



TD BANK GROUP

THE TORONTO-DOMINION BANK 162nd ANNUAL MEETING OF COMMON SHAREHOLDERS

MARCH 29, 2018

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Bank or its affiliates, including relating to the care and control of information; the impact of new and changes to, or application of, current laws and regulations, including without limitation tax laws, capital guidelines and liquidity regulatory guidance and the bank recapitalization "bail-in" regime; exposure related to significant litigation and regulatory matters; increased competition, including through internet and mobile banking and non-traditional competitors; changes to the Bank's credit ratings; changes in currency and interest rates (including the possibility of negative interest rates); increased funding costs and market volatility due to market illiquidity and competition for funding; critical accounting estimates and changes to accounting standards, policies, and methods used by the Bank; existing and potential international debt crises; and the occurrence of natural and unnatural catastrophic events and claims resulting from such events. The Bank cautions that the preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank's results. For more detailed information, please refer to the "Risk Factors and Management" section of the 2017 MD&A, as may be updated in subsequently filed quarterly reports to shareholders and news releases (as applicable) related to any transactions or events discussed under the heading "Significant Events" in the relevant MD&A, which applicable releases may be found on www.td.com. All such factors should be considered carefully, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements, when making decisions with respect to the Bank and the Bank cautions readers not to place undue reliance on the Bank's forward-looking statements.

Material economic assumptions underlying the forward-looking statements contained in this document are set out in the 2017 MD&A under the headings "Economic Summary and Outlook", for the Canadian Retail, U.S. Retail, and Wholesale Banking segments, "Business Outlook and Focus for 2018", and for the Corporate segment, "Focus for 2018", each as may be updated in subsequently filed quarterly reports to shareholders.

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6 TD BANK GROUP

7 162ND ANNUAL MEETING OF SHAREHOLDERS

8 THURSDAY, MARCH 29, 2018

9 TORONTO, ONTARIO

10 9:30 A.M. –

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1 - Upon commencing at 9:30 a.m.

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5 >> Ladies and gentlemen, if you require
6 simultaneous translation in French or English please pick
7 up a headset as you enter the room. Turn to channel 10 for
8 English and channel 2 for French.

9 Ladies and gentlemen, the TD Bank Group
10 annual meeting of Shareholders is about to begin.

11 Please take your seats and silence your phones.

12 Ladies and gentlemen, Brian Levitt. Chairman of the Board,
13 TD Bank Group.

14 **BRIAN LEVITT:** Good morning everyone and
15 welcome to the 2018 TD Bank Group annual meeting
16 of shareholders. I'm Brian Levitt
17 Chairman of the
18 Board of Directors. I will act as chairman
19 of the meeting, as stipulated in the bank's by-laws.

20 This meeting is called to order.

21 I've received satisfactory proof that
22 the notice calling this meeting
23 was duly publicized and sent to all
24 shareholders of the bank.

1 As a quorum of shareholders is present I
2 hereby declare the meeting duly and properly
3 constituted.

4 I'd like to extend a warm welcome to
5 our shareholders present with us this morning, as
6 well as those joining us by webcast or phone.

7 Today's agenda can be found in the
8 booklet that was on your chair when you entered
9 this room.

10 As shareholders, if you have questions
11 or comments you're invited to approach one of the
12 standing microphones in the room.

13 For those with limited mobility please
14 raise your hand and a microphone will be brought
15 to you.

16 However, I ask that you please hold your
17 questions and comments until the appropriate time
18 in the meeting.

19 After the meeting is concluded
20 representatives of TD Helps will be available to
21 answer your questions. Thank you.

22 I'd now like to introduce the
23 individuals here on stage with me. Bharat Masrani,
24 Group President and Chief Executive Officer of the
25 bank, and Rasha El Sissi, Vice-president and

1 Corporate Secretary of the bank. Rasha will act
2 as secretary of the meeting.

3 Charito de Vera and Pat Lee,
4 representatives of AST Trust Company, the bank's
5 Registrar and Transfer Agent will act as
6 scrutineers.

7 Before I turn the floor over to Bharat,
8 who will go into more detail about the bank's
9 performance in 2017, I'd like to take the opportunity
10 to acknowledge the contribution of TD's leadership
11 team and the more than 85,000 employees who
12 contribute with enthusiasm to our success every
13 day.

14 I'd like to thank my fellow directors
15 for their ongoing counsel and leadership.

16 Together we remain focused on the bank's strategic
17 priorities while ensuring a sustainable and
18 prosperous future for our shareholders.

19 To our shareholders, we appreciate your
20 support; and to our customers, we're grateful to
21 you for continuing to choose TD for your banking
22 needs. We look forward to serving you in 2018.

23 Please note that discussions during the
24 meeting may contain forward-looking statements
25 about the bank's outlook and objectives and

1 strategies to achieve them. Details regarding
2 forward-looking statements are on the screen
3 behind me and can also be found in the bank's
4 financial reporting.

5 And now please welcome Bharat Masrani.
6 (Applause).

7 **Bharat Masrani:** Thank you, Brian, and
8 good morning everyone.

9 2017 was a year of great performances
10 and progress. TD generated record earnings of
11 10.5 billion Canadian dollars and double-digit
12 growth in net income and earnings per share. And
13 our return on equity reached nearly 15 percent, up
14 more than 160 basis points from the previous year.

15 Our Canadian retail business was fueled
16 by strong growth in chequing and savings deposit
17 volumes, a banner year in real estate secured
18 lending and auto finance and enhancements to our
19 credit card line up.

20 We also generated strong growth in
21 business banking, as well as double-digit
22 earnings growth from TD Wealth. And we continue
23 to leverage Canada's number one mobile banking app
24 to connect with and strengthen ties to millions of
25 customers.

1 What's more? IPSOS continued to
2 recognize TD Canada Trust's leadership and customer
3 service excellence in our branches and across our
4 channels.

5 I'm especially proud of this recognition
6 because it's a direct reflection of our people,
7 not just their contributions but also their
8 commitment to our customers.

9 In the U.S. our ability to outperform
10 the competition and take market share helped
11 earnings grow by 12 percent in Canadian dollars,
12 reaching over \$3 billion. And our return of
13 equity of just under 10 percent represented an
14 increase of 90 basis points from the previous
15 year.

16 We tripled the size of our corporate and
17 specialty book. Our focus on small business
18 continued to expand and so too did our reputation,
19 as JD Power ranked our small business banking team
20 highest in the U.S. south region. And our digital
21 offering has become a favourite way for our
22 customers to bank with us.

23 Additionally, we continue to be admired
24 as a leading company for our commitment to
25 diversity and inclusion, including DiversityInc.

1 At TD Securities an impressive array of
2 cross-border mandates reinforce our leadership
3 position in the Canadian marketplace, as well as
4 accelerated our momentum south of the border.

5 The dealer also led a U.S. \$1 billion
6 green bond issuance for TD this year. One of the
7 largest ever issued by a bank.

8 Our leadership here reflects TD's
9 overall commitment to support the transition to a
10 low carbon economy of the future.

11 I'm very proud to say TD continued to be
12 recognized as a leader in what we do and how we do
13 it. We don't design our strategy to win awards,
14 we win awards because of our strategy.

15 This is just a sampling of the accolades
16 we earned in 2017. All these results stem from
17 our purpose to enrich the lives of our customers,
18 communities and colleagues. Each and every dollar
19 we invest, each and every hour we spend at TD
20 helps ensure we fulfill it.

21 To be sure, our purpose can mean
22 different things for the millions of customers we
23 serve, the tens of thousands of colleagues we
24 employ and the hundreds upon hundreds of
25 communities where we operate.

1 So let me just highlight some of the
2 ways we bring our purpose to life. Last year we
3 helped Canadian customers save \$4.3 billion
4 through automated savings plans. We enabled
5 40,000 customers in the U.S. and Canada to become
6 first-time home owners. TD provided over 65,000
7 loans to small businesses in the U.S. and Canada
8 totaling over \$3 billion. Close to 700,000
9 people participated in financial education
10 programs that we supported in 2017.

11 Our people also invested their own time
12 and money into important causes, including close
13 to \$19 million for charities in the U.S. and
14 Canada through the United Way.

15 We invested more than \$80 million in
16 developing our colleagues in 2017. And more than
17 2.4 million on-line course were completed by our
18 people.

19 So, it was a terrific year for TD and
20 for you, our shareholders.

21 Our stock price ended the fiscal year at
22 an all-time high. We issued a full year dividend
23 of \$2.35 per share, and we delivered above peer
24 average total shareholder return over the short,
25 medium and long term.

1 This momentum carried into 2018. Our Q1
2 earnings reflected growth across all business
3 segments. We declared a \$0.07 per quarter
4 dividend increase for the quarter ending in April,
5 underscoring the confidence our Board has in TD's
6 earnings power. This brings our quarterly dividend
7 per share to \$0.67, up 12 percent. Overall, our
8 performance in the first quarter makes me feel
9 optimistic about the year ahead.

10 But there are risks on the horizon.
11 As just one example, trade wars are top of mind
12 nowadays, indeed many of us are watching how the
13 NAFTA talks unfold. Overall NAFTA's impact has
14 been very positive. More trade takes place on
15 this bridge between Detroit and Windsor than
16 between the U.S. and Japan.

17 Jobs are being created, the prices of
18 goods and services have been lowered and the
19 economies of Canada, the United States and Mexico
20 have grown.

21 At the same time each country has
22 undergone significant changes since the trade
23 agreement was implemented some 25 years ago. The
24 proliferation of the innovative technologies and
25 evolving customer preferences are behind many of

1 these changes.

2 As a result there is a need to modernize
3 this trade agreement, but not eliminate it.

4 That's why the rhetoric and recent moves towards
5 protectionism is so troublesome. My hope is that
6 the merits of this partnership prevail -So we can
7 look for ways to make NAFTA even better, even
8 stronger for each country.

9 As we take a step back TD also
10 recognizes the communities where we operate are
11 experiencing unprecedented amounts of change.
12 Driven by advances in technology, shifts in
13 demographics, among other forces.

14 I believe TD has a responsibility to
15 help our communities thrive in a changing world.
16 For instance, we know that moving toward a low
17 carbon economy is vital to the future of our
18 planet but this transition must also sustain
19 economic growth that supports our standard of
20 living.

21 Our ability to attract newcomers helps
22 local economies and communities grow, but to
23 prosper over the long term we must ensure the
24 social infrastructure is in place to keep our
25 communities vibrant and inclusive.

1 And given our aging population we know
2 that innovative solutions that improve access to
3 care will help instill confidence in the future.

4 Yesterday we took an important step
5 forward in this critical effort with the launch of
6 The Ready Commitment. TD's multiyear program with
7 a clear objective to help bring the promise of tomorrow to
8 millions of our neighbours across North America.

9 By 2030 we are targeting \$1 billion in
10 total for programs and initiatives intended to
11 increase access to the opportunities people need
12 to improve their financial security; elevate the
13 quality of our environment, so that people and
14 economies can thrive; create opportunities for
15 everyone to participate and be included in the
16 community; and support better health outcomes for
17 all.

18 These initiatives represent the building
19 blocks of a truly inclusive future. In the weeks
20 and months ahead you will see efforts to translate
21 this broad commitments into concrete action.

22 As TD shareholders I want you to be as
23 proud of the company you own as I am. We have a
24 rich tradition in making meaningful contributions
25 in society. It is a source of pride for us and it

1 is also embedded in our purpose.

2 Our success very much depends on the
3 success of those around us.

4 I'm extremely pleased with our overall
5 performance and progress last year, but we will
6 not rest on our laurels. We will continue to push
7 ourselves to innovate, create and support our
8 customers in new ways; to lead and to serve and to
9 be ready to meet their evolving needs and rising
10 expectations well into the future.

11 Our innovation agenda continues to
12 elevate and redefine the customer experience. For
13 instance, we leverage the TD direct investing
14 platform to create a best-in-class mobile
15 experience that now represents 10 percent of our
16 trading volumes. And it is the top rated,
17 self-directed platform among Canadian banks,
18 according to the Globe and Mail.

19 TD For Me is a feature of TD's app that
20 helps Canadian customers get more value with
21 financial tips, reminders and TD offers based on
22 where they are.

23 Consumers also benefit from insights on
24 how to drive more safely and save money in the process
25 through the TD MyAdvantage App. It's innovations

1 like these that have helped the TD mobile banking
2 app rank as number one, the number one Canadian
3 banking app, according to App Annie, a
4 Silicon-Valley based firm. It also helps explain
5 why we are a leading digital bank in North America
6 with approximately 12 million digitally-active
7 customers and almost 7 million mobile customers.

8 To accelerate our work we welcome new
9 programmers, computer scientists and digital
10 experts to the TD family. And we launched a
11 design research lab in Toronto to help marshal our
12 collective talent to help create the bank of the
13 future. It joins our Communitelch innovation lab
14 in Waterloo and our new Cybersecurity office in
15 Israel, a first for a Canadian bank.

16 Our recent acquisition of Layer 6, a
17 well-renowned, artificial intelligence company
18 enables us to further enhance relevant
19 interactions with our customers.

20 What's more, we're investing in our most
21 important asset, our people, and fostering a
22 culture of continual learning so that our
23 colleagues have the right skills and expertise to
24 achieve great things.

25 Even as we evolve we will hold on to

1 what matters most to those we serve. For
2 instance, we know there has been discussion and
3 interest about offshoring. While we selectively
4 employ vendors outside of our footprint, it is in
5 limited ways that compliment or accelerate the
6 work of our colleagues.

7 That's because at the end of the day
8 it's our people who best deliver on our brand
9 promise and fulfill our purpose. Their active
10 engagement in the communities we serve is
11 fundamental to our enduring success. TD has what
12 it takes to compete, win and grow. We are a
13 leader in areas of strategic importance and have
14 the scale to compete in every market where we
15 operate.

16 TD is the brand of choice for our
17 customers and our colleagues. We are finding new
18 ways for our people to deliver legendary
19 experiences, personalized, connected and timely.

20 Our colleagues will continue to work
21 closely together, integrating our products,
22 businesses and functions to deliver real value
23 throughout our customers' lives.

24 And our diverse and inclusive culture
25 will enable us to keep attracting the best and

1 make our people their best. Overall, I'm confident we
2 are creating the future we want for TD and for our
3 customers.

4 I'm also confident that The Ready
5 Commitment will help our communities thrive in a
6 changing world.

7 I would like to thank our 85,000
8 colleagues right around the world for living up to
9 our purpose and fulfilling our brand promise. Our
10 progress is a result of their efforts.

11 I also want to express my appreciation
12 for the contributions of TD's board of directors
13 and finally, you, our shareholders, who have
14 placed your confidence in our business and brand.
15 We look forward to continuing to create value for
16 you. Thank you very much.

17 (Applause).

18 **Brian Levitt:** Thank you, Bharat. At
19 this point I would like to move to the official
20 part of the proceedings. I'd first like to
21 recognize the fact that the movers and seconders
22 of the motions presented by the bank are directors
23 or employees who are also shareholders.

24 To help with the counting of the ballots
25 we've prepared two ballots for the motions before

1 us today. We've prepared a green ballot for the
2 first 3 items of business, namely the election of
3 directors, the appointment of the auditor and the
4 advisory vote to the bank's approach to the
5 bank's approach to executive compensation.

6 The blue ballot has been prepared for
7 the two shareholder proposals to be voted on
8 today. These proposals, along with the proposer's
9 statements and the Board's responses are set out
10 in the management proxy circular, and in the
11 booklet that was on your chair when you entered the room
12 today.

13 Ballots were made available to
14 shareholders and proxyholder at the registration
15 desk. In addition, the scrutineers have a supply
16 of ballots in both English and French.

17 I now ask the scrutineers and their
18 assistants to distribute a set of ballots to any
19 proxyholder or shareholder who did not register
20 at the registration desk and who has not completed
21 a proxy. If you have already sent in a proxy
22 there is no need to complete a ballot.

23 As the scrutineers pass among you please
24 indicate if you would like to receive a set of
25 ballots by raising your hand. When you sign your

1 ballots please print your name clearly above your
2 signature.

3 When proxies are submitted to our
4 registrar and transfer agent they are counted and
5 tabulated by their officers. Scrutineers of the
6 meeting then verify and report the results.

7 A simple majority of votes cast in
8 person or by proxy is required to pass each of the
9 matters to be voted on today.

10 In the interest of having an open, fair and
11 an orderly meeting, the front page of the booklet
12 that was on your chair contains guidelines for
13 shareholder participation. These guidelines are
14 based upon the rules of order as well as common
15 sense and courtesy.

16 I ask each speaker to keep your comments
17 brief and to the subject under discussion so that
18 all shareholders have an opportunity to
19 participate. If a speaker has an additional
20 question, and if there is sufficient time, he or
21 she will be recognized again after we have heard
22 from others who are waiting to speak.

23 On behalf of your fellow shareholders I
24 thank you in advance for your cooperation.

25 Copies of TD's 2017 Annual Report which

1 contains the bank's 2017 financial statements, and
2 the auditor's report thereon, were sent to
3 shareholders in advance of this meeting. You can
4 also obtain a copy of our annual report at the
5 entrance to the room or on our website at td.com.

6 We will open the floor to any question or
7 comment from shareholders or proxyholders
8 directly related to the 2017 financial statements.

9 If you have questions or comments that
10 are not directly related to the financial
11 statements please hold them until the appropriate
12 time in the meeting. Are there any questions or comments

13 relation to the financial statements? Could we
14 have a little more light in the room please so that I can see
15 the mics?

16 Mr. Weir

17 **Lowell Weir:** Yes. Mr. Chairman, I am
18 Lowell Weir, I am a proxyholder from Bedford, Nova
19 Scotia, and I just have one question on the
20 financial statements. They were pretty good so
21 I'm not going to -- but I notice the auditor's
22 fees went up substantial, I think it was \$2
23 million. So I'd like an explanation from the
24 auditor why such an increase in fees over the
25 prior year? What made it -- what justified the

1 increase? And was there extra work required and
2 if so why?

3 **Brian Levitt:** I think I'm going to
4 direct that question to our Chief Financial
5 Officer, Mr. Weir, since we're paying the fees we
6 should explain to you why we paid them.

7 **Lowell Weir:** No, no, auditors should be
8 responding. Auditors report to the shareholders
9 on the statements and their fees are --
10 shareholders should have a say in the fees.
11 They're approving the fees.

12 **Brian Levitt:** They're not approving --

13 **Lowell Weir:** They're approving the
14 auditor so in a sense they're approving the fees.

15 **Brian Levitt:** We'll discuss that when
16 we come to the appointment of the auditors. In
17 the meantime I'll have Mr. Ahmed respond on the
18 question of the fees.

19 **Mr. Ahmed:** Thank you very much for the
20 question. As you may be aware this year we had a
21 substantial change in the -- certain accounting
22 rules relating to how provisions for credit losses
23 were going to be calculated under IFRS 9, and that
24 implementation took a tremendous amount of work
25 not just on our part but as well as the auditor's

1 part and that explains largely the increase in the
2 fees this year.

3 **Lowell Weir:** But that's been going on
4 for 3 years or more.

5 **Mr. Ahmed:** The design of the accounting
6 rule was established a few years ago but the
7 implementation work really took on in 2017 with the implementation
8 becoming effective November 1, 9 2018 for us --
9 2017 for us.

10 **Lowell Weir:** But a lot of that work had
11 been done over prior years.

12 **Brian Levitt:** Thank you, Mr. Weir.

13 Other questions on the financial
14 statements? Okay. We'll now move on the election
15 of directors.

16 Each -- information about each nominee
17 is included in the management proxy circular. The
18 board of Directors has fixed the number of
19 directors to be elected at 14, and I confirm that
20 all the nominees are eligible for election.

21 I now call on Kyle Brady, Senior
22 Financial Analyst, to nominate the directors for
23 the coming year.

24 **Kyle Brady:** I nominate each of the
25 persons whose name appears in the management proxy

1 circular under the heading of "Director Nominees"
2 to be a director of the bank until the close of
3 the next annual meeting of the bank's common
4 shareholders.

5 **Brian Levitt:** Thank you, Kyle.

6 Are there any questions or comments
7 about the election of directors?

8 Mr. Weir?

9 **Lowell Weir:** Yes, I believe the
10 election of directors should be postponed until
11 after the shareholder proposals are presented
12 because in certain cases there's allegations made
13 in the shareholders' proposals that should affect
14 the way shareholders vote on the directors.

15 So I think you are conflicted in this
16 matter. However, I think it's only fair that this
17 matter -- that director elections be postponed.

18 I have a problem in general with
19 electing the directors at the start of the meeting
20 because the meeting should cover it before the
21 directors are re-elected.

22 **Brian Levitt:** I appreciate your views
23 but we're not going to do that.

24 **Lowell Weir:** Well, you have a conflict
25 of interest. I'm going to identify that right now.

1 **Brian Levitt:** That's fine. It will

2 appear in the minutes.

3 I now declare -- I'm sorry do you have a --

4 **Linda Schwey:** Perhaps very quickly, I

5 was wondering if you could show the picture again.

6 Just for the time I saw it there seemed to be 3

7 women on the Board and I forget how many directors

8 there are all together. I'd just like to see the

9 picture again. Thank you.

10 **Brian Levitt:** There are more than 3.

11 Is that okay? Good. I now declare the nominations closed and

12 we will move to item number 1 on the green ballot

13 which relates to the election of directors.

14 Please mark it now.

15 The next item on the agenda is the

16 appointment of the auditor. The board recommends

17 that Ernst & Young LLP be appointed as auditor of

18 the bank until the close of the next

19 annual meeting.

20 With us today representing Ernst & Young

21 are Bill Schlick and Humayun Jafrani.

22 I would now like to call on Alan MacGibbon,

23 chair of our audit committee to make this motion.

24 **Alan MacGibbon:** I move that Ernst &

1 Young LLP be appointed auditors of the bank to
2 hold office until the close of the next annual
3 meeting of the bank's common shareholders.

4 **Brian Levitt:** Thank you, Alan.

5 I now call on a Mark Luo, Associate,
6 Finance and Accounting Associate Program to second
7 the motion.

8 **Mark Luo:** I second that motion.

9 **Brian Levitt:** Thank you, Mark.

10 You've heard the motion. I invite any
11 shareholder or proxyholder with questions or
12 comments regarding the appointment of the auditor
13 to approach one of the microphones.

14 Mr. Weir?

15 **Lowell Weir:** Yes. I'm just wondering
16 when the last time the bank tendered its auditing
17 business? It seems to me that it's been quite a
18 while that Ernst & Young has been the auditor
19 here. And I'm a strong proponent of changing the
20 auditors on a very reasonable basis because in
21 reality what happens, and it happens in all firms,
22 they get too close to the client and there needs to be
23 a rotation.

24 The bank's always had mandatory rotation
25 so I'm just asking when -- is the bank going to do

1 a change in the auditors and when will that be?

2 **Brian Levitt:** I'd like to ask Alan
3 MacGibbon, the chair of the audit committee to
4 respond to that.

5 **Alan MacGibbon:** Yes, thank you,
6 Mr. Weir. We follow the rules requiring the
7 partner rotation, which requires the audit partner
8 to be rotated every five years, and we're in the
9 process of that review now.

10 We also undertake a comprehensive review
11 of the auditors and the effectiveness of the audit
12 undertaken. So we are doing that every 3 years
13 and we've just completed the third one now for the
14 3-year period.

15 So we're not rotating or putting out for
16 tender the audit but we challenge the competency
17 of the auditors, the individuals, and follow the
18 rules requiring partner rotation, which balances
19 the effectiveness of the quality as well as
20 understanding of the complexity of the bank.

21 So that is an effective way that is
22 recommended by the rules in Canada and the U.S. and
23 those are the ones that we follow.

24 **Lowell Weir:** But I think in other
25 jurisdictions in the U.K., and even in the U.S.

1 there's been a much stronger change to rotating
2 auditors, in Canada less so and I think it's a
3 mistake.

4 I just want to say that shareholders --
5 the auditor -- election of the auditors was once
6 done by the shareholders totally, now it's been
7 taken over by management and we've lost any say in
8 this process and I think it's very wrong.

9 **Brian Levitt:** Mr. Weir, just for the
10 record, the shareholders are voting on the
11 appointment of the auditor right now.

12 **Lowell Weir:** Shareholders are voting
13 but they don't have a chance, an alternative. If
14 you want to have a shareholder vote put
15 alternatives in the ballot for shareholders.

16 The vote for an auditor is not a vote
17 it's for or refrain. There's no against
18 to vote against. It is not a proper ballot.

19 **Brian Levitt:** Thank you for your views.

20 The appointment of the auditor is item
21 number 2 on your -- excuse me. Sorry, sir.

22 **Jay O Yedvab:** My name is Jay, I'm a shareholder.

23 I get most of my banking from the bank.

24 Does the bank have a procurement policy
25 that applies to contracts? And if there is such a

1 policy why doesn't it apply to the auditors?

2 I would assume that you've got limits
3 where you have to go to competitive tendering and
4 so that's my question.

5 **Brian Levitt:** And I think Mr. MacGibbon
6 answered your question when he said that while we
7 have a procurement policy we also have to run the
8 bank in a sensible way. And there are real costs
9 and changing these things --

10 **Jay O Yedvab:** With all due respect that is not a
11 satisfactory answer.

12 **Brian Levitt:** Okay. Well --

13 **Jay O Yedvab:** The fees have gone up. If you
14 would tender for toilet paper I wonder why you
15 wouldn't tender periodically for the auditors, or
16 for anything else for that matter.

17 **Brian Levitt:** Without being too
18 complimentary to the auditors, there is a
19 difference between toilet paper and auditing, and
20 a difference in terms of the importance to the
21 bank and its shareholders.

22 Any further questions or comments? Over
23 there, number 7.

24 **John Flanagan:** Good morning,
25 Mr. Chair, my name is John Flannigan. I'm a

1 shareholder and I'm also a business owner and I
2 was here 3 years ago for the shareholders'
3 meeting. I might be able to enlighten the
4 discussion we're having with respect to the
5 auditor.

6 There has been a change from the
7 generally accepted accounting principles change to
8 the IFRS, which is International Financial
9 Reporting Standards.

10 So I do not agree with tendering out the
11 auditor at this point in time until the process
12 works through for the conversion and full
13 implementation of IFRS. So I can understand the
14 concern with respect to the auditor but I do not
15 believe it's time to change the auditor at this
16 time and the extra added cost associated with it.

17 **Brian Levitt:** Thank you, sir.

18 Are there other questions or comments?

19 Seeing none, the appointment of the auditor is
20 item number 2 on your green ballot. Please mark
21 it now.

22 The next item of business is the
23 advisory vote on the bank's approach to executive
24 compensation. The resolution on the approach to
25 executive compensation is set out in the

1 management proxy circular under the heading
2 "Advisory Vote on Approach to Executive
3 Compensation".

4 I would now like to call John Medeiros,
5 Senior Manager Finance, to present a motion for
6 this resolution.

7 **John Medeiros:** I move that the
8 resolution set out in the management proxy
9 circular under the heading "Advisory Vote on
10 Approach to Executive Compensation" be passed.

11 **Brian Levitt:** Thank you, John. I now
12 shall an Shahzad Jaffer, Senior Manager Finance,
13 to second the motion.

14 **Shahzad Jaffer:** I second that motion.

15 **Brian Levitt:** Thank you Shahzad.

16 You've heard the motion. I invite any
17 shareholders or proxyholders with questions or
18 comments concerning this item to approach one of
19 the microphones.

20 **Mr. Gagnon:** Mr. Chairman, good morning
21 you know me, Mr. Gagnon from Médac. We're
22 shareholders of the bank and like each year we
23 would like to address the ratio of the
24 compensation. 85,000 employees, \$10 billion,
25 payroll, average pay \$117,000. The salary of the

1 highest paid employee of the bank total
2 remuneration is \$12,437,000, the remuneration
3 ratio is about 105.

4 At Desjardins the ratio is 32 and the
5 CEO does a similar job. There are considerations
6 relating to the size of the bank but that ratio is
7 disproportionately high, in our opinion, and we
8 would obviously invite all shareholders to vote
9 against the remuneration policy, if only on that
10 specific point.

11 **Brian Levitt:** Thank you, sir, as we've
12 been able to discuss we have a difference of
13 opinion on this point.

14 The ratio that you calculate is very
15 much impacted by the geographical location and the
16 organization of various institutions. We don't
17 feel that that is a helpful metric in making these
18 kind of decisions but you are entitled to your
19 opinion.

20 Mr. Weir?

21 **Lowell Weir:** Yes, I've been a bank
22 shareholder for, oh gosh, 40 years probably. And
23 I've been coming to the bank's, not TD, this is my
24 first TD visit so -- and I've been talking on
25 compensation for at least 15 to 20 years, and it's

1 all fallen on deaf ears.

2 And the -- what I believe and -- is that
3 compensation of the banks are out of hand. And in
4 a way the compensation package is not structured
5 properly, the salary is too low; the short-term
6 and medium-term benefits are probably not
7 structured correctly and the long-term portion is
8 ridiculous.

9 I mean, we have people -- if we're going
10 to be competitive in the marketplace, and this is
11 all designed because we're being competitive.
12 Well, the truth of the matter is that in those 15
13 or 17 years I've met all the managements of all
14 the banks. And there's been some clever ones and
15 there's some complete village idiots in that crew.
16 There was no rocket scientists, I can tell you
17 that.

18 These people are not geniuses or
19 anything else, I can say that, I've talked to
20 them, I've discussed items with them. They just
21 aren't there.

22 People have been long time service and
23 they've done a good job, they're clever but they
24 don't deserve this level of compensation.

25 And shareholders have come meeting after

1 meeting and talked and talked and talked and
2 talked until they're blue in the face; and what's
3 happened then is shareholders want to put people
4 on the board, and this is where proxy access is so
5 important. We want to have a say because you
6 haven't listened. You can't, can't listen.

7 You just look at yourself and you look
8 on the directors. The directors of Canadian banks
9 over the last 20 years shame on you. Shame on
10 you. You've taken your money, you've taken
11 shareholders' money and you've done nothing to
12 correct this issue. Nothing.

13 You're just lap dogs to management of
14 these banks, it's pathetic.

15 In the old days there was shareholders,
16 there was directors who got up and said something.
17 But for the last few years no one has stood up and
18 said anything but shareholders.

19 If you want to know why proxy access is
20 on the floor in all the banks today this is why.
21 You're not listening.

22 So I'm going to say again, the public
23 wants these changes. They want them properly
24 structured and don't want excessive and you're
25 again not listening.

1 **Brian Levitt:** Thank you, Mr. Weir.

2 (Applause).

3 Obviously I don't agree with your
4 opinion, and when you see the results of the vote
5 on the -- the say on pay vote that is on the floor
6 you'll find that the overwhelming majority of our
7 shareholders don't agree with you either.

8 Does anybody else want to -- no, no,
9 you've had -- Mr. Weir, you sit down. Others are
10 going to speak. Sit down

11 **Lowell Weir:** No, no, you are misleading
12 here and I want to speak.

13 **Brian Levitt:** There's another share
14 holder who wants to speak. I want you to sit down.

15 **Lowell Weir:** I'm going to finish what
16 I'm saying and I'm going to do it quickly.

17 Of the shareholders that voted for the
18 package are just a small portion of the total
19 shareholders, not even material.

20 **Brian Levitt:** Sir.

21 >> I'm from Hamilton and this is my
22 first time at one of these meeting. I completely
23 agree with Mr. Weir, that shame on you and all
24 the other people that are getting this ridiculous
25 compensation with the money that you've already

1 earned, which includes these various meetings you
2 have to attend, it's in your job description. You
3 shouldn't be getting an additional compensation
4 for this kind of a job.

5 **Brian Levitt:** Thank you, sir. Are
6 there other questions or comments?

7 **William Davis:** I'm over here.

8 **Brian Levitt:** Sorry.

9 **William Davis:** Thank you. My name is
10 William Davis, I'm a shareholder and a
11 proxyholder. I've been here frequently. Doesn't
12 come as any surprise to the shareholders that I
13 want to say something.

14 Again, I was going to speak to the
15 withdrawn shareholder proposal but I think this is
16 perhaps a better time when we're talking about the
17 executive compensation.

18 People may recall that I was one of the
19 co-filers of a proposal several years ago that we
20 should introduce and add some vertical metrics to
21 the calculation process. And last year the --
22 some of those did appear in the calculation. I
23 was quite pleased. We attended, my wife and I, I
24 was grateful for that.

25 Then the shareholder proposal, number 4,

1 that was withdrawn, is indication that there is
2 something called the "equity ratio", which is a
3 critical metric and that's something to celebrate.

4 The contention originally around the
5 horizontal metrics that were primary being used,
6 and are still being used was when we compare
7 horizontally we see what is already executive
8 compensation at a fairly excessive level.

9 We compare with other companies that
10 have these same high levels, we work -- we're
11 starting from a base of desired proportion with
12 all other segments of society, hence the
13 introduction of some vertical metrics.

14 I'm a fairly simple fellow, one of the
15 things I can do is long division. So when you
16 look at the -- at the proxy circular you see that
17 what just about half of the circular is devoted to
18 explaining how we come at executive compensation.
19 That is a lot of wordage.

20 For the simple-minded fellow like me I
21 went to page 43 and I simply did some long
22 division, and I find that this year our senior
23 officer, Chief Executive Officer is getting a 20.2
24 percent increase, and the 5 officers who are also
25 listed on page 43 are getting a 17.6 percent

1 increase

2 Well – thank you, I won't start over. [Laughter]

3 **Brian Levitt:** I could hear you.

4 **William Davis:** Anyway, I know it's a

5 very complicated matter and just taking the long

6 division is -- you may explain why that isn't very

7 good, but it's a bit of a head scratcher to me

8 that, like, where are the vertical metrics? How

9 are they affected? What -- how many of our

10 employees are looking forward to more than 10

11 percent increase this year? How many of our

12 clients or our customers -- where in society is

13 anybody getting that sort of an increase? So

14 where are the vertical metrics making any

15 difference?

16 I'm going to give you a little analogy.

17 I'm probably not going to come back next year,

18 I've sort of had my turn. But I want to close

19 with a bit of an analogy.

20 So older people here may remember the

21 radio program the "Prairie Home Companion", and it

22 was very popular, had a wide audience. It came

23 from the Midwest U.S., from a place called Lake

24 Wobegon.

25 And it was mostly a bunch of whimsy,

1 some country music and some very peculiar
2 advertisements. But Garrison Keillor signed off
3 with the same comment, this is brought to you from
4 Lake Wobegon where every citizen is above average.
5 That's a nice bit of whimsy and always got a bit
6 of a chuckle.

7 But I'm thinking there's a Lake Wobegon
8 syndrome that's hit the executive compensation
9 committee. All these executives spread across the
10 horizontal comparisons, they're all above average.
11 And the result of that syndrome just creates an
12 upward spiral and it's not funny and the
13 shareholders are paying for it.

14 So much as I celebrate the fact that
15 there are some vertical metrics I'm a little
16 puzzled as to what influence they're having. I
17 said my piece.

18 **Brian Levitt:** Thank you, sir. Just to
19 respond. I mean, the vertical metrics are things,
20 as I've said to you in the past and to Mr. Gagnon
21 and others, they're very difficult to get useful
22 metrics that are -- that help you with what's
23 going on in the marketplace.

24 The reason that the compensation has
25 been increased this year, which you've seen and

1 which you were averting to, is due to two things.
2 One is the performance of the bank, because a
3 substantial -- for the people at the most senior
4 levels of the bank the vast majority of their
5 compensation is related to the bank's performance.
6 As Bharat showed in his remarks, we had very good
7 performance not just over the last year but over a
8 sustained period of time.

9 And the other thing is that there's a
10 market working out here. As a leading institution
11 our people are regularly approached for other jobs
12 and so we need to pay attention. People don't
13 work only for money but they want to feel that
14 they've been fairly treated; and so we need to pay
15 attention to what's going on in the marketplace if
16 we're going to retain the people we have.

17 And this is a service business. Our
18 only asset, aside from our brand is our people.

19 So we pay attention to these things but
20 these vertical metrics just did not prove to be
21 useful.

22 Can you turn on the mic please?

23 **William Davis:** If I might make just a
24 very quick response?

25 **Brian Levitt:** Sure.

1 **William Davis:** You did pay a lot of lip
2 service during the opening remarks to the
3 contribution of all of the employees. There was a
4 lot of praise spread around for the excellent
5 results that we've had. I don't know that they're
6 going to see that kind of an increase.

7 **Brian Levitt:** Well, just on that point
8 let me assure you that we do look regularly at not
9 just at this population, this is the population
10 that's disclosed in the proxy statement, but we
11 look at right through the bank. And in the course
12 of the past year we've made significant
13 adjustments right down to front line for exactly
14 the same reason.

15 So it's not only -- you're looking at a
16 limited sample here but it's not an
17 unrepresentative sample.

18 **William Davis:** Well, that's a vertical
19 metric that could be compared if we knew what it
20 was.

21 **Brian Levitt:** Right.

22 Other -- microphone 7?

23 **Vazken Kenamethian:** My name is Vazken, I'm a
24 shareholder. I want to ask a question. Are you
25 the only people who can deliver this by paying

1 yourself this substantial increase in revenue for
2 your pockets?

3 **Brian Levitt:** I think I answered that.

4 You know, there might be other people
5 but these are the people we have and they're
6 performing very well. And so we were anxious to
7 retain them so we continue to have that good
8 performance.

9 **Vazken Kenamethian:** Well, I suggest that increase
10 that you are paying yourselves you spread it among
11 all the employees as an amount.

12 **Brian Levitt:** As I said earlier, these
13 are not the only people who have received
14 increased compensation.

15 **Vazken Kenamethian:** Such as who?

16 **Brian Levitt:** Right down to front-line
17 service representatives.

18 **Vazken Kenamethian:** Well, I talk to your front
19 line employees and I go to the bank regularly. They're
20 all afraid for their jobs so I don't think it
21 reflects what the front line is doing and what the upper
22 echelon is doing. Thank you.

23 **Brian Levitt:** Well, I can just assure
24 you that there's no job security at the top
25 either.

1 [Laughter]

2 Number 5.

3 **Linda Schwey:** Yes, I forgot to
4 introduce myself before. My name is Linda Schwey
5 and I'm a shareholder. I just came in from
6 Montreal for the meeting.

7 I'd like to ask, is there a space on the
8 board reserved for shareholders? Or a person who
9 would represent shareholders? Because a lot of
10 these discussions now perhaps could have been
11 resolved had there been someone on the board whose
12 sole job is to represent shareholders. So is
13 there such a person on the board?

14 **Brian Levitt:** All of the directors
15 represent the shareholders. We're elected by
16 them. And our job is to ensure -- is to oversee
17 the management of the bank and to make sure that
18 the bank is performing not only for our
19 shareholders but for our customers, for our
20 communities.

21 Other questions? Comments? Seeing
22 none, Mr. Weir.

23 **Lowell Weir:** I just have one quick
24 question, it's probably not in the right place.
25 noticed in the compensation for directors that we

1 pay a couple of directors, two or three directors
2 quite a substantial amount of fees for being
3 directors of subsidiary banks.

4 And I'm just wondering why we couldn't
5 have TD people do that as part of their regular
6 job and salary? To be quite honest I look at that
7 as something that is a waste of money.

8 **Brian Levitt:** Well, so the answer is
9 that the regulations require the -- there are
10 really two answers.

11 One is regulations in the U.S. require
12 independent -- outside directors, non-management
13 directors. And, secondly, in terms of the parent
14 company board, we have a duty to have a good
15 understanding of what's going on and oversee
16 what's going on in the subsidiaries as well as in
17 the main bank.

18 And we think that the best way to do
19 that is to have some of our Board members on the
20 main Board sit on these other Boards?

21 **Lowell Weir:** I've seen it at other
22 banks, no question, but I've never seen
23 remunerations of the sizes paid here but maybe I'm
24 out of date.

25 **Brian Levitt:** Yeah, I think you're a

1 bit out of date. And I can tell you that sitting
2 on the U.S. Board of the bank -- the U.S. board is
3 at least as onerous as sitting. It's like having
4 a second, full-time job.

5 I think we're going to move along here.

6 If there are no further comments, this is item
7 number 3 on your green ballot. Please mark it now.

8 I'd like to remind you that when you finish
9 marking and signing the green ballot to print your
10 name above your signature.

11 I would now ask the attendants to
12 collect the green ballots so that the scrutineers
13 can begin tabulating the votes on the first 3
14 items.

15 Please pass your ballots along to the end
16 of the row so that the attendants can collect
17 them. Just wait a minute while the ballots are
18 collected.

19 Next to be before the meeting are the
20 shareholder proposals. As
21 part of our commitment to leadership and corporate
22 governance we seek to maintain an open dialogue
23 with our shareholders. We always value our
24 shareholders' participation.

25 There are two shareholder proposals for

1 consideration at this meeting, both submitted by
2 Mr. Weir.

3 I'd also like to mention that Médac
4 submitted 4 proposals and Ms. Schwey submitted one
5 proposal. These five proposals were withdrawn
6 following discussions with the bank.

7 We will hear from representatives of
8 Médac and Mrs. Schwey about their withdrawn
9 proposals after we deal with the two proposals for
10 consideration.

11 We now turn our attention to those
12 proposals. The management proxy circular includes
13 statements by the proposer in support of his
14 proposals, as well as the reasons why the Board is
15 recommending shareholders vote -- that they vote
16 against each of these proposals.

17 You will find copies of the proposals in
18 the booklet that was on your chair. As a result
19 in the interest of time we will not be revisiting
20 the reasons for the Board's position during the
21 discussion of each proposal. Shareholders and
22 proxyholder will be given an opportunity to
23 comment on each of these proposal

24 As I indicated earlier, I ask that each
25 speaker be mindful of the guidelines for

1 shareholder participation, given that the exact
2 wording for each proposal is set out in the
3 management proxy circular.

4 I suggest the speakers focus on their
5 comments rather than on reading out the proposal.
6 I'd also appreciate it if each speaker would give
7 his or her name and state whether they are a
8 shareholder or proxyholder.

9 You will be asked to mark your blue
10 ballot after the presentation of each of the
11 shareholder proposals. After the proposals have
12 been presented the scrutineers will collect the
13 blue ballots.

14 The first item on the blue ballot is
15 shareholder proposal A, as set out in the
16 management proxy circular under the heading
17 "Shareholder Proposals".

18 Mr. Weir, I would invite you to move
19 your proposal.

20 **Lowell Weir:** Thank you, Mr. Chairman.

21 I just want to talk briefly for a minute
22 on the background of this proposal, I mentioned it
23 earlier. It stems out of about 20 years of
24 attending shareholder meetings and realizing that
25 quite frankly the directors and the bank don't

1 work for the shareholders, they really don't have
2 much interest for the shareholders.

3 They -- their interest is getting on the
4 Board and staying on the Board and getting their
5 remuneration, quite frankly.

6 When I hear about the hospitality paid
7 to shareholders submitting proposals I have to
8 laugh, because the first few years when we
9 submitted proposals we used to have to go court
10 and survive a court battle to have the proposal
11 even get in the proxy circular. The bank's fought
12 it. And the TD was one of the worst, one of the
13 worst. Blocked the door to any shareholder
14 participation completely. Fought tooth and nail
15 to allow a shareholder proposal.

16 And to stand up here today, the
17 hypocrisy coming out of management today is
18 unbelievable because they fought tooth and nail to
19 allow a shareholder to even put forth a proposal.

20 **Brian Levitt:** Mr. Weir, you can
21 continue but I'm going to respond to you.

22 **Lowell Weir:** We have one day a year,
23 one day a year for us to come and talk and you're
24 -- it's the same, it's the same treatment we've
25 gotten for 20 years. And that is, no, you can't

1 talk for a minute. You can't tell your story.

2 You haven't got time. We haven't got time. You

3 know what? We have time.

4 **Brian Levitt:** I'm not cutting you --

5 **Lowell Weir:** We have time.

6 **Brian Levitt:** I'm not cutting you off,

7 I'm just responding to your --

8 **Lowell Weir:** I've been roughed up,

9 beaten half to death at an annual meeting a few
10 years ago.

11 **Brian Levitt:** Not at this one.

12 **Lowell Weir:** And I'm not afraid of
13 anything.

14 **Brian Levitt:** Yeah, well, nor am I.

15 **Lowell Weir:** And we're going to have
16 our rights. We've been 20 years to come this far
17 and allow us to have a proposal and we're going to
18 push forward and get our rights.

19 Shareholders should have rights. And we
20 don't have them because the Board and senior
21 management block them at every chance they get,
22 every chance they get. And this is the same
23 treatment, the same treatment.

24 Anyway, what happened over time is that
25 it was clear the directors have no interest in

1 listening to shareholders so we have to have our
2 people on the Board. And the only access way we
3 can get someone on the Board is through proxy
4 access.

5 And last year I put forward a proposal
6 for proxy access to two Canadian banks. The Royal
7 -- no actually it was four or five, five to start
8 off.

9 The primary one is the Royal Bank, and
10 the TD Bank and I think Commerce and Scotia. And
11 at the end it was Commerce, Royal and TD. And
12 when these proposals went forward -- it was Royal
13 and TD that went forward finally in the end.

14 But what happened was when proxy
15 shareholders started to support this proposal --
16 the bank didn't even discuss the proposal with me
17 beforehand. Very little time, came and talked
18 about it in general but really nothing in
19 specifics.

20 When we were winning the proxy battle
21 before the day -- two days before the annual
22 meeting when they knew what the proxy votes was
23 this management switched positions. All of a
24 sudden they're for a proxy access statement.
25 Complete hypocrisy. Complete hypocrisy. No

1 explanation. Now we're for it because we're
2 losing.

3 But what's even worse, after they lost,
4 after they lost at the annual meeting they
5 pretended they didn't loss (sic) and it didn't
6 exist.

7 And they met secretly with shareholders,
8 friendly shareholders to them without -- after
9 promising me, oh, you can be there. We'll make
10 sure you're there. They completely eliminated me.
11 Both banks worked together, colluded together here
12 to eliminate me from any discussion. It's
13 disgraceful. It's disgraceful.

14 And the people at these banks who lead
15 these banks who did this shouldn't be there
16 because it's disgraceful.

17 The shareholders spoke, democracy spoke
18 but you couldn't even pay attention. You ignored
19 democracy.

20 You set investor relations back years
21 here in this country. Because the shareholders
22 have earned rights, they have put them forward,
23 they have advanced on them and then directors --
24 and I blame the directors here. These directors
25 are elected by shareholders, for the people who

1 just mark X on the paper, they don't even know who
2 they're voting for. And it's a very small
3 percentage of people that are elected.

4 I think out of the about 1.8 or 9
5 million shares outstanding it's -- to elect the
6 directors probably it's 500,000 that makes the
7 difference. But, anyway, that is not the point.

8 The point is here the bank deliberately
9 manipulated this process to try to get a proxy
10 access schedule, a proxy access plan that favoured
11 the bank and this is what they implemented in
12 their policy. They implemented a policy that only
13 the 20th largest shareholders, 20 largest
14 shareholders could make up the group.
15 Effectively -- which effectively eliminated the
16 small shareholder as being able to participate in
17 the process.

18 But it also, in my mind it also damaged
19 the small shareholders' shares because it gave
20 extra ranks to the big shareholders, which most of
21 the cases are funds and things like that, managed
22 -- managed by other banks or the banks themselves.

23 So the process actually was totally
24 rigged and not handled properly. And the --
25 what's happened now is the process is evolving and

1 going forward.

2 But the bank -- shareholders -- the
3 point here is shareholders put forth, elected a
4 proposal and the directors and management of this
5 bank completely ignored it and that's wrong.
6 That's totally wrong.

7 We don't elect these people to ignore
8 what we say. We have -- the shareholders elected
9 at a proposal and management did not follow it nor
10 discuss it with shareholders.

11 And then they -- what makes me really
12 angry. And then they write in their proposal, the
13 content of this proposal and supporting statement
14 are solely the responsibility of the proponent and
15 provided verbatim, as required by the Bank Act.
16 The bank expressly rejects the allegation of
17 misconduct made by the proponent in this proposal.

18 The truth of the matter is that's fake
19 news. This is -- the truth is these are all true,
20 these allegations. Right here at the meeting
21 people were here and saw that elected, saw that
22 policy go through. And that's -- this is a
23 bold-faced lie right here in the proposal.

24 So you have to look at the integrity of
25 the management we have here. Because that's a big

1 question here. We had a speech earlier from the
2 president talking about inclusion of everyone and
3 working with shareholders, and whatever. And then
4 here we see where they go in the other direction
5 just last year. It's a total hypocrisy.

6 And what we want from our management in
7 this bank is honesty and integrity, and that's for
8 the directors too, and we've lost that from last
9 year.

10 So I'm going to ask all shareholders to
11 support this proposal. We've started down this
12 path. We want proxy access and we're going to
13 continue on that path.

14 **Brian Levitt:** The fact of the matter is
15 that when you made this proposal last year we were
16 already in advance discussions with our
17 institutional -- just let me finish. You can have
18 your say but I'm going to have mine now.

19 We were already in advanced discussions
20 with our -- with the group that represents
21 institutional shareholders and who hold the vast
22 majority of our shares, and we've agreed on a
23 proposal which meets their requirements and your
24 concerns, as expressed. You will see that when
25 you see the response, the voting response to your

1 proposal that a very small group of shareholders
2 share your -- what is essentially a personal
3 grievance that you have.

4 **Lowell Weir:** It's not a personal
5 grievance. There was 52.5 percent of shareholders
6 voted on this policy last year, 52.5.

7 **Brian Levitt:** And we have responded to
8 that.

9 **Lowell Weir:** No, you haven't responded.
10 You have completely ignored the issue, you've
11 tried to twist it around.

12 What's worse here too is you have the TD
13 -- Royal Bank calling the shots on this and the TD
14 is jumping right along, and that makes me sad
15 because they should be standing on their own two
16 feet.

17 **Brian Levitt:** If that was the case I
18 would be sad but it's not the case.

19 **Lowell Weir:** It is the case.

20 **Brian Levitt:** Okay. We're done.

21 **Lowell Weir:** It is the case and for you
22 to say this is not right. It's not right.

23 **Brian Levitt:** You have will have a
24 chance to speak to the next proposal. Would any
25 shareholder -- anybody else wish to speak to this

1 proposal? In that case I suggest that you mark
2 your ballots.

3 The Board, as I said, is recommending
4 that you vote against. So please mark your
5 shareholder -- your ballot from shareholder
6 proposal A on the blue ballot now. Thank you.

7 The next item on the blue ballot is
8 shareholder proposal B. Mr. Weir.

9 **Lowell Weir:** Proposal B essentially
10 relates to expenses of shareholders who
11 participate in the democratic process of the bank.

12 And it's amazing to me in this process,
13 and I've been at it for 20 years, any time I put
14 in a proposal or two the bank can't wait to jump
15 on a plane and come down and see me, 3 or 4 of
16 them, expense is never an issue. But the minute I
17 brought up that the bank should cover the expenses
18 of shareholders, who participate in this process
19 by making proposals, or in this case here in this
20 proposal who are part of a proxy group asking for
21 proxy access, group participating in the proxy
22 access proposal, the bank totally rejects it.

23 So what they say is it's fine for us to
24 dip into shareholders funds but not for
25 shareholders have any reimbursement for expenses.

1 I know that every dime that every
2 director or officer or anyone spends on travel or
3 anything in this bank is reimbursed.

4 And it's unfair -- this bank covers
5 North America now. They have shareholders,
6 there's bank down the street from me when I'm in
7 Florida. There are banks everywhere. And it's
8 unfair not to reimburse shareholders. And this is
9 just -- this is just the small and petty minds
10 that ran Canadian banks for years. And they are
11 totally against this proposal, but they spend more
12 on coffee for the annual meeting.

13 I mean, the truth of the matter here is
14 this is fundamental democracy and work and it
15 should be supported.

16 And one thing here, I can't imagine why
17 the bank, who has how many jets and flies all over
18 the place, can query someone -- I mean, there's
19 people here from Montreal, there's myself making
20 presentations today. Their expenses should be
21 paid.

22 **Brian Levitt:** Thank you. Are there
23 other questions or comments?

24 If not, as I mentioned the -- for the
25 reasons set out in the circular the Board of

1 Directors is recommending voting against this
2 proposal. So please mark shareholder proposal B
3 on your blue ballot now.

4 That completes the proposals. I'll wait
5 a moment while you finish marking and signing the
6 blue ballot. Again, please remember to print your
7 name above your signature.

8 Now I ask the attendants to collect the
9 blue ballots. Please pass them down to the end of
10 the rows to facilitate collection.

11 I would now invite Mr. Gagnon to discuss
12 the four withdrawn proposals from Médac.

13 **Mr. Gagnon:** Mr. Chairman, thank you
14 very much. Mr. Gagnon from Médac.

15 **Brian Levitt:** Could you please come
16 closer to the microphone?

17 **Mr. Gagnon:** Is this better?

18 **Brian Levitt:** Thank you.

19 **Mr. Gagnon:** As is the case each year we
20 send you proposals. This year we made the same
21 four proposals to each major Canadian bank, that
22 is to say the 7 largest.

23 You understood at the beginning of our
24 exchanges that we had sought to identify issues
25 that were relevant to all the banks. Our ambition

1 was to encourage all banks to address those issues
2 together.

3 I will read the beginning of the wording
4 of each proposal with a brief comment.

5 We have decided not to put these
6 proposals to a vote because on each of the
7 proposals, and in fact all other banks have done
8 so, you have stepped forward and met us half way.

9 The first proposal is entitled
10 "Democratization of Access to Two Directorships".

11 "Be it resolved that the Board of
12 Directors adopt a by-law to open access
13 to public nominations for two
14 directorships the nominees to be elected
15 by the shareholders, each for a term of
16 one year or until a successor is elected
17 or appointed."

18 This proposal was inspired by a practice
19 that already exists at the QFL solidarity fund
20 that is designed to open the nomination process to
21 the public. I believe that idea was raised here
22 today independently of Médac.

23 It is an idea whose time has come. We
24 have decided not to call for a vote on this
25 proposal given that you have adopted a proxy

1 access policy, and that you have also agreed to
2 indicate how it is possible to submit a
3 nomination, referring to page 77 of the circular,
4 which I invite all shareholders to consult.

5 We submitted a second proposal entitled
6 "Commitment to Decarbonisation".

7 "Be it resolved that the Bank
8 publish a short annual report to allow
9 shareholders to assess its exposure to
10 climate risk and its contribution to the
11 transition to a low-carbon economy. Such
12 disclosure should be guided by the TCFD
13 recommendations."

14 That is the taskforce on carbon financial

15 Disclosure We have decided not to put this motion
16 to a vote given that you have signed the TCFD
17 proposal and that you will carefully consider the
18 results of the pilot project created by TCFD, and
19 that you have undertaken to disclose information
20 each year, maybe even quantitative information one
21 day. Not all banks have signed TCFD, but I
22 amongst those to whom we have made the proposal
23 some of them, including Scotiabank, have
24 undertaken to do so. But you are among those that
25 have signed it.

1 Our third proposal, "Certification of
2 Sound Business Practices in the Sale of Financial
3 Products and Services."

4 "Be it resolved that the Board of
5 Directors Require from senior management
6 a written statement of compliance with
7 the principles of loyalty, integrity
8 and honesty in its dealings with
9 customers, and that such statement be
10 subject to disciplinary measures in the
11 event of misrepresentation."

12 That proposal was inspired by the CBC report on
13 sales practices of banks, which led to an
14 investigation by the Financial Consumer Agency of
15 Canada and the Superintendent of Financial
16 Institutions.

17 We decided not to put that proposal to a
18 vote given that you told us that you would take
19 the report into account. The report was published
20 last year.

21 Among other conclusions, FCAC found that
22 the culture of retail financial services is
23 focused on selling products that increase risk for
24 consumers. There are five recommendations, and
25 I'll take the time to read them.

1 Performance management programs, sales
2 objectives, and performance management could
3 increase the risk of abusive sales and offences
4 against some practices.

5 Governance frameworks do not allow
6 banks to manage sales practices related risks
7 effectively. Controls designed to limit risks
8 are insufficient.

9 You told us that you would review the
10 report in detail, the report is devastating for
11 the whole financial industry. It is not
12 specifically aimed at TD but those are serious
13 allegations related to the entire financial
14 services industry and we hope that you will
15 address them seriously this year, although we have
16 agreed not to put this question to a vote.

17 **Brian Levitt:** Yes, if you will allow
18 me. I just wanted to add that the FCAC report
19 also concluded that no systemic issue was found
20 amongst financial institutions. Yes, the Agency
21 noted that some improvements could be made but, as
22 we have told you, and as we wrote in our response,
23 we are working on that right now.

24 **Mr. Gagnon:** If you'll allow me, sir,
25 what I read to you isn't from Médac but from FCAC.

1 I just wanted to stress the fact that we're not
2 alone in being concerned.

3 **Brian Levitt:** I understand correctly
4 and I didn't mean to suggest otherwise.

5 **Mr. Gagnon:** Now, the fourth proposal
6 was already amply discussed today. Disclosure of Equity Ratio.

7 "Be it resolved that the Bank
8 disclose the equity ratio used by the
9 compensation committee in determining
10 compensation."

11 That is to say the ratio of the highest to
12 the average remuneration within the bank.

13 We've already had a rich discussion on
14 this topic and we hope that we can continue that
15 discussion. You know that disclosure of the
16 equity ratio is mandatory in the United States,
17 according to a mandatory and standard method.

18 We have discussed distortions introduced
19 by industry differences, by the fact that average
20 salaries differ from country-to-country, depending
21 on calculation methods. Whether you use the mean
22 or median, or full-time equivalents. Médac has
23 written to you to stress that your response does
24 not reflect the spirit of our discussions but we
25 are aware that we have had discussions. We will

1 remember the discussions.

2 In each case we decided to withdraw
3 proposals this year but we may submit them again
4 in the future.

5 But we are very happy that we obtained
6 the commitment from you to publish the number of
7 full-time equivalents in future. That helps
8 calculating the ratio as we do.

9 And we attach great importance to the
10 fact that even though the ratio may not allow a
11 comparison with other banks, or with other
12 institutions in the industry, it does allow
13 yourselves to compare each year to the next, which
14 is something important.

15 We attach great importance to this
16 question. We will resume discussions with you but
17 we are happy with how far we have come so far.

18 Thank you very much. I can't invite
19 shareholders to vote for our proposals since we
20 have withdrawn them but you can be sure we'll be
21 back next year.

22 **Brian Levitt:** Thank you very much for
23 your remarks and your comments.

24 Are there other questions or comments on
25 this subject? If not I would like to invite

1 Ms. Schwey to speak if she would like to?

2 **Linda Schwey:** Yes, thank you. Linda

3 Schwey, Montreal, again. This is my first

4 attendance at any of the shareholders' meetings

5 and this is going to be the first of four because

6 I will also be attending the shareholders'

7 meetings for BMO, RBC, Scotiabank and CIBC. And

8 the reason for this is in the past when you hear

9 announcements by banks that, oh, well, we are

10 going to outsource this and this job and these 400

11 jobs it will be in some other country or whatever.

12 And at the time you think, gee, that's

13 too bad because these jobs are Canadian jobs and

14 all of a sudden they're gone. But then you have

15 -- your thoughts go to your family, your job,

16 you've -- things take time. And you're busy with

17 things and you forget about it. Something

18 else comes along and that's it.

19 Well, now the situation is different, at

20 least for myself. I've recently retired from paid

21 work. And last year there was an announcement, it

22 was not TD, but there was an announcement from one

23 of the major banks that they were going to

24 outsource. And I thought to myself. Well -- and

25 usually all of these announcements are prefaced

1 by, we have a responsibility to our shareholders.

2 And I thought to myself, well, that's
3 me. And of course we all want our dividends to
4 increase, on the other hand, I did not think that
5 I wanted my dividend to increase by, I don't know,
6 a quarter of a cent because these jobs are now
7 being outsourced and this particular item was --
8 and this particular job was being done at a less
9 expensive rate.

10 So I decided that I wanted to say
11 something about it. And so I wrote to all five
12 banks, including of course TD, and where I
13 expressed my opinion that I did not think this was
14 right and enough is enough with this outsourcing
15 and it was causing all kinds of stress and
16 problems for the families concerned. And then, to
17 add insult to injury, these people are supposed to
18 train the people who are going to replace them.

19 And so I decided that -- I found out the
20 rules and fortunately in my portfolio I had enough
21 shares in these five banks that I could send a
22 proposal. And the proposal was that from this day
23 forward the bank should stop outsourcing of jobs.
24 I said outsourcing in general I think.

25 Now, apparently there is outsourcing of

1 all kinds but the one I was focused on was the one
2 where literally jobs are eliminated here and are
3 sent overseas.

4 Well, this started a series of
5 conference calls with myself and the five banks
6 and I must say that that was very gratifying that
7 people were listening and wanted to do something
8 about it.

9 Well apparently they could not at the
10 moment cancel or outlaw or forbid all future
11 outsourcing, because they say outsourcing is not
12 just people apparently, it is other things as
13 well.

14 And so not getting too much into the
15 weeds, so I said -- well, so they asked me if I
16 would consider withdrawing the proposal in
17 exchange for the CEO at the shareholder meeting
18 would make reference and talk about outsourcing.

19 And we agreed on the wording of that and
20 I said, yes, I would withdraw it.

21 Now, I did not get what I wanted,
22 however, I feel that having mentioned outsourcing
23 in his speech, as will the four other CEOs, I
24 feel that now that this has been stated in public
25 that perhaps there will be more thought given to

1 whether or not there will be more outsourcing in
2 the future or if more outsourcing comes there will
3 perhaps be greater opposition to it.

4 So, as I said, I withdrew the proposal
5 but I'm hoping that Mr. Masrani's statements, and
6 also the other four CEOs will do something in
7 restraining banks in further outsourcing. Thank
8 you very much.

9 **Brian Levitt:** Thank you, Mrs. Schwey.
10 You heard Mr. Masrani's statement and we can
11 assure you that it's a complex topic. We have a
12 strict approach to it and will take your remarks
13 into consideration.

14 Mr. Weir?

15 **Lowell Weir:** Yes, I would like to hear
16 that approach to it, to exactly outsourcing,
17 because I'm against it as well and I just want to
18 hear what the bank's position is exactly.

19 **Brian Levitt:** Well, Mr. Masrani stated
20 what the bank's position was in his remarks.

21 **Lowell Weir:** I don't remember his exact
22 remarks, to be honest.

23 **Brian Levitt:** We'll send you a copy.

24 **Lowell Weir:** Well, I'd like to talk on
25 it.

1 **Brian Levitt:** We're not going to repeat
2 them here.

3 **Lowell Weir:** Well --

4 **Brian Levitt:** They were said once.

5 **Lowell Weir:** This is not a repetition.

6 This is exactly -- I want to know what the bank's
7 position is on outsourcing jobs outside of Canada.

8 **Brian Levitt:** The question has been
9 answered.

10 **Lowell Weir:** Well that question hasn't
11 been answered.

12 **Brian Levitt:** Well, you can sit down.

13 **Linda Schwey:** I think what he said was
14 that they outsource in a few cases.

15 Now, what I would have liked is for him
16 to add that this will be in fewer and fewer cases
17 in the future but he didn't say that.

18 However, as I said, now that it's being
19 discussed and people are aware of it, as you know
20 CEOs don't talk about outsourcing usually, only
21 if something comes up do they mention it.

22 And so I think that because he talked
23 about it today and the four other CEOs will be
24 saying the same thing, I'm hoping that they will
25 think twice before doing it again?

1 **Lowell Weir:** This has happened 3 or 4
2 years ago at the Royal Bank. I remember
3 specifically a Sunday morning because my phone
4 started ringing at 7:00 o'clock in the morning.
5 People calling me, should I take my money out of
6 the Royal Bank? It was Easter -- it was Master
7 (sic) Sunday, I remember specifically. And then I
8 went and looked on Twitter and it was a tirade of
9 people taking out their money out of the Royal
10 Bank. It was completely out of control, had to go on
11 Twitter and try to calm the situation down which
12 normally I wouldn't do but I did because I believe
13 in the Canadian bank system.

14 So it's not an irrelevant question. I
15 can tell you today that I worked for about four
16 hours to calm down that situation while the Royal
17 Bank senior management were downplaying it.

18 **Brian Levitt:** And the Royal Bank thanks
19 you I'm sure. Okay. We're going to move on. We'll
20 now move to shareholder's questions, which I
21 remind you should be of a general interest to all
22 present and not of a personal nature.

23 As I mentioned earlier representatives
24 from TD Helps are here today. Can I ask Nick
25 Burrell and Erica Kim to stand and be recognized

1 please. The Representatives of TD Helps are here
2 to take your questions afterwards. Thank you.

3 And before asking your question please
4 give your name and state whether you are a
5 shareholder or proxyholder. Please keep your
6 comments brief so that all shareholders have an
7 opportunity to participate. If the speaker has an
8 additional question and there is sufficient time he or
9 she will be recognized again after we have heard from
10 those waiting to speak. Bharat, will you please conduct
11 this portion of the meeting?

12 **Bharat Masrani:** Thank you, Brian. I
13 see there are a few line ups here so let us start
14 with Mr. Weir, number 5.

15 **Lowell Weir:** I have a follow-up
16 question to the question earlier on the increase
17 in audit expenses that the CFO answered.

18 And when I looked at page 6 in the
19 circular, I wanted a detail of the fees. And I
20 looked at the description, it's all in fine print.
21 I can hardly read it. Anyway, the explanation doesn't tie
22 in to the explanations given on audit fees. The fees
23 in relation to accounting changes are in audit-related
24 fees, which were the same at 1.6 million in 2016 and
25 1.6 million in 2017. The category of audit fees which

1 was up to 2 million doesn't contain those expenses.

2 So I have to say -- ask, again, that
3 question because it was clearly not answered
4 correctly, or the booklet is incorrect. The
5 circular is wrong.

6 **Bharat Masrani:** I think Mr. Ahmad actually
7 explained it well. Just to add to what was said 8 --

9 **Lowell Weir:** He didn't explain it well.
10 The book -- do you want me to read the book here.
11 It's right here. Look at audit fees. Look at
12 audit-related fees. Audit-related fees contain
13 accounting relate adjustments, they are not up.
14 So how can that explanation hold any credibility?

15 **Bharat Masrani:** Mr. Weir, we are having
16 a civil discussion.

17 **Lowell Weir:** We are but it's clear here
18 in the book. Look at your book. I didn't write
19 this book, you did.

20 **Bharat Masrani:** I'm being respectful
21 and giving you time to explain your situation,
22 which you have, and I think you should give me the
23 respect of answering your question instead of
24 shouting back. That is not helpful.

25 **Lowell Weir:** No, no, where is the CEO

1 to give an answer?

2 **Bharat Masrani:** I'm the CEO.

3 **Lowell Weir:** Where is the CFO?

4 **Bharat Masrani:** Well, I'm just --

5 **Lowell Weir:** He's one who gave me the
6 answer.

7 **Bharat Masrani:** Who else would you
8 like?

9 **Lowell Weir:** I'd like someone to give
10 me the right answer here.

11 **Bharat Masrani:** We just gave you the
12 answer. I'm telling you --

13 **Lowell Weir:** It's not right. It's not right.

14 **Bharat Masrani:** I was trying to answer
15 your question. If you let me answer your question
16 perhaps you might be satisfied, if not we are
17 happy to sit down with you and explain how we do
18 these things.

19 **Lowell Weir:** This is an annual meeting,
20 it only happens once a year, sir, and -- you know,
21 you have to prepare for this in advance. I know
22 that you got many other things to do but this one
23 meeting a year is all you have to do. Three
24 hours, or whatever, with the shareholders.

25 And a simple question like that on a

1 topic on the -- let's have the auditor answer
2 here. I mean, I don't know why we can't have the
3 auditor answer. I'd like to know that. Give us
4 an answer there, Mr. Auditor.

5 **Bharat Masrani:** Well, let me tell you
6 that, you know, we have a complex bank. Every
7 year our business is changing. We open new
8 businesses in different countries. Riaz Ahmed gave you
9 one big example of what has been
10 going on over the past few years in changing
11 accounting standards. Canada has adopted those
12 standards; and it took a few years for us to get
13 there, it is a highly complex issue. And that's
14 the main reason why those fees have increased.

15 I think that explanation was
16 satisfactory. That is what we do. As a bank, I
17 want you to be aware as a bank we take expenses
18 very seriously. We are not flippant in giving
19 away monies to external auditors.

20 We have a whole process to make sure
21 that the services we are getting are of high value
22 and meet the standards of market practice. That's
23 what we do in this bank. And if you're
24 unsatisfied I respect your view but I cannot help
25 you in -- if you say, well, I disagree with you.

1 Well, I have given you the answer.

2 **Lowell Weir:** This isn't an issue of
3 disagreement. This is a document that you have
4 issued pursuant to security regulations. It's a
5 proxy circular; it's supposed to contain facts.
6 It contains a different fact than was presented at
7 this meeting. So the question, is the document
8 correct or is the explanation correct? That's all
9 I'm asking.

10 **Bharat Masrani:** I do not see the
11 difference between the two. That is my opinion,
12 you have a different view.

13 **Lowell Weir:** This is a regulatory
14 document that's filed with shareholders.

15 **Bharat Masrani:** Mr. Weir, I'm being
16 respectful here. There are a lot of other
17 shareholders with questions --

18 **Lowell Weir:** I am being respectful.

19 **Bharat Masrani:** There are a lot of
20 other people who want to ask questions. You're
21 asking the same question --

22 **Lowell Weir:** I'm asking you the same
23 question because I haven't got an answer.

24 **Bharat Masrani:** I think I've answered
25 your question.

1 **Lowell Weir:** The answer is incorrect.

2 Surely there is someone in this bank who knows
3 enough about the audit piece who can stand up and
4 give a correct answer?

5 **Bharat Masrani:** We gave you the answer.

6 **Lowell Weir:** Because the answer given
7 pursuant to proxy circular is incorrect.

8 **Bharat Masrani:** Well, we have given you
9 the answer. I appreciate your comments.

10 **Lowell Weir:** Well, it's unsatisfactory
11 and it's unsatisfactory from the senior people in
12 the bank, I can tell you that.

13 **Bharat Masrani:** Thank you for your
14 comment.

15 Let me go to those other mics.

16 Number 7.

17 **Brian Manese:** Good morning, Brian

18 Manese shareholder. I'd like to comment on
19 recent TD outages which are affecting Easy Web and
20 accessing TD Wealth.

21 Approximately a year ago I emailed the top
22 two senior VPs of IT raising a concern about the
23 integrity of their data centres. At that time, as
24 of February 2017, the data centres were now being
25 run by two Americans who happen to replace two

1 Canadians.

2 In an August 2017 meeting with TD IT
3 senior VPs they said they found nothing wrong
4 with the operation of the data centres and that
5 the data centres were being run very well; and
6 that the new U.S. management team had saved them
7 around \$7 million in 20 percent cost reductions
8 in the data centres.

9 However I pointed out to them with the
10 savings that the new U.S. management team had,
11 through their cost cutting decisions, had
12 nullified the warranty on connectivity in the data
13 centres.

14 I believe that this strong U.S.
15 influence on cost cutting in the data centres has
16 affected the performance and the delivery of Easy
17 Web in being accessed to TD Wealth accounts on a
18 regular basis.

19 So my question is, your senior IT
20 people, sorry, your senior IT management believe
21 that their data centres are being run well, which
22 is obviously not the case to many customers. Will
23 you address this by having an outside, external
24 investigation look into the operations of the data
25 centre?

1 **Bharat Masrani:** Thank you for your
2 question. I want to say, you know, we apologize.
3 I regret the outages that you experienced. It's
4 not something that we strive for.

5 During the time, and there's no excuse
6 for this, during the time we had extraordinary
7 volumes coming through our system and, obviously,
8 with the benefit of hindsight we should have had
9 more capacity, and so we have done that.

10 And I regret the experience you had on
11 both Easy Web and Web Broker, I think those are
12 the two properties you outlined.

13 With respect to how we run the bank, I
14 want to assure you that the quality of our people
15 running our data centres, and other properties,
16 are as good as any in the industry. And there is,
17 again, I do not want to compare ourselves to other
18 institutions that provide these services, but I
19 pride myself and my bank in how when we do make
20 mistakes how do we recover from it.

21 So, once again, I apologize for your
22 experience. We feel that we know what went wrong
23 and we've addressed the issue. So thank you for
24 your question and your comment.

25 **Brian Manese:** Just to follow-up to

1 that.

2 **Bharat Masrani:** Sure.

3 **Brian Manese:** My wife received an
4 e-mail on Tuesday and the subject "CEO Greg Braca
5 speaks on our new on-line banking experience", so
6 this is not just a onesie or twosie, this is a
7 consistent basis where Easy Web is down.

8 TD Wealth I tried to access it in
9 January for two days it was down. So Greg Braca
10 sends to my wife:

11 "We want to apologize for any
12 difficulties you may have encountered
13 during the launch of improved digital
14 and mobile banking experience.
15 Unfortunately we ran into some technical
16 difficulties along the way."

17 My point is, this is a continual issue.

18 I think the bank needs to get an external
19 consulting company to look at their internal IT
20 department.

21 **Bharat Masrani:** Firstly, the
22 experience, again, I regret what your wife had to
23 endure as well. That is not to do with Easy Web
24 but that is our property in the United States
25 which went through a major upgrade; and in order

1 to get the best security features in it, and in
2 order to make sure we have the appropriate apps
3 that are available to our customers we had issues.

4 Again, I regret that, you know, they should not
5 have happened. They have been addressed.

6 The system is very stable. It has
7 offerings that I know are going to be very useful
8 and appreciated by our customers because it will
9 provide experience that, in our mind, will be
10 legendary. But that doesn't mean that we don't
11 look back and say, what could we have done
12 differently? And of course there are takeaways
13 and we learn from it.

14 And so, once again, my apologies to your
15 wife for having gone through what she did but I hope that
16 she finds the experience now to be superior to what
17 she was getting earlier. Thank you for your
18 comment.

19 Yes, number 5.

20 **David Peters:** Am I 5?

21 **Bharat Masrani:** Yes.

22 **David Peters:** My name is David Peters,
23 I'm a shareholder. I've also been a customer of
24 The Toronto-Dominion Bank for a long time.

25 Over the years I have generally thought

1 the quality of service at the -- in the retail
2 branch network was very good, but my experience
3 particularly since December 2016 has shown how
4 excellent it is.

5 So what happened my father, Douglas
6 Peters, who was your Chief economist for about 25
7 years back in the 20th century, he died in October
8 2016. I was the executor to the estate and
9 managing an estate and doing all the financial
10 transactions can be very complicated.

11 Anyway, I went to the Yonge and St.
12 Clair branch and I have had about over the past year
13 about 20 or more conversations with one of the
14 financial advisors there.

15 And we've worked through all -- out all
16 these things. And it was a very excellent
17 experience and I really appreciate the time that
18 was devoted to helping me work through this.

19 Now, the TD benefited somewhat too
20 because you get free interest on a chequing
21 account that has half a million or a million
22 dollars but, anyway, we won't get into that.

23 But I do want to say thank you. And
24 this idea of quality service in the retail
25 branches is -- if you want to make a comment about

1 how that fits into a your overall strategy, that
2 might be a question I'd ask.

3 **Bharat Masrani:** Thank you, Mr. Peters.

4 And, yes, we fondly remember your father who was
5 the chief economist for the bank for many years,
6 and our best wishes to your family.

7 I think, you know, we pride ourselves in
8 -- we take the view that we are a people business.

9 We don't make anything. We don't make cars, we
10 don't make computers. It comes to our people.

11 And we feel that, you know, we have the best in
12 the business. And we have been always recognized.

13 I made a couple of comments on -- in my
14 prepared remarks that, you know, when IPSOS
15 recognized us for service, yes, of course the
16 contributions are terrific, but what it showed is
17 the character of our people, what they do day in
18 and day out for our customers. And we pride
19 ourselves, that is what TD is known for.

20 Yes, once in a while we will make
21 mistakes and we will admit our mistakes, learn
22 from them and move on.

23 So I appreciate your comments and I
24 could not be more proud of what our people do.
25 Tens of thousands of them every day throughout our

1 network. And we deal with millions of customers
2 with millions of transactions day in and day out,
3 and I'm happy to report that they do a wonderful
4 job in wowing our customers and providing the
5 legendary experience that TD is known for.

6 So really appreciate your comment and it
7 is all about our people.

8 Yes, Mrs. Schwey?

9 **Linda Schwey:** Thank you.

10 I don't want you to think that all I'm
11 doing -- all I have are complaints and -- about
12 the bank. I still believe that the Canadian banks
13 and the Canadian banking system, well, it's not
14 just me, it's been praised as the most secure and
15 most reliable.

16 And probably one of the reasons why TD
17 has done so well in the States is because they
18 have kept a lot of their Canadian values with them
19 in doing business in the States. And I think that
20 has to be kept in quality of the data bank that
21 the gentleman was talking about.

22 And we have to keep the Canadian
23 standards to that as well not just on the selling
24 portion of things.

25 Now, I asked before if there was a seat

1 on the Board reserved for someone who looks after
2 shareholders' ideas and values and they said, oh,
3 everybody on the board does that.

4 Well, not really. The meeting today
5 with all the comments and criticisms and
6 corrections shows that perhaps that is not the
7 case. Not everybody on the Board is looking after
8 shareholders' views. And the banks always say
9 that shareholders are very important.

10 As I mentioned before, every time there
11 is an announcement about anything it is always
12 stated, we have a responsibility to our
13 shareholders, and therefore we so on and so forth.

14 So I think that -- and of course all the
15 time that has been taken up here with some of the
16 criticisms or complaints could perhaps have been
17 resolved through the year had there been someone
18 on the Board whose sole responsibility was, aside
19 from the loyalty to the bank, whose responsibility
20 was to look after shareholders' views and ideas.

21 There are corporations, businesses where
22 -- big corporations where the Board has a
23 representative of employees to sit there on the
24 Board as well. So I don't think it's
25 unreasonable. And I definitely think it should be

1 something that the bank should consider very
2 seriously.

3 Also I believe that the number of women
4 on the Board should be increased, and I don't
5 think it should be anything that is regulated but
6 it is just a matter of common sense. Because if
7 you don't increase the number of women on the
8 Board then what you're saying is we shouldn't
9 increase our profit.

10 And surveys have shown that Boards that
11 have equal number of women and men on it, or have
12 more women than men -- more women on the Board
13 than before, they have increased results and that
14 should be something that is just self-evident.

15 So it's just -- there to should be a
16 member on the Board who should look after shareholders.

17 And I think one should try to increase the number
18 of women on the Board. Thank you very much.

19 **Bharat Masrani:** Thank you, Mrs. Schwey.

20 I think you made 3 points so let me address them
21 in that order.

22 Yes, we are a very proud Canadian bank
23 and have been around for 162 years. Those are
24 TD's roots. And, yes, we have a very large
25 business in the U.S. and we are very proud of that

1 business as well. It now represents about a third
2 of the overall size of the TD Bank. And we feel
3 great that we have a presence that is of scale and
4 a brand positioning that is second to none, and
5 are able to serve more than 9 million Americans in
6 the United States, and I think that is terrific
7 for the bank.

8 I think your second point on -- I think,
9 Brian Levitt, our chair addressed that. Every
10 director is actually elected by the shareholders.
11 We have very many shareholders, there's
12 approximately 1.8 million shares of TD Bank
13 outstanding.

14 Every shareholder has an opportunity to
15 cast their vote for or against a particular
16 director and that is what we do. And that is the
17 reason all our shareholders in this meeting had an
18 opportunity to vote for those directors or not,
19 and others who may have sent their proxies in to
20 the bank once the proxy circular was distributed.

21 So our view is that, you know, our
22 process actually allows our shareholders, as they
23 should, and that's not only our process, those are
24 the laws of the land, that's how we are
25 incorporated; that's how securities laws work,

1 that there are actually -- the directors are
2 actually representatives of the shareholders on
3 our Board.

4 I think with respect to women on our
5 Board, let me first say generally for TD Bank
6 diversity and inclusion is critically important to
7 us. Not only is it the right moral thing to do
8 but it's the right business proposition to do.

9 We have a very extensive initiative in
10 the bank to make sure that, you know, we -- the
11 banks' people reflects the communities in which we
12 live and operate. And it is important from a
13 gender perspective that we follow that as well.

14 With respect to our Board I know you had
15 asked for the picture to go up again. I think we
16 have five women on our Board, and out of the
17 independent directors, total independent directors
18 they represent about 38 percent of our Board.

19 And, yes, we will strive to do that even
20 better. But I want to assure you that we take
21 that very seriously. Diverse views and diversity
22 in itself is very important to us and we strive to
23 do better; but feel that, you know, that we are
24 not ignoring this issue; that we are making very
25 good progress at the bank and we will continue to

1 do so.

2 Thank you.

3 I'll go to that mic. Number 5. Sorry

4 about that. Please.

5 **Robert Rubler:** My name is Rob Rubler,

6 I'm a shareholder.

7 During your representation, Mr. Masrani,

8 you were talking about how TD Bank is using

9 technology to improve your operations and

10 servicing of your customers and it got me

11 thinking.

12 And I have to admit I'm not a tech savvy

13 person. I'm always way behind the 8-ball here,

14 but about a year and a half ago I started hearing

15 about block chain technology and as part of it the

16 use of crypto currency. And it certainly seems to

17 be a very disruptive technology, especially for

18 financial services industry, and probably is the

19 next big thing.

20 So I was just curious, Mr. Masrani, what

21 is your viewpoint about block chain technology?

22 Is it a threat or an opportunity?

23 **Bharat Masrani:** Thank you for your

24 question, appreciate it. A block chain, just for folks you know,

1 who may not have heard this, it is something
2 called a distributed ledger. It is a base
3 technology that supports all the crypto currencies
4 that we hear about.

5 And I'd say from TD's perspective we
6 find the technology in various cases attractive.
7 We are experimenting as to where it could apply in
8 our business. We belong to some international
9 consortia as well to make sure that if this is
10 going to be workable it has to work with other
11 banks as well, because we settle with a lot of
12 banks around the world. And we are participating
13 in all those, as we call it, "use cases" to see if
14 it can be applicable.

15 So it's a long way to say, yes, this is
16 a serious technology. It can be applicable in
17 certain of our businesses and we are seriously
18 looking at it to see whether it is workable or
19 not.

20 Now, it's a highly complex technology,
21 it's new. And to date, you know, folks are
22 excited about it but having been in the bank for
23 many, many years a lot of these things come and go
24 and we have to make sure that from a risk
25 perspective, from a security perspective, from a

1 cyber security perspective that these technologies
2 are as safe as advertised.

3 Because at the end of the day we are in
4 the trust business, we take that very seriously.
5 And we would not want to apply the technology for
6 the sake of a new technology that emerges. We
7 want to make sure it's right for TD and our
8 customers and that we can live up to our brand
9 commitment. Thank you.

10 Number 7.

11 **John Flanagan:** Good morning,
12 Mr. Masrani. My name is John Flannigan, I'm a
13 shareholder. This has been a very interesting
14 shareholders' meeting. The last two years I've
15 watched on webcast. I've read the circular and
16 the annual report from cover to cover. I would be
17 more than honoured to offer any of the directors a
18 position at one of the 3 Boards I have, of the 3
19 businesses I have.

20 So I'm very proud to be a Toronto
21 Dominion Bank shareholder and give would like to
22 give you my vote of confidence to keep up the good
23 work.

24 (Applause)

25 **Bharat Masrani:** Thank you very much,

1 and we are proud to have these directors serve on
2 our Board. They do a wonderful job for the bank
3 and our shareholders, and all our stakeholders.

4 I'm sure they heard your comment, in
5 case not I'll be sure to pass on your thanks and
6 your appreciation to each one of them. And if they
7 are available I'm sure they would want to apply
8 for a job at your company as well. Thank you very much

9 Number 5.

10 **Jay O Yedvab:** My name is Jay O Yedvab. I am a

11 shareholder. I also am a customer of the bank. I

12 was a customer of Commerce bank before it was

13 acquired by TD. I'd also like to comment that

14 it's a -- sometimes a thankless job to be on

15 Boards, and the fact that you have a hospital

16 administrator on your Board will clearly bring a

17 different perspective than you get from people

18 that have a traditional business background,

19 although hospitals are a business as well.

20 I asked the question a number of years

21 ago regarding TD Bank in the United States,

22 America's most convenient bank. And the question

23 was why the bank had not expanded into the Niagara

24 frontier and, showing the bridge to Windsor, why

25 the bank has not expanded into the Detroit-Windsor

1 area?

2 I would assume the banking regulation in
3 New York State are the same for upstate and
4 downstate, and TD has expanded markedly in the
5 downstate area. It's all over the place in
6 Washington and Maryland when I go down there.

7 So without revealing any business plans
8 can you explain why the bank has not expanded into
9 those areas that are immediately adjacent to the
10 Canadian business centres of the bank?

11 **Bharat Masrani:** Thank you for your
12 question, and thank you for being a customer. We
13 appreciate your confidence on both sides of the
14 border. We really appreciate it.

15 In our business it is not as easy as one
16 would think in expanding the bank. We feel good
17 about what we have done in the U.S. We are now in
18 all the States on the eastern seaboard, except for
19 one, from Maine to Florida. We have more than
20 1200 locations. And, as I mentioned earlier,
21 we're proud to serve more than 9 million Americans
22 day in and day out at TD Bank, America's most
23 convenient bank.

24 In our history in Canada goes back 162
25 years. We have a national franchise east to west,

1 north to south. In the United States in the
2 retail banking space, consumer and commercial
3 banking, small business space, we've been in that
4 space since 2005.

5 And so it is fairly recent that we have
6 -- we've expanded into the United States. So I
7 don't want to particularly say where we may open
8 next or where we may not open next. But it is a
9 growth story for the bank.

10 We always look for opportunities to make
11 sure that we take advantage of those
12 opportunities. But our business is very reliant
13 on scale. It's a huge investment that we have to
14 make when we enter new markets because it is not
15 just, you know, going digitally. We have to open
16 new stores, it takes bricks and mortar to set up
17 operations. It is complicated. There are
18 regulations, as you rightly pointed out, that may
19 be different in different parts. So it is
20 complicated but I take your comment and appreciate
21 your confidence in the bank, thank you.

22 Number 5.

23 **Alex Speers-Roesch:** Hi. Yes, so any name is
24 Alex, Speers-Roesch and I'm from Greenpeace Canada.
25 And I'm actually here today because we've been trying to

1 reach out to you, Mr. Masrani, to speak about some issues
2 in the annual report related to the Trans Mountain
3 Pipeline expansion project.

4 We wrote you a letter last year, we did
5 not receive any response. We came to your office
6 last year to try to raise some of the concerns, we
7 were turned away. And so I'm here because we're
8 rapidly running out of options to get your
9 attention and to speak to you about this issue.

10 I'm here as a shareholder to ask you
11 about the bank's policies on this pipeline and
12 some apparent contradictions between the decision
13 to finance the Trans Mountain Pipeline and
14 policies that TD has on the books.

15 So, in the annual report on this year on
16 page 103, as part of the environmental and social
17 credit risk management procedures it says that:

18 "TD will assess TD clients, policies
19 procedures and performance of material
20 and environmental and related social
21 issues such as air, land and water risk,
22 climate risk, biodiversity, stakeholder
23 engagement and free prior and informed
24 consent of indigenous people."

25 And so I'd like to ask you, or I'd like

1 to ask you to help me understand in the context of
2 this risk management procedure how the bank can be
3 financing the Trans Mountain expansion?

4 So there's a variety of analysis out
5 there indicating that in a 2-degree scenario for
6 climate change there are no new tar sands
7 pipelines built, and this includes analysis from
8 the oil industry, from Suncor.

9 So efforts to finance this project and
10 get this project built we would interpret as
11 efforts to undermine the Paris agreement and its
12 objectives.

13 On the indigenous rights' side is TD
14 aware that the majority of First Nations on the
15 path of the pipeline have not provided consent for
16 this pipeline? And as such it's a violation of
17 indigenous rights? If so how was the decision
18 made to proceed with financing this project? If
19 not, what is the nature of these risk management
20 procedures that something like that could be
21 missed?

22 And, finally, I would say that on TD's
23 website, this isn't in the annual report but there
24 is a policy there about not financing activities
25 in UNESCO world heritage sites; and the Trans

1 Mountain pipeline passes through Jasper National
2 Park, it passes through a UNESCO heritage site and
3 so the decision to finance this project would also
4 appear to be a violation of TD's policies in that
5 respect.

6 So I'm wondering if you can help me
7 understand these apparent contradictions between
8 the policies on paper and the actions to finance
9 the pipeline?

10 And finally I'd ask if you have a moment
11 after this general meeting I would love to take a
12 moment to speak with you. I can provide you the
13 letter that we sent, I don't know if it made it to
14 you, and hopefully we can set up a time to discuss
15 this further. Thank you.

16 **Bharat Masrani:** I appreciate your
17 question. I want to say let first generally
18 answer your question. The environment and respect
19 for the environment we take that very seriously.
20 TD was the first bank that I know of in Canada
21 that went carbon neutral many years ago.

22 The environment has been a key component
23 of our thinking for more than 25 years. TD
24 Friends of the Environment Foundation was set up
25 in 1990 and we played a significant role,

1 including planting 1 million trees and ensuring
2 that we remain and are committed to the longevity
3 of our planet and our peoples.

4 We are the only Canadian bank that I
5 know of that has been recognized by the Dow Jones
6 Sustainability World Index. We are the only bank
7 in it.

8 And we recently announced that we are
9 targeting \$100 billion in financing, in asset
10 management, in investments we might make by 2030.

11 And, frankly, over the past few years we
12 have increased our lending and our support for the
13 renewable sector many, many fold. So I feel very
14 proud, I feel very proud as to the role TD has
15 played in making sure that we have a smooth
16 transition, and that we are working very hard and
17 encourage a movement toward a low carbon world and
18 low carbon economy.

19 Having said all that, we also recognize
20 that getting there by tomorrow morning is not
21 feasible if we are to maintain the standards of
22 living that millions of our customers and millions
23 of other stakeholders that look at TD, that it is
24 just not feasible.

25 So, until we get there, and we would

1 like to find ways to get there faster than perhaps
2 the world is moving, we will support responsible
3 energy development. It is important for Canada,
4 it is important for our economy and the standard
5 of living that all of us are used to and are
6 wanting to have.

7 So I respect your view. I think, you
8 know, our disclosures that went through are very
9 consistent. We pay a lot of attention to making
10 sure that we are accurate in what we provide you
11 in our annual report, as well as the outreach we
12 have with various groups, like yourselves.

13 And if you would like a meeting we have
14 a chief environment officer at TD, I'm not sure
15 whether you're aware of that or not? And she'd be
16 happy to sit down with you and go through all the
17 things we do and how we respond to issues that you
18 have talked about.

19 I don't think that it's appropriate for
20 me to talk about a particular client and how we
21 may be supporting that client, but let me assure
22 you, we work very hard with all our clients who
23 might be in this sector, and frankly in any sector
24 they operate, that they follow all the rules that
25 are required to be followed, they follow all the

1 regulations as well as the law.

2 So I feel that we do and we have signed
3 up to various accords to make sure that we remain
4 on side with it.

5 I respect your view but I beg to differ
6 as to what TD's position has been for many, many,
7 many years. And our position has been clear and
8 consistent. So thank you for your question.

9 **Alex Speers-Roesch:** I'll just say, with all due
10 respect, I wasn't speaking about the law but TDs
11 policy.

12 So TD has a policy about no activity in
13 UNESCO world heritage sites and the pipeline goes
14 through the heritage site.

15 **Bharat Masrani:** I'm not sure whether
16 you're right or wrong. We will look at that. Our
17 own view is that we are following what is
18 required. Whatever we've said we are following
19 our own rules and regulations.

20 **Alex Speers-Roesch:** And may I speak to you
21 afterwards or somebody else that --

22 **Bharat Masrani:** Yes, Karen Clark
23 Whistler is here. She'd be happy -- and there she
24 is. She'd be happy to see you after the meeting.

25 **Alex Speers-Roesch:** Thank you very much

1 **Bharat Masrani:** Thank you.

2 Mic 8. Where is mic 8. There you are.

3 I thought this was the same line. I forgot you

4 are a different mic all together.

5 **Paul Durnen:** My name is Paul Durnen and

6 I'm from Burlington. I think I'm more of a

7 capitalist than previous speakers. This stock has

8 outperformed the peers beautifully for five years,

9 11.7 percent increase in the dividend is a very

10 generous one, as far as I'm concerned.

11 Now, if profits were going down with

12 management salaries going up that would be a

13 different matter. I don't really think that we

14 have the right to complain about this lovely, more

15 than doubling of your share price, dividends

16 re-invested. It was 217 percent.

17 So the -- that's not my question.

18 [Laughter]

19 **Bharat Masrani:** But you can continue...

20 [Laughter]

21 I can help you with some more statistics

22 as well.

23 **Paul Durnen:** Deferred tax assets. I

24 didn't understand how exactly how that works. You

25 are taking a loss at the end of 2017 by moving

1 things around on the balance sheet in anticipation
2 of saving in 2018 and forward the new -- I assume
3 it's to do with the new American tax laws?

4 So, I'm primarily an accountant from the
5 past. So can you just explain to me how the
6 deferred tax asset accounting works?

7 [Laughter]

8 **Bharat Masrani:** Yeah. I will give you
9 the headlines and if you are not satisfied, you
10 need more detail then our CFO would be happy after
11 the meeting to explain all the things that go into
12 it.

13 We carry deferred assets or deferred tax
14 assets on our balance sheet and we benefit from
15 them down the road, and it optimizes our taxes
16 down the road.

17 So the tax rate in the United States
18 drops, which it did from a statutory rate of 35 or
19 36 percent to 21 percent, the benefit that we have
20 in the future just got reduced. And as we have to
21 mark down that asset to recognize that the benefit
22 is not as substantial, because the tax rate in
23 itself is now lower.

24 Having said that, as you rightly point
25 out that we do have a substantial business in the

1 United States, a very profitable business in
2 United States; we are as well proud shareholders,
3 the major shareholders in TD Ameritrade, which
4 also operates in the United States, and both our
5 own 100 percent-owned subsidiary at TD Bank,
6 America's Most Convenient Bank, and our interest
7 in the TD Ameritrade, both of them in aggregate,
8 mean that the tax burden, you know, to the TD Bank
9 overall has now reduced.

10 And that is the benefit we will get on
11 an ongoing basis, as long as we make money and are
12 subject to taxes and those taxes will be lower
13 going forward.

14 So that's how we think about this. But,
15 you know, Riaz we would be happy to go through the
16 deferred tax asset accounting, but that's
17 generally how that works.

18 **Paul Durnen:** Thank you.

19 **Bharat Masrani:** Thank you. I
20 appreciate your comments. I'm so glad that you
21 have the confidence as a shareholder in the
22 bank's performance.

23 And I want to thank, actually, all the
24 85,000 people around the world who deliver for our
25 shareholders day in and day out. Thank you for

1 your comment.

2 Number 5.

3 **Ronald Thompson:** Yes. Ron Thompson, a
4 shareholders, proxyholder and customer. I would
5 like to extend kudos to you and the team for
6 stellar results this year.

7 Going forward where do you see some of
8 the areas of major opportunity and some of the
9 strategies to get there?

10 **Bharat Masrani:** Yes. So we as a bank
11 on the one hand given our size and we are in a
12 mature business you would think that growth would
13 be challenging. But for the bank, you know, we
14 work very hard to make sure that we are a
15 162-year-old growth company, that's important to
16 us, that's important to our shareholders; and that
17 was one of the key reasons why we decided to enter
18 the United States in 2005.

19 In the U.S. we have a young franchise.
20 As I said, we only started relatively recently.
21 Whilst we deal with the millions of Americans our
22 relationship with those Americans is not as deep
23 as we would like, so we see opportunities of
24 growth in our U.S. business.

25 Even in Canada, given the type of

1 businesses we are in, we feel we do have
2 opportunities in the small business sector, we
3 think in wealth management, in private banking.
4 These are designated areas within TD that we feel
5 there are growth opportunities for us.

6 We deal with millions of Canadians day
7 in and day out, but we want to make sure we deal
8 with them for their overall relationship and that
9 provides us with opportunities for growth.

10 So that's how we are managing and
11 running the bank and want to assure you we take
12 growth very seriously and would like to continue
13 to be a growth company. Thank you.

14 Number 8.

15 **Howard Ledger:** Yes, sir. Howard, I'm a
16 stockholder, shareholder and I'm listening to your
17 comments regarding customers with a lot of tongue
18 and cheek. Because quite frankly I'm a depositor,
19 or was a depositor at the Woodbine branch. And
20 the idiotic idiocy of closing that branch I cannot
21 figure out.

22 That branch was 150 feet from the
23 subway. We get a euphemistic letter sometime in
24 August saying, we're going to close that branch and
25 move it just west of Woodbine. Just west of

1 Woodbine turns out to be half a mile. Not a good
2 walk for a senior.

3 So if we turn around and look at the
4 Coxwell subway station the closest distance is
5 almost a quarter of a mile down beside the TTC,
6 down across the parking lot.

7 Well, I went to the CIBC branch at the
8 corner of Coxwell and Danforth to pay a VISA bill
9 on January the 8th, just after a snowstorm. The
10 restaurant was absolute slush, the parking lot was
11 absolute slush, Danforth was absolute slush. And
12 I watched somebody walking east on the north side
13 of Danforth go down heavily in that slush. That's
14 not something I want to walk into.

15 Okay. We go to Victoria Park. You're
16 up against the 113 and 20 bus lines. Well, both
17 ways you have to cross a very busy intersection of
18 Danforth. You take the 135, 12 bus north you have
19 two intersections to cross. Not a safe place for
20 a slow-walking senior. And then you have to
21 navigate the parking lot in there, which is a
22 right turn coming off of Victoria Park and people
23 can't see; cars coming and drivers can't see
24 people walking across it.

25 If you take the bus from Victoria Park

1 subway station you can't walk, it's uphill, and
2 you still have the same problem.

3 Why would you shut down a branch that's
4 most accessible? And if it's a case of money or
5 expansion the CIBC branch across the street on the
6 corner was vacant for a year before it decided to
7 move.

8 Coxwell is a hell of a place to get to.
9 And quite frankly, contrary to your comments about
10 considering customers, I don't think the ivory
11 tower gives a tinker's tam, T-A-M is the spelling
12 of it, about the customer walking in the door.

13 I wrote you a letter on November the
14 10th, addressed to you, personal and confidential,
15 I didn't even get the courtesy of a reply. And I
16 happen to have a copy of it here which I'm going
17 to hand to you. Thank you, sir.

18 **Bharat Masrani:** Thank you.

19 You know, when we shut a branch or
20 consolidate it or move it to another location it's
21 a very, very difficult and a serious issue for the
22 bank.

23 We pride ourselves that we are
24 responding to expectations. Our customers prefer
25 to deal with us -- is everything all right there?

1 If he would like to deliver the letter
2 to me I'm happy to take it. Excuse me, Anthony,
3 if he would like to deliver a letter to me I'm
4 happy to take it. Thank you very much.

5 (Applause).

6 Thank you very much. And first I'm
7 going to start by apologizing, if you wrote to me
8 and I did not reply to you that is unacceptable.
9 And so I will look into it and make sure that if
10 you write to me we take your comments and letter
11 seriously.

12 With respect to branch closures,
13 generally this is a difficult issue for the bank,
14 as you rightly point out. A lot of our customers
15 have now evolved into dealing with the bank in a
16 totally different manner than they might have
17 previously.

18 When populations move, cities change,
19 you know, we have to adapt to the new reality and
20 make sure that we are providing the conveniences
21 that we are known for on a consistent basis
22 through new technologies, et cetera.

23 But I feel terrible when we have to make
24 these decisions. Unfortunately sometimes we have
25 to make difficult decisions.

1 We try very hard to make sure that we
2 speak to our customers, find alternatives such as
3 a green machine, if that is going to suffice, or
4 other ways to interact with the bank.

5 Regarding the particular situation
6 you're talking about I will certainly look into
7 it. We have our people, the TD Helps people, who
8 can as well have a conversation with you as to
9 what alternatives we might be able to offer if
10 we've not already told you what those might be.

11 So, again, I appreciate your comments.
12 This is very difficult and I realize that but,
13 unfortunately, sometimes we have to make difficult
14 decisions because it is the right thing for a lot
15 of our customers and how the expectations are
16 changing on an ongoing basis. But thank you for
17 your comment.

18 Yes, Mr. Weir.

19 **Lowell Weir:** I have two quick
20 questions. One is a follow-up to a previous
21 gentleman's question on the deferred tax assets.

22 And if I understood correctly your
23 response to the gentleman that for the write-down
24 in deferred tax assets, it would seem to tell me
25 that the bank, which surprised me somewhat, has

1 still operating losses that they're in a net loss
2 position in certain U.S. operations, otherwise
3 they wouldn't have deferred tax losses capitalized

4 So can -- am I accurate to say that the
5 bank is in a net loss position on certain U.S.
6 operations? And I don't understand why the bank
7 wouldn't have taken steps to change the structure
8 so those losses could have been utilized?

9 **Bharat Masrani:** We work very hard,
10 obviously as you can imagine, you talked about the
11 fees we pay our auditors so we try and extract as
12 much value, you know, from them as well in
13 managing our affairs and making sure that we are
14 optimizing our operations and taxes for our
15 shareholders.

16 Now, with respect to your point we are,
17 like I said, a recent entrant to the United
18 States; we are still building our businesses and
19 hence sometimes deferred tax assets get developed.
20 And we make sure that we are working to our plans
21 to utilize them and where appropriate we would.
22 So that's how we run the bank. We follow all the
23 rules that are out there.

24 And if you need any more, like I said,
25 we'd be happy, Mr. Weir, to have a discussion with

1 you. As the other gentleman suggested, these are
2 highly complex, technical issues of tax law and
3 accounting rules. But if you would like we would
4 be happy to have people from the bank sit down
5 with you to explain those rules in greater detail.

6 **Lowell Weir:** Certainly, I appreciate
7 that you can't be expected to know all things of
8 the bank. I'm not saying that. But this is a
9 basic fundamental question I guess I'm asking is
10 are we plus or minus in the U.S. operations? I
11 think that's a very reasonable question for
12 shareholders to know.

13 We put a huge investment if in the U.S.
14 and we should have -- I mean, the financial
15 reports disguise really in a certain extent, but I
16 want to know are we net -- are we plus or are we
17 minus on our big investment? That's a pretty
18 simple question.

19 **Bharat Masrani:** The answer is in my
20 comments I talked about the bank having surpassed
21 profitability in the U.S. by \$3 billion.

22 **Lowell Weir:** I know we are now. The
23 question I'm asking is, the bucket of money we put
24 in the U.S. have we got it back yet? And because
25 we have deferred losses tells me we probably

1 haven't, but I don't know that. I'm just asking
2 that question. I guess the bank doesn't know
3 either.

4 **Bharat Masrani:** I can tell you we are
5 very happy with our investment in the United
6 States, it is giving us a good return, it's a
7 growing business and as some other gentleman
8 suggested it is a big growth engine for the bank
9 for the future so appreciate your comment.

10 Any other questions? Seeing none, thank
11 you very much. Appreciate all the comments and
12 the questions. They were very useful. Sorry,
13 there is one. There is one from the -- sorry, we
14 had also asked folks on the webcast if they had
15 any questions and I see we do have one. It's from
16 Emily she's a shareholder.

17 The question is, what would you say is
18 the key competitive advantage that enables TD to
19 grow year-over-year?

20 Very simple, it's our people. You know,
21 we are in a business that is mature, in a business
22 that many of my peers around the world keep on
23 asking me, we can run the same strategy as TD; we
24 can have the same business model; same hours; same
25 looking stores and branches. How come we don't do

1 as well as you do? I said, you can replicate
2 everything we have. No doubt you can replicate
3 everything we have; but one thing you cannot
4 replicate is 85,000 proud TD bankers that come in
5 every day to serve our customers, wow their
6 customers and provide legendary service. That's
7 our secret sauce, that's why I consider that to be
8 a major competitive advantage. I appreciate the
9 question. Thank you very much.

10 Any other questions. Yes, number 6.

11 **William Davis:** Will we get a scrutineers
12 report before we leave?

13 **Bharat Masrani:** Yes, if there are no
14 more questions I will pass on to Brian to continue
15 with the meeting, and I'm sure there is something
16 on the scrutineers' report. Thank you very much.

17 (Applause).

18 **Brian Levitt:** So thank you for that
19 lead-in. The scrutineers have the preliminary
20 tabulations of votes cast in respect of each of
21 the items of business before the meeting. I now
22 ask Charito de Vera, representing the bank's
23 Registrar and Transfer Agent, to provide us with
24 the scrutineer's report. Charito.

25 **Charito de Vera:** For the information of

1 the shareholders we wish to report that 55.6
2 percent of the eligible shares have been voted at
3 this meeting.

4 The results with respect to the election
5 of directors are, a substantial majority of the
6 votes cast at the meeting are voted in favour of
7 the 14 nominees named in the management proxy
8 circular with each nominee receiving in excess of
9 94.7 percent in favour.

10 The result with respect to the
11 appointment of auditor is 99.2 percent voted in
12 favour of Ernst & Young LLP and 0.8 percent
13 withheld from voting.

14 The result with respect to the advisory
15 vote on the approach to executive compensation is
16 94.7 percent voted in favour of the resolution and
17 5.3 percent voted against.

18 The results with respect to the
19 shareholder proposals are, proposal A, 1.4 percent
20 voted in favour, 98.6 percent voted against with
21 less than 4.8 million shares abstained from
22 voting.

23 Proposal B, 0.8 percent voted in favour,
24 99.2 percent voted against, with less than 3
25 million shares abstained from voting.

1 Mr. Chairman that completes the
2 scrutineers' report.

3 **Brian Levitt:** Thank you, Ms. de Vera.

4 I now declare that the 14 director
5 nominees named in the management proxy circular
6 have been duly elected; Ernst & Young LLP has been
7 duly appointed voted as auditor; the resolution on
8 the advisory vote on the approach to executive
9 compensation has been passed; shareholder
10 proposals A and B have been defeated.

11 Final voting results will be made
12 available shortly after the meeting.

13 Ladies and gentlemen, that concludes our
14 formal business agenda. We ask that you please
15 return your headsets to the designated bins as you
16 exit the room.

17 On behalf of the bank I would like to
18 thank you for your interest and participation in
19 the meeting. Our best wishes to you for a
20 successful and productive 2018. This meeting is
21 now terminated. Thank you.

22 (Applause)

23

24 – Meeting adjourned at 11:45 a.m.

25