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Me Anne-Marie Beaudoin, Corporate Secretary
Autorite des marches financiers
800, square Victoria, 22e etage
CP 246, tour de la bourse
Montreal (Quebec) H4Z 1G3

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

Dear Madame Beaudoin and Mr. Stevenson,

Comments on CSA Corporate Governance Proposals

I have pleasure in submitting four broad comments to assist the CSA in its process to enhance corporate governance in Canadian registered issuers of all sizes.

1. Timing

In view of the current financial market turmoil and associated economic downturn, now seems to be a moment of valuable opportunity to review existing corporate governance policies and practices and related disclosure requirements, in the hope that areas will be identified where enhancements of governance and related business policies and practices may

(a) strengthen corporate Canada's ability to create long term value while avoiding inappropriate risk taking; and

(b) rebuild the confidence and trust of investors and other stakeholders in corporations of all sizes and in all sectors, especially those most exposed and harmed by the current turmoil and downturn.

In carrying out this review, identifying opportunities for enhancement, assessing the appropriateness of its proposals issued for public comment last December and considering the comments received thereon, I urge that the CSA also review carefully the third **Report on Corporate Governance in South Africa ("King III")**, published for

comment in February 2009. This is a valuable and highly credible source of corporate governance principles and recommended practices which would be appropriate in “comply or explain” disclosure jurisdictions (in contrast to “comply or else” regimes).

In particular, King III offers valuable proposals for principles regarding corporate citizenship (leadership, integrity and responsibility), risk management, transparency and accountability and sustainability, including throughout a focus on long term value creation for shareholders and society in contrast to short termism (which arguably is a major cause of the market turmoil and financial system breakdown.) The Preface to King III alone provides much background for consideration in any reform of corporate governance.

2. Alignment with corporate law

Any changes ultimately made to CSA’s current corporate governance policy and instrument will need to be aligned with, i.e. not in conflict with, federal and provincial corporation law – both statute and case, including any lessons to be learned from the Supreme Court of Canada’s decision and reasons in the 2008 BCE case (and from subsequent analysis, papers and comments thereon by legal practitioners and academics.)

3. Integration of Required Disclosures

Whatever disclosures are determined to be required should be provided in or directly appended to an issuer’s MD&A, not in the information circular, in order to be of most value and accessibility to readers and to be understandable within the context of the issuer’s strategy, risks, resources, relationships, performance and prospects.

4. Process

I think it would be valuable for the next phase of the CSA’s corporate governance review and revision process to hold one or more open consultation meetings across Canada with members of the director and investor communities as well as other interested parties to discuss the December 2008 CSA proposals **and** the comments received thereon.

Yours very truly,

Alan D. Willis, CA