

March 20, 2018

Grace Knakowski, Secretary  
Ontario Securities Commission  
20 Queen Street West, 22nd Floor  
Toronto, ON M5H 3S8  
Email: comments@osc.gov.on.ca

Dear Ms. Knakowski,

**Re: OSC NOTICE AND REQUEST FOR COMMENT**

**PROPOSED CHANGE TO OSC POLICY 15-601 WHISTLEBLOWER PROGRAM**

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I am writing in support of the proposed changes to OSC Policy 15-601 Whistleblower Program (the “Policy”), as outlined in the OSC Notice and Request for Comment posted January 18, 2018 at 41 OSCB 663 on the OSC website.

The OSC Whistleblower Program is a step in the right direction, providing the jumping off point for meaningfully incentivizing the full, true and plain disclosure of malfeasance in Canadian securities markets. The proposed changes provide further guidance to in-house counsel, serve to prevent breaches of confidentiality and maintain the integrity of lawyer-client privilege.

That said, there are additional enhancements that could be considered for adoption that could distinguish the OSC’s “Made-in-Canada” whistleblower program in key respects from the far more lucrative and materially less restrictive whistleblower programs in the United States, including:

- Providing for a “Last Chance” route where the whistleblower:
  - Either alone or through counsel
  - Anonymously advises the company in writing
  - With an indelibly time stamped copy of the letter sent to an independent third party for safekeeping
  - States that it is in possession of information that could form part of a whistleblower complaint
  - Indicates in general terms the nature of the complaint and the estimated quantum of damages
  - Gives the company a predetermined time period within which to:
    - Conduct a full internal investigation

- Obtain an independent valuation of the damage caused by the alleged transgression(s)
  - Offer to provide full restitution, and
  - Disgorge all or any ill-gotten gains from the offending behaviour to the aggrieved party or parties and/or charity
- Can thereby circumvent the most punitive aspects of a full-blown whistleblower complaint
- Implementing a Blockchain enabled software solution that helps:
  - Reporting issuers discharge their regulatory disclosure obligations
  - Provide full transparency via a robust accountability loop
  - Quantify qualitative aspects of compliance
  - Create an indelibly auditable trail, and
  - Provide a due diligence defence for well-intentioned companies

As other comment letters have also noted, I would be pleased to provide additional clarification or commentary upon request from the OSC.

Yours Truly,

Ari Levy