

IN THE MATTER OF THE SECURITIES LEGISLATION OF
ONTARIO, BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, QUEBEC, NOVA SCOTIA AND NEWFOUNDLAND

AND

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

AND

IN THE MATTER OF
TD SPLIT INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, Nova Scotia, and Newfoundland (the "Jurisdictions") has received an application from TD Split Inc. (the "Issuer") for a decision under the securities legislation (the "Legislation") of the Jurisdictions that the Issuer be exempted from filing and distributing an annual report and annual financial statements for its fiscal year ended November 15, 2000, as would otherwise be required pursuant to applicable Legislation;

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), Ontario is the principal regulator for this application;

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

1. The Issuer filed a final prospectus dated August 31, 2000 (the "Prospectus") with the securities regulatory authority in each of the Provinces of Canada pursuant to which a distribution of 6,075,000 capital shares (the "Capital Shares") and 6,075,000 preferred shares (the "Preferred Shares") of the Issuer was completed on September 7, 2000.
2. The Issuer was incorporated under the laws of the Province of Ontario on July 31, 2000. The fiscal year end of the Issuer is November 15, with the first fiscal year end occurring on November 15, 2000. The final redemption of the publicly held shares of the Issuer is scheduled to occur on November 15, 2005.
3. The authorized capital of the Issuer consists of an unlimited number of Capital Shares, of which 6,075,000 are issued and outstanding, an unlimited number of Preferred Shares, of which 6,075,000 are issued and outstanding, an unlimited number of class B, class C and class D capital shares, issuable in a series, none of which are issued and outstanding, an unlimited number of class B, class C and class D preferred shares, issuable in a series, none of which are issued and outstanding, and an unlimited number of class E voting shares (the "Class E Shares"), of which

100 are issued and outstanding. The attributes of the Capital Shares and the Preferred Shares are described in the Prospectus under "Description of Share Capital".

4. The Class E Shares are the only class of voting securities of the Issuer. TD Securities Inc. ("TD Securities") owns 50 of the issued and outstanding Class E Shares and TD Split Holdings Corporation owns the remaining issued and outstanding Class E Shares. Two employees of TD Securities each own 50% of the common shares of TD Split Holdings Corporation. TD Securities acted as an agent for, and was the promoter of, the Issuer in respect of the offering of the Capital Shares and the Preferred Shares.

5. The principal undertaking of the Issuer is the holding of a portfolio of common shares (the "Portfolio Shares") of The Toronto-Dominion Bank. The operations of the Issuer commenced on or about August 23, 2000 at which time it began to acquire the Portfolio Shares now held by it. The Portfolio Shares held by the Issuer will only be disposed of as described in the Prospectus.

6. The Prospectus included an audited balance sheet of the Issuer as at August 31, 2000 and an unaudited pro forma balance sheet prepared on the basis of the completion of the sale and issue of Capital Shares and Preferred Shares of the Issuer. As such, the financial position of the Issuer as at November 15, 2000 will have been substantially reflected in the pro forma financial statements contained in the Prospectus as the financial position of the Issuer is not materially different from the pro forma financial statements of the Issuer contained in the Prospectus. Furthermore, no material acquisition or disposition of shares has occurred during the period from the date the Portfolio Shares were acquired to November 15, 2000.

7. The Issuer is an inactive company, the sole purpose of which is to provide a vehicle through which different investment objectives with respect to participation in the Portfolio Shares may be satisfied. Holders of Capital Shares will be entitled on redemption to the benefits of any capital appreciation in the market price of the Portfolio Shares or increase in the dividends paid on the Portfolio Shares, and holders of Preferred Shares will be entitled to receive fixed preferential cumulative distributions on a quarterly basis substantially equal to the full amount of quarterly cash dividends paid in the ordinary course on the Portfolio Shares held by the Issuer less the administrative and operating expenses of the Issuer.

8. The benefit to be derived by the security holders of the Issuer from receiving an annual report, where applicable, and financial statements for the fiscal year ended November 15, 2000 would be minimal in view of the short period from the date of the Prospectus to its fiscal year end and given the nature of the business carried on by the Issuer.

9. The expense to the Issuer of preparing, filing and sending to its security holders an annual report, where applicable, and financial statements for the fiscal year ended November 15, 2000 would not be justified in view of the minimal benefit to be derived by the security holders from receiving such annual report and financial statements.

10. The interim unaudited financial statements of the Issuer for the period ending May 15, 2001 and the annual report where applicable, and the annual audited financial statements for the period ending November 15, 2001 will include the period from August 31, 2000 to November 15, 2000.

AND WHEREAS pursuant to the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

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;

IT IS HEREBY DECIDED by the Decision Makers pursuant to the Legislation that the Issuer is exempted from the requirement to file and distribute an annual report, where applicable, and annual financial statements for its fiscal year ended November 15, 2000, provided that the interim unaudited financial statements of the Issuer for the period ending May 15, 2001 and the annual report, where applicable, and the annual audited financial statements for the period ending November 15, 2001 will include the period from August 31, 2000 to November 15, 2000.

DATED January 9th, 2001.

"J. A. Geller" "Howard I. Wetston"

Headnote

MRRS - Relief granted from requirement to file annual financial statements to split share company holding fixed portfolio of shares - Financial position of issuer at year-end reflected in financial statements included in prospectus filed just prior to year-end.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c.S.5, as am., s. 80(b)(iii).