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**FOR IMMEDIATE RELEASE**

### **CVCA WELCOMES NEW QUEBEC FUND OF FUNDS**

*TORONTO, Ontario:* CVCA - Canada's Venture Capital and Private Equity Association welcomed the arrival of a significant new fund of funds that was put together by the Government of Québec, the Caisse de Dépôt and the Fonds de Solidarité.

"This \$700 million fund of funds first closing, called Teralys Capital, is a shining example of the positive impact that close public sector-private sector collaboration can bring about," said Gregory Smith, President of the CVCA. "The venture capital industry in Canada sorely needs more capital and more sources of capital supply in order to fund the industries of tomorrow upon which our future depends," added Mr. Smith.

The Canadian venture capital industry has endured several years of declining fundraising. Thus, the industry raised \$1,718 billion in 2005 and only \$1,028 billion in 2008, a precipitous drop of 41%.

"This worrisome situation must be halted and reversed," said Mr. Smith. "Objective research recently conducted by the CVCA with the financial participation of several provincial governments including Québec, Ontario, Alberta and British Columbia as well as the federal government shows the positive 'snowball effects' that venture capital has on economic development and job growth. Evidence reveals that venture capital investment has resulted in close to 150,000 direct and indirect jobs in Canada and added \$14.5 billion to GDP."

The CVCA also welcomed the nomination of Mr. Jacques Bernier as President of the new fund of funds.

"Mr. Bernier has a long, positive track record in the venture capital industry and we wish him every success," commented Mr. Smith.

#### CVCA

The CVCA - Canada's Venture Capital & Private Equity Association, was founded in 1974 and is the association that represents Canada's venture capital and private equity industry. Its over 1600 members are firms and organizations which manage the majority of Canada's pools of capital designated to be committed to venture capital and private equity investments. The CVCA fosters professional development, networking, communication, research and education within the venture capital and private equity sector and represents the industry in public policy matters.

*To arrange an interview with Gregory Smith, President of the CVCA, contact Iris Roesler, 416 607-5166.*

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