

(Sent via e-mail)

Dear Sir or Madam:

The Canadian Coalition for Good Governance is submitting comments with respect to the Exposure Draft on accounting for Share-Based Payments. The Canadian Coalition for Good Governance is a group comprised of 33 large pension funds and money managers in Canada with total net assets under management exceeding CDN \$550 billion. As an organized group, each of us cares very strongly about corporate governance practice. All of us have global holdings that include significant investments in many U.S. companies. We therefore appreciate the opportunity of submitting our comments below.

Our comments will be limited to the philosophical intent of the Exposure Draft and will not delve into the specific accounting treatments proposed in the Draft.

We support any initiative that would require the treatment of stock based compensation as a period expense. We fully agree with the assertions made within the Exposure Draft that any employee service a company receives in exchange for equity instruments results in a recognizable compensation expense, which must be reported within the financial statements (Issue 1).

Furthermore, we also concur that the compensation cost to be recorded at the time of the share-based payment must be based on the grant-date fair value of those instruments (Issue 3).

Sincerely,

Richard Rooney  
President, Burgundy Asset Management  
Chair, Accounting and Audit Policy Subcommittee  
Canadian Coalition for Good Governance  
[www.ccgq.ca](http://www.ccgq.ca)