

IN THE MATTER OF THE SECURITIES LEGISLATION OF
ONTARIO, MANITOBA, SASKATCHEWAN AND BRITISH COLUMBIA

AND

IN THE MATTER OF THE MUTUAL RELIANCE REVIEW
SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF TD ASSET MANAGEMENT INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the **ADecision Maker**) in each of the provinces of Ontario, Saskatchewan, and British Columbia (collectively, the **AProvinces**) granted TD Asset Management Inc. (the **ARegistrant**) a decision dated June 14, 2001 (the **AOriginal Decision**) that extended to June 22, 2001 the time limits provided by the securities legislation and other regulatory requirements of the Provinces for the filing by the Registrant of an application for membership with the Mutual Fund Dealers Association of Canada (**AMFDA**);

AND WHEREAS the Decision Maker in each of the Provinces and Manitoba (collectively, the **AJurisdictions**) received another application on June 15, 2001, which was amended by letter dated November 16, 2001 (the **AApplication**) from the Registrant for a further decision that the Registrant be exempt from the requirement contained in the securities legislation and other regulatory requirements of the Jurisdictions (the **ALegislation**) to file an application for membership with the MFDA;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the **ASystem**), the Ontario Securities Commission has been selected as the principal regulator for purposes of the Application;

AND WHEREAS the Registrant has represented to the Decision Makers that:

1. the Registrant is a corporation incorporated under the Business Corporations Act (Ontario);
2. the Registrant is a wholly-owned subsidiary of The Toronto-Dominion Bank (**ATD Bank**) which engages in the business of an investment counselor and portfolio manager;

3. the Registrant has a diversified client base comprising pension funds, corporations, institutions, endowments, foundations, high net worth individuals and retail investors;
4. the Registrant offers its investment counselling and portfolio management services to its clients either directly by way of private individually managed accounts or indirectly through protected mutual funds and non-prospectused pooled funds which it manages and advises;
5. the Registrant is the trustee, manager, and promoter of the TD Mutual Funds, the TD Private Funds and the TD Emerald Funds, all of which are qualified for sale by means of simplified prospectuses and annual information forms that have been prepared and filed in accordance with the securities legislation of all provinces and territories of Canada;
6. the TD Mutual Funds currently consist of 97 different mutual funds which are offered for sale to retail investors by TDIS directly, through TD Bank and Canada Trust branches and via the Internet;
7. the TD Private Funds currently consist of 17 different mutual funds which are used for the sole purpose of servicing accounts which are fully managed by the Registrant;
8. the TD Emerald Funds currently consist of 27 different mutual funds which are only offered for sale to institutional investors, members of corporate sponsored group plans and accounts that are fully managed by the Registrant;
9. the Registrant is registered as a mutual fund dealer or its equivalent in all provinces and territories of Canada, as an investment counsel and portfolio manager or their equivalents in all provinces and territories other than Prince Edward Island, as a limited market dealer under the Securities Act (Ontario) and the Securities Act (Newfoundland), and as a commodity trading manager under the Commodity Futures Act (Ontario);
10. the Registrant incorporated TD Investment Services Inc. (ATDIS®) for the purpose of acquiring, and continuing to conduct, the Registrant's mutual fund distribution operation (the AMFD Operation®);
11. TDIS is now registered as a mutual fund dealer or its equivalent with the securities regulatory authority of every province and territory, it is a member of the MFDA and it has acquired the MFD Operation from the Registrant;
12. on December 31, 2000, the Canada Life Assurance Company (ACanada Life®) acquired those assets of The Toronto-Dominion Bank (ATD Bank®) which supported TD Bank's business (the AGroup Business®) of providing retirement investment and other services to certain employer sponsors in respect of employer-sponsored group benefit plans (the AGroup Plans®);

13. as part of this transaction Canada Life made offers of employment to certain employees of the Registrant (the AGroup Business Employees@);
14. Canada Life Securities Inc. (ACLSI@), a wholly-owned subsidiary of Canada Life, has applied for registration as an investment dealer or its equivalent in all provinces and territories;
15. in order to accommodate the employment of the Group Business Employees by Canada Life prior to the registration of CLSI as an investment dealer or its equivalent in all provinces and territories, the Registrant sought and obtained from the securities regulatory authorities of British Columbia, Alberta, Newfoundland, Nova Scotia and Ontario approval of a networking arrangement (the ANetworking Arrangement@) which permits the Registrant to sponsor the registration of the Group Business Employees to allow them to continue servicing the Group Plans pending CLSI's registration;
16. until the registration described in paragraph 14 is obtained, Canada Life must continue to rely upon the Networking Arrangement for the purpose of servicing the Group Business and the Networking Arrangement is dependant upon the Registrant's registration as a mutual fund dealer;
17. the Registrant has filed an application in all provinces and territories for exemption from the requirement to be registered as a mutual fund dealer or its equivalent with respect to the distribution of units of certain mutual funds managed by the Registrant to accounts fully managed by the Registrant;
18. when both of: (a) the registration described in paragraph 14 and (b) the exemption described in paragraph 17 are obtained, the Registrant will take all necessary steps to ensure that it is no longer registered as a mutual fund dealer or its equivalent;
19. the Registrant does not currently and does not intend to carry on the business of retail distribution of publicly-offered mutual funds;
20. the Registrant's trading activities as a mutual fund dealer currently represent and will continue to represent activities that are incidental to its principal business activities;

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the ADecision@);

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers under the Legislation is that the time limits provided by the Legislation for the filing by the Registrant of an application for membership with the MFDA are

hereby extended until June 30, 2002.

DATED this 11th day of February, 2002.

ARebecca Cowdery@

Rebecca Cowdery
Manager, Investment Funds Regulatory Reform