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**Via E-Mail**

British Columbia Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission  
Manitoba Securities Commission  
Ontario Securities Commission  
Autorite des marches financiers  
New Brunswick Securities Commission  
Nova Scotia Securities Commission

c/o Denise Duifhuis  
British Columbia Securities Commission  
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Vancouver, British Columbia  
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By Email: [dduifhuis@bcsc.bc.ca](mailto:dduifhuis@bcsc.bc.ca)

and

c/o Madame Anne-Marie Beaudoin  
Directrice du secretariat  
Autorite des marches financiers  
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By Email: [consultation-en-cours@lautorite.qc.ca](mailto:consultation-en-cours@lautorite.qc.ca)

Dear Ms. Duifhuis and Madame Beaudoin,

**Re: Proposed Amendments to National Instrument 55-101 Insider Reporting Exemptions and Companion Policy 55-101CP Insider Reporting Exemptions – Request for Comment**

We are writing concerning the proposed amendments to the referenced instrument. Tom Smee, Senior Vice-President & Deputy General Counsel of RBC Financial Group, has

shared with us a copy of his January 23, 2007 letter to you on the proposed amendments. We wanted to express our support for the positions described in Mr. Smee's letter, in particular, regarding the proposal to limit the number of reporting insiders.

We agree with Mr. Smee that amendments to focus the insider reporting requirements on a smaller group of insiders would improve the effectiveness of insider reporting while significantly reducing the administrative burden for issuers and insiders. We also agree that if the number of reporting insiders were materially reduced, it would provide a basis for the CSA to consider accelerating the time frames for filing insider reports. In our view, accelerating the time frames is not viable absent such a reduction, given the substantial number of reporting insiders at many companies under the current requirements even taking into account the available exemptions.

The request for comments mentions two policy rationales for requiring insiders to report their trades: deterrence and signaling. We agree that it is unlikely that someone who deliberately sets out to commit a serious offence by trading on the basis of inside information would be meaningfully deterred from such activity by potential liability for failure to file reports of the improper trades. With respect to the signaling value of insider reporting, we agree that any potential for insider reporting filings to provide useful information to the marketplace could only be enhanced, not diminished, by limiting the reporting obligation to directors and senior management who truly "run" the company.

TD Bank Financial Group has 234 insiders who file reports of their trades on SEDI. Although there are exemptions in National Instrument 55-101 for those who do not routinely have access to undisclosed material information, as a practical matter, many insiders are still required to file simply because, for example, they have systems access to financial results for a particular business unit while the Bank's consolidated financial statements are being compiled but before they have been released. Many of these "technical" filers do not have any significant influence over the general management or strategic direction of TD Bank Financial Group such that public reporting of their trades could reasonably be thought to provide any useful information to the marketplace. Even if not required to file, these individuals would still be subject to the legal restrictions on trading with undisclosed material information, as well as the Bank's own internal policies and procedures for disclosing material information, maintaining the confidentiality of information and restricting trading by directors, officers and employees with undisclosed material information.

We would also like to take this opportunity to express our support for the proposed current amendments to delete the record-keeping requirements in Part 4 of National Instrument 55-101 and to change the definition of "major subsidiary" to increase the relevant percentages from 10% to 20%. Pending the proposed future amendment to limit the number of reporting insiders, this would increase the number of insiders at TD Bank Financial Group who are able to rely on the exemptions in National Instrument 55-101.

Thank you for the opportunity to submit our comments. We would be pleased to discuss with you any of the matters outlined in this letter.

Yours truly,

“Chris Montague”

Chris Montague

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