

TD Bank LIBOR Replacement—Mortgage

**Through
change and
transitions,
we're here
for you.**

At TD Bank, we know it's our job to keep you up to date and informed on changes that may affect our Customers. The London Interbank Offered Rate (LIBOR) will be discontinued, and we want to make sure you're prepared for what's to come.

What is LIBOR?

LIBOR is a global benchmark interest rate, commonly referred to as an "index", used by banks to indicate borrowing costs to one another. TD and most of the mortgage industry use this index for adjustable rate mortgages (ARM).

Why is it being discontinued?

LIBOR is based on transactions among banks that don't occur as often as they did in prior years, therefore the index has become less reliable and credible.

This uncertainty led governments and financial institutions across the globe, including TD Bank, to find alternative rates with improved quality and transparency.

What will this affect?

LIBOR's discontinuation will affect numerous loans and lines of credit like adjustable rate mortgages, reverse mortgages, home equity lines of credit, credit cards, student loans and any other personal loans that use LIBOR as the index.



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What's TD's replacement for LIBOR?

TD transitioned new adjustable rate residential mortgages to the SOFR (Secured Overnight Financing Rate) index in 2020, as recommended by the ARCC (Alternative Reference Rates Committee).

What if I have a LIBOR ARM?

Upon cessation of the LIBOR index, which will take place on June 30, 2023, all LIBOR based mortgage ARMs will transition to the SOFR index.

We're always here for you.

If you have questions, we're here to help. Contact your Mortgage Loan Officer or call 800-937-5020.

For general information on adjustable rate mortgages, see the Consumer handbook on adjustable rate mortgages, which is maintained by the Consumer Financial Protection Bureau and is available at https://files.consumerfinance.gov/f/201401_cfpb_booklet_charm.pdf. For more information on the possible discontinuation of LIBOR, see the Alternative Reference Rates Committee website, which is maintained by the Federal Reserve Bank of New York and is available at <https://www.newyorkfed.org/arrc>.



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