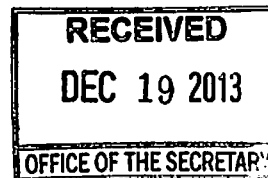



MOUVEMENT D'ÉDUCATION ET DE DÉFENSE DES ACTIONNAIRES

Fondé en 1995 par Yves Michaud, le mouvement a d'abord porté le nom d'Association de protection des épargnants et investisseurs du Québec (APÉIQ).

Montreal, Canada
November 19, 2013



Ms. Elizabeth M. Murphy, Secretary,
U.S. Securities and Exchange Commission,
100 F Street, NE,
Washington, DC 20549-1090.

Re: File Number S7-07-13 - Comments on amendments to Item 402 of Regulation S-K to require Pay Ratio Disclosure

Dear Ms. Murphy,

Our organization, the MEDAC (Movement for educating and promoting shareholders' rights and duties in Canada) wants to express strong support for the U.S. Securities and Exchange Commission's proposal requiring disclosure of the CEO-to-worker pay ratio as mandated by Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Firstly, few words about our Montreal-based organization: founded in 1995 by Yves Michaud, MEDAC is a non-profit organization. It is administered by a nine-member board of directors. In practical terms, we carry out our mission of advocating for shareholders every year by submitting shareholder proposals to Canadian corporations, mainly dealing with sound governance. Since MEDAC was formed, we have submitted more than 60 shareholder proposals to a dozen large corporations, making us the most active shareholder advocacy organization in Quebec and Canada. More than 50% of all the proposals submitted in Canada in the last 15 years were from MEDAC.


In January of 2010, we published a study on the effectiveness of shareholder proposals entitled *Les propositions d'actionnaires: pilier de saine gouvernance*. Our conclusion was that shareholder proposals contribute to better corporate governance, as evidenced by Board Games. Nowadays, the following features are among the best practices of large Canadian and Quebec financial institutions: a separation of powers between the chair of the board and the CEO; disclosure of professional fees and independence of external auditors; and, something recently acquired, advisory voting on executive compensation. We advocate also these large corporations to publish annually the CEO-to-worker pay ratio.

As representative of 1200 long-term individual investors in publicly traded corporations, we believe that requiring disclosure of the CEO-to-worker pay ratio data will be beneficial for investors. Unless pay ratio is disclosed, it cannot be priced by investors on capital markets. For the reasons set forth below, the disclosure of pay ratio between CEO and worldwide employees are material to investors who invest in equity markets.

The ratio of CEO to worker pay at individual companies is material information for investors. High pay disparities inside a company can be detrimental to employee motivation and productivity, increase turnover and have a negative impact on a company's overall performance. Moreover, disclosure of the median employee pay will help investors better understand companies' overall compensation approach to developing their human capital. Investors will be able to use CEO-to-worker pay ratios (vertical comparison) in the context of companies' internal compensation structures and thereby enable assessment of employment practices. This information will complement existing metrics such as peer benchmarking (horizontal comparison) for evaluating say-on-pay votes and other executive compensation issues.

In a long run, individual investors will benefit from this disclosure in proxy voting on executive compensation and in making investment decisions based on workforce considerations. The United States, the largest financial centre by market capitalisation, would establish itself as a leader over pay ratio disclosure and facilitate the adoption of such a disclosure in other jurisdictions where we invest, hopefully in Quebec and Canada. Given the flexibility that the Commission has provided to companies to comply with the proposed rule, the benefits for investors outweigh the costs of compliance.

Thank you for your consideration of our viewpoints.



The president
Daniel Thouin

CC. Autorité des marchés financiers (AMF)
Canadian securities administrators (CSA)