
Public Policy and Political Contributions

In all jurisdictions where TD operates, we take an interest in major public policy issues that may impact our business, communities and society. These include issues identified in our [annual materiality analysis](#), such as tax reform, access to banking and affordable housing.

Operating in a highly regulated industry, TD is especially affected by changes in financial services regulations and policies, and we are naturally concerned about building a healthy, sustainable financial marketplace. We are committed to being transparent about our public policy interactions and political contributions, with all of these activities guided by various internal policies and procedures.

TD engages in public policy matters in a variety of ways:

- We monitor government activity, upcoming legislation and regulatory developments to keep abreast of relevant issues.
- We dialogue with elected officials, public servants, regulators and advocacy organizations to educate them on TD's viewpoints.
- We participate in relevant policy development processes (e.g., public/industry consultations) by offering constructive ideas and expertise, with the aim of shaping sound policy solutions.

Relevant TD policies:

- [Code of Conduct and Ethics](#)
- [Anti-Bribery and Anti-Corruption Policy](#)
- [Gifts and Entertainment Policy \(U.S.\)](#)

Government Relations in Canada

In Canada, TD's Government Relations group coordinates the bank's dialogue with politicians and public servants, as well as many of the bank's relationships with industry associations and other advocacy organizations. TD's Regulatory Relations group coordinates the bank's contact with both Canadian regulators and regulators in foreign jurisdictions other than the U.S.

The majority of TD's interactions take place with the federal government, which has jurisdiction over all banking activities and many other financial services. TD complies with all federal lobbyist-reporting requirements and reports all of its activities to the Office of the Commissioner of Lobbying, as required. Our activities at the provincial and municipal levels follow all of the rules and/or reporting requirements that exist for these jurisdictions.

Government Relations in the U.S.

In the U.S., the Regulatory and Government Affairs team manages the bank's contact with regulators, elected officials and other government employees at the federal, state and local levels. In addition, the team coordinates the bank's relationships with trade associations, such as the American Bankers Association, the Financial Services Roundtable and the Clearing House.

TD Bank complies with all reporting requirements related to its interactions with government officials and with all other laws, rules and regulations that govern such interactions. We have a comprehensive [Gifts and Entertainment Policy](#) that prohibits gifts of any kind from bank employees and Directors to U.S. government officials, and we provide in-depth ethics training to employees who interact with government officials.



Key public policy positions in 2015

Issue	Audience	Key Developments and TD's Positions/Activities
Regulatory Changes		
Implementation of the Dodd-Frank Act	U.S. Congress and regulators	TD continued to participate in consultation processes related to implementation of the Dodd-Frank Act. Substantial amendments to the Act were considered by Congress but failed to reach the President's desk.
Foreign Account Tax Compliance Act (FATCA)	U.S. Congress and Regulators	The U.S. Treasury continued to implement new regulations under FATCA requiring foreign financial institutions to report to their home governments or directly to the IRS information about financial accounts held outside the U.S. by American citizens. FATCA provides for a phased implementation over several years, which began in 2014. Many countries, including Canada, negotiated intergovernmental agreements with the U.S. that set out alternative implementation requirements for their financial institutions. TD fully supports U.S. efforts to combat tax evasion everywhere and is committed to meeting all requirements in a timely manner.
Mortgage policy	Government of Canada	TD engaged in dialogue with the federal government about the state of Canada's housing market, household debt levels as well as potential policy change to ensure stability in the Canadian market.
Cooperative Capital Markets Regulatory System	Various provincial governments in Canada	TD continues to contribute to the consultations on a national common capital markets securities regulator.
Consumer/Economic Issues		
Cybersecurity	Government of Canada and U.S. Congress and regulators	TD has encouraged both federal governments to create more robust cybersecurity strategies. In December 2015, the <i>Cybersecurity Information Sharing Act</i> became U.S. law. The bill establishes a portal for cyber threat information sharing at the Department of Homeland Security between the government and the private sector, provides liability protections for sharing such information, and requires that private companies scrub any personal information before sharing such information with the government.
Housing finance	U.S. Congress and regulators	<p>TD continued to support the push for reforms to America's housing finance system to better serve families and to improve the long-term health of the market. The condition of the housing finance system has been a growing crisis in the U.S. Longstanding federal government programs to support homeowners, such as through the government-sponsored enterprises Fannie Mae and Freddie Mac, are in financial difficulty.</p> <p>In late 2015, Congress approved legislation that prohibits the Treasury Department from selling its preferred stakes in Fannie Mae and Freddie Mac for two years. This effectively rules out any chance the mortgage-finance companies could be recapitalized and released from conservatorship until 2018. Comprehensive reform of the government-sponsored enterprises is unlikely before that time.</p>
Interchange fees	U.S. Congress and regulators	In recent years the fees that are paid by U.S. merchants when consumers pay for goods and services by credit or debit cards have emerged as a major public policy concern, as well as the subject of class action litigation and government investigations. TD continues to monitor the issue and believes that there should be an equitable exchange of value among all participants involved in credit or debit card transaction networks.
Financial literacy	Government of Canada	In June 2015, Canada's Financial Literacy Leader launched the country's first <i>National Strategy for Financial Literacy – Count me in, Canada</i> . TD welcomes this national game plan and was an active participant in the yearlong consultations leading up to the strategy, contributing to round table discussions and providing written submissions. TD continues to contribute funding to organizations that are providing financial education and financial literacy programming. In addition, we are playing a thought leadership role in finding new ways to encourage greater financial literacy across Canada.

Political contributions in 2015

Canada

In 2015, TD's political contributions were minimal in Canada. In Canada, TD donated to both governing and official opposition parties in the provinces that allow corporate donations. Currently, four provinces do not allow political donations – nor are they permitted at the federal level. Our contributions have no political bias, are all on public record and can be accessed at the websites of provincial election offices.

Political contributions in Canada

	2015	2014	2013	2012	2011
Federal	–	–	–	–	–
Provincial	\$164,000	\$200,550	\$197,335	\$173,620	\$204,150
Municipal	–	\$1,100	–	–	–
TOTAL	\$164,000	\$201,650	\$197,335	\$173,620	\$204,150

U.S.

Federal law in the U.S. prohibits corporations, including national banks, from making political contributions to candidates for federal, state or local office. Contributions are allowed, however, from separate segregated funds established by national banks and other corporations. Such funds are known as political action committees or PACs. There are more than 4,600 active PACs in the U.S.

TD Bank has a federal political action committee, established in August 2011, that allows eligible, interested employees to make voluntary personal donations to candidates for federal office who support a strong financial services sector and sound economic policies. TD PAC is non-partisan and funded solely by voluntary contributions from eligible TD employees, facilitated through a voluntary payroll deduction system established by TD Bank.

All contributions from the PAC to federal candidates are reported to the Federal Election Commission and are a matter of public record. Employee contributions to TD PAC that aggregate to \$200 or more each year are reported as part of the public record. More information about TD PAC may be found on the [FEC database](#). A board of directors operating according to its articles of association governs TD PAC. This ensures accountability for proper administration and operation of the PAC and reflects the importance of and TD's commitment to strong governance.

During 2015, TD Bank N.A. PAC contributed US\$66,000 to 39 House and Senate candidates of both major political parties and two financial services industry federal PAC. TD PAC makes political contributions that are allowed by federal law and that are consistent with the bank's strict guidelines for public policy activities and advocacy. No contributions are made to gain an unfair or inappropriate advantage. TD Bank does not independently advocate the election or defeat of specific candidates for federal office.

U.K.

TD did not make any political contributions in the U.K.

