickstarter and Indiegogo is already widespread and will only grow when these platforms offer equity crowdfunding.
2. Like all Internet-based businesses, there will be an initial “landrush” as portals establish themselves. Certain portals should not be given a time-to-market advantage.

In general, we encourage the OSC to become one of the global leaders in innovative regulation. It should be remembered that innovation is best led by lots of small experiments and the rapid pursuit of what has been discovered to add value. In the case of crowdfund investing, other jurisdictions have already permitted this type of activity and we can use those experiences to establish crowdfunding for Ontario. In order not to fall further behind, we can implement a solution and incrementally add improvements that create significant advantages for Ontario without significant risk of harm to investors. We believe that building an innovative economy includes building innovative regulation.

If only a staged approach can be supported, we suggest that portals be opened up for a trial period of two years for limited amounts, and then extended in time and the amount that can be invested.

Issuer Restrictions

Q9. Should there be a limit on the amount of capital that can be raised under this exemption? If so, what should the limit be?

A9. YES. There should be a limit on the amount of capital that a company can raise from investors who only qualify under the crowdfunding exemption. The \$1.5 million limit in any 12-month period in the OSC’s “crowdfunding concept idea” is in the correct range. However, **it is critical that this limit exclude any amounts raised from accredited investors or under other prospectus exemptions.** Other exemptions should be concurrently available. An arbitrary investment limit should not be placed on accredited investors simply because they learn of and/or complete an investment through a portal.

Q10. Should issuers be required to spend the proceeds raised in Canada?

A10. NO. Virtually every Canadian technology company operates in global markets and must source products and resources from other countries in order to be competitive. In fact, we should be encouraging our start-ups to think globally from day one and our regulation should be geared to thinking of our companies operating globally from day one. Well-established levers exist through Canada's tax system to encourage companies to perform research and development in Canada (e.g. the Scientific Research and Development program), and do not need to be replicated through our securities law regime.

Investor Protection Measures

A12. Should there be limits on the amount that an investor can invest under this exemption? If so, what should the limits be?

Q12. YES. There should be limits on the maximum amount than an investor can invest under a crowdfunding exemption, but only for investors who are relying on the crowdfunding exemption. Accredited investors (and investors who qualify under other exemptions) should not be limited, even if the investment is completed through a portal and/or at the same time that the issuer also raises funds under the crowdfunding exemption.

What limit should apply to investors that only qualify under the crowdfunding exemption? Our stakeholders had diverging views:

- Some feel that a maximum investment of \$2,500 per issuer is appropriate. These stakeholders believe that a set limit is easier to administer and preferable to limits based on net income or net worth.
- Others feel that a limit based on 10% of the investor's annual income is more appropriate. These stakeholders are concerned that setting a fixed dollar limit would cause investments to arbitrarily cluster around that limit, and distort signals that a lower or higher dollar limit may be more appropriate.

In any event, investors should also be permitted to make additional investments of any size during later stage funding tranches in order to maintain their *pro rata* share of the issuer's equity.

Monitoring of compliance with investment limits must be kept simple. To the extent that funding portals are charged with this duty, they should be permitted to rely on certifications from investors in relation to transactions not completed on their own funding portal.

While our answer to this question is “yes”, some of our stakeholders felt strongly that there should be no limits or the proposed limits should be greatly increased. For example, under the minimum amount exemption, an investor can invest \$150,000 without being an accredited investor. It seems somewhat perverse that an unaccredited investor has the ability to choose an investment level in say the \$25,000 range, where an unaccredited investor has two choices only: low-limit crowdfunding or a high-stakes investment of a minimum of \$150,000.

Q13. What information should be provided to investors at the time of sale as a condition of this exemption? Should that information be certified and by whom?

A13. The issuer and portal should ensure that investors receive an information statement at the time of sale. However, the utility of the exemption will be undermined if the information statement morphs into a prospectus-like document. Here are our comments and suggestions:

- The outline of the information statement in the “crowdfunding concept idea” is basically sound.

- Add a requirement to disclose a capital table on a fully-diluted basis, including options and warrants, and the size of any stock option pool. Capitalization information should also include the names of all non-arms-length shareholders.
- Consider allowing or encouraging issuers to present information in video format or PowerPoint slides rather than a traditional documentary format. Many people better understand information that is presented with a visual component (video, charts, slides, graphics, etc.). This will also encourage a concise and digestible presentation.
- If information is provided in written form, consider strict word count limits for each of the sections to ensure that issuers provide information concisely and focus only on material facts.
- Disclosure of “resale restrictions” and “statutory rights in the event of misrepresentation and right of withdrawal” should be in a standard unvarying form and should not have to be customized by the issuer, particularly if the exemption is extended to other CSA jurisdictions.
- Any executive compensation disclosure should be limited to a single, easy to complete table.

The information in the information statement should be required to be certified by each of the directors of the issuer.

Q14. Should issuers that rely on this exemption be required to provide ongoing disclosure to investors? If so, what form should this disclosure take?

A14. The “crowdfunding concept idea” requires issuers to be incorporated in Canada. The corporate law of all Canadian jurisdictions requires delivery to shareholders of audited annual financial statements. We believe that compliance with corporate law is generally sufficient for ongoing disclosure purposes, with the possible exception of reporting on use of proceeds. Reporting on the use of proceeds to investors is already a common practice in angel rounds.

If there is a view that annual audited financial statements are not sufficient, our stakeholder consensus is that the most valuable piece of reporting would be quarterly unaudited financial statements.

We note that ongoing communication is one of the key benefits of crowdfunding platforms. We believe that portals will increasingly be used by entrepreneurs to keep both investors and the rest of the public informed of developments related to their companies.

Q15. Should the issuer be required to provide audited financial statements to investors at the time of the sale or on an ongoing basis? Is the proposed threshold of \$500,000 for requiring audited financial statements (in the case of a non-reporting issuer) appropriate?

A15. The proposed threshold of \$500,000 for providing audited financial statements at the time of sale is appropriate. As an exception, this requirement should be waived if the issuer has no reporting history in the 12-month period prior to the offering, as will be the case with many new start-ups. On an ongoing basis, the issuer should be required to provide audited annual

financial statements in accordance with the requirements of the corporate law in its jurisdiction of incorporation (see A14 above).

Q16. Should rights and protections, such as anti-dilution protection, tag-along rights and pre-emptive rights, be provided to shareholders?

A16. NO. It is very uncommon in start-up companies to extend these rights to smaller investors. An issuer may wish to provide these or similar rights to smaller investors in order to increase the attractiveness of the investment, but it should not be compelled to do so. The directors of Canadian companies are required in any event as a matter of corporate law to not unfairly disregard the expectations of minority shareholders and other stakeholders.

In practice, we expect that portals will encourage or require issuers that they showcase to adopt a standard form of shareholders agreement. However, this decision should be left to the portal operators, as terms can be expected to vary by industry and investment stage.

Funding Portals and Other Registrants

Q17. Should we allow investments through a funding portal (similar to the funding portals contemplated by the crowdfunding exemption in the JOBS Act)? If so:

What obligations should a funding portal have?

A17. Any framework that is adopted should support entry by stakeholders who are not currently securities industry professionals. While a portal may function in a way that is an act in furtherance of a trade, it does not necessarily act as an intermediary in the sense of directly seeking, advising and matching investors and issuers. We expect that portals will carry out the following functions:

1. Receiving and administering requests from issuers to post funding requirements and information about the issuer.
2. Performing bankruptcy and criminal checks of the issuer's directors and officers to screen out potential fraud.
3. Receiving and administering requests from investors to have access to information on issuers.
4. Arranging the exchange of money and shares likely by the issuer using a custodian, escrow agent or trustee.
5. Some portals may set some disclosure requirements if there are no specific regulatory requirements or in addition to regulatory requirements, both on an initial and ongoing basis.
6. Portals may also vet which issuers can post requests for funds in accordance with the portal's own standards.

7. Portals may also establish mechanisms for investors and issuers to interact and share information such as chat rooms or other social networking tools.
8. Portals may provide a platform to disseminate ongoing disclosure documents such as financial statements (like an online “dropbox”).

Should funding portals be exempt from certain registration requirements? If so, what requirements should they be exempted from?

A17 (continued): Based on the functions described above, no advice will be given, and no funds or securities will be held or borrowed. Accordingly, proficiency and solvency requirements are simply not relevant. Integrity requirements, on the other hand, are relevant. Our suggestions for a proportional regulatory framework are as follows:

1. Portals should be required to receive an exemption or register in a new category of a restricted dealer, unless the portal operator chooses to register (or is already registered) in another dealer category.
2. Portals should be required to be incorporated in a Canadian jurisdiction.
3. Directors, senior officers and control persons of funding portals should meet the following requirements: (a) no criminal record for the past 10 years, (b) no bankruptcies in the past 10 years, (c) no history of bankruptcy in which misconduct was noted, and (d) no history of securities law violations.
4. The following provisions of National Instrument 31-103 could be adapted for portals: Part 11, Division 1 (Compliance) and Division 2 (Books and Records); and Part 12, Division 2 (Conflicts of Interest) and Division 3 (Referral Agents).
5. Part 14, Division 3 (Client Assets) may also be relevant depending upon the exchange of cash for securities is made and by whom.

“Know your client” and “suitability” determinations are not relevant if the portal is not making recommendations or providing advice. If a portal decides that it wants to perform this function, then it should be held to same standard as other dealers who provide advice and recommendations targeted at the specific client.

We note that Australia's ASSOB operates as matchmaker service only – NOT an Exempt Market Dealer in the Ontario sense – yet they do take a fee (around 2%).

Q18. Should a registrant other than the funding portal be involved in this type of distribution? If so, what category of registrant? Should additional obligations be imposed on the registrant?

A18. NO. This type of distribution should not require involvement of a registrant other than a funding portal. Assuming the funding portal is not providing a recommendation or holding assets, given the inherently risky nature of early-stage investments, we do not see what a registrant could add over and above the information in a risk acknowledgment. If anything,

registrant involvement could mislead investors into treating crowdfunded investments as conventional investment products.

Summary

In summary, crowdfunding is a completely new paradigm that has been made possible by the Internet and the emergence of social networking. While crowdfunding creates new risks, it also creates new opportunities to protect investors, principally by increasing transparency, engagement by investors and accountability by the SMEs that raise capital. We believe the OSC can create a "made in Canada" regulatory framework that understands these new realities.

Equity CrowdFunding is a major opportunity for the OSC to develop changes in our security legislation to help create new jobs for Canadians. Opening up access to equity crowdfunding portals increases citizen inclusion to consider the merits to contribute capital flow to fund small businesses. This social inclusion & front room living room access will be a benefit to modernizing Canada's innovation capacity, which has been declining as a nation (World Economic Forum, 2012). Ontario relies heavily on its SMB Ecosystem for growth – with enhanced security guidelines & an openness to further evolve our financial practices, we will be democratizing our economy for all Canadians.

If you have any questions on our OSC submission, please do not hesitate to contact one of our CATA ICC working committee lead representatives for Ontario. For ease of access, if you can direct your questions or inquiries to Randee Pavalow, Co-Chair, Ontario (rpavalow@gmail.com) or Dr. Cindy Gordon, National Chair, ICC (cindy@helixcommerce.com), they will respond back to you.

Sincerely,



John Reid,
CEO CATA
www.cata.ca



Dr. Cindy Gordon
National Chair, CATA ICC
CEO, Helix Commerce International Inc.
Co-Founder, iCROWDFUND Social
Media Inc.
(647)477-6254

Copy:

CATA ICC – Board & Board Advisors

APPENDIX A - CROWDFUNDING CONCEPT IDEA – CATAAlliance COMMENTS

Key elements of the crowdfunding concept idea	CATAAlliance comments
Type of issuer - The issuer of the security, its parent (if applicable) and its principal operating subsidiary (if applicable) must be incorporated or organized under Canadian federal laws or the legislation of a Canadian jurisdiction, and the issuer must have its head office located in Canada. - This exemption is not available for distributions of securities of investment funds.	AGREED. NO POSITION.
Type of security - The only securities that can be distributed under this exemption are: - common shares; - non-convertible preferred shares; - non-convertible debt securities that are linked only to a fixed or floating interest rate; or - securities convertible into common shares or non-convertible preferred shares	While we agree that complex or novel securities should not be offered through crowdfunding, designating closed categories of permitted securities may be too blunt an instrument to achieve this goal. For example, it is common in early stage investing to offer debt securities that are convertible (often at a discount) into whatever securities are offered in the “next round” of financing (or if there is no “next round”, into common or preferred shares). This simple approach protects early investors from dilution and is especially useful in situations where it is difficult to determine valuation. The suggested closed categories are too restrictive to permit this common bridging mechanism.
Type of purchaser There are no limitations on the purchaser of the security. However, the purchaser is subject to investment limitations, as discussed below.	AGREED.
Type of seller This exemption is limited to distributions by an issuer in securities of its own issue.	DISAGREE. A new resale exemption should be created for resales completed through a portal.
Size of investment A purchaser's investment in securities of a particular issuer cannot exceed \$2,500.	See our comments under A12 above.

Key elements of the crowdfunding concept idea	CATAAlliance comments
In addition, a purchaser's investment under this exemption during a calendar year cannot exceed \$10,000.	
Size of offerings An issuer cannot raise more than \$1.5 million in a 12-month period under this exemption.	See our comments under A9 above.
Disclosure provided to purchaser at the time of distribution - A purchaser must be provided with an information statement at the time of the distribution. - The information statement must include "financing facts", "issuer facts" and "registrant facts". <u>"Financing facts"</u> "Financing facts" (i.e. basic information about the offering) include: - the type/nature of the securities being offered; - the price of the securities; - the rights attached to the securities (including the impact on those rights if the issuer's operations and/or assets are located outside of Canada); - whether there is a minimum and maximum subscription, and if so, the deadline to reach the minimum subscription; - the use of the proceeds from the offering (including whether any directors, officers, promoters or related parties of the issuer will receive any of the proceeds); - resale restrictions; - statutory rights in the event of a misrepresentation and a right of withdrawal (please see discussion below);	<u>"Financing Facts" Comments</u> To minimize the need for legal counsel, the following information should be in a standard form prescribed by the rule: - the impact on rights if the issuer's operations and/or assets are located outside of Canada); - resale restrictions; and - statutory rights in the event of a misrepresentation and a right of withdrawal. <u>"Issuer Facts" Comments</u> See our comments in A13 above. In terms of "risk factor" disclosure, bear in mind that disclosure documents will likely be created through on-line "wizards" with drop-down menus and standard forms to be populated. As a result, if form requirements are not thoughtful, it will be easy to create "boilerplate" disclosures that provide no useful information to investors. For example, issuers should not be expected and encouraged to describe risks that are common to all early-stage business (these common risks should instead be addressed in the risk acknowledgement form). Issuers should only disclose risks that are specific to their own business, as distinct from all early-stage businesses. <u>"Marketing" Comments</u> Issuers must be able to promote their business and the investment opportunity through social media

Key elements of the crowdfunding concept idea	CATAAlliance comments
<u>"Issuer facts"</u> • "Issuer facts" (i.e. basic information about the issuer) include: ○ a description of the issuer's business or proposed business, and its anticipated business plan; ○ one year of annual financial statements, if any; ○ a description of the directors, officers and control persons of the issuer; ○ limited executive compensation disclosure; ○ principal risks of the issuer's business; <u>"Registrant facts"</u> • "Registrant facts" (i.e. basic information about the registrant) include (where applicable): ○ the name of the funding portal; ○ the name of any other registrant involved and the relationship between that registrant and the issuer, if any; <u>Certification</u> • We believe that the issuer should take responsibility for the disclosure provided. Management of the issuer should certify the disclosure. <u>Marketing</u> • No other marketing materials may be provided. • In addition, no advertising by an issuer would be permitted except through the funding portal or the issuer's website. The issuer would be able to use social media to direct investors to the funding portal or issuer's website.	such as Facebook and Youtube, provided that crowdfunded investments can only be completed through a registered portal.
Ongoing information available to investors <u>Ongoing continuous disclosure</u> • The issuer must provide its security holders	On ongoing continuous disclosure, please see our comments under A14 and A15 above.

Key elements of the crowdfunding concept idea	CATAAlliance comments
with annual financial statements within 120 days from its fiscal year end. <u>Books and records</u> • The issuer must maintain books and records that are available for inspection by purchasers and OSC staff. • The books and records must contain, at minimum: ○ the securities issued by the issuer as well as the distribution price and date; ○ the names of all security holders and the size of their holdings; and ○ the use of funds raised under this exemption	In terms of "Books and Records" requirements, this is one area that the cost and ease of regulatory oversight can be significantly improved through the use of portals. Portals should be required to afford OSC staff with "investor level" access to the issuer's profile. The issuer's profile should be required to include current and accurate information on securities issued, etc., and that information should be accessible by all investors.
Risk acknowledgment from purchaser • A purchaser must sign a stand-alone risk acknowledgement form in which the purchaser confirms that he/she: ○ falls within the investment limitations; ○ understands the risk of loss of the entire investment; ○ can bear the loss of the entire investment; and ○ understands the illiquid nature of the investment.	AGREED. Given the on-line nature of the activity, "click the box" certification should be expressly permitted (i.e., there should not be a requirement or expectation for manual signatures).
Registrant involvement • Distributions must be made through a registered funding portal. • The funding portal may be registered in an existing dealer or adviser category or in a restricted dealer or adviser category. • The funding portal must play a "gatekeeper" role and take reasonable measures to reduce the risk of fraud. That would include obtaining background and securities enforcement regulatory history checks on the issuer and each officer,	See our comments under A17 and A18 above.

Key elements of the crowdfunding concept idea	CATAAlliance comments
director and significant shareholder of the issuer.	
Other conditions <u>Rights if misrepresentation</u> • This exemption would specify that the information statement contemplated falls within the definition of offering memorandum set out in the Securities Act. • As a result, the statutory rights in the event of misrepresentation in the offering memorandum set out in section 130.1 of the Securities Act would apply. <u>Withdrawal right</u> • The purchaser must be provided with a right of withdrawal that is to be exercised within two-business days of the distribution.	AGREED.
Reporting requirements A distribution by an issuer or underwriter under this exemption triggers a requirement to file a report of exempt distribution.	AGREED. An e-form that can be electronically certified (i.e., no need for manual signatures) and submitted online should be developed to facilitate reporting.
Resale restrictions Securities distributed under this exemption are subject to a restricted resale period.	AGREED. However, we believe that after one year any crowd-funded security holder should be allowed resell through the portal.

APPENDIX B - CATA Invest Crowdfund Canada (ICC)

Who:

ICC is a group of CATA national industry volunteers that lobbies and influences effective change to securities legislation to legalize equity crowdfunding. ICC believes that a significant opportunity exists to increase jobs for Canadians by democratizing capital access for social inclusion. [CATA](#) is the largest technology professional association in Canada with over 500 company members and a network of over 30,000 senior level tech executive members.

How:

Experienced national and provincial leaders are volunteering to educate and work with regulatory bodies, start up businesses, government officials, EMDA (accredited investors), angel groups, venture capitalists, private equity, media/PR and business stakeholders on the benefits of equity crowdfunding. We have created numerous learning aids to drive awareness via: white papers, media releases, television, press, conferences (Technicity), blogs, social media and an official [website](#).

What:

ICC is advocating legalizing investment crowdfunding across the country to open up new sources of funding that will support and grow Canadian start-ups.

Broadly, crowdfunding is the use of technology and social media to raise small amounts of money from large numbers of investors, usually on-line. It has already been effectively deployed in countries like the UK, the Netherlands, and Australia. However, "investment crowdfunding," to finance a business through the issuance of securities is not currently permitted under Canada's existing securities laws.

ICC Board and Roles:

Sponsor(s)

John Reid CEO CATA

CATA Board of Directors

National

Dr Cindy Gordon CATA ICC, National Crowdfunding Chair – CEO Helix Commerce International Inc, Co-Founder iCrowdfund Social Media Inc., CEO SalesChoice Inc.

Andrew Weir VP Communication, ICC – Director Helix Commerce, Director SalesChoice.

Debra Chanda VP Marketing, ICC – Canadian Ambassador to Singularity University

Andrea Johnson VP Legal, ICC – Partner FMC-Law

Russ Roberts Prime Minister's Office Liaison ICC – CATA

Maricel Dicion VP Public Relations, ICC – National PR

Michael Cayley VP Startup Advocacy, ICC – Founder Cdling Capital Services

Jordan Dedier Chamber of Commerce Representative, ICC

Brad Ross VP Angel Investing, ICC – NACO Representative
Peter Kemball Volunteer, ICC - Founding Member National Angel Association NACO
Emily Boucher Communication Support, ICC – CATA

Quebec

Diana Yazidjian Co-chair VP Québec ICC – Principal Consultant, Yazziness
Giancarlo Salvo Co-chair VP Québec ICC – Associate, FMC-Law
Serge Landry ICC VP Industrie – Co-Founder and CEO Miralupa Inc.
Adam Daifallah ICC – Partner at HATLEY conseillers en stratégie
Davender Gupta ICC – Venture Catalyst & Leadership Coach

Ontario

Fawn Annan Co-VP Ontario – CEO IT World Canada
Randee Pavalow Co-VP Ontario – former Director of Capital Markets for Ontario Securities Commission
Adam Spence VP Impact Investing ICC – Manager Special Projects at MaRs Center for Impact Investing
Perna Chandak VP Impact Investing ICC – Capital Markets Specialist, Vanguard
Michi Kimori VP Metrics/Frameworks ICC – Master's Student (Crowdfunding Specialization)
Michael Turner VC Liaison, ICC – Wesley Clover
Kerry Liu, VP Industry, ICC – Director, Channel Sales, StrangeLoop

Alberta

Sandi Gilbert Co-Chair and VP Alberta – Partner, CrowdCapital
JR Richardson Co-Chair and VP Alberta, ICC – Partner, CrowdCapital
Sean Ballard VP ICC – Director Innovation ATB

Saskatchewan

Tyler Taylor Co-Chair and VP Saskatchewan
Larry Hiles Co-Chair and VP Saskatchewan

BC

Joy Van Hove Co-Chair and VP British Columbia – CEO Case Global Media Inc
Mike Volker Co-Chair and VP British Columbia – Director SFU WUTIF & GREENANGEL
Daryl Hatton VP Crowdfunding Portals - CEO Fundrazr
Catherine Boive, Former BC Chair - President Strategic Technology Leadership Corporation, CEO, VanCity, National Chair, Women in Technology, CATA (CanWit)
Tony Arias, Former BC Chair - CEO, Healthy CrowdFunder

Other ICC representatives & Leaders have supported/worked with ICC from other provincial jurisdictions like NB, PEI, NS at various stages of voluntary contributions. The overall community from ICC, CATA, with over 100 volunteers unanimously support legalizing equity crowdfunding for all Canadians coast to coast. Profiles of our Board Members is located at iCANADA.nu.

Advisors:

Sherwood Neiss, Principal at Crowdfund Capital Advisors – Crowdfunding US Jobs Act Advisor
Kim Wales, Founder and CEO, Wales Capital, Chair and Founding Member, CfPA * Submitted Response to OSC to further support for legalizing ECF for Canadians (+ community support)
Paul Niederer Australia ASSOBS Advisor – CEO, ASSOBS
Darren Westlake UK Advisor – CEO, Crowdcube
Brian Koscak Advisor – Chair EMDA, Partner Cassels Brock
Barry Gander CATA Advisor – EVP CATA, Co-Founder i-Canada
John Reid CATA Advisor – President & CEO, CATA

Special Media Community Leadership Mentions

CBC

CTV – Patricia Lovett Reid

ITWorld Canada

National Post

Canadian Business

Les Affairs

Montreal New Tech

Visit us on the web: icanada.nu/crowdfunding

We also have over 360 signatures on our CATA ICC national [petition](#) to legalize equity crowdfunding.

CATA Board of Directors Supporting ICC:

Terence H. Matthews, Kt., OBE, P.Eng., F.I.E.E., F R Eng, Chair, Wesley Clover International Corporation, is CATA's National Spokesperson. He is the Champion of CATA's Innovation Nation Campaign, a set of recommendations designed to strengthen Canada's competitive performance. Terry has either founded or funded over 80 companies since 1972 including Newbridge Networks, a company he founded in 1986 and which became a leader in the worldwide data networking industry.

Robert Park is President & Director of FINCAD which he co-founded in 1990. The B.C. based company has been recognized for its innovation and employee engagement leadership.

Mike Kedar is President & CEO, Mobileexchange Spectrum Inc., and a recognized leader in Canadian Telecom with more than 40 years experience in creating competitive telecom services.

Peter Donnelly is President of CSC Canada. Peter brings significant global perspective to Canadian innovation, having worked extensively in Australis, Asia, South American and the US.

Namir Anani is President & CEO of ICTC (Information and Communications Technology Council) and a champion of advancing Competitive Innovation Nation strategies and programs.

John Ruffolo is CEO of OMERS Ventures and also serves as Senior Vice President and Head of Knowledge Investing, OMERS Strategic Investments. John has over two decades of experience advising public and private companies around the world. He has extensive experience providing strategic advisory services to Canadian and foreign-based TMT companies.

John Cousens is the government lead with National Public Sector responsibility for Salesforce.com with a focus on the adoption of advanced technologies to drive organizational transformation. John is CATA's executive champion for Shared Services Canada (SSC) advocacy.

Tom Houston is Managing Partner Fraser, Milner, Casgrain LLP where he provides strategic advice to emerging technology companies and venture capital/private equity funds in the development and financing of many of Canada's leading technology companies. Steve Dietrich is Publisher & Founder of Backbone Magazine with a focus on using technology to enhance everyday business processes and provide practical advice that will help executives run their businesses today and prepare for tomorrow.

Sandra Wear is an Advisor on Growth, Strategy & Exit Planning and Chair, TEC Canada. Her Entrepreneurial background includes starting and building a company to its \$568M exit as well as taking disruptive technology from product concept to commercialization. Sandra brought Springboard Enterprises to Canada, that subsequently became CanWIT, a Division of CATAAlliance.

Eric Bergeron is President and CEO, Optosecurity Inc. Eric founded Optosecurity in 2003, a leading edge start-up developing the world's first product that enables detection of weapons and liquid explosives in luggage and cargo. Eric is a passionate entrepreneur.

Norm Betts is a Chartered Accountant, University of New Brunswick professor and former provincial politician. Dr. Betts has an extensive record of public service with a focus on financial and management accounting.

Robin Winsor is President and CEO, Cybera. He sees internet infrastructure as being as essential as roads and railways, and truly believes that the sovereignty of the nation comes through these connections.

Mike Andrade is Senior Vice President, & General Manager, North America Celestica Inc. Mike is passionate about bridging Canada's Commercialization Gap. As an Innovation Nation Champion, Mike speaks to some of the reasons we are not tuning enough of our great ideas into great products, resulting in the creation of more global companies or Canadian flagships.

George Krausz is President & Country Manager of Motorola Solutions Canada. Please view this video . As an Innovation Leader he talks about enabling police officers in the field, the growing international nature of advanced security, the interoperability dimension, and the reality of public safety & security as fundamental for Canadian citizens' welfare and for successful commerce. George is helping lead the industry's Broadband for Public Safety Campaign.

Micheál J. Kelly is Dean, School of Business and Economics, Wildred Laurier University. Dr. Kelly is an Innovation Nation thought leader with special interests in the area of new distributed R&D business structures and how they affect the success of Canadian high tech enterprises. Peter Andrew Hackett is an Executive Professor at the University of Alberta, Fellow for the National Institute of Technology and Special Advisor to the VP of Research at the University of Alberta.

Robert G. White, CA CMA is Vice President, Mergers & Acquisitions, IBM Canada. As an entrepreneurial executive, Rob is involved in advancing innovation solutions, particularly in the

educational community.

Tom Copeland is Founder and President, eagle.ca & Chair, Canadian Association of Internet Providers (CAIP). Tom is a thought leader in fostering the growth of a healthy and competitive internet service industry in Canada. He appears regularly on radio & TV and in the media generally speaking on a wide range of internet issues.

Cornell Pich is a Senior Member of the General Dynamics Public Safety & Security team. Cornell is an expert in domestic and international public security policy and programs, a core interest area for CATAAlliance.

Sal Vivona is Director, R&D Taxation at Magna International with interests in establishing Canada as the top ranking Innovation Nation through creating positive investment conditions.

Bryan J. Watson is Executive Director, CEO Fusion Center. Throughout his career, both in Canada and the UK, Bryan has been a champion of entrepreneurship as a vector for the commercialization of advanced technologies.

Peter Lindfield is Chair & CEO at the Carlisle Institute, a not-for-profit research centre and think tank dedicated to improving the lives of people throughout Atlantic Canada through democratizing knowledge, ideas and action. Peter is a prolific writer and innovation advocate, instrumental in expanding CATA's presence in Atlantic Canada.

Greg Waite is President and CEO, and Founder, Future Path Development Group Inc. He has been involved in many speaking and presentation engagements and has amassed a reputation for his pioneering in the social media space.

Gary Stairs is principal and founder of Red Hot Learning Inc (RHL) and Stellar Learning Strategies (SLS), companies that improve organizational and individual performance through the strategic use of interactive media, location-based technologies, and immersive learning environments.

Leonard Brody is President of Clarity Digital Group, and a highly respected entrepreneur, venture capitalist, and best-selling author.visionary. He has helped in raising millions of dollars for startup companies, been through one of the largest internet IPOs in history and has been involved in the building, financing and/or sale of five companies to date.

Nat Ferlaine is Director, Tax Services at Pratt & Whitney Canada and a champion of industry SR&ED/Innovation advocacy.

R.P. (Ray) Hoemsen M.Sc., P. Eng. is Director of Industry at University of Manitoba. Ray is an individual who has held numerous leadership positions in the public and private sectors, or as a volunteer in the community and his profession.

Hart Hillman is Partner, The Bedford Consulting Group. Hart focuses on the identification and recruitment of best talent for the enterprise and for the nation. His four keys: direction, belief systems, distinction value and making a difference in people's lives.

John B. Kelly is a Partner with Enable Business Advisors. Throughout his career, Mr. Kelly has been an innovator and has held a number of senior executive positions in the Canadian

technology sector.

Dr. Cindy Gordon is CEO and Founder Helix Commerce International. Ms. Gordon is a frequently published author of numerous publications on the new economy, knowledge management and eCommerce. She is a Champion of CATA's Women in Tech (WIT) Forum.

Jim Peter Safar is President & CEO, Inter-Op Canada and a CATAAlliance Innovation Awards winner. He brings an SME perspective to the development of tri-services technologies and the sharing of multimedia platforms. **Steve Palmer is Executive Director of the CPRC (Canadian Police Research Centre)** and a passionate champion of public safety and security.

Pierre Boucher is Director, Research and Innovation, Ericsson Research Canada. He has contributed to the introduction of open systems technologies at Ericsson, attracting several new mandates for the Montreal team. Pierre is an active member of Canada's innovation community and a valued contributor to CATA's Innovation Nation advocacy.

William (Bill Hutchison) is Chairman and CEO Hutchison Management International. Bill is Founder, Investor and Director of a number of leading Canadian innovation organizations. His new goal is to work with at least 30 Canadian communities, rural and local, to transform them into Intelligent Communities. 'First the community, then the country', is the motto of i-CANADA Campaign.

Peter Low is Chief Financial Officer of Halogen Software. Peter actively participates at the government policy level on behalf of the technology community through his work representing the interests of small business and startups. He is a valued advisor for CATA's Innovation Nation advocacy.

Eli Fathi is CEO and Founder of OrbitIQ, a global Business Accelerator. He has been a technology entrepreneur for the past 25 years and very engaged in advancing community causes such a Corporate Social Responsibility.

Dennis Waite is a Chartered Accountant and Partner at Deloitte. Dennis' areas of practice includes Research and Development (he is the R&D leader of the Ottawa office), corporate reorganizations, acquisitions, expatriate taxation and cross border taxation and planning.

Andrew Moffat is CEO of Keshet Technologies Inc. Andrew is a true innovator and creative thinker who has embraced the changing dynamics of communications in a distinguished career of business creation and project management.

Paul C. LaBarge is Founder & Partner, LaBarge Weinstein (PLLaw). Although his practice today is concentrated primarily in tax, corporate law and mergers and acquisitions, his varied experience has allowed him to provide broad based advice to start-up, medium and large corporations both in Canada and abroad.

Kevin d'Entremont is Chair, SCOAP (the Society of Collaborative Opportunities and Advancement of Professionals), former GTEC Executive Director and currently, Federal Technology Sales Director at Accenture. One of Ottawa's Top 40 under 40 in 2007, Kevin has cultivated a significant business, and government technology network.. SCOAP selects the annual GTEC Award winners.

Dave Walsh is a **Partner at Ernst & Young (E&Y)** in their Ottawa office and in 2010 was recognized for his community engagement and leadership with a **Forty Under 40 Award**.

Ken Bellows is **General Manager of Alcatel-Lucent Canada** and a strong advocate for the creation of an effective SR&ED tax incentive program in Canada.