June 8, 2007

Mr. John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
Suite 1900, Box 55
Toronto, Ontario
M5H 3S8

Dear Mr. Stevenson,

We are writing to provide our views on the proposed changes to National Instrument 52-109 released for comment March 29, 2007.

We welcome many of the changes proposed by the Canadian Securities Administrator in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (the Proposed Instrument). In particular we appreciate the ability of the certifying officers to limit the scope of their design of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR) to exclude controls, policies and procedures carried out by proportionately consolidated entities, variable interest entities and new businesses acquired by the issuer.

We do not however believe that 90 days is a sufficient amount of time for a company to perform the necessary procedures to assess the design of DC&P or ICFR for the new acquisition, even after allowing for the fact that the certifying officers have until the officer certificates are filed. Most companies find their resources significantly strapped during an acquisition. Management's primary objective during the due diligence process is to investigate, assess and verify information provided by the vendor. The main purpose of the due diligence is to identify issues and concerns that will affect the ultimate purchase price paid and to determine whether the acquisition meets the company's financial and strategic goals. Although management is provided access to information by the vendor, on a practical level, management must exercise a degree of skepticism and ensure the appropriate information has been made available and properly assessed. In addition to verifying the worth of the business, management's time may be devoted to ensuring financing is available to close the transaction.

The length of time available to perform due diligence procedures is often limited to 30 or 60 days. Once a Letter of Intent is signed and becomes public knowledge, it is typical for the Letter to limit the due diligence period in order to protect the operations of the acquired business. If the business to be acquired is an entrepreneurial business it is common for the company to have limited control systems documentation available therefore requiring additional resources by the issuer to complete the assessment of DC&P and ICFR.

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The challenges of performing due diligence procedures prior to the acquisition as well as integration procedures after the acquisition make it unrealistic to further expect an issuer to perform the necessary procedures to satisfy an evaluation of the design of DC&P and ICFR. Most issuers change the reporting systems of the acquired business to allow for integration into the consolidated operations. The fact that the acquired business's systems will be changed does not represent a reportable deficiency that should be reported to the users of the financial statements. The previous system may have had strong ICFR; however, for consistency and efficiency reasons, a conversion is often necessary.

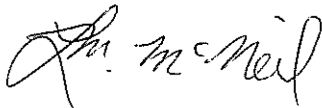
Generally one of the first concerns immediately after an acquisition is ensuring that new staff do not feel threatened by the acquisition. High turnover is very common after an acquisition and for the parent company to come in and make significant changes in the first 90 days would not only be difficult, but unwise given the usual mind set of employees of an acquired business. Certifying the design of a system that is likely to change would be inefficient, uneconomical and uninformative to the reader. Beginning in 2008 issuers will also be required to perform testing of the system which again will add further challenges to the issuer.

We respectfully ask that you revisit the amount of time given to reporting issuers to include new acquisitions in their internal control reporting requirements to one year in order to allow the issuer sufficient time to integrate the new acquisition into the consolidated organization. It is not unusual for it to take up to one year for most of the contingencies or issues surrounding an acquisition to be discovered. For accounting purposes, the acquirer is given one year to finalize the purchase price of an acquisition for this very reason. In addition most purchase and sale agreements allow for changes to the purchase price and provide for the survival of certain representations and warranties to extend to one year after the acquisition date again recognizing that a due diligence may not uncover/reveal all of the issues that may exist at the time of the acquisition.

The remarks contained in this submission are made in our capacities as Director, Audit Services and Director, Finance and do not necessarily represent the views of Marsulex Inc. or its employees.

Regards,

MARSULEX INC.



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