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May 15, 2009

Mutual Fund Dealers Association of Canada
121 King St., West, Suite 1000
Toronto, Ontario
M5H 3T9

Attention : Jason Bennett
Corporate Secretary

Re : Task Force on Governance Issues – Comment Solicitation

Dear Sirs:

We offer the following comments:

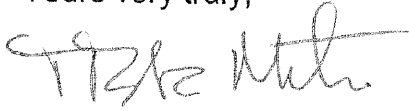
1. We believe in the concept that the MFDA is a Self Regulatory Organization.
2. As an SRO, we feel Members should have the ability to influence who sits on the Board through a transparent selection process.
3. In order to improve transparency of process, and to ease the burden of the nominating committee to find appropriate directors, we believe the Task Force should give very serious consideration to recommending that Members select the majority of industry directors by election with the balance being selected by the nominating committee.

We recognize that no single selection process is perfect, but believe this method may be “the worst except for all the others” to paraphrase Winston Churchill.

4. We believe more detail is required for point 5 (i) as to how this would work to ensure that the invitees are of independent mind and that their views will not be simply received but not reflected.
5. Per point 6 (ii) we believe that “significant compliance/enforcement concerns” must be better defined.
6. We have concerns about soliciting Member comments re: point 6 (iv). We feel this may turn out to be problematic for the nominating committee depending on the comments received.

In short, we feel the proposals as drafted do not go far enough to ensure that there is adequate turn over of directors and that all constituencies of the Membership have an appropriate opportunity to serve on the Board.

Yours very truly,

A handwritten signature in black ink, appearing to read "T.B.K. Martin". The signature is fluid and cursive, with a long horizontal stroke at the end.

Thomas B.K. Martin
Chairman