

Check Against Delivery

Remarks delivered by John M. Thompson, Chairman of the Board, at the 154th Annual Shareholder Meeting, March 25, 2010, Quebec City, Quebec

Mesdames et messieurs, puis-je avoir votre attention s'il vous plaît, et je vous remercie pour votre présence. Nous déclarons cette séance ouverte.

Good morning ladies and gentlemen. This meeting is called to order.

I'm John Thompson, Chairman of the Board of TD Bank Financial Group. I will act as Chairman of this meeting as stipulated by the bank's by-laws and I'd like to thank you for attending our 154th annual meeting.

J'aimerais vous remercier d'avoir participé à notre cent cinquante-quatrième assemblée annuelle.

L'ensemble des délibérations seront traduites simultanément en français. Les actionnaires peuvent poser des questions dans les deux langues officielles.

Shareholders may ask questions or make comments in either official language. We have placed a headset on each chair. Channel 1 will allow you to listen in English.

Les écouteurs placés sur votre siège vous permettent d'écouter la séance en français sur la fréquence deux.

We also have sign language interpreters and captioning – in English on your left side of the room, and in French on the other side.

Just before we proceed, I would like to ask that you please turn off your cell phones and BlackBerries since they create interference with our live webcast. Thank you.

I'd like to extend a warm welcome to our shareholders from Quebec and elsewhere, and those who have joined us by webcast.

I'd also like to recognize our employees in the audience especially our 80 Vision in Action award recipients for 2009. These are our top performers and to let them know how much we appreciate their efforts, we've brought them to Quebec.

Now I would like to introduce the people on the stage.

On my left (your right) is Ed Clark, President and Chief Executive Officer of the bank. And next to Ed is Kevin Thompson, Vice President, Legal and Corporate Secretary of the bank.

Our directors and officers are all wearing green TD name tags and they are available for questions after the meeting.

Kevin Thompson will act as secretary of the meeting. Charito de Vera and Pat Lee, representatives of the registrar and transfer agent for the bank, will act as scrutineers.

I have received satisfactory proof that the notice calling this meeting was duly publicized and sent to the shareholders of the bank and, a quorum being present, I hereby declare the meeting duly constituted.

We have placed a booklet on each chair that contains today's agenda on the front cover. The agenda will also appear on the screens as we go through the business of the meeting.

I'd now like to take the opportunity to say a few words about 2009.

Tout d'abord, je dois vous dire que je suis ravi d'être de retour au Québec. Je suis né à Montréal et j'ai grandi à Sainte-Adèle, il y a de cela un nombre d'années que je préférerais taire.

La relation de TD avec le Québec est encore plus ancienne que la mienne : elle remonte à mille huit cent soixante, lorsque nous avons ouvert notre première succursale sur la rue Saint-Jacques à Montréal.

Cette année marque donc le cent cinquantième anniversaire de notre présence au Québec, et nous sommes très heureux de souligner l'occasion en tenant ici notre assemblée annuelle.

Nous fêtons cet important anniversaire d'autres façons également. Par exemple, nous sommes actuellement partenaires du Musée national des beaux-arts du Québec pour l'exposition « De Pellan à Ferron. Sélection d'œuvres québécoises de La Banque TD ».

L'exposition a lieu jusqu'au vingt-huit mars, vous avez donc encore quelques jours pour vous y rendre. C'est une vitrine extraordinaire sur quelques-uns des nombreux grands artistes québécois.

TD has grown a lot over the last century and a half and today plays a significant role in the life of Quebec. We have more than 125 locations in the province. And we're active in many ways beyond business.

Over the years, we've contributed thousands of hours and millions of dollars to environmental, cultural and educational initiatives in Quebec, to help strengthen the communities where our customers and employees live and work.

We're very excited about our future in this remarkable province, and we'll continue to build strong ties here.

Let me take a few moments to talk about TD's performance in 2009.

Last year we said TD would be recognized for being a lower-risk bank with a focus on customer service. And we definitely were.

The soundness of our strategy was clearly evident during the financial crisis and recession – and was behind our ability to deliver a record-setting performance during extremely tough financial times.

What did that performance look like? Ed will give you the details in a few minutes, but let me give you a quick summary.

- We delivered strong earnings.
- We increased shareholder value and continued to pay a healthy dividend.
- We generated a better return on every dollar of risk we undertook versus our peers.
- We continued to lead in retail banking – and even though times were tough, we grew our personal and business loans significantly.
- And we were once again recognized as the North American leader in customer service.

But we didn't just perform well last year – we're emerging from the recession in a position of strength and with momentum on our side. In fact, we just reported a record-filled quarter.

There are many reasons why we emerged from the recession in such a positive position. Let me mention two.

First, our conservative risk culture protected us from the worst of the economic crisis. And second, we were able to continue to invest for long-term growth in both the U.S. and Canada, including right here in Quebec.

That is why we're recognized as one of the most sound and best-managed financial institutions in the world.

In 2009, TD was named Best Bank in North America by *Euromoney* magazine. And we were number 1 on Bloomberg's Top 20 Banking Strength Monitor. We also remain one of the few banks in the world rated triple A by Moody's.

Now I'd like to take a few moments to tell you about your board's role and the work we did in 2009.

The board focuses on many areas, but I'd like to highlight four:

- Corporate governance.
- Risk management.
- Strategy.
- And human resources.

Let me start with the progress we made in corporate governance.

TD is committed to being transparent and accountable. At the heart of that commitment are the bank's governance practices, which the board regularly reviews and updates.

In 2009 we considered board and committee composition and built new short- and longer-term succession plans.

We looked at the corporate governance of our new subsidiaries and implemented consistent governance practices across TD.

And we addressed additional regulatory requirements in risk management and executive compensation, while maintaining our focus on key matters such as TD's strategy and Human Resources.

This past year, TD was recognized as a leader in corporate governance by two independent bodies. GovernanceMetrics International ranked us among the top one percent of companies worldwide, and we tied for first place in the *Report on Business's* annual Board Games ranking in Canada.

Risk management is another key area of focus for your board.

Problems that beset the financial services industry put risk management under scrutiny and highlighted the importance of a strong risk culture and board oversight.

In 2009, your board oversaw a comprehensive review of the bank's governance, risk and control framework. We closely examined TD's risk procedures against the findings and made improvements where appropriate. And we made sure that they reflected emerging regulatory changes.

Because of our disciplined management of risk, TD was one of the few global institutions that did not require any government assistance during the financial crisis.

Now let me turn to strategy.

The board plays a very active role in the development and approval of TD's strategy, which is a cornerstone of the bank's success.

Our overall strategy is to produce long-term, profitable growth by building great franchises and delivering value to our customers, shareholders and communities.

A few of the accomplishments in 2009 that led to growth included:

- The completion of the integration of our U.S. operations into TD Bank, America's Most Convenient Bank.
- Building out our franchise organically by adding 57 new retail locations across North America.
- And on the value to customers front - receiving the highest rating for customer satisfaction from J.D. Power and Associates.

The board also focused on human resources.

A key responsibility for the board is supporting TD's robust succession planning process. The board regularly reviews potential candidates for all senior leadership roles, including that of the CEO. As you know, last year we extended our CEO Ed Clark's contract until at least 2013.

We also focused considerable attention on the talent management strategy developed by the bank. We work with TD's senior leadership to look at how the organization can best attract and develop current leaders and make sure that the leadership pipeline is full.

Our overall approach to succession management – along with our commitment to diversity – has helped us develop a strong pool of exceptional leaders and talented individuals across the entire organization.

Another important area of focus for the board was to provide oversight of TD's continued development of its unique, inclusive and highly motivated workforce.

And we're delighted to have won a number of best employer awards globally, including *the Hewitt Associates' "50 Best Employers in Canada"*.

Finally in 2009 the board also did considerable work in the area of executive compensation.

The board, along with our independent consultants, completed a comprehensive review of our executive compensation programs, adjusting our practices to make sure they reflect evolving principles.

- We aligned executive compensation to the risks our businesses assume. For example, all executive compensation plans are now adjusted for risk and include claw-back provisions. These enable the bank to reduce or recover payments in the event that excess risk is taken or material misrepresentations are made.

- We expanded board oversight to include all the major variable pay plans at the bank, not just those of executives.
- And we took steps to make sure that TD is aligned with the principles outlined by the Financial Stability Board, which have been endorsed by the G20 countries.

Two years ago, shareholders told us they wanted to have more influence over how executives get paid. As a result, we're introducing the Say on Pay vote this year. As shareholders, you'll have the opportunity to cast an advisory vote on the bank's approach to executive compensation later this morning.

The last two years have been incredibly challenging, but against a backdrop of economic turmoil, TD has stood out as a success story. The fact that we had record earnings in 2009 speaks to the enormous talent, drive and commitment of Ed Clark, his leadership team and TD's more than 74,000 dedicated employees. On behalf of the board, I would like to thank them all for their extraordinary efforts in 2009.

I would also like to thank our talented and dedicated board of directors for all their hard work during the year. I'd particularly like to single out Roger Phillips, Bill Ryan and Donna Hayes, who are stepping down from the board. Their contributions over the years have been invaluable. Roger, a director since 1994, is here with us today. Roger, would you please stand and be recognized.

We were delighted when our most recently appointed independent director, Carole Taylor, joined the board in August. You'll have an opportunity to hear from Carole and all of our director nominees in a video later in the proceedings.

Your board remains committed to working in the best interests of our shareholders. We look forward to serving you throughout the remainder of 2010.

Thank you very much.

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.