

Banknorth Inc.



Building on Strength



Commercial and **Consumer Lending &** Risk Management

August 3, 2005

John Fridlington **Chief Lending Officer Edward Schreiber Chief Risk Officer**

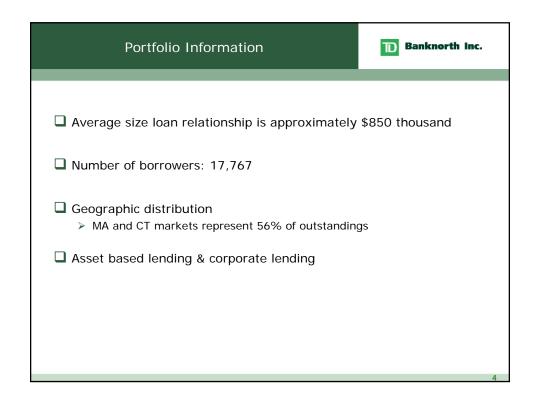
Note on Forward-Looking Information



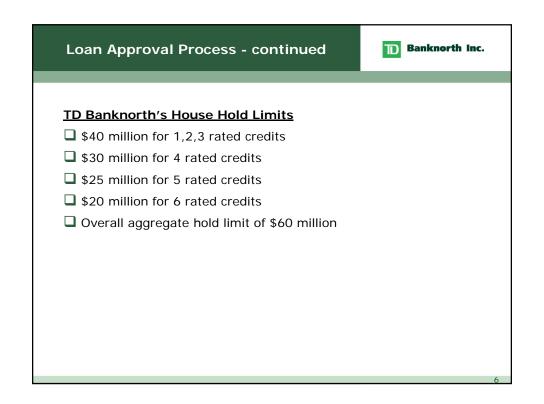
Banknorth Inc.

This presentation contains certain forward-looking statements with respect to the financial condition, results of operations and business of TD Banknorth. Words such as "expect", "feel", "believe", "will", "may", "anticipate", "plan", "estimate", "intend", "should" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are subject to various factors which could cause actual results to differ materially from these estimates. These factors include, but are not limited, to, changes in general economic conditions, interest rates, deposit flows, loan demand, competition, legislation or regulation and accounting principles, policies or guidelines, as well as other economic, competitive, governmental, regulatory and accounting and technological factors affecting TD Banknorth's operations. In addition, acquisitions may result in large one-time charges to income, may not produce revenue enhancements or cost savings at levels or within time frames originally anticipated and may result in unforeseen integration difficulties. Investors are encouraged to access TD Banknorth's periodic reports filed with the Securities and Exchange Commission for financial and business information regarding TD Banknorth, including information which could affect TD Banknorth's forward-looking statements. TD Banknorth does not undertake any obligation to update these forwardlooking statements to reflect events or circumstances that occur after the date on which such statements were made.

Lending Overview	Banknorth Inc.	
☐ Nominal turnover in lending staff		
☐ Senior lending positions have extensive experience		
☐ Solid growth of the commercial portfolio		
☐ Sustained growth of the consumer portfolio		
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Loan Approval Process D B	anknorth Inc.		
Non - Committee Approval ☐ Less than \$2.5 million - Signature Authority ☐ \$2.5 million - \$7.5 million - Local Management Loan Committee ☐ \$7.5 million - \$15 million - Senior Credit Committee			
TD Banknorth Board Risk Committee Approval Limits ☐ No approval needed, just notification for 1 and 2 rated credits ☐ \$20MM for 3,4,5 rated credits ☐ \$15MM for 3,4,5 rated credits with significant policy exceptions ☐ \$15MM for 6 rated credits ☐ Any credit relationship exceeding "hold limits"			



Top Relationships Twenty largest relationships Asset range from \$54 million to \$24 million Nonperforming Top 15 range from \$4.4 million to \$719 thousand Top industries Services Manufacturing – durable and non-durable Investment real estate: Office buildings and apartments Construction

Risk Management Organization at TD Banknorth	Banknorth Inc.
Departments included in Risk Management are;	
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☐ Loan Review	
☐ Audit	
☐ Compliance	
☐ Credit Administration	
☐ Appraisal	
☐ Retail Credit Risk	
☐ Portfolio Management & MIS	
☐ Treasury and Operational Risk	

Risk Management Overview (Credit) Banknorth Inc.
☐ Seasoned Senior Credit Administration Staff
☐ Independent of the Lending Staff
☐ Staff is positioned throughout the footprint
☐ Strong working relationship with the lending staff
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Portfolio (Concentrations	Banknorth Inc.		
☐ C & I☐ CRE Owner☐ CRE Investment	= 42% of outstandings & u= 22% of outstandings & u= 36% of outstandings & u	nfunded commitments		
To assist in the management of concentrations, TD Banknorth has developed: "White Paper Process" Construction Data Base Commercial Data Base				
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Asset Quality at TD Banknorth	Banknorth Inc.	
□ Problem loan levels continue to remain stable□ Watch Credit loan levels continue to show mind	or changes over	
the last year Rate of downgrades within pass grades remains stable		
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