

## **Redemption of Class A First Preferred Shares, Series M and Series N**

TD has announced it will exercise its right to redeem all of its outstanding Class A First Preferred Shares, Series M and Series N on October 31, 2011.

Please see below for answers to some common questions.

For further assistance with the redemption please contact our registrar and transfer agent, CIBC Mellon Trust Company at 1-800-387-0825 (or in Toronto (416) 643-5500).

### **Questions and Answers**

1. What is happening with my Class A First Preferred Shares, Series M or Series N?
2. What do I need to do to receive the redemption amount and the dividend?
3. Has anything changed with the regular October 31<sup>st</sup> dividend?
4. What happens after October 31, 2011?
5. What are the Tax implications of this redemption?
6. How do I Submit a Letter of Transmittal?
7. Who can I call for further information?

#### **1. What is happening with my Class A First Preferred Shares, Series M or Series N?**

TD has announced that it is exercising its right to redeem all of the outstanding Series M and Series N Shares of TD on October 31, 2011.

The Series M Shares are being redeemed at the price per share of \$25.50, representing a \$0.50 per share premium to the \$25.00 per share face price.

The Series N Shares are being redeemed at the price per share of \$25.50, representing a \$0.50 per share premium to the \$25.00 per share face price.

TD will also pay the regular dividend of \$0.29375 per Series M Share, and \$0.2875 per Series N Share. These will be the final dividends on the Series M Shares and Series N Shares, respectively, and will be paid in the usual manner on October 31, 2011 to shareholders of record on October 11, 2011.

#### **2. What do I need to do to receive the redemption amount and the dividend?**

For registered shareholders to receive the redemption amount per share for your shares, you must forward the Letter of Transmittal together with the certificate(s) representing your shares to our Transfer Agent, CIBC Mellon Trust Company. Instructions with respect to receipt of the redemption amount per share and the dividend are set out in the Letter of Transmittal.

Beneficial holders who are not directly the registered holder of these shares should contact the financial institution, broker, or other intermediary through which they hold these shares to confirm how they will receive their redemption proceeds and the final dividend.

### **3. Has anything changed with the regular October 31st dividend?**

There is no change to the regular dividends which TD had already declared to be payable October 31, 2011 to holders of record on October 11, 2011. Holders of record will receive that dividend in the usual manner.

### **4. What happens after October 31, 2011?**

After October 31, 2011, the Series M and Series N Shares will cease to be entitled to further dividends and the holders of such shares will not be entitled to exercise any right in respect thereof except that of receiving the redemption amount.

### **5. What are the Tax implications of this redemption?**

TD recommends that you consult with your tax advisor to determine the appropriate treatment for this redemption

On redemption of the Series M and Series N Shares you are deemed to have received a taxable dividend from a Canadian corporation equal to \$0.50 per share (the "Deemed Dividend") calculated as the \$25.50 redemption amount per share (the "Redemption Amount") less \$25.00, being the paid-up capital per share.

If you are an individual resident in Canada, the Deemed Dividend should be reported by you as taxable income and generally will be subject to the gross-up and dividend tax credit rules normally applicable to any dividends designated by TD as eligible dividends. If these shares were held by a corporation, the Deemed Dividend should be included in computing its net income and will generally be deductible in computing its taxable income.

If these shares were held as capital property and by a resident of Canada, the Deemed Dividend is subtracted from the Redemption Amount to determine the proceeds to be used for purposes of calculating the capital gain or loss in respect of the Series M and N Shares disposed of due to the redemption.

Non-residents of Canada will be subject to non-resident withholding tax of 25% (unless reduced by an applicable income tax treaty) on the Deemed Dividend but will not generally incur any other Canadian tax consequences as a result of the redemption.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular shareholder. Consequently you are urged to consult your own tax advisor with respect to your particular circumstances.

### **6. How do I Submit a Letter of Transmittal?**

In order for registered shareholders to receive the redemption amount per share for your Series M or Series N Shares, you must forward the corresponding Letter of Transmittal together with the certificate(s) representing your shares to TD's Registrar and Transfer Agent. Further instructions are provided in the Letter of Transmittal. If you intend to deliver this material by mail, you are encouraged to use registered mail (with return receipt requested,

properly insured) to the address set out below "By Mail". If you intend to deliver these documents by hand, please do so at the address set out below "By Hand":

By Mail:  
CIBC Mellon Trust Company  
P.O. Box 1036  
Adelaide Street Postal Station  
Toronto, Ontario  
M5C 2K4

By Hand:  
CIBC Mellon Trust Company  
320 Bay Street, Basement Level (B1 level)  
Toronto, Ontario  
M5H 4A6

**7. Who can I call for further information?**

If you require any further information concerning the redemption, please contact CIBC Mellon Trust Company, Transfer Agent and Registrar, at 1-800-387-0825 or (416) 643-5500 in the Toronto area.