
Public Policy and Political Contributions

Public Policy

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, financial access and inclusion, 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:

- [Lobbying Registration Compliance Policy](#) (internal)
- [Code of Conduct and Ethics \(Section K\)](#)
- [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's Lobbying Registration Compliance Policy complies with all federal lobbyist-reporting requirements and we report all 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 2016

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.
Consumer/Economic Issues		
Payments	Government of Canada	TD is working with Payments Canada on an initiative to modernize the systems and rules that are essential to Canada's payments ecosystem.
Cybersecurity	Government of Canada and U.S. Congress and regulators	TD is working with the highest levels of government on a comprehensive cyber security strategy to combat cyber threats to the financial services industry. In the U.S., multi-jurisdictional issues in 2016 delayed action by the U.S. Congress, but this subject continues to generate considerable interest within Congress and the Administration.
Housing	Government of Canada and U.S. Congress and regulators	<p>TD has tracked Canada's evolving housing industry very closely over the past few years, including government policy changes intended to ensure that consumers can continue to service their mortgages if there is a market deterioration. TD has also engaged with the federal government through their consultation on new "Lender Risk Sharing" proposals.</p> <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-supported enterprises <i>Fannie Mae</i> and <i>Freddie Mac</i>, are in financial difficulty.</p>
Comprehensive tax reform	U.S. Congress	Congress, with strong support from the Reagan Administration, last overhauled the federal income tax code in 1986 but began serious discussions over a re-write of both corporate and individual taxes in 2016. With a new Congress and Administration assuming power in 2017, prospects for a more globally competitive tax structure have increased.
Financial literacy	Government of Canada	TD is part of the National Steering Committee on Financial Literacy which supports Canada's Financial Literacy Leader in fostering collaboration and engagement with stakeholders, with initiatives to strengthen the financial literacy of Canadians. TD's CEO also took part in a financial literacy panel to help promote those efforts.

Political Contributions in 2016

Canada

In 2016, TD's political contributions were minimal 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

	2016	2015	2014
Federal	n/a	n/a	n/a
Provincial	\$184,235	\$164,000	\$200,550
Municipal	\$300	–	\$1,100
TOTAL	\$184,535	\$164,000	\$201,650

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 7,200 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 2016, TD Bank N.A. PAC contributed \$67,750 to 36 House and Senate candidates of both major political parties and two financial services industry federal PACs. 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.

International

TD did not make any political contributions in international jurisdictions.

