

May 28, 2010

Mr. Jean St-Gelais
Chair
Canadian Securities Administrators
Tour de la Bourse
800, Square Victoria
Suite 2510
Montreal, QC
H4Z 1J2

Dear Mr. St-Gelais:

Re: Proposal to Reduce Early Warning Threshold

We have received a copy of the letter that Ogilvy Renault sent to Mr. Louis Morisset of the AMF requesting a reduction of the early warning disclosure threshold set out in sub-sections 5.2(1) of Regulation 62-104 respecting Take-over Bids and Issuer Bids (Quebec) and in Ontario, sub-section 102.1(1) of the Securities Act (Ontario) (the “Early Warning Threshold”).

We encourage the CSA to look closely at the issues raised by Ogilvy Renault and their proposal to bring Canada’s Early Warning Threshold down from 10% to 5%, in line with the requirements of other significant capital market jurisdictions. Prior to making such a change, however, we urge the CSA to closely examine its potential ramifications in light of the unique features of the Canadian marketplace and to request input from the public in your usual manner.

If the CSA proposes to lower the threshold, it should also consider whether eligible institutional investors who qualify for the alternative monthly reporting system should continue to report at the current 10% threshold. In addition, we encourage the CSA to consider how the requirement to report subsequent purchases of 2% would be affected by any change to the Early Warning Threshold.

We look forward to considering the CSA’s analysis of these issues when any proposal is released for public comment.

Yours very truly,

David Denison
Chair of the Board
Canadian Coalition for Good Governance

cc: Alberta Securities Commission
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ATTN: Chair

British Columbia Securities Commission
P.O. Box 10142, Pacific Centre
701 West Georgia Street
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V7Y 1L2
ATTN: Chair

Manitoba Securities Commission
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ATTN: Chair

New Brunswick Securities Commission
85 Charlotte Street, Suite 300
Saint John, NB
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ATTN: Chair

Securities Commission of Newfoundland and Labrador
2nd Floor, West Block
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Nova Scotia Securities Commission
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Ontario Securities Commission
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Prince Edward Island Securities Office
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ATTN: Chair

Autorité des marchés financiers
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ATTN: Chair

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ATTN: Chair