TD Bank Financial Group
Investor Relations

**CHECK AGAINST DELIVERY**

**Remarks to be delivered by Ed Clark, President and CEO, TD Bank Financial Group, Annual General Meeting, March 25, 2010, Quebec City**

Bonjour. Je suis très heureux d'être ici aujourd'hui.

La région de la capitale illustre parfaitement pourquoi on surnomme le Québec « La Belle Province ». Son décor enchanteur, son histoire des plus riches ainsi qu'un style de vie et une culture dynamiques lui confèrent un attrait incroyable.

La TD est fière de faire partie de cette collectivité, et nous sommes particulièrement fiers de célébrer notre cent cinquantième anniversaire au Québec cette année.

La Banque entretient des liens étroits avec cette province. En fait, quatre mille trois cents employés de la TD vivent au Québec. Nous sommes présents à Québec, à Montréal, ainsi que dans des régions comme l'Outaouais, les Laurentides et les Cantons de l'Est. Et nous sommes ravis de servir plus d'un million de clients.

Nous sommes également enchantés de célébrer la culture locale en appuyant des programmes comme les *Journées de la culture*, le *Festival international de Jazz de Montréal* et, comme John vient juste de le mentionner, le *Musée national des beaux-arts du Québec*.

Et dans le cadre des célébrations entourant notre anniversaire, nous avons annoncé hier un don de cent cinquante mille dollars à l'Association forestière Québec métropolitain. Notre investissement appuiera les efforts de plantation d'arbres dans la ville de Québec.

La TD continuera d'élargir ses activités commerciales et économiques ainsi que ses liens au Québec. À vrai dire, cela constitue un élément important de l'ensemble de notre stratégie de croissance en Amérique du Nord.

It's my privilege to report on the Bank's financial results for 2009.

Simply put we had a remarkable year. It exceeded our expectations.

TD earned $4.7 billion in adjusted profits. Almost 80% came from our retail earnings. And just over 20% came from our high-quality franchise dealer earnings.

Adjusted earnings per share were up about 10% from the previous year. A solid rebound. And a great result given the difficult economic times. It's even more remarkable when you consider that we issued additional common shares in early fiscal 2009.

Total Shareholder Return was close to 14%. This came in below our Canadian peers for the year. But our Total Shareholder Return has consistently outperformed the Canadian and US peer averages on a compounded basis, whether we measure it on a 2, 3, 5 or 7 year basis.

During the financial crisis and economic downturn, all of us, including our shareholders, have had a rough ride. But those who have stuck with TD have done all right. We clearly outperformed our Canadian peers. And we dramatically outperformed our American peers.

Yet again, in 2009, we stood out as one of the strongest and most stable banks in the world – with capital levels well above international requirements.

Our conservative approach to risk management also distinguished us on the world stage. TD has earned one of the best returns for risk undertaken in the industry.

Today, we have emerged as one of the top 10 financial institutions in North America. Indeed, we're the 6th largest bank measured by market capitalization and total assets.

These results are consistent with TD's long-term track record. Our adjusted earnings have grown on average 18.8% per year over the last 7 years. We have more than tripled our earnings in that time period.

On a per share basis, our adjusted earnings have grown on average 13.7% per year during that same period. An amazing performance.

All these results are driven by our winning strategy.

We're a North American growth company. We constantly strive to produce long-term, profitable growth by building great franchises and delivering value to our customers, shareholders and communities.

Our franchise businesses have unique and sustainable competitive advantages. So we can take market share every single year.

So what does that look like? Our personal and commercial lending grew close to 13% in 2009 in Canada. Double the industry average. And close to 40% higher than TD's 5 year average ending in 2008.

You can see a similar pattern in the US, where TD grew its loan book substantially more than other US banks in 2009.

This slide perfectly illustrates an old saying at TD: we don't make bad loans in good times, so we can make good loans in bad times. Getting this right means we can help customers when they need us most.

So when others were retreating or retrenching, we grew our business and took marketshare.

That speaks to the strength of our franchises. And year after year, we keep making them stronger by reinvesting in them.

Our focus is primarily on retail. As a result we deliver a consistent and growing stream of earnings. That helps us withstand the toughest market conditions – as the past two years have proven out.

Our business is also supported by a strong risk culture. All our businesses are aligned with our overall approach in managing risk. TD only takes risks that we understand and we can manage within an acceptable level. A great example of this is TD Securities.

Over the last few years, we've transformed our security dealer. Its sole focus is on providing our clients with the best ideas, advice, execution and access to capital.

At the same time we exited all those complex financially engineered products that wreaked havoc on other financial institutions over the past couple of years. And we refused to sell third-party Asset Backed products.

In effect we've been building the dealer model of the future. And it's delivering today. We set out to make TD a top 3 dealer in Canada. We've achieved that with leadership positions in all key businesses. Now we are building a North American franchise play. It will take advantage of our US presence and build out our global fixed-income capability.

So our franchise businesses, retail focus and strong risk management culture provide us with the foundation to build The Better Bank.

And for us The Better Bank means providing legendary customer experiences. In Canada and the US, we keep our doors open longer than our main rivals.

We also make it easier for our customers to do business with us, by opening up more locations where people live, work and shop. Last year we opened 57 locations across North America. Today we have over 1,000 retail locations in both Canada and in the US. No other bank can make that claim.

Indeed, whether in good times or bad times, our ability to deliver legendary customer experiences sets us apart in the marketplace. Last year's launch of the TD Helps program in Canada is a good example. Our aim is to turn things around for people who found themselves in tough financial times as a result of the economic downturn.

We're helping people make their debt load more manageable; restructuring their mortgage payments and providing financial advice. We've made a real difference in the lives of over 35,000 customers so far.

Recently we expanded this program to help our Canadian customers facing financial difficulties through other life-altering events such as the death of a spouse or a major illness.

Year after year, analysts like JD Power reconfirm our undisputed leadership in customer service. 2009 was no different. In both Canada and the US we were ranked the best in our field for the 4th year in a row.

Of course, great strategies go nowhere without great execution. That's why being The Better Bank also means operating with excellence. A lot of this comes down to simplifying the way we do business. The way we see it, everyone works for the customer – either serving them directly or supporting those who do.

And finally being The Better Bank means keeping an eye on future earnings. That means making strategic investments – in good or tough times. And it means more than just investing in new locations, processes and improved technologies. We put a lot of resources behind our performance culture. It's all about bringing out the best in our people.

A big thrust is our commitment to a diverse workplace. Recognizing and celebrating the diversity of our people is a fundamental business strategy. Our unique and inclusive culture is a big reason why we're considered an extraordinary place to work – a huge competitive advantage for us.

Our first quarter results clearly pick up from last year's remarkable performance.

It's been an incredible start to the year. Over $1.4 billion in adjusted earnings. That's up 31% compared to last year.

Our earnings juggernaut remains TD Canada Trust. They posted record earnings of $720 million in the first quarter, up 23% from the same period last year. Incredibly we achieved these results despite higher Provisions for Credit Losses and higher insurance loss rates.

We saw positive results at TD Insurance. We experienced strong volume growth and continued to grow our market share.

Wealth also backed up our results with a solid performance, generating net income of $144 million. That represents a 5% decrease compared with the first quarter last year. This decline was due to the strength of the Canadian dollar and its impact on our US dollar earnings from our investment in TD Ameritrade. We continue to perform well in gathering assets, selling long-term mutual funds and supporting investor activities in all markets.

Turning to the U.S., we had a pretty good quarter in the context of continuing difficult market conditions. On an adjusted basis, the segment earned US$216 million in the quarter, up 5% from the first quarter of last year.

Having said that, we recognize the times are tough in the American economy. And that means earnings will likely be in a bit of a holding pattern at current levels.

But if you run a business where all you worry about is the next quarter, you ultimately won't build a business with long term profitable growth. Our track record speaks for itself. A clear vision and a focus on building a competitive advantage pays off dramatically for the shareholder. That's what we've done in Canada. And that's what we're doing in the United States.

Indeed, our fundamental business strategies are delivering in the US. We have an organic growth engine. A strong deposit base. A growing loan book. And significant cross sell opportunities. Our performance has been incredible – especially when you compare us to other major US banks. And our performance should only get better in more normal times.

Our Wholesale business continued to build off their momentum in 2009 with a record quarter as well. Delivering earnings of $372 million, up 40% from the same period last year. We've warned the market that these levels will come down. But they're clearly a validation of the dealer model I talked about earlier.

Our results clearly show that a lot of things are going our way.

But overall economic conditions haven't changed much this year. The global economy will be in a pretty fragile state for most of this year.

In the aftermath of the Great Recession, policymakers around the world want to reform the global financial sector.

Some Canadians might wonder why we should care about global reform. Our financial system clearly proved to be a bastion of strength and stability over the past two years.

Two reasons come to mind. First, global events have a ripple effect. The failures of the global financial system dramatically impacted Canada. So we have every right to expect the system to be fixed.

Second, there are potential risks in reform, which could actually undermine the stability of financial systems like ours. A current proposal around leverage requirements is a good example.

Many people see excessive leverage in the trading books of dealers and banks as a primary cause of the crisis. I agree. But I don't agree where some people go as a policy response.

Thought is being given to a bank-wide leverage test. Under this proposal, banks would be required to put up the same amount of capital for all assets. In effect, no distinctions would be made between low risk and high risk assets.

When you look at the capital you put up and the return different assets yield, lower risk assets won't be held on balance sheets if the capital is the same as for higher risk, higher return assets.

Institutions would shift their mix to higher risk, higher return assets.

In Canada this could mean dismantling a core attribute of our system if the structure of the leverage test is not carefully calibrated to avoid this result.

Our banks hold the mortgages that they originate, so they have a vested interest in the quality of their loans. Under the proposed rules, holding low risk mortgages would not generate sufficient returns on the capital required. As such banks would be forced to adopt higher risk strategies. That, in turn, could make the financial system less stable. The exact opposite of what reforms are meant to achieve.

Reform will take time. That's because the world needs to unwind the growth that occurred in securities dealers, independent and bank-owned, which happened over the past 15 years.

Rules introduced in the 90s enabled dealers to expand rapidly without adequate capital and liquidity. At the same time many regulators allowed banks to have low levels of capital. And to meet their capital needs with debt-like instruments rather than common equity.

Many firms shifted their focus to take advantage of these changes by leveraging up their balance sheets. As a result, these financial institutions spent less time on activities that actually grow an economy and create jobs.

Of course, not all financial institutions acted in the same way. And you saw a lot more of this shift happening in places like the US and the UK than in Canada.

Turning things around begins by addressing the main causes of the financial crisis. Namely, we have to fix rules that allowed security dealers to be overleveraged and undercapitalized. And the US must also address its dysfunctional mortgage system. It encouraged risky lending practices because financial institutions that originated mortgages didn't have to hold on to them.

Fortunately reforms are underway. There is an international group, the Basel Committee, charged with building consensus around a set of reforms. Many of them address the main causes of the financial crisis. Others fall into the camp of "nice-to-do" but not necessarily "need-to-have". And some others might actually have negative rather than positive implications.

The trick here is for policymakers to settle on what really matters. That's because each reform will likely require more capital in the industry. Realistically, there are limits to how much capital can be raised in any given period of time. So it's important to focus the reforms on the critical causes of the meltdown.

It's also important for the industry to explain to the public how far reaching are some of the reforms. New trading rules due to go in effect at the end of 2010 will begin the process of deleveraging the dealers. Some proposals set for the end of 2012 would go even farther.

There are many technical issues we have to get right with these rules, but the ultimate goal should be to ensure that there is no regulatory capital arbitrage allowing dealers to have excessive leverage.

Having said that, none of these changes have yet to come into effect. And since there's no evidence of change to the outside world, it feels like nothing has changed at all. So many people are worried, frustrated and even angry about the perceived lack of action, and the absence of meaningful reform. At the same time, the industry sees both significant change and high uncertainty around potential reforms.

If we could get the trading rules right, we would have gone a long way towards making the necessary changes in the system. It would clearly deal with a key cause of the financial crisis.

At the same time we should deal with the level and quality of capital. A lot of progress can be made here if the world adopts a simple Canadian rule that insists common equity make up at least 60% of your capital. And Tier 1 capital, which is really a bank's core capital, must constitute at least 7% of risk-weighted assets.

A Tier 1 ratio of 7% may sound low to many people. But two things should be kept in mind. First, Canada used these rules, and its banking system had sufficient capital to withstand a very severe test. Second, the combined effects of the 2010 trading rules and possible new Basel trading rules would likely be quite large, even assuming no other changes are made. In fact they would represent material challenges for the banking system in most of the world.

After these changes, we could pause and see how many other reforms are really necessary. The risk here is we try to do too many things at the same time. And by doing so, achieve nothing.

The key is to focus more efforts on fixing the core issues – excessive leverage in trading books as well as quality and level of capital. This, in turn, will create what we all want: a financial system where banks refocus their activities on the things that create real economic value.

C'est la voie empruntée par la TD depuis un certain temps déjà.

Il y a dix ans, nous avons entrepris notre odyssée pour devenir une banque nord-américaine constituée d'entreprises de croissance axées sur nos clients.

En d'autres mots, nous avons respecté la bonne vieille approche en matière de services bancaires. Nous avons tissé des relations à long terme. Et notre proposition est véritablement avantageuse.

Chaque décision que nous avons prise respecte cette philosophie toute simple.

Aujourd'hui, j'en ai déjà évoqué quelques-unes. Des heures d'ouverture plus longues. Davantage de points de service. Aider nos clients à traverser cette période économique difficile. Refuser de vendre des produits financiers complexes et hautement risqués à nos clients. Et leur offrir les meilleures idées, les conseils les plus judicieux, une exécution exemplaire et l'accès aux capitaux.

Comme nos résultats l'indiquent, pour nous, il s'agit de la bonne stratégie commerciale à suivre. En fin de compte, il s'agit du modèle approprié pour atteindre une plus grande stabilité financière au monde.

Alors, vous pouvez vous attendre à ce que nous respections notre stratégie gagnante.

Nous continuerons de réinvestir dans nos entreprises afin d'accroître nos revenus et nos profits.

Nous conserverons notre leadership en offrant des expériences clients légendaires au Canada et aux États-Unis.

Nous améliorerons notre exploitation et nous développerons notre infrastructure ainsi que notre effectif afin d'être la meilleure banque.

Nous allons tirer profit de notre position unique de première véritable banque nord-américaine.

Nous continuerons d'offrir un milieu de travail extraordinaire, ainsi qu'une culture unique et inclusive aux employés.

Et nous continuerons de nous assurer que la TD demeure un chef de file en matière de gestion du risque, du capital et des liquidités. En contrepartie, nous resterons l'une des banques les plus solides et les plus stables au monde.

L'année deux mille neuf a été exceptionnelle.

La TD a pris de l'expansion. Nous avons ravi des parts de marché. Nous avons renforcé la situation de notre capital. Nous avons accru notre présence sur les marchés. Nous avons consolidé notre leadership au chapitre du service à la clientèle. Nous sommes devenus la première vraie banque nord-américaine. Nous sommes capables d'être compétitifs et de remporter la victoire sur les marchés américains les plus lucratifs au monde. Et nous avons continué d'augmenter nos investissements dans ce qui compte aux yeux de nos employés et de nos clients.

None of our success would be possible without a great team. TD has 74,000 outstanding people who are passionate about performing to their fullest potential.

Joining us here today are the best of the best. The recipients of our 2009 Vision in Action award. For the people in this room, you would've seen some of their faces on the screen as you came into today's meeting. This year we're recognizing 80 employees – that's one out of every one thousand employees – for their outstanding achievements.

Each and every day these award winners deliver legendary customer experiences, operate with excellence, understand our business, and help make TD an extraordinary place to work. In short, they enhance the TD brand in everything they do. I'd like to ask this year's Vision in Action recipients to please stand, and be acknowledged for the terrific work that they do.

I also want to thank John Thompson and our entire Board of Directors. In my view, they represent the best of the best. They were an incredible resource for the Bank in 2009 but particularly for me – a source of advice and support in a world where I needed both. TD's leadership begins with this talented and dedicated group of people.

And finally I want to thank you – our shareholders. Your confidence in the Bank is greatly appreciated. TD looks forward to serving your long-term interests.

Thank you.

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## Caution regarding forward-looking statements

From time to time, the Bank makes written and oral forward-looking statements, including in this presentation, in other filings with Canadian regulators or the U.S. Securities and Exchange Commission (SEC), and in other communications. In addition, representatives of the Bank may make forward-looking statements orally to analysts, investors, the media and others. All such statements are made pursuant to the "safe harbour" provisions of applicable Canadian and U.S. securities legislation, including the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include, among others, statements regarding the Bank's objectives and priorities for 2010 and beyond and strategies to achieve them, and the Bank's anticipated financial performance. Forward-looking statements are typically identified by words such as "will", "should", "believe", "expect", "anticipate", "intend", "estimate", "plan", "may" and "could". By their very nature, these statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, general and specific. Especially in light of the uncertainty related to the current financial, economic and regulatory environments, such risks and uncertainties – many of which are beyond the Bank's control and the effects of which can be difficult to predict – may cause actual results to differ materially from the expectations expressed in the forward-looking statements. Risk factors that could cause such differences include: credit, market (including equity, commodity, foreign exchange and interest rate), liquidity, operational, reputational, insurance, strategic, regulatory, legal and other risks, all of which are discussed in the Management's Discussion and Analysis (MD&A) in the Bank's 2009 Annual Report. Additional risk factors include changes to and new interpretations of risk-based capital guidelines and reporting instructions; increased funding costs for credit due to market illiquidity and competition for funding; the failure of third parties to comply with their obligations to the Bank or its affiliates relating to the care and control of information; and the use of new technologies in unprecedented ways to defraud the Bank or its customers and the organized efforts of increasingly sophisticated parties who direct their attempts to defraud the Bank or its customers through many channels. We caution 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 see the Risk Factors and Management section of the MD&A, starting on page 65 of the Bank's 2009 Annual Report. 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 undue reliance should not be placed on the Bank's forward-looking statements. Material economic assumptions underlying the forward-looking statements contained in this presentation are set out in the Bank's 2009 Annual Report under the heading "Economic Summary and Outlook", as updated in the First Quarter 2010 Report to Shareholders; and for each of the business segments, under the headings "Business Outlook and Focus for 2010", as updated in the First Quarter 2010 Report to Shareholders under the headings "Business Outlook". Any forward-looking statements contained in this presentation represent the views of management only as of the date hereof and are presented for the purpose of assisting the Bank's shareholders and analysts in understanding the Bank's financial position, objectives and priorities and anticipated financial performance as at and for the periods ended on the dates presented, and may not be appropriate for other purposes. The Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf, except as required under applicable securities legislation.