

## ■ New Capital Raising Exemptions

The British Columbia and Alberta Securities Commissions have developed a new set of Capital Raising Exemptions designed to increase access to capital and investment opportunities while providing investor protection. The new rules are the product of a joint project of the two commissions undertaken in response to industry comments that the cost of raising money is too high, especially for small and medium size businesses. The exemptions are contained in Multi-Lateral Instrument 45-103 Capital Raising Exemptions. After some delay, the new exemptions became effective in Alberta on March 31, 2002 and in British Columbia on April 3, 2002.

There are four new capital raising exemptions:

- “ **Private Issuer.** Issuers with less than 50 shareholders and restrictions on share transfer can sell securities in any amount as often as they wish to certain closely connected investors.
- “ **Family, Friends & Business Associates.** Issuers can sell securities in any amount to any number of investors who are family, close personal friends or close business associates.
- “ **Accredited Investors.** Persons who are accredited investors can purchase any amount of securities from any issuer at any time.
- “ **Offering Memorandum.** Issuers can use a new form of OM to sell any amount of securities to investors if an OM is delivered and a Risk Acknowledgement is signed by the investor. Qualifying issuers can use a shorter OM that incorporates by reference their continuous disclosure record.

The new capital raising exemptions were originally meant to replace certain existing prospectus exemptions. However, the following exemptions will still be available to issuers for an additional six months:

- 50 Purchaser ( Rule 128(a))
- \$25,000 Sophisticated Purchaser ( Rule 128(b))
- \$25,000 Registrant Required (Rule 128(c))
- Friends and Relatives (Rule 128(h))
- Private Issuer (Act 75(a))
- Financial Institutions (Act 74(2)(1))

The \$97,000 Exemption ( Act 74(2)(4)) will be continued for a full year in the form of a blanket order, at which point its phase-out will be reviewed.

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## FEI Vancouver - Committees Roles and Responsibilities

### **Financial Review Committee**

This committee's mandate relates to the budget and financial issues of the chapter. FEI members pay both national and local chapter dues. National is currently forecasting a rise in their dues due to expenditure increases. As with all organizations and businesses, rising costs and flat revenues requires changes, which is the challenge facing this committee. The committee is looking at how other Canadian and U.S. chapters approach these challenges.

### **Scholarship Committee**

The Vancouver Chapter of FEI has been providing scholarships to post secondary students since the mid seventies. In 1992 the Financial Executives International Canada Vancouver Chapter Scholarship Society was incorporated. In the past few years 5 scholarships of \$1,500 each were awarded to UBC, SFU, U Vic, BCIT and UNBC. Due to lower investment income and an inability of the Chapter to subsidize the scholarships, the number has been reduced to 3 scholarships of \$1,500 for future years.

### **Membership Committee**

This committee's mandate is the recruitment of new members and retention of existing members. There are a large number of financial professionals in the Greater Vancouver District whose involvement in FEI would not only benefit themselves, but the membership as well. As the Vancouver chapter moves forward, we would like to gain recognition in BC as the preeminent organization for financial executives. A similar endeavour has been undertaken successfully in other chapters across Canada, most notably in Saskatchewan.

### **Communications and Member Relations Committee**

The mandate of this committee is to maintain and encourage communication between and among FEI members and their peers. A new committee this year, it has focused on producing a monthly newsletter and ensuring the chapter information on the website is current. A future role for the committee will include working with other groups ( such as the various accounting associations ) as well as doing work surrounding government affairs to give the Vancouver chapter a voice in the province.

*We need your help!! If you have an interest in any of the above noted committees, or if you would like to sit on the Board of Directors, please contact one of the existing Board members ASAP. Our contact information can be found at:  
<http://www.feicanada.org/vancouver/asp>*

## Upcoming Events

### *Teleconferences:*

June 11, 2002  
Making a Business Case for Shared Services

June 19, 2002  
Legislative & Administrative Developments Regarding "Inversions" and Corporate Tax Shelters

To register, visit  
<http://www.fei.org/tc/>

### *Conferences*

June 5 - 7, 2002  
Charting Beyond Finance  
FEI Canada Conference,  
Halifax

Sept 18 - 20, 2002  
Forum on Finance & Technology  
Las Vegas, Nevada

To register or to find out more about these or other conferences, visit:  
<http://www.fei.org/ConfSem>

### *FEI Vancouver Meetings:*

June 21, 2002  
Annual General Meeting  
Capilano Golf and Country Club

## Update on the April 18th Dinner Meeting

Our guest speaker, and sponsor of the April event, was John Megan, Vice President of Office Buildings at CB Richard Ellis.

For those of us who are only involved with lease negotiations when our leases are coming to term, or who manage leasing off the corner of our desk, John provided insight as to what opportunities may be available. Using a recent client negotiation as an example, John walked us through the lease renewal process where John's client was eventually able to enjoy a lease reduction and stay in their current location.

By involving John and the firm of CB Richard Ellis, the client was assured they had negotiated the best possible deal available and also gained a better understanding of the Vancouver office building market which will allow them to proactively plan for their future building needs.

### **A Visit From the FEI Canada President**

Traveling from Toronto to enjoy some west coast hospitality, Harvey Naglie joined the Vancouver Chapter for dinner and shared some thoughts with us. In a candid and honest talk, Harvey explained National's perspective on underwriting the keynote speaker for the upcoming Halifax conference. He then explained his perspective on some other pressing FEI issues and challenged us to get involved in a national capacity by having more representatives on the committees. In a lively question and answer session, Harvey provided thoughtful answers and ensured that the evening was well worth attending!!

## 2002 Annual General Meeting

This year's AGM and Dinner will take place Friday June 21st at the Capilano Golf and Country Club. The event will begin at 7 pm with a brief AGM to be held starting at 7:15. Dinner will be a full buffet dinner featuring Roasted Duckling, Halibut Filet and Prime Rib. All this and a hosted bar for only \$40 per person!

Please join your other FEI members and spouses for what promises to be a wonderful evening.

Dress code in effect: Men- jackets required, tie optional ; Women -afternoon or evening attire.

## Newsletter Submissions

FEI Vancouver is pleased to provide its members with an informative newsletter that covers news relevant to our profession.

We are always looking for articles that support this endeavour.

Should you have an article or story you wish to share, please contact us at:

Lisa Dorian  
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## Job Opportunity - Bellevue, WA

There is an immediate opening for a tax professional who is familiar with Canadian Federal Tax filings. This individual would need to be able to work in the United States. If you are interested in this, or any other opportunities in the Greater Seattle area, please contact:

Chris Jefferis, CPA	Phone (425) 653-7222 x 208
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