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August 31, 2000

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Securities Commission
The Manitoba Securities Commission
Ontario Securities Commission
Office of the Administrator, New Brunswick
Registrar of Securities, Prince Edward Island
Nova Scotia Securities Commission
Department of Government Services and Lands, Securities Division,
of Newfoundland and Labrador
Registrar of Securities, Government of Northwest Territories
Registrar of Securities, Government of Nunavut
Registrar of Securities, Government of the Yukon Territory

c/o John Stevenson
Ontario Securities Commission
20 Queen Street West
Suite 800, Box 55
Toronto, Ontario M5H 3S8

And to:
Claude St. Pierre, Secretary
Commission des valeurs mobilières du Québec
Tour de la Bourse
C.P. 246, 22nd Floor
Montréal, Québec H4Z 1G3

Dear Sirs and Madames:

**Proposed National Instrument 55-101 – Exemption from Certain Insider
Reporting Requirements**

Attached please find a copy of the CBA's submission on proposed National Instrument 55-101. We thank you for granting us an extension in the deadline to submit our comment and apologize for any inconvenience this may have caused.

Yours truly,

Attachment (1)

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Dear Sirs and Madames:

**Proposed National Instrument 55-101 – Exemption from Certain Insider
Reporting Requirements**

The Canadian Bankers Association appreciates this opportunity to provide you with further comments on proposed National Instrument 55-101.

Our members recognize the significant steps taken by the CSA to streamline and decrease the administrative burden with respect to reporting requirements. We commend the

CSA on the changes made.

We offer the following comments on the proposed National Instrument. Specifically, we would like to re-visit our previous submission in our letter dated October 22, 1999, on changing the definition of "senior officer". We have made a number of earlier submissions respecting issuers with large numbers of vice-presidents who are not in a position to receive non-public material information in the ordinary course. We have recommended relief from the numerous insider reports filed by these individuals on the basis that such filings represent an unnecessary burden which does little to further the objectives of the legislation.

We note with regret your decision that the proposed National Instrument should not be revised to narrow the definition of "senior officer" for insider reporting purposes, as you considered it outside the scope of the proposed National Instrument at this time to significantly amend the definition of insider contained in securities legislation. However, we are encouraged by your indication that the broader issues are under review by the CSA. This is an important matter which should be dealt with in a National Instrument at the earliest possible time.

We respectfully submit that a senior officer that meets the following criteria be exempt from the insider reporting requirements:

- 1) the senior officer is a vice-president;
- 2) the senior officer is not in charge of a principal business unit, division or function of the reporting issuer or subsidiary, as the case may be;
- 3) the senior officer does not receive, in the ordinary course, information as to material facts or changes concerning the reporting issuer before the material facts or changes are generally disclosed; and
- 4) the senior officer is not an insider of the reporting issuer or a subsidiary in any other capacity.

Conclusion

We commend the CSA on its initiative to have insider reporting obligations harmonized throughout Canada and we believe this proposed National Instrument is a good starting point for both regulators and market participants. We hope our comments have offered the CSA concrete suggestions for the improvement of National Instrument 55-101 and will help to further streamline and reduce the administrative burden of market participants while maintaining a high level of consumer protection.

An electronic copy of our submission on a disk is enclosed for your convenience. We appreciate the CSA's consideration of our comments and we would be happy to meet with you at your convenience to discuss any questions or issues that may arise from our letter.

Yours truly,

SA:sh