

TD Bank Financial Group

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Norie C. Campbell
Associate Vice President and Solicitor

May 7, 2001

John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
Suite 1903, Box 55
Toronto, Ontario M5H 3S8

Dear Sir:

**Re: Request for Comments
Proposed Rule 45-501 Exempt Distributions**

In our review of Proposed Rule 45-501 Exempt Distributions, we noted that s. 6.8 provides that a trade of underlying securities acquired under certain of the exemptions provided in Rule 45-503 is subject to s. 2.6 of Multilateral Instrument 45-102. The exercise of stock options under our Employee Stock Option plans would satisfy the conditions of s. 2.6(3), however, s. 2.8 of the Multilateral Instrument requires an issuer relying on s. 2.6 to file a qualifying issuer certificate on or before the tenth day after the distribution date. The certificate requires the Bank to state that it is a qualifying issuer under the Multilateral Instrument. We read s. 2.8 to require the filing of a certificate after the issuance of all shares issued upon the exercise of options. As our stock option plan is quite active, this would be an onerous task without providing any useful information. We believe that in the context of our Employee Stock Option plans, it would be sufficient to file this certificate annually.

If our interpretation of these requirements is correct, we would request an amendment to s. 6.8 of Proposed Rule 45-501 to provide that qualified issuers for the purposes of the Multilateral Instrument would be required to file this certificate annually for the purposes of Rule 45-503 (perhaps at the time of the filing of the annual information form).

Thank you for your consideration. Should you have any questions, please do not hesitate to call.

Yours very truly,

Norie C. Campbell
Associate Vice President
/SC