



Pension Investment
Association of Canada

Association canadienne des
gestionnaires de caisses de retraite

July 5, 2010

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission – Securities Division
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
New Brunswick Securities Commission
Registrar of Securities, Prince Edward Island
Nova Scotia Securities Commission
Superintendent of Securities, Northwest Territories
Superintendent of Securities, Yukon Territory
Superintendent of Securities, Nunavut

c/o Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, Ontario M5H 3S8
Email: jstevenson@osc.gov.on.ca
Attention: John Stevenson, Secretary

RE: Proposed Amendments to National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”) and Companion Policy 54-101CP *Communication with Beneficial Owners of Securities of a Reporting Issuer*, National Instrument 51-102 *Continuous Disclosure Obligations* and Companion Policy 51-102CP *Continuous Disclosure Obligations*, and National Policy 11-201 *Delivery of Documents by Electronic Means* (collectively, “Proposed Amendments”)

This submission is made by the Pension Investment Association of Canada (“PIAC”) in reply to the request for comments published on April 9, 2010 by the Canadian Securities Administrators (the “CSA”) on the Proposed Amendments.

PIAC has been the national voice for Canadian pension funds since 1977. Senior investment professionals employed by PIAC's member funds are responsible for the oversight and management of over \$940 billion in assets on behalf of millions of Canadians. PIAC's mission is to promote sound investment practices and good governance for the benefit of pension plan sponsors and beneficiaries.

PIAC is supportive of the purpose and objective of the Proposed Amendments and believe the changes will improve the beneficial owner communications process; making communication more efficient, cost effective and environmentally friendly. We agree with the proposed departure by the CSA from certain elements of the notice-and-access process adopted by the U.S. Securities and Exchange Commission, in particular the inclusion of the relevant voting instruction form with the initial notice to shareholders, which we believe will help encourage voting by retail shareholders.

We note that the notice-and-access proposal is limited to meetings that are not “special meetings” as defined in NI 54-101. Given the expected benefits of notice-and-access, we see no reason why “special meetings” should be excluded from the Proposed Amendments or their implementation delayed. We encourage the CSA to expand notice-and-access to include “special meetings”.

We are unclear what additional information would be required in the notice than what is proposed for section 2.7.1(a), so we question the need for additional flexibility in the form and content of the notice. Our key concern is that the information provided is balanced. We believe requiring a brief summary of the items to be voted on will aid retail participation. However, issuers should not be permitted to include vote recommendations in the notice, in order to ensure unbiased information is provided to shareholders.

Finally, we note that the Proposed Amendments permit issuers to use notice-and-access to send proxy related materials to some, but not all, beneficial owners so long as this fact is publicly disclosed and an explanation provided. We question why this is necessary, as we believe the equal treatment of shareholders is a fundamental principle and we are concerned about the selective use of the notice-and-access process by reporting issuers.

We appreciate this opportunity to comment on the Proposed Amendments. Please do not hesitate to contact Stephanie Lachance, Chair of the Corporate Governance Committee (514-925-5441; slachance@investpsp.ca), if you wish to discuss any aspect of this letter in further detail.

Yours sincerely,

Algis Janusauskas
Chair