

TORONTO DOMINION BANK
Form 424B2
September 12, 2016
Table of Contents

Filed Pursuant to Rule 424(b)(2)
Registration No. 333-211718

Prospectus Supplement to the Prospectus dated June 30, 2016

The Toronto-Dominion Bank

US\$1,500,000,000

3.625% Non-Viability Contingent Capital Subordinated Notes due 2031

The Toronto-Dominion Bank (the **Bank**) is offering hereby US\$1,500,000,000 aggregate principal amount of 3.625% Non-Viability Contingent Capital Subordinated Notes due 2031 (the **Notes**), which will mature on September 15, 2031 (the **Maturity Date**). Subject to any redemption prior to the Maturity Date, as described below, the Notes will bear interest (i) from and including the date of issuance to, but excluding, September 15, 2026 (the **Reset Date**), at a rate of 3.625% *per annum* and (ii) from and including the Reset Date to, but excluding, the Maturity Date at a rate *per annum* which will be 2.205% above the 5-Year Mid-Swap Rate (which we define below). Interest on the Notes will be payable semi-annually in arrears on March 15 and September 15 of each year (each, an **Interest Payment Date**), commencing March 15, 2017.

Subject to the more detailed description of the Notes in this prospectus supplement and the accompanying prospectus, the Notes:

will be the Bank's direct unsecured obligations which, if the Bank becomes insolvent or is wound-up (prior to the occurrence of a Trigger Event, as further described herein), will rank equally with the Bank's other subordinated indebtedness and will be subordinate in right of payment to the claims of the Bank's depositors and other unsubordinated creditors;

may be redeemed at the Bank's option, with the prior written approval of the Superintendent of Financial Institutions Canada (the **Superintendent**), in whole but not in part, on not less than 30 days and not more than 60 days prior notice to the registered holders of the Notes, (i) at any time within 90 days following a Regulatory Event Date, (ii) at any time following the occurrence of a Tax Event or (iii) on the Reset Date, in each case, at par, together with accrued and unpaid interest to, but excluding, the date fixed for redemption;

are not redeemable at the option or election of holders; and

automatically and immediately convert into common shares of the Bank (**Common Shares**) upon the occurrence of a Trigger Event. *Investing in the Notes involves risks. See Risk Factors beginning on page S-13 of this prospectus supplement and the other information included and incorporated by reference in this prospectus supplement and the accompanying prospectus for a discussion of the factors you should carefully consider before deciding to invest in the Notes.*

Edgar Filing: TORONTO DOMINION BANK - Form 424B2

The Notes are not deposits that are insured by the United States Federal Deposit Insurance Corporation, the Bank Insurance Fund, the Canada Deposit Insurance Corporation or any other domestic or foreign governmental agency or instrumentality or other entity.

	Per Note	Notes Total
Price to public	99.825%	US\$ 1,497,375,000
Underwriting commissions	0.450%	US\$ 6,750,000
Proceeds to The Toronto-Dominion Bank	99.375%	US\$ 1,490,625,000

- (1) Plus accrued interest, if any, from September 15, 2016.

Table of Contents

The underwriters expect to deliver the Notes to purchasers in book-entry form only through the facilities of The Depository Trust Company (DTC) and its participants, including Euroclear, Clearstream and CDS, on or about September 15, 2016.

The Notes will be issued only in book-entry form in minimum denominations of US\$2,000 and integral multiples of US\$1,000 in excess thereof.

The Bank may use this prospectus supplement in the initial sale of the Notes. In addition, this prospectus supplement may be used by certain of our affiliates in connection with offers and sales of the Notes in market-making transactions. In market-making transactions, our affiliates may resell Notes they acquire from other holders, after the original offering and sale of the Notes. Resales of this kind may occur in the open market or may be privately negotiated, at prevailing market prices at the time of the resale or at related or negotiated prices. In these transactions, our affiliates may act as principal or as agent, including as agent for the counterparty in a transaction in which our affiliates act as principal. Our affiliates may receive compensation in the form of discounts and commissions including from both counterparties in some cases.

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

TD Securities (USA) LLC is a wholly-owned subsidiary of the Bank. Accordingly, the Bank is a related issuer and connected issuer of TD Securities (USA) LLC under applicable Canadian securities legislation. See Underwriting (Conflicts of Interest) Conflicts of Interest on page S-35.

Joint Bookrunners

TD Securities

Goldman, Sachs & Co.

J.P. Morgan

Wells Fargo Securities

Prospectus Supplement dated September 8, 2016

Table of Contents

**TABLE OF CONTENTS
PROSPECTUS SUPPLEMENT**

<u>NOTICE TO INVESTORS</u>	S-1
<u>DOCUMENTS INCORPORATED BY REFERENCE</u>	S-2
<u>SUMMARY</u>	S-4
<u>RISK FACTORS</u>	S-13
<u>CONSOLIDATED CAPITALIZATION AND INDEBTEDNESS</u>	S-20
<u>USE OF PROCEEDS</u>	S-21
<u>DESCRIPTION OF THE NOTES</u>	S-22
<u>TAX CONSIDERATIONS</u>	S-30
<u>UNDERWRITING (CONFLICTS OF INTEREST)</u>	S-35
<u>VALIDITY OF THE NOTES</u>	S-42

PROSPECTUS

	Page
<u>DOCUMENTS INCORPORATED BY REFERENCE</u>	i
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	ii
<u>FURTHER INFORMATION</u>	iii
<u>ABOUT THIS PROSPECTUS</u>	iii
<u>RISK FACTORS</u>	1
<u>THE TORONTO-DOMINION BANK</u>	2
<u>PRESENTATION OF FINANCIAL INFORMATION</u>	2
<u>CAUTION REGARDING FORWARD-LOOKING STATEMENTS</u>	3
<u>USE OF PROCEEDS</u>	4
<u>CONSOLIDATED EARNINGS RATIOS</u>	5
<u>CONSOLIDATED CAPITALIZATION AND INDEBTEDNESS</u>	6
<u>COMPARATIVE PER SHARE MARKET PRICE</u>	7
<u>DESCRIPTION OF THE DEBT SECURITIES</u>	8
<u>DESCRIPTION OF COMMON SHARES AND PREFERRED SHARES</u>	23
<u>DESCRIPTION OF WARRANTS</u>	26
<u>DESCRIPTION OF SUBSCRIPTION RECEIPTS</u>	27
<u>DESCRIPTION OF UNITS</u>	28
<u>TAX CONSEQUENCES</u>	29
<u>BENEFIT PLAN INVESTOR CONSIDERATIONS</u>	43
<u>PLAN OF DISTRIBUTION (CONFLICTS OF INTEREST)</u>	45
<u>LIMITATIONS ON ENFORCEMENT OF U.S. LAWS AGAINST THE BANK, OUR MANAGEMENT AND OTHERS</u>	47
<u>LEGAL MATTERS</u>	47
<u>EXPERTS</u>	48
<u>OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION</u>	48

Table of Contents

NOTICE TO INVESTORS

Agreements and Acknowledgements of Investors, Including Holders and Beneficial Owners

A **Trigger Event** has the meaning set out in the Office of the Superintendent of Financial Institutions Canada (**OSFI**), Guideline for Capital Adequacy Requirements (CAR), Chapter 2 Definition of Capital, effective December 2014, as such term may be amended or superseded by OSFI from time to time, which term currently provides that each of the following constitutes a Trigger Event:

the Superintendent publicly announces that the Bank has been advised, in writing, that the Superintendent is of the opinion that the Bank has ceased, or is about to cease, to be viable and that, after the conversion of all contingent instruments (including the Notes) and taking into account any other factors or circumstances that are considered relevant or appropriate, it is reasonably likely that the viability of the Bank will be restored or maintained; or

the federal or a provincial government in Canada publicly announces that the Bank has accepted or agreed to accept a capital injection, or equivalent support, from the federal government or any provincial government or political subdivision in Canada or agent or agency thereof without which the Bank would have been determined by the Superintendent to be non-viable.

Contingent Conversion Upon Trigger Event

By acquiring any Note, each holder or beneficial owner of such Note or any interest therein, including any person acquiring any such Note or interest therein after the date hereof, irrevocably consents to the principal amount of the Note and any accrued and unpaid interest thereon being deemed paid in full by the issuance of Common Shares upon the occurrence of a Trigger Event and the resulting Contingent Conversion, which occurrence and resulting Contingent Conversion shall occur without any further action on the part of such holder or beneficial owner or the Trustees. To the extent the Notes are held in the form of global securities, such holder or beneficial owner authorizes, directs and requests DTC, any direct participant therein and any other intermediary through which it holds such Notes to take any and all necessary action, if required, to implement the Contingent Conversion without any further action or direction on the part of such holder or beneficial owner or the Trustees. The conversion provisions of the Notes are described in more detail under *Description of the Notes Contingent Conversion Upon Trigger Event*.

By acquiring any Note, each holder and beneficial owner of such Note or any interest therein, including any person acquiring any such Note or interest therein after the date hereof, irrevocably acknowledges and agrees with and for the benefit of the Bank and Computershare Trust Company, National Association, as trustee (the **Trustee**), and Computershare Trust Company of Canada, as Canadian trustee (the **Canadian Trustee** and, together with the trustee, the **Trustees**), as follows:

that no conversion of the Notes into Common Shares upon a Trigger Event shall give rise to a default for purposes of the applicable provisions of the U.S. Trust Indenture Act of 1939, as amended (the **Trust Indenture Act**);

that, to the extent permitted by the Trust Indenture Act, such holder or beneficial owner waives any and all claims against the Trustees for, agrees not to initiate a suit against the Trustees in respect of, and agrees that the Trustees shall not be liable for, any action that a Trustee takes, or abstains from taking, in either case in accordance with the conversion of the Notes into Common Shares upon Trigger Event;

that, upon a Contingent Conversion, (i) the Trustees shall not be required to take any further directions from holders or beneficial owners of the Notes under the Indenture and (ii) the Indenture shall impose no duties upon the Trustees whatsoever with respect to conversion of the Notes into Common Shares upon a Trigger Event (except for the delivery of a notice by the Trustees to participants of DTC following a Trigger Event, as described herein);

Table of Contents

that such holder or beneficial owner authorizes, directs and requests DTC and any direct participant in DTC or other intermediary through which it holds such Notes to take any and all necessary action, if required, to implement the conversion of the Notes into Common Shares upon a Trigger Event without any further action or direction on the part of such holder or such beneficial owner; and

that such holder or beneficial owner acknowledges and agrees that all authority conferred or agreed to be conferred by any holder and beneficial owner pursuant to the provisions described above shall be binding upon the successors, assigns, heirs, executors, administrators, Trustees in bankruptcy and legal representatives of each holder and beneficial owner of a Note or any interest therein.

DOCUMENTS INCORPORATED BY REFERENCE

The U.S. Securities and Exchange Commission (the **SEC**) allows the Bank to incorporate by reference the information we file with it, which means we can disclose important information to you by referring you to those documents. Copies of the documents incorporated herein by reference may be obtained upon written or oral request without charge from the Corporate Secretary of The Toronto-Dominion Bank, TD Bank Tower, 12th Floor, Toronto-Dominion Centre, Toronto, Ontario, M5K 1A2, Canada (telephone: (416) 308-6963). The documents incorporated by reference are available at www.sec.gov.

We incorporate by reference our Annual Report on Form 40-F for the fiscal year ended October 31, 2015 and the auditors' report therein (the **2015 Annual Report**) and our Reports on Form 6-K dated November 10, 2015, December 3, 2015 (related to the news release announcing the Bank's intention to launch a normal course issuer bid to repurchase its Common Shares (the **Normal Course Issuer Bid**)), December 3, 2015 (related to the 4th Quarter 2015 earnings news release), December 10, 2015 (related to the news release announcing the approval by the Toronto Stock Exchange and the Office of the Superintendent of Financial Institutions Canada of the Normal Course Issuer Bid), January 5, 2016 (two filings), January 12, 2016, January 29, 2016, February 23, 2016, February 25, 2016 (related to our 1st Quarter 2016 Report to Shareholders for the three months ended January 31, 2016), February 29, 2016, March 31, 2016, May 26, 2016 (related to our 2nd Quarter 2016 Report to Shareholders for the three and six months ended April 30, 2016), July 1, 2016, July 13, 2016 and August 25, 2016 (related to our 3rd Quarter 2016 Report for the three and nine months ended July 31, 2016). In addition, we will incorporate by reference into this prospectus supplement all documents that we file under Section 13(a), 13(c), 14 or 15(d) of the United States Securities Exchange Act of 1934, as amended (the **Exchange Act**), and, to the extent, if any, we designate therein, reports on Form 6-K we furnish to the SEC after the date of this prospectus supplement and prior to the termination of any offering contemplated in this prospectus supplement.

Any statement contained in this prospectus supplement or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this prospectus supplement, to the extent that a statement contained herein or in any other subsequently filed or furnished document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.

Upon a new Annual Report and the related annual financial statements being filed by us with, and, where required, accepted by, the SEC during the currency of this prospectus, the previous Annual Report and the related annual financial statements and the Reports on Form 6-K filed prior to the commencement of our financial year in which the new Annual Report is filed shall be deemed no longer to be incorporated by reference into this

Table of Contents

prospectus supplement for purposes of future offers and sales of securities hereunder, except (1) each Report on Form 6-K related to Exhibit 1.1 of the Registration Statement of which this prospectus forms a part and (2) each Report on Form 6-K related to our Management Proxy Circular, which shall be deemed incorporated by reference into this prospectus supplement until the filing of a Report on Form 6-K related to a new Management Proxy Circular.

All documents incorporated by reference, or to be incorporated by reference, have been filed with or furnished to, or will be filed with or furnished to, the SEC.

S-3

Table of Contents

SUMMARY

The following is a summary of this prospectus supplement and should be read as an introduction to, and in conjunction with, the remainder of this prospectus supplement, the accompanying prospectus and any documents incorporated by reference therein. You should base your investment decision on a consideration of this prospectus supplement, the accompanying prospectus and any documents incorporated by reference therein, as a whole.

Because this section is a summary, it does not describe every aspect of the Notes in detail. This summary is subject to, and qualified by reference to, the section entitled Description of the Notes. This Summary uses a number of terms defined elsewhere in this prospectus supplement that are key to understanding the terms of the Notes.

The Issuer	The Toronto-Dominion Bank
Securities Offered	US\$1,500,000,000 aggregate principal amount of 3.625% Non-Viability Contingent Capital Subordinated Notes due 2031 (the Notes).
Issue Date	September 15, 2016 (the Issue Date).
Maturity Date	September 15, 2031 (the Maturity Date).
Reset Date:	September 15, 2026 (the Reset Date).
Aggregate Principal Amount	US\$1,500,000,000
Interest Rate	From and including the Issue Date to, but excluding, the Reset Date, 3.625% <i>per annum</i> .

On and after the Reset Date, to, but excluding, the Maturity Date, interest on the Notes will be payable at the 5-Year Mid-Swap Rate plus 2.205%.

5-Year Mid-Swap Rate means the 5-year semi-annual mid-swap rate as displayed on the Reset Screen Page on the Reset Interest Determination Date. In the event that the 5-year semi-annual mid-swap rate does not appear on the Reset Screen Page on the Reset Interest Determination Date, the 5-Year Mid-Swap Rate shall be the Reset Reference Bank Rate on the Reset Interest Determination Date.

Reset Screen Page means Reuters screen ISDAFIX1 (or any successor page) as at 11:00 a.m. (New York time).

Reset Interest Determination Date means the day falling two business days prior to the Reset Date.

Reset Reference Bank Rate means the percentage rate determined on the basis of the 5-Year Mid-Swap Rate Quotation provided by five leading swap dealers in the interbank market to the paying agent at approximately 11:00 a.m. (New York time) on the Reset Interest Determination Date. If at least three quotations are provided, the 5-Year Mid-Swap Rate

S-4

Table of Contents

will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two quotations are provided, the 5-Year Mid-Swap Rate will be the arithmetic mean of the quotations provided. If only one quotation is provided, the 5-Year Mid-Swap Rate will be the quotation provided. If no quotations are provided, the 5-Year Mid-Swap Rate shall be equal to the last available 5-year semi-annual mid-swap rate on the Reset Screen Page.

5-Year Mid-Swap Rate Quotation means, in each case, the arithmetic mean of the bid and offered rates for the semi-annual fixed leg (calculated on a basis of a 360-day year of twelve 30-day months) of a fixed-for-floating U.S. dollar interest rate swap which (i) has a term of 5 years commencing on the Reset Date, (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the 3-month U.S. dollar LIBOR rate (calculated on basis of the actual number of days elapsed in a 360-day year).

Interest Payment Dates

Interest on the Notes will be payable semi-annually in arrears on March 15 and September 15 of each year (each, an **Interest Payment Date**), commencing March 15, 2017.

Ranking

In the absence of a Contingent Conversion, the Notes will be direct unsecured subordinated indebtedness of the Bank ranking equally and ratably with all other subordinated indebtedness of the Bank from time to time issued and outstanding.

Following a Contingent Conversion, holders of the Notes immediately prior to the Contingent Conversion will receive Common Shares in exchange for the Notes and such Common Shares will rank equally with all other Common Shares in relation to the Bank's assets.

Redemption

The Bank may, at its option, with the prior written approval of the Superintendent of Financial Institutions Canada (the **Superintendent**), redeem the Notes, in whole but not in part, on not less than 30 days and not more than 60 days prior notice to the registered holders of the Notes, (i) at any time within 90 days following a Regulatory Event Date, (ii) at any time following the occurrence of a Tax Event or (iii) on the Reset Date, in each case, at par, together with accrued and unpaid interest to, but

Table of Contents

excluding, the date fixed for redemption. Any Notes redeemed by the Bank will be cancelled and will not be re-issued.

A notice of redemption shall be irrevocable, except that the occurrence of a Trigger Event prior to the date fixed for redemption shall automatically rescind such notice of redemption and, in such circumstances, no Notes shall be redeemed and no payment in respect of the Notes shall be due and payable.

Contingent Conversion

Upon the occurrence of a Trigger Event, each outstanding Note will be, and will be deemed, for all purposes, to be, automatically and immediately converted by the Bank (a **Contingent Conversion**), on a full and permanent basis, without the consent of the holder thereof, into that number of fully-paid Common Shares determined by dividing (a) the product of the Multiplier (defined below) multiplied by the Note Value (defined below), by (b) the Conversion Price (defined below). For the purposes of the foregoing:

Common Share Price means the volume weighted average per share trading price of the Common Shares on the Toronto Stock Exchange (the **TSX**) for the 10 consecutive Trading Day period ending on the Trading Day immediately before the occurrence of a Trigger Event, or if the Common Shares are not then listed on the TSX, the principal stock exchange on which the Common Shares are then listed or quoted (being the stock exchange with the greatest volume of trading in the Common Shares during the previous six months), or if such shares are not listed or quoted on any stock exchange, or if no such trading prices are available, the Floor Price.

Conversion Price means the greater of the Common Share Price and the Floor Price.

Floor Price means C\$5.00, as such price may be adjusted. The Floor Price is subject to adjustment in the event of: (a) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of the Common Shares as a stock dividend or similar distribution; (b) the subdivision, redivision or change of the Common Shares into a greater number of shares; or (c) the reduction, combination or consolidation of the Common Shares into a lesser number of shares.

No adjustment of the Floor Price will be made if the amount of such adjustment will be less than 1% of

Table of Contents

the Floor Price in effect immediately prior to the event giving rise to the adjustment, provided, however, that in such case any adjustment that would otherwise be required then to be made will be carried forward and will be made at the time of and together with the next subsequent adjustment which, together with any adjustment so carried forward, will amount to at least 1% of the Floor Price.

Multiplier means 1.5.

Note Value means the principal amount of the Note plus accrued and unpaid interest thereon as of the date of the Trigger Event, expressed in Canadian dollars. In determining the Note Value of any Note, the principal amount thereof and any accrued and unpaid interest thereon shall be converted from U.S. dollars into Canadian dollars on the basis of the closing exchange rate between Canadian dollars and U.S. dollars (in Canadian dollars per U.S. dollar) reported by the Bank of Canada on the date immediately preceding the date of the Trigger Event (or if not available on such date, the date on which such closing rate was last available prior to such date). If such exchange rate is no longer reported by the Bank of Canada, the relevant exchange rate for calculating the Note Value in Canadian dollars shall be the simple average of the closing exchange rates between Canadian dollars and U.S. dollars (in Canadian dollars per U.S. dollar) quoted at approximately 4:00 p.m., New York City time, on such date by three major banks selected by the Bank.

Trading Day means, with respect to any stock exchange or market, a day on which shares may be traded through the facilities of that stock exchange or in that market.

In any case where the aggregate number of Common Shares to be issued to a holder of Notes pursuant to a Contingent Conversion includes a fraction of a Common Share, such number of Common Shares to be issued to such holder shall be rounded down to the nearest whole number of Common Shares and no cash payment shall be made in lieu of such fractional Common Share.

As promptly as practicable after the occurrence of a Trigger Event, the Bank shall announce the Contingent Conversion by way of a press release and shall give notice of the Contingent Conversion to the then registered holders of the Notes. From and after the Contingent Conversion, the Notes will cease to be outstanding, the holders of the Notes will cease to be entitled to interest on such

Table of Contents

accrued but unpaid interest as of the date of the Contingent Conversion, and any Notes will represent only the right to receive upon surrender of such Note the applicable number of Common Shares described above. A Contingent Conversion shall be mandatory and binding upon both the Bank and all holders of the Notes notwithstanding anything else including: (a) any prior action to or in furtherance of redeeming, exchanging or converting the Notes pursuant to the other terms and conditions of the Indenture; and (b) any delay in or impediment to the issuance or delivery of the Common Shares to the holders of the Notes. See Risk Factors for a discussion of the circumstances that may result in a Trigger Event and the consequences of a Trigger Event to a holder of Notes.

In the event of a capital reorganization, consolidation, merger or amalgamation of the Bank or comparable transaction affecting the Common Shares, the Bank shall take all necessary action to ensure that the holders of Notes receive, pursuant to a Contingent Conversion, after such event, the number of shares or other securities that the holders of Notes would have received if the Contingent Conversion occurred immediately prior to the record date for such event.

Notwithstanding any other provision of the Notes, a Contingent Conversion of the Notes shall not be an event of default and the only consequence of a Trigger Event under the provisions of the Notes will be the conversion of the Notes into Common Shares.

To the extent the Notes are held in the form of global securities, such holder or beneficial owner authorizes, directs and requests DTC, any direct participant therein and any other intermediary through which it holds such Notes to take any and all necessary action, if required, to implement the Contingent Conversion without any further action or direction on the part of such holder or beneficial owner or the Trustees.

Trigger Event:

Trigger Event has the meaning set out in the OSFI, Guideline for Capital Adequacy Requirements (CAR), Chapter 2 Definition of Capital, effective December 2014, as such term may be amended or superseded by OSFI from time to time, which term currently provides that each of the following constitutes a Trigger Event:

the Superintendent publicly announces that the Bank has been advised, in writing, that the Superintendent is of the opinion that the Bank has ceased, or is about to cease, to be

Table of Contents

viable and that, after the conversion of all contingent instruments (including the Notes) and taking into account any other factors or circumstances that are considered relevant or appropriate, it is reasonably likely that the viability of the Bank will be restored or maintained; or

the federal or a provincial government in Canada publicly announces that the Bank has accepted or agreed to accept a capital injection, or equivalent support, from the federal government or any provincial government or political subdivision in Canada or agent or agency thereof without which the Bank would have been determined by the Superintendent to be non-viable.

Ineligible Persons, Significant Shareholders and Ineligible Government Holders

Upon a Contingent Conversion, the Bank reserves the right not to deliver some or all, as applicable, of the Common Shares issuable thereupon to any Ineligible Person (as defined below) or any Person who, by virtue of the operation of the Contingent Conversion, would become a Significant Shareholder (as defined below) through the acquisition of Common Shares. In such circumstances, the Bank will hold, as agent for such persons, the Common Shares that would have otherwise been delivered to such persons and will attempt to facilitate the sale of such Common Shares to parties other than the Bank and its affiliates on behalf of such persons through a registered dealer to be retained by the Bank on behalf of such persons. Those sales (if any) may be made at any time and at any price. The Bank will not be subject to any liability for failure to sell such Common Shares on behalf of such persons or at any particular price on any particular day. The net proceeds received by the Bank from the sale of any such Common Shares will be divided among the applicable persons in proportion to the number of Common Shares that would otherwise have been delivered to them upon a Contingent Conversion after deducting the costs of sale and any applicable withholding taxes. For the purposes of the foregoing:

Ineligible Person means (i) any person whose address is in, or whom the Bank or its transfer agent has reason to believe is a resident of, any jurisdiction outside Canada or the United States of America to the extent that the issuance by the Bank or delivery by its transfer agent to that person, pursuant to a Contingent Conversion, of Common Shares would

Table of Contents

require the Bank to take any action to comply with securities, banking or analogous laws of that jurisdiction, and (ii) any person to the extent that the issuance by the Bank or delivery by its transfer agent to that person, pursuant to a Contingent Conversion, of Common Shares would cause the Bank to be in violation of any law to which the Bank is subject.

Significant Shareholder means any person who beneficially owns, directly or indirectly, through entities controlled by such person or persons associated with or acting jointly or in concert with such person (as determined in accordance with the *Bank Act* (Canada)), shares of any class of the Bank in excess of 10% of the total number of outstanding shares of that class in contravention of the Bank Act.

Agreement with Respect to Principal and Interest Deemed Paid upon Contingent Conversion

By acquiring any Note, each holder or beneficial owner of such Note or any interest therein, including any person acquiring any such Note or interest therein after the date hereof, irrevocably consents to the principal amount of the Note and any accrued and unpaid interest thereon being deemed paid in full by the issuance of Common Shares upon the occurrence of a Trigger Event and the resulting Contingent Conversion, which occurrence and resulting Contingent Conversion shall occur without any further action on the part of such holder or beneficial owner or the Trustees. The conversion provisions of the Notes are described in more detail under *Description of the Notes Contingent Conversion Upon Trigger Event*.

U.S. Federal Income Tax Considerations

As described under *Tax Considerations United States Taxation*, the Bank intends to treat the Notes as debt for U.S. federal income tax purposes.

Canadian Federal Income Tax Considerations

The Canadian federal income tax considerations of acquiring Notes is described under the heading *Tax Considerations Canadian Federal Income Tax Considerations*.

Form and Delivery

The Notes will be issued only in book-entry form in minimum denominations of US\$2,000 and integral multiples of US\$1,000 in excess thereof. The Notes will be represented by one or more global securities registered in the name of a nominee of DTC. You may only hold beneficial interests in the Notes through DTC and its direct and indirect participants, and DTC and its direct and indirect participants will record your beneficial interest on their books. The Bank will not issue definitive Notes except as described in the accompanying prospectus. The Notes will be in the Same Day Funds Settlement

Table of Contents

Events of Default	System at DTC and, to the extent the secondary market trading in the Notes is effected through the facilities of such depository, such trades will be settled in immediately available funds. The Bank will pay the principal and interest in immediately available funds to DTC or its nominee as the registered holder of the global notes representing the book-entry Notes. For information on DTC's book-entry system, see <i>Description of the Debt Securities Book-Entry Procedures and Settlement Considerations Relating to DTC</i> in the accompanying prospectus.
Purchase for Cancellation	An event of default will occur only if the Bank becomes insolvent or bankrupt or resolves to wind-up or liquidate or is ordered wound-up or liquidated. For greater certainty, a Trigger Event will not constitute an event of default.
Trustees	The Bank may, with the prior approval of the Superintendent and subject to any applicable law, purchase the Notes in the market or by tender or by private contract at any price. All Notes purchased by the Bank shall be cancelled and may not be re-issued.
Paying Agent	Computershare Trust Company, National Association will act as the trustee for the Notes, and Computershare Trust Company of Canada will act as the Canadian Trustee for the Notes.
Transfer Agent for Common Stock	Computershare Trust Company, National Association will act as the paying agent for the Notes.
CUSIP / ISIN / Common Code	CST Trust Company
Use of Proceeds	891160 MJ9 / US891160MJ94 / 149134573
Governing Law	The proceeds from the offering will be added to the Bank's general funds and will qualify as Tier 2 capital of the Bank for regulatory purposes.
Risk Factors	The Indenture and the Notes will be governed by, and construed in accordance with, the laws of the State of New York, except for the subordination provisions and the provisions relating to a Contingent Conversion upon the occurrence of a Trigger Event, which will be governed by the laws of Ontario and the federal laws of Canada applicable therein.
	Investing in the Notes offered under this prospectus supplement involves risk. For a discussion of certain risks that should be considered in connection with an investment in the Notes, see <i>Risk Factors</i> beginning on page S-13 of this prospectus supplement.

Table of Contents

Conflict of Interest

TD Securities (USA) LLC is a member of the Financial Industry Regulatory Authority (**FINRA**) and an affiliate of The Toronto-Dominion Bank. This offering will be conducted in compliance with the applicable requirements of FINRA Rule 5121. Because Notes offered hereby will be rated investment grade, pursuant to Rule 5121, the appointment of a qualified independent underwriter is not necessary. TD Securities (USA) LLC is not permitted to sell the Notes in this offering to an account over which it exercises discretionary authority without the prior specific written approval of the account holders.

The Bank is a related issuer and connected issuer of TD Securities (USA) LLC under applicable Canadian securities legislation.

S-12

Table of Contents

RISK FACTORS

An investment in the Notes is subject to the risks described below, as well as the risks described under *Risk Factors* in the accompanying prospectus. You should carefully consider whether the Notes are suited to your particular circumstances. This prospectus supplement should be read together with the prospectus. The information in the prospectus is supplemented by, and to the extent inconsistent therewith replaced and superseded by, the information in this prospectus supplement. This section describes the most significant risks relating to the terms of the Notes. We urge you to read the following information about these risks, together with the other information in this prospectus supplement and the accompanying prospectus, before investing in the Notes.

The Bank may redeem the Notes at its option in certain situations.

The Notes may be redeemed at the Bank's option, with the prior written approval of the Superintendent, in whole but not in part, on not less than 30 days and not more than 60 days prior notice to the registered holders of the Notes, (i) at any time within 90 days following a Regulatory Event Date, (ii) at any time following the occurrence of a Tax Event or (iii) on the Reset Date. If the Bank redeems the Notes, you may not be able to reinvest the redemption proceeds in securities offering a comparable anticipated rate of return. The exercise of (or perceived likelihood of exercise of) the redemption feature of the Notes may limit their market value, which is unlikely to rise substantially above the price at which the Notes can be redeemed. Furthermore, you have no right to require the Bank to redeem the Notes.

Holders of the Notes will have limited rights if there is an event of default.

Payment of principal on the Notes may be accelerated only in the case of certain events of bankruptcy or insolvency involving the Bank. There is no automatic acceleration or right of acceleration in the case of default in the payment of interest on the Notes or in the performance of any of the Bank's other obligations under the Notes or the Indenture governing the Notes.

The Notes are loss-absorption financial instruments that involve risk and may not be a suitable investment for all investors.

The Notes are loss-absorption financial instruments designed to comply with applicable Canadian banking regulations and involve certain risks. Each potential investor in the Notes must determine the suitability (either alone or with the help of a financial adviser) of that investment in light of its own circumstances. In particular, each potential investor should understand thoroughly the terms of the Notes, such as the provisions governing the Contingent Conversion, including the circumstances constituting a Trigger Event.

A potential investor should not invest in the Notes unless it has the knowledge and expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the likelihood of the Contingent Conversion into Common Shares and the value of the Notes, and the impact this investment will have on the potential investor's overall investment portfolio. Prior to making an investment decision, potential investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information contained in this prospectus supplement and the accompanying prospectus or incorporated by reference herein.

The Notes are subject to an automatic and immediate conversion into Common Shares upon a Trigger Event.

Upon the occurrence of a Contingent Conversion following the occurrence of a Trigger Event, an investment in the Notes will automatically and immediately become an investment in Common Shares. Upon a Contingent Conversion, any accrued but unpaid interest will be added to the principal amount of the Notes and such accrued but unpaid interest, together with the principal amount of the Notes, will be deemed paid in full by

Table of Contents

the issuance of Common Shares upon such conversion and the holders of Notes shall have no further rights and the Bank shall have no further obligations to holders of the Notes under the Indenture. Moreover, a Contingent Conversion upon the occurrence of a Trigger Event is not an event of default under the terms of the Notes or the Indenture.

Potential investors in the Notes should understand that, if a Trigger Event occurs and the Notes are converted into Common Shares, investors are obliged to accept the Common Shares even if they do not at the time consider such Common Shares to be an appropriate investment for them and despite any change in the financial position of the Bank since the issue of the Notes or any disruption to the market for those Common Shares or to capital markets generally.

The number and value of Common Shares to be received on a Contingent Conversion may be worth significantly less than the principal amount of the Notes and are variable and subject to further dilution.

The number of Common Shares to be received for each Note is calculated by reference to the prevailing market price of Common Shares immediately prior to a Trigger Event, subject to the Floor Price. Upon the occurrence of a Contingent Conversion, there is no certainty of the value of the Common Shares to be received by the holders of the Notes and the value of such Common Shares could be significantly less than the principal amount of the Notes. Moreover, there may be an illiquid market, or no market at all, in Common Shares received upon a Contingent Conversion, and investors may not be able to sell the Common Shares at a price equal to the value of their investment and as a result may suffer significant loss.

In addition, in determining the Note Value of any Note for the purpose of calculating the number and value of Common Shares to be received on a Contingent Conversion, the principal amount thereof and any accrued and unpaid interest thereon will be converted from U.S. dollars into Canadian dollars on the basis of the exchange rate between Canadian dollars and U.S. dollars. Accordingly, the exchange rate between Canadian dollars and U.S. dollars may impact the number and value of Common Shares to be received on a Contingent Conversion and the value of such Common Shares could be significantly less than the principal amount of the Notes.

The Bank is expected to have outstanding from time to time other securities including, without limitation, other subordinated indebtedness, that will automatically and immediately convert into Common Shares upon a Trigger Event. Certain other Bank securities may use a lower effective floor price or a higher multiplier than those applicable to the Notes to determine the maximum number of Common Shares to be issued to holders of such instruments upon a Contingent Conversion. Accordingly, holders of Notes will receive Common Shares pursuant to a Contingent Conversion at a time when other Bank securities may be converted into Common Shares at a conversion rate that is more favorable to the holders of such Bank securities than the rate applicable to the holders of Notes, thereby the value of the Common Shares received by holders of Notes following a Contingent Conversion could be further diluted.

In addition, in the circumstances surrounding a Trigger Event, the Superintendent or other governmental authorities or agencies may also require other steps to be taken to restore or maintain the viability of the Bank, such as the injection of new capital and the issuance of additional Common Shares or other securities. Accordingly, holders of Notes will receive Common Shares pursuant to a Contingent Conversion at a time when other debt obligations of the Bank may be converted into Common Shares, and additional Common Shares or securities ranking in priority to the Common Shares may be issued, thereby causing substantial dilution to holders of Common Shares and the holders of Notes, who will become holders of Common Shares upon the Trigger Event.

In addition, fractions of Common Shares will not be issued or delivered pursuant to a Contingent Conversion and no cash payment will be made in lieu of a fractional Common Share.

Table of Contents

The circumstances surrounding or triggering a Contingent Conversion are unpredictable.

The decision as to whether a Trigger Event will occur is a subjective determination by the Superintendent that the Bank has ceased, or is about to cease, to be viable and that the conversion of all contingent instruments is reasonably likely, taking into account any other factors or circumstances that are considered relevant or appropriate by the Superintendent, to restore or maintain the viability of the Bank. Such determination may be outside the control of the Bank. OSFI has stated that the Superintendent will consult with the Canada Deposit Insurance Corporation, the Bank of Canada, the Department of Finance Canada (the **Department of Finance**) and the Financial Consumer Agency of Canada prior to making a non-viability determination. The conversion of non-viability contingent instruments alone may not be sufficient to restore an institution to viability and other public sector interventions, including liquidity assistance, would likely be used in tandem with the conversion of non-viability contingent instruments to maintain an institution as a going concern. Consequently, while the Superintendent would have the authority to trigger conversion, in practice, the Superintendent's decision to activate the trigger would be conditioned by the legislative provisions and decision frameworks associated with the accompanying interventions by one or more of the Canada Deposit Insurance Corporation, the Bank of Canada, the Department of Finance and the Financial Consumer Agency of Canada. In assessing whether the Bank has ceased, or is about to cease, to be viable and that, after the conversion of all contingent instruments, it is reasonably likely that the viability of the Bank will be restored or maintained, OSFI has stated that the Superintendent would consider, in consultation with the authorities referred to above, all relevant facts and circumstances, including the criteria outlined in relevant legislation and regulatory guidance. Those facts and circumstances may include, in addition to other public sector interventions, a consideration of the following criteria, which may be mutually exclusive and should not be viewed as an exhaustive list:

whether the assets of the Bank are, in the opinion of the Superintendent, sufficient to provide adequate protection to the Bank's depositors and creditors;

whether the Bank has lost the confidence of depositors or other creditors and the public (for example, ongoing increased difficulty in obtaining or rolling over short-term funding);

whether the Bank's regulatory capital has, in the opinion of the Superintendent, reached a level, or is eroding in a manner, that may detrimentally affect its depositors and creditors;

whether the Bank has failed to pay any liability that has become due and payable or, in the opinion of the Superintendent, the Bank will not be able to pay its liabilities as they become due and payable;

whether the Bank failed to comply with an order of the Superintendent to increase its capital;

whether, in the opinion of the Superintendent, any other state of affairs exists in respect of the Bank that may be materially prejudicial to the interests of the Bank's depositors or creditors or the owners of any assets under the Bank's administration; and

whether the Bank is unable to recapitalize on its own through the issuance of Common Shares or other forms of regulatory capital (for example, no suitable investor or group of investors exists that is willing to or capable of investing in sufficient quantity and on terms that will restore the Bank's viability, nor is there any reasonable prospect of such an investor emerging in the near-term in the absence of conversion of contingent instruments).

The facts and circumstances that the Superintendent may consider may change from time to time as a result of evolving legal and regulatory developments.

If a Trigger Event occurs, then the interests of depositors, other creditors of the Bank, and holders of Bank securities which are not contingent instruments will all rank in priority to the holders of contingent instruments, including the Notes. The Superintendent retains full discretion to choose not to trigger non-viable contingent capital notwithstanding a determination that the Bank has ceased, or is about to cease, to be viable. Under such circumstances, the holders of Notes may be exposed to losses through the use of other resolution tools or in liquidation.

Table of Contents

Because of the inherent uncertainty regarding the determination of when a Contingent Conversion may occur, it will be difficult to predict when, if at all, the Notes will be mandatorily converted into Common Shares. In addition, investors in the Notes are likely not to receive any advance notice of the occurrence of a Trigger Event. As a result of this uncertainty, trading behavior in respect of the Notes is not necessarily expected to follow trading behavior associated with other types of convertible or exchangeable securities. Any indication, whether real or perceived, that the Bank is trending towards a Trigger Event can be expected to have an adverse effect on the market price of the Notes and the Common Shares, whether or not such Trigger Event actually occurs. Therefore, in such circumstances, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to other types of subordinated securities, including the Bank's other subordinated debt securities. In addition, the risk of a Contingent Conversion could drive down the price of Common Shares and have a material adverse effect on the market value of Common Shares received upon a Contingent Conversion.

Following a Contingent Conversion, you will no longer have rights as a creditor and will only have rights as a holder of Common Shares.

Upon a Contingent Conversion, the rights, terms and conditions of the Notes, including with respect to priority and rights on liquidation, will no longer be relevant as all such Notes will have been converted on a full and permanent basis into Common Shares ranking on parity with all other outstanding Common Shares. The claims of holders of Notes have certain priority of payment over the claims of holders of Common Shares. If a Contingent Conversion occurs, then the interest of depositors, other creditors of the Bank, and holders of Bank securities which are not contingent instruments will all rank in priority to the holders of contingent instruments, including the Notes.

Given the nature of the Trigger Event, a holder of Notes will become a holder of Common Shares at a time when the Bank's financial condition has deteriorated. If the Bank were to become insolvent or wound-up after the occurrence of a Trigger Event, as holders of Common Shares investors may receive substantially less than they might have received had the Notes not been converted into Common Shares.

A Contingent Conversion may also occur at a time when a federal or provincial government or other government agency in Canada has provided, or will provide, a capital injection or equivalent support, the terms of which may rank in priority to the Common Shares with respect to the payment of dividends, rights on liquidation or other terms.

The Bank reserves the right not to deliver Common Shares upon a Contingent Conversion.

Upon a Contingent Conversion, the Bank reserves the right not to deliver some or all, as applicable, of the Common Shares issuable thereupon to any person whom the Bank or either Trustee has reason to believe is an Ineligible Person (as defined herein) or any person who, by virtue of the operation of the Contingent Conversion, would become a Significant Shareholder through the acquisition of Common Shares. In such circumstances, the Bank will attempt to facilitate the sale of such Common Shares. Those sales (if any) may be made at any time and at any price. The Bank will not be subject to any liability for failure to sell such Common Shares on behalf of such persons or at any particular price on any particular day.

Under the terms of the Notes, you have irrevocably consented to the principal and interest being deemed paid in full by the issuance of Common Shares upon a Contingent Conversion.

By acquiring any Note, each holder or beneficial owner of such Note or any interest therein, including any person acquiring any such Note or interest therein after the date hereof, irrevocably consents to the principal amount of the Note and any accrued and unpaid interest thereon being deemed paid in full by the issuance of Common Shares upon the occurrence of a Trigger Event and the resulting Contingent Conversion, which occurrence and resulting Contingent Conversion shall occur without any further action on the part of such holder or beneficial owner or the Trustees.

Table of Contents

The Bank's obligations under the Notes will be unsecured and subordinated, and the rights of the holders of Notes will be further subordinated upon a Contingent Conversion.

The Notes will be the Bank's direct unsecured obligations which, if the Bank becomes insolvent or is wound-up (prior to the occurrence of a Trigger Event), will rank equally with the Bank's other subordinated indebtedness and will be subordinate in right of payment to the claims of the Bank's depositors and other unsubordinated creditors.

Therefore, if, prior to the occurrence of a Trigger Event, the Bank becomes insolvent or is wound-up, the assets of the Bank would first be applied to satisfy all rights and claims of holders of senior indebtedness, including deposit liabilities. If the Bank does not have sufficient assets to settle claims of such senior indebtedness holders in full, the claims of the holders of the Notes will not be settled and, as a result, the holders will lose the entire amount of their investment in the Notes. The Notes will share equally in payment with claims under other subordinated indebtedness if the Bank does not have sufficient funds to make full payments on all of them, as applicable. In such a situation, holders could lose all or part of their investment.

In addition, holders should be aware that, upon the occurrence of a Trigger Event, all of the Bank's obligations under the Notes shall be deemed paid in full by the issuance of Common Shares upon a Contingent Conversion, and each holder will be effectively further subordinated due to the change in their status following a Contingent Conversion from being the holder of a debt instrument ranking ahead of holders of Common Shares to being the holder of Common Shares.

As a result, upon the occurrence of a Contingent Conversion, the holders could lose all or part of their investment in the Notes irrespective of whether the Bank has sufficient assets available to settle what would have been the claims of the holders of the Notes or other securities subordinated to the same extent as the Notes, in proceedings relating to an insolvency or winding-up.

Holders do not have anti-dilution protection in all circumstances.

The Floor Price that is used to calculate the Conversion Price is subject to adjustment for a limited number of events: (1) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of Common Shares as a stock dividend or similar distribution, (2) the subdivision, redivision or change of the Common Shares into a greater number of Common Shares or (3) the reduction, combination or consolidation of the Common Shares into a lesser number of Common Shares. In addition, in the event of a capital reorganization, consolidation, merger or amalgamation of the Bank or comparable transaction affecting the Common Shares after the date of this prospectus supplement, the Bank will take necessary action to ensure that holders of Notes receive, pursuant to a Contingent Conversion, after such event, the number of Common Shares or other securities that such holders would have received if the Contingent Conversion occurred immediately prior to the record date for such event. However, there is no requirement that there should be an adjustment of the Floor Price or other anti-dilutive action by the Bank for every corporate or other event that may affect the market price of the Common Shares. Accordingly, the occurrence of events in respect of which no adjustment to the Floor Price is made may adversely affect the number of Common Shares issuable to a holder of Notes upon a Contingent Conversion.

The Notes are structurally subordinated to the liabilities of our subsidiaries.

In the case of the insolvency of the Bank, the Bank Act (Canada) provides that priorities among payments of deposit liabilities of the Bank, payments in respect of debt securities and payments of all other liabilities are to be determined in accordance with the laws governing priorities and, where applicable, by the terms of the indebtedness and liabilities. Because we have subsidiaries, our right to participate in any distribution of the assets of our banking or non-banking subsidiaries, upon a subsidiary's dissolution, winding-up, liquidation or reorganization or otherwise, and thus your ability to benefit indirectly from such distribution, is subject to the

Table of Contents

prior claims of creditors of that subsidiary, except to the extent that we may be a creditor of that subsidiary and our claims are recognized. In addition, there are regulatory and other legal limitations on the extent to which some of our subsidiaries may extend credit, pay dividends or otherwise supply funds to, or engage in transactions with, us or some of our other subsidiaries. Accordingly, the Notes will be structurally subordinated to all existing and future liabilities of our subsidiaries, and holders of Notes should look only to our assets for payments on the Notes.

Holders of Notes may not be entitled to receive U.S. dollars in a winding-up.

If you are entitled to any recovery with respect to the Notes in any winding-up, you might not be entitled in those proceedings to a recovery in U.S. dollars and might be entitled only to a recovery in Canadian dollars. In addition, under current Canadian law, the Bank's liability to you, if any, would have to be converted into Canadian dollars at a date close to the commencement of proceedings against it and you would be exposed to currency fluctuations between that date and the date you receive proceeds pursuant to such proceedings, if any.

Because the Indenture contains no limit on the amount of additional debt that we may incur, our ability to make timely payments on the Notes you hold may be affected by the amount and terms of our future debt.

Our ability to make timely payments on our outstanding debt may depend on the amount and terms of our other obligations, including any outstanding Notes. The Indenture does not contain any limitation on the Bank or its subsidiaries with regards to incurring additional indebtedness (whether senior, pari passu, or otherwise), issuing or repurchasing securities, payment of dividends or engagement in transactions with affiliates. As we issue additional debt securities under the Indenture or incur other indebtedness, unless our earnings grow in proportion to our debt and other fixed charges, our ability to service the Notes on a timely basis may become impaired.

There is no established trading market for the Notes and one may not develop.

The Notes are a new issue of securities and have no established trading market, and the Notes will not be listed on any securities exchange. There can be no assurance that an active trading market will deve