



**TEACHERS'**  
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April 13, 2009

British Columbia Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission  
Manitoba Securities Commission  
Ontario Securities Commission  
New Brunswick Securities Commission  
Nova Scotia Securities Commission  
Prince Edward Island Securities Office  
Securities Commission of Newfoundland and Labrador  
Registrar of Securities, Northwest Territories  
Registrar of Securities, Yukon Territory  
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Dear Sirs / Mesdames,

**Re: Comments on Proposed Repeal and Replacement of National Instrument 55-104  
Insider Reporting Requirements and Exemptions ("NI 55-104" or the "Instrument")  
and related consequential amendments**

Ontario Teachers' Pension Plan Board ("Teachers"), with net assets as of December 31, 2008 of \$87.4 billion, invests to secure the retirement income of 284,000 active and retired teachers in Ontario. Teachers' is the largest single profession pension plan in Canada, with significant equity and debt investments in many Canadian reporting issuers.

We have reviewed proposed NI 55-104 and related consequential amendments from our perspective as an active institutional investor that reviews and relies on the accuracy and timeliness of others' insider reporting, that is obliged from time to time to file its own insider reports concerning substantial investments, and that invests in a wide variety of securities and financial instruments involving numerous investment strategies.

We are generally in favour of NI 55-104 and we have the following specific comments on MI 55-104:

1. **Definition of Significant Shareholder.** In this section, the Canadian Securities Administrators have invited comments on the question: "Do you think a significant shareholder should be determined by the shareholder's holdings of a particular class of voting securities, or is the current basis for determining whether a person is a significant shareholder (based on holdings of all of the issuer's outstanding voting securities) appropriate? Please explain."

Teachers' does not support the amendment of the definition of "significant shareholder" such that it would be determined on a separate voting class basis as opposed to all of the issuer's outstanding securities being considered as one class for such determination. In many circumstances, a shareholder may hold greater than 10% of a particular class of securities, which represents an immaterial percentage of the issuer's overall outstanding securities. In these circumstances, the assumption that the shareholder will have favoured access to information or any degree of influence does not hold true. We believe that the change to a separate voting class basis would significantly increase unnecessary filings and consequently be detrimental to the policy goals behind NI 55-104.

2. **Definition of Economic Exposure.** If an insider is unaware that its economic exposure to the reporting issuer (or interest in its securities) has altered in particular circumstances, there should not be a requirement for the insider to file a report under MI 55-104, so long as the insider remains unaware of the alteration. We can foresee circumstances where an insider may be unaware that an otherwise reportable event has occurred, given the lack of any materiality standard (the reporting requirement is triggered by any alteration to the insider's position, whether or not material to the insider's position). We believe that this proposed limitation on the reporting requirements is warranted because to require otherwise would be to impose a standard on insiders that cannot be met, resulting in insiders inadvertently breaching the requirements set out in NI 55-104. Alternatively, the relevant definitions of "related financial instrument", "economic exposure" and "economic interest" should be modified to introduce a materiality threshold, similar to that under Multilateral Instrument 55-103 *Insider Reporting for Certain Derivative Transactions (Equity Monetization)*.

3. **Reporting Deadline.** We recommend the acceleration of the reporting deadline be modified to be 5 “business” days to avoid late filings by reporting insiders, due to internal timing constraints, operational adjustments and the necessary involvement of third parties.

If you have any questions concerning these comments, please contact me directly.

Yours truly,

A handwritten signature in black ink, appearing to be 'Jeff Davis', with a long horizontal flourish extending to the right.

Jeff Davis  
Senior Legal Counsel, Investments