

Key Public Policy Positions in 2013

Issue	Audience	Key Developments and TD's Positions/Activities
Regulatory Changes		
Basel III	Basel Committee on Banking Supervision and OSFI ¹	TD played an important and constructive role in the Basel III discussions with both the Basel Committee on Banking Supervision and OSFI. The Bank maintained a continuous dialogue throughout the consultative period with regulators, both on a bilateral basis and through the Canadian Banker's Association. The dialogue contained important feedback on Basel III's potential impact on the Canadian banking industry as well on the overall macro economy. TD's participation in the Basel III discussions helped lead to the implementation of more balanced capital rules than those that were originally proposed.
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.
Foreign Account Tax Compliance Act (FATCA)	U.S. Congress and regulators	In January 2013, the U.S. Treasury published new regulations under FATCA requiring foreign financial institutions to report directly to the IRS information about financial accounts held outside the U.S. by American citizens. The Act provides for a phased implementation over several years, beginning in 2014. Some countries, including Canada, are negotiating intergovernmental agreements with the U.S. that will set out alternative implementation requirements for their financial institutions. TD supports efforts to combat tax evasion and is committed to meeting all requirements in a timely manner; however, we have raised concerns about the complexity of the rules and potential compliance challenges.
Temporary Foreign Worker Program (TFWP)	Government of Canada	In July 2013, the federal government announced changes to its TFWP, including the introduction of user application fees and new minimum recruitment requirements. While TD is not a heavy user of the program, we have expressed some concerns that the changes will hamper the bank's ability and capacity to meet ongoing critical business needs. TD is working through the Toronto Financial Services Alliance in bringing these issues forward.
Consumer/Economic Issues		
Credit card merchant fees	Government of Canada	TD was an intervenor before Canada's Competition Tribunal on an application filed by the Commissioner of Competition against Visa and MasterCard alleging that certain network rules (honour all cards and no surcharge rules) are anti-competitive. TD welcomed the Tribunal decision, which dismissed the application against Visa and MasterCard. TD continues to believe that any changes to payment policy should be made by the federal government, with a thorough understanding of the impacts of that policy change.
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 public policy concern in Congress, as well as the subject of class action litigation and government investigations. TD continues to monitor the issue.
Housing finance	U.S. Congress and regulators	The U.S. housing finance system is under close scrutiny in the U.S. Congress. Long-standing federal government programs to support homeowners, such as the government-sponsored enterprises Fannie Mae and Freddie Mac, have been in financial difficulty. As a result, Congress is considering legislation to address these difficulties and foster more sustainable housing finance initiatives.
Cyber security	Government of Canada	TD has provided leadership from Canadian industry, encouraging the federal government to create a more robust cyber security strategy. We continue to actively consider ways that the federal government can mitigate cyber threats and make Canada's digital infrastructure safer and more robust.

¹ Office of the Superintendent of Financial Institutions

