

December 13, 2011

Muhamad Sosseh
Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street, N.W., 8th Floor
Washington, D.C.
USA 20006-2803

**RE: Auditor Independence and Audit Firm Rotation
y/f: PCAOB Rulemaking Docket Matter No. 37
o/f: 20110307.4**

Dear Sir,

Intact Financial Corporation is pleased to provide comments to PCAOB with regards to its proposal to strengthen rules for auditor independence.

Intact is a publicly traded financial institution listed on the TSX with a market capitalization of \$7.5B. It has been public since 2004 and Ernst and Young have been its auditors for more than 10 years. There are two partners of the firm responsible for the audit and we have already had 3 rotations of partners since our Initial Public Offering.

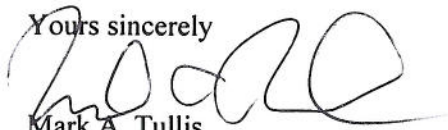
I am extremely pleased with PCAOB's review of auditor independence rules. I believe every step should be taken to ensure that shareholders, investors and business partners relying on the audit opinion should never doubt the independence of auditors signing the opinion. If such doubts exist, PCAOB should take remedial action immediately.

We do not believe that there is a confidence issue with regards to auditor's independence and that significant corrective measures are needed. The introduction of partner rotations within audit firms was a significant step toward improving auditor independence, but it came with increased risk related to the knowledge gap as well as increased costs. I have previous experience as a member of an audit committee, and am of the opinion that this is sufficient to ensure auditor independence without jeopardizing the quality of the audits.

I believe your proposal to introduce mandatory rotation of audit firms is unwarranted and would lead to increased financial reporting risk and further cost increases. PCAOB needs to weigh the benefits of firm rotation against the risk of losing client knowledge and the cost of rotation. I believe the increased risks and costs far outweigh the marginal benefits of mandatory rotation and consequently do not support your proposal.

Thank you for allowing us to comment on your proposal and trust you will concur with our view.

Yours sincerely



Mark A. Tullis
Senior Vice President & Chief Financial Officer