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The Toronto-Dominion Bank

March 13, 2002

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
Securities Commission of Newfoundland
Registrar of Securities, Northwest Territories
Registrar of Securities, Nunavut
Registrar of Securities, Yukon Territory

c/o John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
Suite 800, Box 55
Toronto, Ontario
M5H 3S8
jstevenson@osc.gov.on.ca

RE: Multilateral Instrument 31-102, Forms 31-102F1, 31-102F2, 31-102F3 and
Companion Policy 31-102CP
NATIONAL REGISTRATION DATABASE ("NRD")
published December 14th, 2001 ("MI 31-102")

Thank you for the opportunity to provide comments on MI-31-102. We are very supportive of this initiative on the part of the Canadian Securities Administrators. It will eventually lead to a more efficient registration system for all participants, and provide some economic benefit. There are, however, several aspects of NRD that we anticipate to be economically and operationally burdensome, which could outweigh the benefit of NRD. The following is an analysis of some of the issues with NRD and some recommended changes.

NRD SUBMISSION FEES and NRD FILER FEES

TD Bank Financial group has almost 13,000 individuals registered under sponsorship of its four registrant firms. Of those, many are registered in their home jurisdictions and in other jurisdictions as well. When multiple-jurisdiction registrations are included, the total amounts to almost 30,000 registrations. To illustrate, a resident of Ontario who is registered in Ontario and in all other jurisdictions where allowed would be counted as having 12 registrations.

On that basis, our estimated aggregate Filer Fees for all four firms would amount to approximately \$1.8 million per year, or \$9 million over the first five years of NRD. Discounted at 8%, this amounts to a present value of \$6.125 million, or 13% of the present value of the projected \$47 million cost of developing and operating NRD over the same 5 year period. This is in addition to the registration fees, registration continuation fees or renewal fees paid in order to maintain our dealers' and individuals' registrations, which amounted to \$4.6 million over the last 12 months. NRD Filer Fees would increase our total annual regulatory fees paid by 39% to \$6.4 million.

TRANSITION to NRD

Accuracy of Business Location Information

In aggregate, the four firms carry on business in over 1,450 locations. Confirmation of firm records to NRD records in order to determine if corrections must be made, and effecting any corrections, must be completed within 15 business days of the NRD access date. While we have confidence in the accuracy of our records, the need exists to complete this within a short time period, which will have consequences for our operational effectiveness.

Individuals Included in the Data Transfer

As mentioned above, our four firms have almost 13,000 individuals registered, representing over 30,000 registrations. Submission of Form 33-109F4 for 10% of this total in each month starting in the second month after gaining NRD access cannot be accomplished with existing staff and other resources. We have estimated that completion of this task will require five additional staff and a supervisor, as well as office space, PC equipment and sundry resources. The total cost to support Data Transfer is estimated at \$266,000.

We further anticipate that this activity cannot be completed in isolation from our on-going registration activities. In the 12 month period ending January 31, 2002, over 7,450 new registrations were approved. While many of these were approvals in multiple jurisdictions for the same individuals, more than 1/3 were individual registrations. In total, this represents approximately 3,100 new individual files. This activity will be impacted by NRD as well, to the extent that our regular processing activities will be

slowed and our dealers' business objectives will be impacted. We are unable to estimate the opportunity cost.

Individuals Not Included in the Data Transfer

In addition to the above, a Form 33-109F4 must be submitted for any individuals not registered as of the data transfer date. We anticipate having approximately 250 pending applications for individuals at any point in time. Each of these would have to be re-submitted on Form 33-109F within 15 days of our firms' NRD access date. This, too, will impede our regular registration processing activities.

ALTERNATIVES

As mentioned at the outset, we expect that NRD will lead to a more efficient registration system for all stakeholders. However, to summarize our costs, we anticipate first-year expenses of approximately \$2.1 million to arise from NRD implementation, and ongoing costs of at least \$1.8 million per year thereafter. The following suggested changes would assist in keeping these incremental costs to a minimum, and minimize disruption to our firms' business activities.

A Third Implementation Plan

The current plans under consideration call for enactment of MI 31-102 and implementation either in September and October of 2002, or November, 2002 and January, 2003. At present, these are the highest periods of new registration activity because of current Canada Customs and Revenue Agency regulations, which permit individual contributions to registered retirement savings plan for the current year up to 60 days after the year end. The resulting "RRSP Season" creates market demand for additional registered individuals, which in turn leads to a higher volume of new registrations for both the dealers and the regulatory bodies.

In addition, the transition to permanent registration in most jurisdictions and payment of registration fees in December adds a new dimension of registration activity that has not yet been experienced at its fullest. In spite of our development of automated processes employing new technologies, we anticipate high levels of activity through the year-end.

To mitigate the impact of the imposition of NRD implementation on this known bulge in registration activity, and on the activity surrounding coordination of payment to each of the regulatory bodies for our four dealers, I suggest that **consideration be given to enactment of the provisions of MI 31-102 in the Spring of 2003**, say, April 1, with Data Transfer scheduled for two weeks later and launch near the end of that month.

While I acknowledge that this will not reduce the anticipated costs, there will be operational benefit to the dealers and to the regulatory bodies in re-scheduling to the Spring of 2003, which in turn would result in a more effective implementation.

NRD Submission and Filer Fees

The fees for submission and filer fees for individuals registering in jurisdictions outside their home jurisdiction, and non-registered individuals, as they stand, do not reflect incremental value for the sponsoring dealer. I would ask that you **give consideration to the reduction of submission and filer fees for non-resident filings and for non-registered individuals**. A more equitable means of recovering NRD development and operating costs might be, for example, through Enrolment Fees based on the number of registered individuals under the dealer's sponsorship.

Transition to NRD

In view of the costs and operational impact outlined above in respect of submission of Form 33-109F4, and in view of the existence in NRD of the basic information for each registered person (name, date of birth, sponsoring firm, category of registration), I suggest that **submission of Form 33-109F4 be limited to new applications for registration and applications for transfer of registration** upon access being granted to NRD to the sponsoring firm. Submission of any material change notice for registered persons could be by way of NRD, thereby allowing the information to be added to the person's file on an "as needed" basis.

Thank you for providing the opportunity to share our concerns with this draft instrument. Please do not hesitate to contact me should you have any questions or comments concerning the foregoing.

Regards,

Douglas B. Carnall
Senior Manager
(encl.)