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August 19, 2003

Comments Addressed To:

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

care of:

Ms. Rosann Youck

Chair of the Continuous Disclosure Harmonization Committee
British Columbia Securities Commission
P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia
V7Y 1L2
ryouck@bsec.bc.ca

and

Ms. Denise Brosseau

Secretary
Commission des valeurs mobilières du Québec
Stock Exchange Tower
800 Victoria Square
P.O. Box 246, 22nd Floor
Montréal, Québec
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consultation-en-cours@cvmq.com

Re: Request for Public Commentary on proposed NI 51-102
Continuous Disclosure Obligations
Form 51-102F1, Form 51-102F2, Form 51-102F3
Form 51-102F4, Form 51-102F5, Form 51-102F6 and
Companion Policy 51-102CP *Continuous Disclosure Obligations, etc.*

Dear Ms. Youck and Ms. Brosseau,

1. Filing Documents:

We are writing to respond to the request for public comments on proposed National Instrument 51-102: Continuous Disclosure Obligations. We thank you for this opportunity to respond. We are concerned with the recommendation in sections 11.1 and 12.1 of the proposed Instrument that exempt issuers from filing materials in instances where there is a class of shareholders that is less than or equal to 50 in number. We understand the reason for this limitation is to prevent issuers from having to file documents that relate to isolated shareholders. We do not understand the rationale behind the conclusion that a class of shareholders that constitutes 50 or less in number does not merit filing requirements. Teachers' is of the opinion that copies of all materials sent to at least 50% of a class of shareholders and all agreements that could potentially affect the rights of shareholders, regardless of their number, should be filed for the benefit of all shareholders.

2. Imposition of an Obligation to Post the Results of Shareholder Meetings:

We support the inclusion of the voting results disclosure obligation in Part 11 of the proposed Instrument. The only caveat that we would add to our support of this proposed new section is that we believe that this obligation should apply to venture issuers. Shareholders that hold shares of venture issuers deserve to be as informed as shareholders of any other reporting issuer.

3. Disclosure of Auditor Review of Interim Financial Statements

We are of the opinion that subsection 4.3(3) and section 6.5 of the proposed Instrument are very helpful to shareholders. It is important to shareholders to know whether or not an auditor has not performed a review of the interim financial statements. Even more important for shareholders is the disclosure that an auditor has expressed a qualified or adverse opinion or denied assurance. A written review report from the auditor that would accompany the interim financial statements would inform shareholders of the auditor's opinion. We also agree that there is no need for a reporting issuer to disclose the fact that an auditor has provided an unqualified review as indicated in section 3.3 of the accompanying Policy to the proposed Instrument. We believe that the proposed revisions to the Instrument as contained within subsection 4.3(3) and 6.5 of the Instrument are essential for shareholders.

4. Audit Committee to Review Interim Financial Statements and MD&A

We believe that the imposition of a duty upon the audit committee to review all interim financial statements is a duty that reflects the important role of audit committees in the disclosure obligations of a reporting issuer. We see sections 4.5 and 6.6 of the proposed Instrument as being very helpful for shareholders and also supplementing the duties of the audit committee as

proposed by Multinational Instrument 52-110 Part 2: Audit Committee Responsibilities, section 2.3.

5. Increased Disclosure Obligations in Certain Forms:

Form 51-102F1 Annual Information Form: We are of the opinion that the increased disclosure obligations proposed for the Annual Information Form (currently only contained within a prospectus) is very helpful to shareholders.

In particular, we support the inclusion of the obligation to disclose risk factors in section 5.2 of the Form and for the guidance given with respect to the issue of risk factors such as cash flow and liquidity problems. We agree that whether or not a director or executive officer was involved in managing a company just before a company was heading towards bankruptcy or when an event occurred for which a penalty was imposed is very relevant information for shareholders.

Form 51-102F2 Management's Discussion and Analysis: We believe the instruction to issuers to prepare the MD&A using plain language principles is invaluable to shareholders. We also believe that the suggestion that the MD&A be dated will enable shareholders to date the preparation and relevancy of the information contained therein, which is essential. We also support the discussion of off-balance sheet transactions as a separate issue in the MD&A. In a similar vein, we also support the requirement for a more detailed disclosure of critical accounting estimates as well as the imposition of a duty to discuss the initial adoption of new accounting policies throughout the course of the year.

Form 51-102F5 Information Circular: We support the inclusion of an obligation for issuers to disclose the bankruptcies of proposed directors, and any penalties, sanctions or bankruptcies of companies of which the proposed directors were directors or executive officers. We agree that this is essential information for shareholders who will have to make an informed decision regarding proposed slates of nominees for boards of directors. We also support the imposition of a duty to include the aggregate indebtedness to the issuer of all directors and executive officers.

Teachers' thanks the Canadian Securities Administrators for the opportunity to respond to the proposed amendments to National Instrument 51-102.

Sincerely,



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