TORONTO DOMINION BANK
Form 424B3
January 04, 2008

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Registration No. 333-147304

PROPOSED MERGER TRANSACTION YOUR VOTE IS VERY IMPORTANT

Commerce Bancorp, Inc., or Commerce, entered into a merger agreement with The Toronto-Dominion Bank, or TD, which provides for TD to acquire Commerce. If the merger is completed, you will receive $10.50 in cash and 0.4142 TD common shares (plus cash in lieu of any fractional share interests) for each share of Commerce common stock you hold immediately prior to the completion of the merger. Based on the closing price of TD common shares as reported on the New York Stock Exchange on October 1, 2007, the last trading day before public announcement of the merger, the merger consideration represented $42.37 in value for each share of Commerce common stock. Based on the closing price of TD common shares as reported on the New York Stock Exchange on January 3, 2008, the last practicable date before the date of this document, the merger consideration represented $38.89 in value for each share of Commerce common stock. The exchange ratio of 0.4142 TD common shares is fixed and will only be adjusted in limited circumstances. The exchange ratio will not be adjusted to reflect changes in the stock price of Commerce or TD. The dollar value of the stock consideration Commerce shareholders receive will change depending on changes in the market price of TD common shares and will not be known at the time you vote on the merger. TD s common shares and Commerce s common stock are listed on the New York Stock Exchange under the symbols TD and CBH , respectively, and TD s common shares are also listed on the Toronto Stock Exchange under the symbol TD . You should obtain current market quotations for both securities. The merger will be a taxable transaction for Commerce shareholders for United States federal income tax purposes.

At Commerce s special meeting of its shareholders, you will have the opportunity to vote on the approval of the plan of merger contained in the Agreement and Plan of Merger, or merger agreement, dated as of October 2, 2007, among Commerce, TD and Cardinal Merger Co., a wholly-owned subsidiary of TD. The special meeting of Commerce shareholders will be held at Commerce University, 4140 Church Road, Mt. Laurel, New Jersey, on February 6, 2008, at 4:00 p.m., local time, to vote on the approval of the plan of merger. **Our board of directors unanimously recommends that you vote FOR the approval of the plan of merger.**

Based on the number of shares of Commerce common stock outstanding as of the record date, TD expects to issue approximately 81 million TD common shares to Commerce shareholders upon completion of the merger. In addition, TD expects that additional TD common shares will be issuable in respect of converted Commerce stock options. However, any increase or decrease in the number of shares of Commerce common stock outstanding that occurs for any reason prior to completion of the merger would cause the actual number of TD common shares issued in the merger to change.

Your Vote Is Very Important. Approval of the plan of merger contained in the merger agreement requires the affirmative vote of a majority of the votes cast at the Commerce special meeting. Whether or not you plan to attend the special meeting, please take the time to vote by completing and mailing the enclosed proxy card to us. If your shares are held in street name, you must instruct your broker in order to vote.

This proxy statement/prospectus contains detailed information about the special meeting, the proposed merger, documents related to the merger and other related matters, and we urge you to read it carefully, including the section entitled Risk Factors beginning on page 21.

We appreciate your continued support.

Sincerely,

Dennis M. DiFlorio
Chairman of Commerce Bank, N.A.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION, OR SEC, NOR ANY U.S. STATE OR CANADIAN PROVINCIAL OR TERRITORIAL SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE MERGER OR DETERMINED IF THIS PROXY STATEMENT/PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The securities to be issued in the merger are not savings or deposit accounts and are not insured by the Federal Deposit Insurance Corporation, the Canada Deposit Insurance Corporation or any other governmental agency.

The date of this proxy statement/prospectus is January 4, 2008, and it is first being mailed or otherwise delivered to Commerce shareholders on or about January 7, 2008.

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REFERENCES TO ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates important business and financial information about Commerce and TD from documents that are not included in or delivered with this proxy statement/prospectus. This information is available to you without charge upon your written or oral request. You can obtain documents related to Commerce and TD that are incorporated by reference in this proxy statement/prospectus, other than certain exhibits to the documents, without charge, by requesting them in writing or by telephone from the appropriate company.

Commerce Bancorp, Inc.	TD Bank Financial Group
Commerce Atrium	Investor Relations
1701 Route 70 East	66 Wellington Street West
Cherry Hill, NJ 08034-5400	Toronto, Ontario, Canada M5K 1A2
Attn: C. Edward Jordan, Jr.	(416) 308-9030
Executive Vice President	tdir@td.com
(856) 751-9000	

In addition, if you have questions about the merger or the special meeting, need additional copies of this document or need to obtain proxy cards or other information related to the proxy solicitation, you may contact the appropriate contact listed below. You will not be charged for any of these documents that you request.

Morrow & Co., LLC
470 West Avenue
Stamford, CT 06902
Toll free telephone: (800) 573-4370
Brokers and banks, please call: (203) 658-9400
commercebank.info@morrowco.com

In order to receive timely delivery of requested documents in advance of the special meeting, you should make your request no later than January 30, 2008.

See Where You Can Find More Information beginning on page 108.

COMMERCE BANCORP, INC.

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON FEBRUARY 6, 2008**

To the Shareholders of Commerce Bancorp, Inc.:

We will hold a special meeting of shareholders at 4:00 p.m., local time, on February 6, 2008 at Commerce University, 4140 Church Road, Mt. Laurel, New Jersey to consider and vote upon the following matters:

a proposal to approve the plan of merger contained in the Agreement and Plan of Merger, dated as of October 2, 2007, among Commerce Bancorp, Inc., The Toronto-Dominion Bank and Cardinal Merger Co., pursuant to which Cardinal Merger Co. will merge with and into Commerce, whereupon the separate corporate existence of Cardinal Merger Co. will cease and Commerce will survive as a subsidiary of TD, as more fully described in the attached proxy statement/prospectus. A copy of the Agreement and Plan of Merger is included as **Appendix A** to the proxy statement/prospectus; and

a proposal to approve the adjournment or postponement of the special meeting, if necessary or appropriate, including to solicit additional proxies.

The close of business on December 14, 2007 has been fixed as the record date for determining those Commerce shareholders entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting. Only Commerce shareholders of record at the close of business on that date are entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting. Approval of the two proposals described above requires the affirmative vote of a majority of the votes cast at the special meeting by Commerce shareholders. If you wish to attend the special meeting and your shares are held in the name of a broker, trust, bank or other nominee, you must bring with you a proxy or letter from the broker, trustee, bank or other nominee to confirm your beneficial ownership.

By order of the Board of Directors,

C. Edward Jordan, Jr.
Secretary

January 4, 2008

YOUR VOTE IS IMPORTANT REGARDLESS OF THE NUMBER OF SHARES YOU OWN. WHETHER OR NOT YOU PLAN TO ATTEND THE SPECIAL MEETING IN PERSON, PLEASE VOTE YOUR PROXY BY TELEPHONE OR THROUGH THE INTERNET, AS DESCRIBED ON THE ENCLOSED PROXY CARD, OR COMPLETE, DATE, SIGN AND RETURN THE ENCLOSED PROXY CARD IN THE ENCLOSED ENVELOPE. IF YOU ATTEND THE SPECIAL MEETING, YOU MAY VOTE IN PERSON IF YOU WISH, EVEN IF YOU HAVE PREVIOUSLY RETURNED YOUR PROXY CARD OR VOTED BY TELEPHONE OR THROUGH THE INTERNET. PLEASE VOTE AT YOUR FIRST OPPORTUNITY.

COMMERCE S BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR APPROVAL OF THE PLAN OF MERGER AND FOR APPROVAL OF ANY ADJOURNMENT OR

POSTPONEMENT OF THE SPECIAL MEETING, IF NECESSARY OR APPROPRIATE, INCLUDING TO PERMIT FURTHER SOLICITATION OF PROXIES.

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SUMMARY

This summary highlights material information from this proxy statement/prospectus. It may not contain all of the information that may be important to you. You should carefully read this entire document, including the appendices and the other documents to which this document refers you, for a more complete understanding of the matters being considered at the special meeting. In addition, we incorporate by reference into this document important business and financial information about TD and Commerce. You may obtain the information incorporated by reference into this document without charge by following the instructions in the section entitled Where You Can Find More Information beginning on page 108. Where applicable, each item in this summary includes a page reference directing you to a more complete description of that item. All references in this proxy statement/prospectus to dollars, $ or U.S.$ are to U.S. dollars and all references to C$ are to Canadian dollars.

The Merger (Page 32)

The merger agreement provides for TD s indirect wholly-owned subsidiary, Cardinal Merger Co., to merge into Commerce, with Commerce surviving the merger as a wholly-owned subsidiary of TD.

Commerce Shareholders Will Receive Cash and TD Common Shares in the Merger (Page 67)

If the merger is completed, you will be entitled to receive, in exchange for each share of Commerce common stock you own immediately prior to the merger, the following:

- 0.4142 TD common shares; and
- $10.50 in cash.

You will not receive any fractional TD common shares. Instead, TD will pay you cash for any fractional TD common shares you would have otherwise received.

For example, if you own 1,000 shares of Commerce common stock, when the merger has been completed you will receive:

- 414 TD common shares;
- $10,500 in cash; and
- for the fractional TD common share, cash in U.S. dollars equal to 0.2 (the remaining fractional interest in a TD common share) multiplied by the average of the daily volume weighted averages of a TD common share on the Toronto Stock Exchange for the five trading days immediately preceding the date of completion of the merger, as such price is converted from Canadian dollars into U.S. dollars.

The exchange ratio relating to the TD common shares you will receive is a fixed ratio, which means it will not be adjusted based on any changes in the trading price of TD common shares or Commerce common stock between now and the time the merger is completed. Therefore, the market value of the TD common shares you will receive in the merger will depend on the price of the TD common shares at the time the merger is completed and will not be known at the time Commerce shareholders vote on the merger. For information on recent market prices of the TD common shares and Commerce common stock, see Comparative Per Share Market Price and Dividend Information beginning on page 14. See also Risk Factors beginning on page 21.

You will need to surrender your Commerce common stock certificates to receive the merger consideration in exchange for your Commerce common stock. Please do not surrender your certificates until you receive written instructions from TD after we have completed the merger.

Treatment of Commerce Stock Options (Page 64)

Upon completion of the merger, each option to purchase shares of Commerce common stock outstanding under any of Commerce s stock incentive plans will be fully vested and will automatically convert into an option to purchase TD common shares, and each stock option plan thereof will be assumed and honored by TD in accordance with its terms.

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Comparative Market Prices and Share Information (Page 14)

The table below sets forth the closing sale prices of Commerce common stock and TD common shares as reported on the New York Stock Exchange Composite Tape on October 1, 2007, the last trading day before the public announcement of the merger, and January 3, 2008, the last practicable trading day before the distribution of this proxy statement/prospectus. The table also sets forth the equivalent pro forma sale price of Commerce common stock on each of these dates, as determined by multiplying the applicable closing sale price of TD common shares on the New York Stock Exchange by the exchange ratio of 0.4142 and adding the $10.50 cash portion of the merger consideration. We urge you to obtain current market quotations for both TD common shares and Commerce common stock.

	TD Common Shares	Commerce Common Stock	Commerce Common Stock Pro Forma Equivalent (including the $10.50 cash portion)
October 1, 2007	U.S.$76.94	U.S.$39.74	U.S.$42.37
January 3, 2008	68.54	37.86	38.89

Commerce s Financial Advisor Has Delivered an Opinion that the Stock Consideration and Cash Consideration, Taken in the Aggregate, was Fair, from a Financial Point of View, to Commerce Shareholders (Page 40 and Appendix B)

Goldman, Sachs & Co., or Goldman Sachs, rendered its oral opinion to the board of directors of Commerce, which was subsequently confirmed in writing, that as of the date of the opinion, and based upon and subject to the factors and assumptions set forth in the opinion, the stock consideration and cash consideration to be received by the holders of Commerce common stock, taken in the aggregate, pursuant to the merger agreement was fair from a financial point of view to such holders. The full text of the written opinion of Goldman Sachs, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is included as **Appendix B** to this proxy statement/prospectus. Goldman Sachs provided its opinion for the information and assistance of the Commerce board of directors in connection with its consideration of the merger. Goldman Sachs opinion is not a recommendation as to how any holder of Commerce common stock should vote with respect to the merger. Pursuant to an engagement letter dated August 21, 2007 between Commerce and Goldman Sachs, Goldman Sachs is entitled to receive a transaction fee of 0.30% of the aggregate consideration payable in the merger, based upon the average closing price of the TD common shares on the five trading days ending five trading days prior to the date of the consummation of the transaction, all of which is contingent on the consummation of the transaction.

Material United States Federal Income Tax Consequences to Holders of Commerce Common Stock (Page 55)

For a U.S. holder (as defined in The Merger Material United States Federal Income Tax Consequences), the merger will be a taxable transaction. For United States federal income tax purposes, a U.S. holder will recognize gain or loss equal to the difference between (1) the sum of the cash consideration (including any cash received in lieu of fractional shares) and the fair market value of the TD common shares received in the merger and (2) such holder s adjusted tax basis in the shares of Commerce common stock surrendered in the merger for TD common shares and cash. The merger will generally not be a taxable transaction to a non-U.S. holder for United States federal income tax purposes unless such non-U.S. holder has certain connections to the United States.

Holders of Commerce Common Stock Do Not Have Dissenters Rights of Appraisal (Page 64)

Under applicable New Jersey law, the holders of Commerce common stock are not entitled to any dissenters rights of appraisal in connection with the merger.

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Commerce s Board of Directors Unanimously Recommends that You Vote FOR the Approval of the Plan of Merger (Page 29)

Commerce s board of directors determined that the merger, the merger agreement and the transactions contemplated by the merger agreement are advisable and in the best interests of Commerce and its shareholders and has unanimously approved the plan of merger contained in the merger agreement. For the factors considered by the Commerce board of directors in reaching its decision to approve the plan of merger, see the section entitled The Merger Commerce s Reasons for the Merger beginning on page 36. **Commerce s board of directors unanimously recommends that Commerce shareholders vote FOR the approval of the plan of merger.**

Your Rights as a Holder of TD Common Shares Will Be Different from Your Rights as a Holder of Commerce Common Stock (Page 92)

The conversion of your shares of Commerce common stock into TD common shares and cash in the merger will result in changes from your current rights as a Commerce shareholder, which generally are governed by the New Jersey Business Corporation Act, or the NJBCA, and Commerce s organizational documents, to your rights as a TD shareholder, which generally will be governed by the Bank Act of Canada and TD s organizational documents.

Commerce Executive Officers and Directors Have Financial and Other Interests in the Merger that are Different from or in Addition to Your Interests (Page 50)

Some of the members of Commerce s board of directors and Commerce s executive officers have financial interests in the merger that are in addition to, and/or different from, your interests. The independent members of the Commerce board of directors were aware of these additional and/or differing interests and potential conflicts and considered them, among other matters, in evaluating, negotiating and approving the merger agreement. These interests include employment agreements between Commerce and its executive officers, which were amended and restated in contemplation of the merger, that provide, among other things, cash payments in the case of a change of control, such as the completion of the merger, and the vesting of outstanding stock options and certain retirement plan account balances upon the completion of the merger.

On December 31, 2007, Commerce completed the sale of Commerce Banc Insurance Services, Inc., or CBIS, the insurance agency subsidiary of Commerce, to a group headed by George Norcross, a member of the Commerce board of directors and Chairman and Chief Executive Officer of CBIS. In connection with the sale, Mr. Norcross entered into a non-competition agreement with Commerce Bank/North, in exchange for which Commerce Bank/North agreed to pay Mr. Norcross a lump sum cash payment of $4 million, in addition to Commerce s obligation to pay Mr. Norcross a change in control payment pursuant to the terms of his amended employment agreement. Both payments became payable on January 2, 2008. Please see The Merger Interests of Commerce s Executive Officers and Directors in the Merger Sale of CBIS beginning on page 52.

The Companies

The Toronto-Dominion Bank
Toronto Dominion Centre
P.O. Box 1
Toronto, Ontario, Canada M5K 1A2
(416) 982-8222

TD is a Canadian chartered bank formed through the amalgamation of The Bank of Toronto (established 1855) and The Dominion Bank (established 1869). TD and its subsidiaries are collectively known as TD Bank Financial Group. In Canada and around the world, TD serves more than 14 million customers in four key businesses operating in a number of locations in key financial centers around the globe: Canadian Personal and Commercial Banking, including TD Canada Trust as well as TD s global insurance operations (excluding the U.S.); Wealth Management, including TD Waterhouse Canada, TD Waterhouse U.K. and TD s investment in TD Ameritrade; U.S. Personal and Commercial Banking through TD Banknorth Inc., or TD Banknorth; and Wholesale Banking, including TD Securities. TD also ranks among the world s leading online financial services firms, with more than 4.5 million online customers. TD had C$422.1 billion (U.S.$444.5 billion based on the noon buying rate as reported by the Federal Reserve Bank in the City of New York at October 31, 2007) in assets as at October 31, 2007 and is headquartered in Toronto, Canada.

Additional information about TD can be found on its website at *http://www.td.com*. The information provided on TD s website is not part of this proxy statement/prospectus and is not incorporated herein by reference.

Cardinal Merger Co.
c/o The Toronto-Dominion Bank
New York Branch
31 West 52nd Street
New York, NY 10019-6101
(212) 827-7000

Cardinal Merger Co. is a New Jersey corporation and an indirect wholly-owned subsidiary of TD. Cardinal Merger Co. was organized solely for the purpose of effecting the merger with Commerce described in this proxy statement/prospectus. It has not carried on any activities other than in connection with the merger agreement.

Commerce Bancorp, Inc.
1701 Route 70 East
Cherry Hill, New Jersey 08034-5400
(856) 751-9000

Commerce, a New Jersey business corporation, is a regional financial services leader, anchored by the financial strength of its banking subsidiaries, Commerce Bank, N.A. and Commerce Bank/North, and augmented by CBIS and Commerce Capital Markets, Inc. With assets of more than $49 billion as of September 30, 2007, Commerce is the largest bank headquartered in New Jersey, serving Metropolitan Philadelphia, New Jersey, New York, Connecticut, Delaware, Washington, D.C., Virginia, Maryland and Southeast Florida. Commerce is a growth retailer selling convenience, and has successfully developed and implemented a unique retail strategy. This retail approach to banking uses a chain concept and features standardized facilities, standardized hours, standardized service and aggressive marketing. Commerce is America s Most Convenient Bank, with over 450 convenient branch locations which are open seven days a week.

Additional information about Commerce can be found on its website at *http://www.commerceonline.com*. The information provided on Commerce s website is not part of this proxy statement/prospectus and is not incorporated herein by reference.

The Special Meeting of Commerce Shareholders (Page 27)

The Commerce special meeting will be held at 4:00 p.m. local time, on February 6, 2008, at Commerce University, 4140 Church Road in Mt. Laurel, New Jersey. At the Commerce special meeting, Commerce shareholders will be asked:

- to approve the plan of merger contained in the merger agreement; and
- to approve the adjournment or postponement of the special meeting, if necessary or appropriate, including to solicit additional proxies.

Record Date. Commerce shareholders may cast one vote at the special meeting for each share of Commerce common stock that was owned at the close of business on December 14, 2007. At that date, there were 195,548,790 shares of

Commerce common stock entitled to be voted at the special meeting.

As of the record date, directors and executive officers of Commerce and their affiliates owned (directly or indirectly) and had the right to vote approximately 16.4 million shares of Commerce common stock, representing approximately 8.4% of the shares of Commerce common stock entitled to be voted at the special meeting, and directors and executive officers of TD and their affiliates owned (directly or indirectly) and had the right to vote less than 1% of the shares of Commerce common stock entitled to be voted at the special meeting.

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Required Vote. In order for the plan of merger to be approved by Commerce shareholders, a majority of the votes cast by Commerce shareholders entitled to vote must be voted in favor of the approval of the plan of merger. We urge you to vote.

TD Shareholder Approval

TD shareholders are not required to approve the plan of merger or the use of TD common shares as part of the merger consideration.

The Merger Agreement (Page 67)

The merger agreement is described beginning on page 67 and is included as **Appendix A** to this proxy statement/prospectus. We urge you to read the merger agreement in its entirety because it is the legal document governing the merger.

Completion of the Merger is Subject to Conditions (Page 77)

The respective obligations of each of TD and Commerce to complete the merger are conditioned upon the satisfaction or waiver of the following conditions:

- receipt of the required approval by the Commerce shareholders of the plan of merger;
- approval for the listing on the New York Stock Exchange and the Toronto Stock Exchange of the TD common shares to be issued in the merger;
- receipt of required regulatory approvals and the absence of any injunction or other legal prohibition or restraint against the merger; and
- the registration statement on Form F-4, which includes this proxy statement/prospectus, filed by TD with the SEC must have been declared effective by the SEC and no stop order suspending the effectiveness of the Form F-4 shall have been issued and no proceedings for that purpose shall have been initiated by the SEC and not withdrawn.

TD s obligation to complete the merger is subject to the satisfaction or waiver of a number of conditions, including the following:

- the accuracy of the representations and warranties of Commerce as of the closing date of the merger, other than, in most cases, those failures to be true and correct that would not reasonably be expected to result in a material adverse effect on Commerce;
- performance in all material respects by Commerce of the obligations required to be performed by it at or prior to the effective time of the merger; and
- there being no action taken, or applicable legal or regulatory restriction or condition that would be reasonably likely to have a material adverse effect on Commerce or TD or which would result in an adverse impact on TD s status as a financial holding company under the Bank Holding Company Act of 1956, as amended, or BHC Act (in the case of the condition related to TD s financial holding company status, if such action is due to any fact or condition relating to Commerce).

Commerce s obligation to complete the merger is subject to the satisfaction or waiver of the following conditions:

- the accuracy of the representations and warranties of TD as of the closing date of the merger, other than, in most cases, those failures to be true and correct that would not reasonably be expected to result in a material adverse effect on TD; and

- performance in all material respects by TD of the obligations required to be performed by it at or prior to the effective time of the merger.

The Merger Agreement May Be Terminated Under Some Circumstances (Page 78)

The merger agreement may be terminated at any time before the completion of the merger, whether before or after approval of the plan of merger by Commerce shareholders, in any of the following circumstances:

- by mutual written consent of TD and Commerce; or
- by either TD or Commerce if:
  - any governmental entity which must grant a required regulatory approval has denied approval of the merger and this denial has become final and nonappealable or a governmental entity has issued a final nonappealable order prohibiting the consummation of the merger;
  - the merger has not been completed by July 31, 2008, but neither TD nor Commerce may terminate the merger agreement for this reason if its breach of any obligation under the merger agreement has resulted in the failure of the merger to occur by that date;
  - there is a breach by the other party of the merger agreement which would prevent satisfaction of a closing condition and the breach is not cured prior to 30 days after receipt of written notice of the breach or the breach cannot, by its nature, be cured prior to closing, but neither TD nor Commerce may terminate the merger agreement for this reason if it itself is then in material breach of the merger agreement; or
  - the shareholders of Commerce fail to approve the plan of merger at the Commerce special meeting; or
- by TD if:
  - the board of directors of Commerce has failed to recommend the merger and the approval of the plan of merger by the shareholders of Commerce or has withdrawn, amended or modified in any manner adverse to TD its recommendation, or if Commerce has materially breached its obligations under the no solicitation covenant of the merger agreement, or failed to call, give notice of, convene or hold a special meeting of shareholders to vote on approval of the plan of merger; or
  - a tender offer or exchange offer for 20% or more of the outstanding shares of Commerce common stock has commenced (other than by TD), and the board of directors of Commerce recommends that the shareholders of Commerce tender their shares in such tender offer or exchange offer or otherwise fails to recommend that its shareholders reject such tender offer or exchange offer within ten business days.

Commerce May Be Required to Pay a Termination Fee Under Some Circumstances (Page 79)

If the merger agreement is terminated under certain circumstances, including circumstances involving a change in recommendation by Commerce s board of directors, Commerce will be required to pay TD a termination fee of up to $332 million, except that if a final stipulation of settlement is entered into with respect to the litigation settlement described under The Merger Litigation Relating to the Merger , TD has agreed to reduce this termination fee amount to $255 million. The termination fee could discourage other companies from seeking to acquire or merge with Commerce.

Regulatory Approvals Required for the Merger (Page 61)

BHC Act. TD is required to obtain the approval of the Board of Governors of the U.S. Federal Reserve System, which we refer to as the Federal Reserve Board, under the BHC Act for the acquisition of control of Commerce, as a result of the merger. The U.S. Department of Justice will have an opportunity to comment during this approval process and will have at least 15 days (but no more than 30 days) following the approval of the Federal Reserve Board to challenge the approval on antitrust grounds.

Bank Act of Canada. Under the Bank Act of Canada, TD is required to obtain the approval of the Superintendent of Financial Institutions of Canada for the indirect acquisition of control, as a result of the merger, of Commerce Bank, N.A. and Commerce Bank/North, Commerce s banking subsidiaries, for the issuance of the TD

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common shares included in the merger consideration for non-cash consideration and in respect of Commerce s existing ownership interest in Pennsylvania Commerce Bancorp, Inc.

Other Regulatory Approvals. TD and Commerce are also required to file and have filed applications with, and obtain the approval of, bank regulatory authorities in the State of New Jersey and the Commonwealth of Pennsylvania with respect to the merger. Applications and notifications may be filed with various other state regulatory authorities, including self-regulatory organizations, including the Financial Industry Regulatory Authority, in connection with changes in control of the broker-dealer subsidiaries of Commerce.

There can be no assurance that regulatory approvals will be obtained, that such approvals will be received on a timely basis or that such approvals will not impose conditions or requirements that would be reasonably likely to have a material adverse effect on Commerce or TD or which would result in an adverse impact on TD s status as a financial holding company. If any such condition or requirement is imposed, TD may, in certain circumstances, elect not to consummate the merger.

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QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND RELATED MATTERS

Q: What am I being asked to vote on?

A: TD and Commerce have entered into a merger agreement pursuant to which TD has agreed to acquire Commerce. You are being asked to vote to approve the plan of merger contained in the merger agreement. Under the terms of the merger agreement, Cardinal Merger Co. will merge with and into Commerce, with Commerce continuing as the surviving corporation and a wholly-owned subsidiary of TD. In addition, you are also being asked to vote to approve a proposal to adjourn the special meeting if necessary or appropriate, including to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the plan of merger.

Q: What will I receive if the merger is completed?

A: Each Commerce shareholder of record will receive, in exchange for each share of Commerce common stock owned by such shareholder immediately prior to the merger, the following:

0.4142 TD common shares (with cash being paid in lieu of the issuance of fractional shares); and

$10.50 in cash.

Q: Can the number of TD common shares to be issued in the merger for each share of Commerce common stock change between now and the time the merger is completed based on changes in the trading price of TD common shares?

A: No. The exchange ratio is a fixed ratio, which means that it will not be adjusted if the trading price of TD common shares or Commerce common stock changes between now and the time the merger is completed. Therefore, the market value of TD common shares you will receive in the merger will depend on the price of TD common shares at the time the shares are issued. See Risk Factors beginning on page 21.

Q: When and where is the Commerce special meeting?

A: The Commerce special meeting will take place on February 6, 2008. The time and location of the meeting are specified on the cover page of this proxy statement/prospectus.

Q: Who can vote at the special meeting?

A: Holders of Commerce common stock as of the close of business on the record date of December 14, 2007 are entitled to vote at the special meeting. Beneficial owners as of the record date should receive instructions from their bank, broker or other nominee describing how to vote their shares.

Q: What vote of Commerce shareholders is required in connection with the merger?

A: The affirmative vote of a majority of the votes cast by the shareholders of Commerce common stock at the special meeting is required to approve the plan of merger.

Q: What happens if I do not indicate my preference for or against approval of the merger agreement?

A: If you submit a proxy without specifying the manner in which you would like your shares to be voted, your shares will be voted FOR approval of the plan of merger.

Q: What happens if I do not vote at all?

A: If you do not vote your shares with respect to the proposal to approve the plan of merger, it will have no effect on the outcome of the proposal. However, if the proposal to approve the plan of merger receives the required approval of Commerce s shareholders and the merger is completed, your Commerce shares will be converted into the right to receive the merger consideration even though you did not vote. Additionally, if you do not vote your shares with respect to the proposal to approve the plan of merger, then your vote will not be counted toward the quorum requirement at the Commerce special meeting called for such purpose.

Q: What do I need to do now?

A: After carefully reading and considering the information contained in this document, please submit your proxy by telephone or via the Internet in accordance with the instructions set forth in the enclosed proxy card, or fill out, sign and date the proxy card and then mail your signed proxy card in the enclosed prepaid envelope, as soon as possible so that your shares may be voted at the special meeting. See The Special Meeting beginning on page 27.

Q: If my shares are held in street name by my bank, broker or other nominee, will my bank, broker or other nominee vote my shares for me?

A: You should instruct your bank, broker or other nominee to vote your shares. If you do not instruct your bank, broker or other nominee, your bank, broker or other nominee will not be able to vote your shares. Please check with your bank, broker or other nominee and follow the voting procedures your bank, broker or other nominee provides. Your bank, broker or other nominee will advise you whether you may submit voting instructions by telephone or via the Internet. See The Special Meeting Proxies beginning on page 27.

Q: If my shares are held in the Commerce 401(k) Plan, what should I do?

A: If you are a participant in the Commerce Bancorp, Inc. 401(k) Retirement Plan, you may give voting instructions for any Commerce shares held in your account to Registrar and Transfer Company, Commerce s transfer agent, by completing and returning a voting instruction ballot distributed to plan participants along with this proxy statement/prospectus, or by telephone or via the Internet as described on your ballot. Commerce s transfer agent will certify the total votes cast by plan participants for and against approval of the plan of merger to the trustee for the plan, for the purpose of having those shares voted in accordance with your instructions.

Q: When do you expect the merger to be completed?

A: We currently expect to complete the merger in February or March 2008. However, we cannot assure you when or if the merger will be completed. Among other things, we must first obtain the approval of the plan of merger by Commerce shareholders at the special meeting and the necessary regulatory approvals. See The Merger Regulatory Matters Related to the Merger and Stock Exchange Listings beginning on page 61.

Q: What are the material federal income tax consequences of the merger to Commerce shareholders?

A: For a U.S. holder (as defined in The Merger Material United States Federal Income Tax Consequences beginning on page 55), the merger will be treated for United States federal income tax purposes as a taxable sale by such holder of the shares of Commerce common stock that such holder surrenders in the merger. The material United States federal income tax consequences of the merger to U.S. holders are as follows:

A U.S. holder will recognize gain or loss equal to the difference between (1) the sum of the cash consideration (including any cash received in lieu of fractional shares) and the fair market value of the TD common shares received in the merger and (2) such holder s adjusted tax basis in the shares of Commerce common stock surrendered in the merger for TD common shares and cash;

A U.S. holder s aggregate tax basis in the TD common shares that such holder receives in the merger will equal the fair market value of such common shares at the time the merger is completed; and

A U.S. holder s holding period for the TD common shares that such holder receives in the merger should generally begin on the day after the completion of the merger.

The merger will generally not be a taxable transaction to a non-U.S. holder for United States federal income tax purposes unless such non-U.S. holder has certain connections to the United States.

See The Merger Material United States Federal Income Tax Consequences beginning on page 55.

The merger should not give rise to Canadian income tax liability for Commerce shareholders who are not residents of Canada for Canadian income tax purposes. See The Merger Material Canadian Federal Income Tax Considerations beginning on page 60.

Q: May I change my vote after I have submitted a proxy?

A: Yes. If you have not voted through your bank, broker or other nominee, there are three ways you can change your vote after you have submitted your proxy (whether by mail, telephone or the Internet):

First, you may send a written notice to the corporate secretary of Commerce at the address below, stating that you would like to revoke your proxy.

Commerce Bancorp, Inc.
Commerce Atrium
1701 Route 70 East
Cherry Hill, NJ 08034-5400
Attn: C. Edward Jordan, Jr.

Second, you may complete and submit a new proxy card or vote again by telephone or the Internet. Your latest vote actually received by Commerce before the special meeting will be counted, and any earlier votes will be revoked.

Third, you may attend the special meeting and vote in person. Any earlier proxy will thereby be revoked. However, simply attending the meeting without voting will not revoke an earlier proxy you may have given.

If you have instructed a bank, broker or other nominee to vote your shares, you must follow the directions you receive from your bank, broker or other nominee in order to change or revoke your vote.

Q: If I want to attend the special meeting, what do I do?

A: You should come to Commerce University, 4140 Church Road, Mt. Laurel, New Jersey, at 4:00 p.m., local time, on February 6, 2008. If you hold your shares in street name, you will need to bring proof of ownership (by means of a recent brokerage statement, letter from your bank or broker or similar means) to be admitted to the meeting. Shareholders of record as of the record date for the special meeting can vote in person at the special meeting. If your shares are held in street name, then you are not the shareholder of record and you must ask your bank, broker or other nominee how you can vote at the special meeting.

Q: Should I send in my stock certificates now?

A: No. After we complete the merger, you will receive written instructions for exchanging your Commerce stock certificates for TD common shares and the cash merger consideration. **Please do not send in your Commerce stock certificates with your proxy card.**

Q: What if I cannot find my stock certificates?

A:

There will be a procedure for you to receive the merger consideration in the merger, even if you have lost one or more of your Commerce stock certificates. This procedure, however, may take time to complete. In order to ensure that you will be able to receive the merger consideration promptly after the merger is completed, if you cannot locate your Commerce stock certificates after looking for them carefully, we urge you to contact Commerce s transfer agent, Registrar and Transfer Company, as soon as possible and follow the procedure they explain to you for replacing your Commerce stock certificates. Registrar and Transfer Company can be reached at (866) 465-2630 or on their website at *http://www.rtco.com*, or you can write to them at the following address:

Registrar and Transfer Company
10 Commerce Drive
Cranford, NJ 07016-3572

Q: Are there risks I should consider in deciding whether to vote for the plan of merger?

A: Yes. We have set forth a non-exhaustive list of risk factors that you should consider carefully in connection with the merger in the section entitled Risk Factors beginning on page 21.

Q: Can I dissent and require appraisal of my shares?

A: No. Under the NJBCA, Commerce s shareholders are not entitled to appraisal rights in connection with the merger. See The Merger No Dissenters Rights of Appraisal beginning on page 64.

Q: Who can help answer my additional questions about the merger or voting procedures?

A: If you have questions about the merger, you should contact:

Morrow & Co., LLC
470 West Avenue
Stamford, CT 06902
Toll free telephone: (800) 573-4370
Brokers and banks, please call: (203) 658-9400
commercebank.info@morrowco.com

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COMPARATIVE PER SHARE DATA

The following tables present, as at the dates and for the periods indicated, selected historical and pro forma consolidated per share financial information of TD and Commerce.

You should read this information in conjunction with, and the information is qualified in its entirety by, the consolidated financial statements and accompanying notes of TD and Commerce incorporated into this proxy statement/prospectus by reference. See Where You Can Find More Information beginning on page 108.

The pro forma amounts in the tables below are presented for informational purposes only. You should not rely on the pro forma combined or pro forma equivalent amounts as being necessarily indicative of the financial position or results of operations of TD or Commerce that would have actually occurred had the transaction been effective during the periods presented or of the future financial position or results of operations of TD or Commerce. The combined financial information as at or for the periods presented may have been different had the transaction actually been effective as at or during those periods. The pro forma information, although helpful in illustrating the financial characteristics of the combined company under one set of assumptions, does not reflect the benefits of expected cost savings, opportunities to earn additional revenue, the impact of restructuring and merger-related costs, or other factors that may result as a consequence of the merger and, accordingly, does not attempt to predict or suggest future results.

TD Historical and Pro Forma Common Share Data

The following table presents, in Canadian dollars and in U.S. dollars, the earnings per share, dividends per share and book value per share with respect to TD on a historical basis and pro forma combined basis giving effect to the transaction. The TD pro forma combined amounts are presented as if the transaction had been effective for the period presented based on the purchase method of accounting. The TD pro forma combined amounts do not include any cost savings or revenue enhancements which may arise from the transaction, and do not include restructuring or integration costs.

	As at and for the Year Ended October 31, 2007 (C$)	(U.S.$)(1)
Basic Earnings Per Share:		
TD historical (Canadian GAAP)	C$ 5.53	U.S.$ 5.06
TD historical (U.S. GAAP)	5.64	5.16
TD pro forma combined (Canadian GAAP)(2)	5.00	4.57
TD pro forma combined (U.S. GAAP)(2)	5.09	4.66
Diluted Earnings Per Share:		
TD historical (Canadian GAAP)	5.48	5.01
TD historical (U.S. GAAP)	5.59	5.11
TD pro forma combined (Canadian GAAP)(2)	4.92	4.50
TD pro forma combined (U.S. GAAP)(2)	5.02	4.59
Dividends Per Share:		
TD historical and pro forma(3)	2.11	1.98
Book Value Per Share at Period End:		
TD historical (Canadian GAAP)	29.23	30.78

TD historical (U.S. GAAP)	28.59	30.11
TD pro forma combined (Canadian GAAP)(2)	34.20	36.02
TD pro forma combined (U.S. GAAP)(2)	33.62	35.40

(1) TD historical and pro forma combined amounts (except with respect to book value per share at period end) have been converted into U.S. dollars based on the average U.S. dollar/Canadian dollar exchange rate during the year ended October 31, 2007 of 1.0930. The average exchange rate is calculated as the average of the noon buying rate on the last day of each month during the period. The TD historical and pro forma combined book value per share at period end has been converted into U.S. dollars using the U.S. dollar/Canadian dollar exchange rate

as at October 31, 2007 of 0.9496. TD historical and pro forma dividend amounts have been converted into U.S. dollars based on the exchange rate used on each dividend payment date as reported by the Federal Reserve Bank in the City of New York.

(2) Pro forma combined amounts are calculated by adding together the historical amounts reported by TD and Commerce based on each entity s most recent financial information as filed with the SEC, as adjusted for (i) estimated purchase accounting adjustments to be recorded in connection with the merger (consisting of fair value adjustments for assets acquired and liabilities assumed and adjustments for intangible assets established, and the resulting amortization/accretion of these adjustments over appropriate future periods) and (ii) the estimated number of TD common shares to be issued as of September 30, 2007, in connection with the merger based on the terms of the merger agreement. The pro forma adjustments assume completion of the transaction as at the beginning of the period indicated.

TD pro forma combined results for the year ended October 31, 2007 were calculated using the latest annual financial information filed with the SEC. Commerce s results for the twelve months ended September 30, 2007 have been used to calculate the TD pro forma combined results for the year ended October 31, 2007.

(3) It is anticipated that the initial dividend rate will be equal to the current dividend rate of TD. Accordingly, pro forma combined dividends per TD common share represent the historical dividends per common share paid by TD.

Commerce Historical Share Data and Unaudited Pro Forma Equivalent Share Data

The following table presents, in U.S. dollars, the earnings per share, dividends per share and book value per share with respect to Commerce on a historical basis and pro forma equivalent basis. The pro forma equivalent amounts with respect to the Commerce common stock are calculated by multiplying the corresponding TD pro forma combined amount (which is described and presented under TD Historical and Pro Forma Common Share Data beginning on page 12) by the exchange ratio of 0.4142 TD common shares included in the merger consideration, and do not include the cash portion of the merger consideration. Since Commerce and TD have different fiscal years, the pro forma equivalent for the twelve months ended September 30, 2007 has been compared with TD s fiscal year ended October 31, 2007.

		As at and for the Twelve Months Ended September 30, 2007 (U.S.$)
Basic Earnings Per Share:		
Commerce historical	$	0.89
Commerce pro forma equivalent (Canadian GAAP)		1.89
Commerce pro forma equivalent (U.S. GAAP)		1.93
Diluted Earnings Per Share:		
Commerce historical		0.86
Commerce pro forma equivalent (Canadian GAAP)		1.86
Commerce pro forma equivalent (U.S. GAAP)		1.90
Dividends Per Share:		
Commerce historical		0.52
Commerce pro forma equivalent		0.82

Book Value Per Share at Period End:	
Commerce historical	15.17
Commerce pro forma equivalent (Canadian GAAP)	14.92
Commerce pro forma equivalent (U.S. GAAP)	14.66

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COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION

TD s common shares are listed on the Toronto Stock Exchange and the New York Stock Exchange under the trading symbol TD and also trade on the Tokyo Stock Exchange. Commerce s common stock is listed on the New York Stock Exchange under the trading symbol CBH . The following table sets forth, for the respective calendar years and quarters indicated, the high and low sale prices per share of Commerce common stock as reported on the New York Stock Exchange Composite Tape, and the high and low sale prices per TD common share as reported on the New York Stock Exchange Composite Tape and the Toronto Stock Exchange. The Toronto Stock Exchange sale prices of TD common shares are presented in Canadian dollars, and the New York Stock Exchange sale prices of Commerce common stock and TD common shares are presented in U.S. dollars. For comparison purposes, the following table uses calendar quarters, but it should be noted that TD s fiscal year end is October 31 and Commerce s fiscal year end is December 31.

	The New York Stock Exchange (U.S.$)				The Toronto Stock Exchange (C$)	
	Commerce Common Stock		TD Common Shares		TD Common Shares	
	High	Low	High	Low	High	Low
2002						
Annual	$ 25.25	$ 18.05	$ 28.60	$ 15.77	$ 45.03	$ 25.17
2003						
Annual	26.74	18.12	33.76	20.50	44.78	31.20
2004						
Annual	33.83	23.35	41.69	31.16	50.10	42.54
2005						
Annual	35.98	26.87	53.16	38.73	62.79	48.08
2006						
Annual	41.20	31.20	60.57	49.52	70.21	55.62
First Quarter	37.16	31.86	58.07	51.49	66.85	60.20
Second Quarter	41.20	33.85	57.42	49.84	65.35	55.62
Third Quarter	37.59	31.20	60.26	49.52	66.93	56.00
Fourth Quarter	37.10	34.25	60.57	55.31	70.21	62.80
2007						
First Quarter	36.15	30.45	61.45	57.13	71.61	67.21
Second Quarter	37.68	31.32	70.26	59.43	74.89	66.55
Third Quarter	39.62	32.17	77.63	59.43	77.10	64.02
Fourth Quarter	41.00	34.36	77.08	64.87	76.50	64.18
2008						
First Quarter (through January 3, 2008)	38.11	37.53	69.94	67.69	69.37	67.05

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The table below sets forth the high and low sale prices for each of the six most recent full calendar months for Commerce common stock as reported on the New York Stock Exchange Composite Tape and TD common shares as reported on the New York Stock Exchange Composite Tape and the Toronto Stock Exchange. The New York Stock Exchange sale prices of Commerce common stock and TD common shares are presented in U.S. dollars and the Toronto Stock Exchange sale prices of TD common shares are presented in Canadian dollars.

	The New York Stock Exchange (U.S.$)				The Toronto Stock Exchange (C$)	
	Commerce Common Stock		TD Common Shares		TD Common Shares	
	High	Low	High	Low	High	Low
July 2007	$ 39.13	$ 33.41	$ 70.65	$ 63.70	$ 73.75	$ 67.82
August 2007	38.10	32.17	68.90	59.43	72.50	64.02
September 2007	39.62	36.26	77.63	67.16	77.10	70.66
October 2007	41.00	38.29	77.08	69.65	76.50	67.75
November 2007	40.55	34.36	75.41	64.87	75.00	64.18
December 2007	39.96	37.43	74.64	68.33	74.69	68.00

The table below sets forth the closing sale prices of Commerce common stock and TD common shares as reported on the New York Stock Exchange Composite Tape on October 1, 2007, the last trading day before the public announcement of the merger, and January 3, 2008, the last practicable trading day before the distribution of this proxy statement/prospectus. The table also sets forth the equivalent pro forma sale price of Commerce common stock on each of these dates, as determined by multiplying the applicable closing sale price of TD common shares on the New York Stock Exchange by the exchange ratio of 0.4142 and adding the $10.50 cash portion of the merger consideration. We urge you to obtain current market quotations for both TD common shares and Commerce common stock.

	TD Common Shares (U.S.$)	Commerce Common Stock (U.S.$)	Commerce Common Stock Pro Forma Equivalent (including the $10.50 cash portion) (U.S.$)
October 1, 2007	$ 76.94	$ 39.74	$ 42.37
January 3, 2008	68.54	37.86	38.89

The table below sets forth the dividends declared per TD common share and per share of Commerce common stock for the fiscal years ended 2002, 2003, 2004, 2005, 2006 and 2007. TD s fiscal year end is October 31 and Commerce s fiscal year end is December 31.

	Declared Dividends		
	TD	TD	Commerce

	(C$)(1)	(U.S.$)(1)(2)	(U.S.$)
Fiscal Year Ended			
2002	$ 1.12	$ 0.71	$ 0.3075
2003	1.16	0.82	0.3425
2004	1.36	1.04	0.395
2005	1.58	1.29	0.45
2006	1.78	1.58	0.49
2007	2.11	1.98	0.52

(1) Dividends declared during fiscal quarters ended January 31, April 30, July 31 and October 31.

(2) TD dividends have been converted into U.S. dollars based on the exchange rate as reported by the Federal Reserve Bank in the City of New York on each dividend payment date.

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CURRENCY EXCHANGE RATE DATA

The following tables show, for the date or periods indicated, certain information regarding the U.S. dollar/Canadian dollar exchange rate and the Canadian dollar/U.S. dollar exchange rate. The information is based on the noon buying rate as reported by the Federal Reserve Bank in the City of New York.

	C$ per U.S.$1.00		U.S.$ per C$1.00	
October 1, 2007 (the last trading day before public announcement of the merger)	C$	0.9929	U.S. $	1.0072
January 3, 2008		0.9905		1.0096

	Average Rate(1)			
	C$ per U.S.$1.00		U.S.$ per C$1.00	
Year Ended October 31,				
2002	C $	1.5718	U.S. $	0.6362
2003		1.4379		0.6955
2004		1.3147		0.7606
2005		1.2134		0.8241
2006		1.1329		0.8827
2007		1.0930		0.9149

(1) The average rate is calculated as the average of the noon buying rate as reported by the Federal Reserve Bank on the last day of each month during the period.

The following table shows the high and low U.S. dollar/Canadian dollar exchange rates for each of the months indicated. The information is based on the noon buying rate as reported by the Federal Reserve Bank in the City of New York.

	High		Low	
	(C$ per U.S.$1.00)			
July 2007	C$	1.0689	C$	1.0372
August 2007		1.0754		1.0497
September 2007		1.0546		0.9959
October 2007		1.0002		0.9496
November 2007		1.0007		0.9168
December 2007		1.0216		0.9784

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF TD

The following table sets forth certain selected consolidated financial information of TD prepared in accordance with Canadian GAAP, except as otherwise indicated. The information as at and for each of the years in the five-year period ended October 31, 2007 has been derived from the consolidated financial statements of TD as filed with the SEC. The information presented below is only a summary and should be read in conjunction with the respective audited financial statements of TD, including the notes thereto, incorporated by reference in this proxy statement/prospectus. See Where You Can Find More Information beginning on page 108.

Amounts determined under generally accepted accounting principles in the U.S. (which we refer to in this document as U.S. GAAP) are different from those determined under Canadian GAAP. For a discussion of the principal differences between Canadian GAAP and U.S. GAAP and a reconciliation to U.S. GAAP of TD s consolidated financial statements for the year ended October 31, 2007, see Exhibit 99.4 to TD s Form 40-F for the year ended October 31, 2007, filed with the SEC on November 29, 2007, which Exhibit 99.4 is incorporated by reference in this proxy statement/prospectus. A reconciliation to U.S. GAAP for other periods presented is included in the notes to the applicable historical consolidated financial statements of TD filed by TD with the SEC. See Where You Can Find More Information beginning on page 108.

	Fiscal Year Ended October 31,				
	2007	**2006**	**2005**	**2004**	**2003**
	(C$ in millions, except per share data and ratios)				
Operations Data:					
Interest income	17,852	15,569	12,776	11,132	11,202
Interest expense	10,928	9,198	6,768	5,359*	5,765*
Net interest income	6,924	6,371	6,008	5,773*	5,437*
Provision for (recovery of) credit losses	645	409	55	(386)	186
Net interest income after credit loss provision	6,279	5,962	5,953	6,159*	5,251*
Other income	7,357	6,821	5,951	4,928	4,455
Non-interest expenses	8,975	8,815	8,844	8,052	8,395
Dilution gain (net)	0	1,559	0	0	0
Net income (loss)	3,997	4,603	2,229	2,232*	989*
Net income (loss) (U.S. GAAP basis)	4,108	4,618	2,144	1,881	1,162
Preferred dividends	20	22	0	0*	0*
Net income (loss) applicable to common shares	3,977	4,581	2,229	2,232	989
Net income (loss) applicable to common shares (U.S. GAAP basis)	4,053	4,559	2,089	1,828	1,098
Per Common Share:					
Net income (basic)	5.53	6.39	3.22	3.41	1.52
Net income (basic) (U.S. GAAP basis)	5.64	6.36	3.02	2.79	1.69
Net income (fully diluted)	5.48	6.34	3.20	3.39	1.51
Net income (fully diluted) (U.S. GAAP basis)	5.59	6.31	3.00	2.77	1.68
Cash dividends declared(1)	2.11	1.78	1.58	1.36	1.16
Book value (period end)	29.23	26.77	22.29	19.31	17.64
Consolidated Balance Sheet (period end):					
Total assets	422,124	392,914	365,210	311,027	273,532

Total assets (U.S. GAAP basis)	428,602	400,616	371,746	317,494	283,439
Loans (net)	175,915	160,608	152,243	123,924	118,058
Deposits	276,393	260,907	246,981	206,893	182,880
Subordinated notes	9,449	6,900	5,138	5,644	5,887
Total shareholders equity	21,404	19,632	15,866	12,668	11,576
Common shares outstanding (in millions)	717.8	717.4	711.8	655.9	656.3
Selected Ratios:					
Return on total common equity	19.3	25.5	15.3	18.5	8.7
Net impaired loans net of specific allowance as a % of net loans	0.2	0.2	0.1	0.2	0.7
Efficiency ratio(2)	62.8	59.8	74.0	75.2 *	84.9 *
Provision for credit losses as a % of net average loans	0.37	0.25	0.04	(0.30)	0.15
Tangible common equity as a % of risk-weighted assets(3)	7.4	9.1	7.4	9.0	6.9
Tier 1 capital to risk weighted assets(3)	10.3	12.0	10.1	12.6	10.5

	Fiscal Year Ended October 31,				
	2007	**2006**	**2005**	**2004**	**2003**
	(C$ in millions, except per share data and ratios)				
Total capital to risk-weighted assets(3)	13.0	13.1	13.2	16.9	15.6
Common dividend payout ratio	38.1	27.9	49.3	39.9	76.2

* In accordance with Canadian GAAP, TD adopted amendments to the accounting standard on financial instruments disclosure and presentation on a retroactive basis with restatement of prior period comparatives. The amounts disclosed above reflect these amendments.

These comparative amounts/ratios have been reclassified/recalculated to conform to the current period s presentation.

(1) Equivalent to U.S.$1.98 in fiscal 2007, U.S.$1.58 in fiscal 2006, U.S.$1.29 in fiscal 2005, U.S.$1.04 in fiscal 2004 and U.S.$0.82 in fiscal 2003, based on the noon exchange rates on each dividend payment date as reported by the Federal Reserve Bank in the City of New York.

(2) Non-interest expenses, as a percentage of total revenue.

(3) Risk-weighted assets are determined in accordance with applicable Canadian bank regulations.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF COMMERCE

The following table sets forth certain selected consolidated financial information of Commerce prepared in accordance with U.S. GAAP. This information as at and for each of the years in the five year period ended December 31, 2006 has been derived from the consolidated financial statements of Commerce and notes to the consolidated financial statements as filed with the SEC. The information as at and for the nine-month periods ended September 30, 2007 and September 30, 2006 has been derived from the unaudited consolidated financial statements of Commerce and the notes thereto filed by Commerce with the SEC, which reflect, in the opinion of Commerce s management, all adjustments (consisting only of normal recurring adjustments) necessary for a fair presentation of such information. Results for interim periods are not necessarily indicative of results which may be expected for any other interim period or for the fiscal year as a whole. The information presented below is only a summary and should be read in conjunction with the respective audited and unaudited financial statements of Commerce, including the notes thereto, incorporated by reference in this proxy statement/prospectus. See Where You Can Find More Information beginning on page 108.

	Nine Months Ended September 30,		Year Ended December 31,				
	2007	2006	2006	2005	2004	2003	2002
	(U.S.$ in millions, except per share data and ratios)						
Balance Sheet Data:							
Total assets	$ 49,994	$ 43,304	$ 45,272	$ 38,466	$ 30,502	$ 22,712	$ 16,404
Loans (net)	16,881	14,551	15,455	12,525	9,319	7,329	5,732
Securities available for sale	7,365	10,800	11,098	9,519	8,044	10,651	7,807
Securities held to maturity	14,441	14,246	14,885	13,005	10,464	2,490	763
Trading securities	7,310	93	106	143	169	170	326
Deposits	46,534	40,142	41,288	34,727	27,659	20,701	14,549
Long-term debt					200	200	200
Stockholders equity	2,938	2,715	2,801	2,309	1,666	1,277	918
Income Statement Data:							
Net interest income	$ 1,023	$ 949	$ 1,275	$ 1,154	$ 1,018	$ 756	$ 573
Provision for credit losses	49	24	34	19	39	32	33
Noninterest income	340	425	591	443	375	332	257
Noninterest expense	1,155	993	1,356	1,146	939	763	579
Income before income tax expense	159	357	476	431	415	293	218
Net income	107	236	299	283	273	194	145
Per Share Data:							
Net income:							
Basic	$ 0.56	$ 1.29	$ 1.62	$ 1.70	$ 1.74	$ 1.36	$ 1.08
Diluted	0.54	1.23	1.55	1.61	1.63	1.29	1.01
Dividends declared	0.39	0.36	0.49	0.45	0.40	0.34	0.31

Book value	15.17	14.51	14.86	12.92	10.42	8.35	6.77
Average shares outstanding (in millions):							
Basic	191	184	185	166	157	142	134
Diluted	198	193	194	179	173	157	149
Other Data:							
Return on average assets	0.30%	0.76%	0.71%	0.83%	1.03%	0.99%	1.05%
Return on average equity	4.89	12.61	11.65	14.90	18.78	18.81	18.50
Net interest margin(1)	3.21	3.39	3.35	3.77	4.28	4.36	4.69
Average loans to average deposits(1)	37.12	37.15	37.09	35.01	34.49	36.93	42.48
Dividend payout ratio	69.64	27.91	30.25	26.47	22.99	25.00	28.70
Stockholders equity to total assets	5.88	6.27	6.19	6.00	5.46	5.62	5.60

(1) Information with respect to interim periods has not previously been publicly disclosed.

	Nine Months Ended September 30,		Year Ended December 31,				
	2007	2006	2006	2005	2004	2003	2002
	(U.S.$ in millions, except per share data and ratios)						
Risk-based capital:							
Tier 1	11.10	11.99	11.73	11.81	12.30	12.66	11.47
Total	11.86	12.71	12.44	12.58	13.25	13.62	12.51
Leverage ratio	5.81	6.08	6.18	6.04	6.19	6.61	6.37
Non-performing assets to total period-end assets	0.20	0.11	0.12	0.09	0.11	0.10	0.11
Net charge-offs to average loans outstanding	0.19	0.10	0.11	0.15	0.19	0.16	0.18
Non-performing loans to period-end loans	0.58	0.31	0.32	0.27	0.35	0.29	0.24
Allowance for credit losses to total end of year loans	1.09	1.05	1.03	1.12	1.43	1.51	1.56
Allowance for credit losses to non-performing loans	189.56	341.17	316.72	406.85	412.88	515.39	640.18

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RISK FACTORS

In addition to the other information included or incorporated by reference in this proxy statement/prospectus, you should carefully consider the matters described below relating to the proposed merger in deciding whether to vote for approval of the plan of merger. Although TD and Commerce believe that the matters described below cover the material risks related to the merger, they may not contain all of the information that is important to you in evaluating the merger. Accordingly, we urge you to read this entire proxy statement/prospectus, including the appendices and the information included or incorporated by reference in this document. Please also refer to the additional risk factors identified in the periodic reports and other documents of TD and Commerce incorporated by reference into this proxy statement/prospectus and listed in the section entitled Where You Can Find More Information beginning on page 108.

Because the exchange ratio is fixed and the market price of TD common shares may fluctuate, you cannot be certain of the dollar value of the merger consideration that you will receive upon completion of the merger.

Upon completion of the merger, each Commerce shareholder of record will be entitled to receive, in exchange for each share of Commerce common stock owned by such shareholder (1) 0.4142 TD common shares, plus cash in lieu of any fractional share interests and (2) $10.50 in cash. Because the exchange ratio of 0.4142 TD common shares is fixed, the value of the TD common shares issued in the merger will depend on the market price of TD common shares at the time they are issued. There will be no adjustment to the fixed number of TD common shares to be issued to you based upon changes in the market price of TD common shares or Commerce common stock prior to the closing.

The market price of TD common shares at the time the merger is completed may vary from the price of TD common shares on the date the merger agreement was executed, on the date of this proxy statement/prospectus and on the date of the special meeting as a result of various factors that are beyond the control of TD and Commerce, including the following:

- changes in the business, operations or prospects of TD or Commerce;
- governmental or regulatory developments, including any limitations on or conditions to consummation of the merger;
- changes in the interest rate environment;
- changes in general economic conditions and the outlook for economic conditions;
- changes in securities markets, including changes due to terrorist activities, other world events or other factors;
- changes in currency exchange rates including changes in U.S. dollar/Canadian dollar exchange rates which may affect the trading prices of TD s common shares as reported in U.S. dollars;
- market assessment of the benefits of the merger and of the likelihood that the merger will be completed; and
- the timing of the completion of the merger.

Certain institutional shareholders of Commerce may only be able to own shares of U.S. companies and therefore may not be permitted to hold TD common shares, and others may not wish to hold TD common shares for various reasons, including because TD is not a U.S. company. As a result, related sales are likely to occur prior to or following the completion of the merger. If the supply of TD common shares is significantly greater than the associated demand, the market price of TD common shares may decline significantly, in which case there can be no assurance that the market price would thereafter recover.

In addition to the approval of Commerce s shareholders, completion of the merger is subject to receipt of regulatory approvals and satisfaction of other conditions that may not occur until some time after the special meeting. Therefore, at the time of the special meeting you will not know the precise U.S. dollar value of the merger consideration you will become entitled to receive at the effective time of the merger. You are urged to obtain a current market quotation for TD common shares.

Upon completion of the merger, holders of Commerce common stock will become holders of TD common shares, and the market price for TD common shares may be affected by factors different from those that historically have affected Commerce.

Upon completion of the merger, holders of Commerce common stock will become holders of TD common shares. TD s businesses differ from those of Commerce, and accordingly the results of operations of TD will be affected by some factors different from those currently affecting the results of operations of Commerce. For a discussion of the businesses of Commerce and TD and of some important factors to consider in connection with those businesses, see the documents incorporated by reference in this proxy statement/prospectus and referred to under Where You Can Find More Information beginning on page 108.

The rights of Commerce shareholders will change as a result of the merger.

Following the completion of the merger, Commerce shareholders will no longer be shareholders of Commerce, a New Jersey corporation, but will instead be shareholders of TD, a Canadian chartered bank. There will be important differences between your current rights as a shareholder of Commerce, on the one hand, and the rights to which you will be entitled as a shareholder of TD, on the other hand.

For a more detailed discussion of the differences in the rights of shareholders of Commerce and TD, see Comparison of Shareholder Rights beginning on page 92.

We may fail to realize the anticipated benefits of the merger, and the integration process could adversely impact TD s and Commerce s ongoing operations.

Commerce and TD entered into the merger agreement with the expectation that the merger would result in various benefits, including, among other things, revenue growth, synergies, ongoing cost savings and operating efficiencies, an expanded footprint and client base, continuation of successful de novo branching, cross-selling opportunities and enhanced market share. The success of the merger will depend, in part, on our ability to realize such anticipated benefits from combining the businesses of Commerce and TD. The anticipated benefits and cost savings of the merger may not be realized fully or at all or may take longer to realize than expected. Failure to achieve anticipated benefits could result in increased costs and decreases in the amounts of expected revenues of the combined company.

Commerce and TD have operated independently and until the completion of the merger will continue to operate independently. It is possible that the integration process could result in the loss of key employees, the disruption of each company s ongoing businesses or inconsistencies in standards, controls, procedures and policies that adversely affect our ability to maintain relationships with clients, customers and employees or to achieve the anticipated benefits of the merger. Integration of the businesses entails information technology systems conversions, which involve operational risks and may result in customer dissatisfaction and defection. Integration efforts between the two companies will also divert management attention and resources. These integration matters could have an adverse effect on each of Commerce and TD during the transition period. The integration may take longer than anticipated and may have unanticipated adverse results relating to Commerce s or TD s existing business. Additionally, TD may not be able to effectively integrate services, technologies or Commerce s key personnel.

Some directors and executive officers of Commerce have interests in the merger that may differ from the interests of shareholders including, if the merger is completed, the receipt of financial and other benefits.

When considering the recommendation of Commerce s board of directors, you should be aware that some executive officers and directors of Commerce may have interests in the merger that are different from your interests. For example, some executive officers (some of whom are also directors) are parties to employment agreements with Commerce (which were amended and restated in contemplation of the merger) that provide, among other things, cash payments in the case of a change of control (such as the completion of the merger). In addition, upon completion of the merger, all outstanding unvested stock options, including those held by executive officers and directors, will become vested and exercisable, account balances under Commerce s Supplemental Executive Retirement Plan will vest, and benefits under Commerce s director retirement plan will become payable upon termination of the director, regardless of the director s length of service. These and some other additional interests of Commerce directors and executive officers may create potential conflicts of interest and cause some of these persons to view the proposed merger differently than you view it, as a shareholder. These interests are described in more detail in the section entitled The Merger Interests of Commerce s Executive Officers and Directors in the Merger beginning on page 50.

The merger is subject to the receipt of consents and approvals from government entities that may impose conditions that could have an adverse effect on TD.

We cannot complete the merger unless we receive various consents, orders, approvals and clearances from the Federal Reserve Board, the Superintendent of Financial Institutions of Canada and other bank regulatory, antitrust and other authorities in the U.S. These authorities may impose conditions on the completion of the merger or require changes to the terms of the merger. While TD and Commerce do not currently expect that any such conditions or changes would be imposed, there can be no assurance that they will not be, and such conditions or changes could have the effect of imposing additional costs on or limiting the revenues of TD following the merger, any of which may have an adverse effect on TD. See The Merger Regulatory Matters Related to the Merger and Stock Exchange Listings beginning on page 61 and Proposal No. 1: The Merger Agreement Conditions to the Merger beginning on page 77. In addition, if any action is taken or legal or regulatory restrictions or conditions deemed applicable to the merger that would be reasonably likely to have a material adverse effect on Commerce or TD or, in certain circumstances, which would have an adverse impact on TD s status as a financial holding company under the BHC Act, TD may elect not to consummate the merger.

Commerce s shareholders may receive a lower return on their investment after the merger.

Although Commerce and TD believe that the merger will create financial, operational and strategic benefits for the combined company and its shareholders, these benefits may not be achieved. The combination of Commerce s and TD s businesses, even if conducted in an efficient, effective and timely manner, may not result in combined financial performance that is better than what each company would have achieved independently if the merger had not occurred.

Upon completion of the merger, TD may not be able to retain key employees or efficiently manage the larger and broader organization resulting from the merger, which could adversely affect the operation and financial condition of TD following the merger.

The success of TD following the completion of the merger will depend in part on the ability of TD to retain key employees of both TD and Commerce and successfully manage the broader organization resulting from the combination of TD and Commerce. Competition for qualified individuals may be intense and key individuals may depart because of issues relating to the uncertainty and difficulty of integration or a general desire not to remain with TD. Furthermore, TD will face challenges inherent in efficiently managing an increased number of employees over large, geographically diverse areas. Accordingly, no assurance can be given that TD will be able to retain key employees or successfully manage the larger and more diverse combined organization, which could result in disruption to the combined company s business and negatively impact the combined company s operations and financial condition.

TD s consolidated results of operations may be negatively impacted by foreign currency fluctuations.

A substantial portion of TD s consolidated revenues following the transaction will be earned in non-Canadian currencies, primarily U.S. dollars. For purposes of financial reporting under Canadian GAAP, revenues and expenses denominated in non-Canadian currencies are translated into Canadian dollars at the average exchange rates prevailing during the year. TD will continue to report its financial results in Canadian dollars in accordance with Canadian GAAP. The revenues that are earned in currencies other than Canadian dollars are subject to unpredictable fluctuations if the values of non-Canadian currencies change relative to the Canadian dollar. Such fluctuations could decrease TD s revenues earned in non-Canadian currencies and have a material adverse impact on its business.

TD may, subject to certain limitations, terminate the merger agreement or be entitled not to complete the merger due to events relating to certain regulatory orders to which Commerce and/or its subsidiaries are subject.

On June 28, 2007, Commerce announced that Commerce Bank, N.A. agreed to a Consent Order with the Office of the Comptroller of the Currency, or the OCC, relating to, among other things, corporate governance, related party transactions and policies and procedures for real estate-related transactions. On the same date, Commerce announced that it and the Federal Reserve Bank of Philadelphia entered into a Memorandum of Understanding, or an MOU, whereby the board of directors agreed, among other things, to take all actions necessary to ensure that Commerce complies fully with the Consent Order and to ensure that all corporate-wide policies and procedures that address related party real estate transactions and other related party transactions are consistent with the Consent Order. A material failure by Commerce to comply with these regulatory orders could, subject to certain limitations, give TD the right to terminate the merger agreement. In addition, if the existence of these regulatory orders has a material adverse effect on TD s status as a financial holding company, then, subject to certain limitations, TD may not be obligated to complete the merger.

TD expects to maintain its status as a foreign private issuer in the U.S. and thus will be exempt from a number of rules under the U.S. Securities Exchange Act of 1934, as amended, or the Exchange Act, and will be permitted to file less information with the SEC than a company incorporated in the United States.

As a foreign private issuer, TD is exempt from rules under the Exchange Act that impose disclosure requirements, as well as procedural requirements, for proxy solicitations under Section 14 of the Exchange Act. In addition, TD s officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions of Section 16 of the Exchange Act. Moreover, TD is not required to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act, nor is it generally required to comply with Regulation FD, which restricts the selective disclosure of material nonpublic information. Accordingly, there may be less information concerning TD publicly available than there is for U.S. public companies such as Commerce. In addition, TD is permitted, under a multi-jurisdictional disclosure system adopted by the United States and Canada, to prepare its disclosure documents in accordance with Canadian disclosure requirements, including preparing its financial statements in accordance with Canadian generally accepted accounting principles, which differ in some respects from U.S. generally accepted accounting principles.

Applicable laws restrict the purchase, sale and transfer of TD s securities.

The Bank Act of Canada contains restrictions on the purchase or other acquisition, issue, transfer and voting of TD shares. Under the terms of these restrictions, no person is permitted to acquire any shares of TD if the acquisition would cause the person to have a significant interest in any class of shares of TD, without obtaining the prior approval of the Minister of Finance of Canada. In addition, TD is not permitted to record any transfer or issue of shares of TD if the transfer or issue would cause the person to have a significant interest in TD, unless prior approval is obtained from the Minister of Finance. No person who has a significant interest in TD may exercise any voting rights attached to the shares held by that person, unless that prior approval of the Minister of Finance for the acquisition of the significant interest was obtained. For these purposes, a person is deemed to have a significant interest in a class of shares of TD where the aggregate of any shares of that class beneficially owned by that person, any entity controlled by that person and by any person acting jointly or in concert with that person exceeds 10% of all of the outstanding shares of that class of shares of TD. If a person contravenes any of these restrictions, the Minister of Finance may, by order, direct that person to dispose of all or any portion of those shares.

In addition, under the Bank Act of Canada, in respect of TD, the Minister of Finance may only approve the acquisition of up to 30% of the shares of any class of non-voting shares and up to 20% of the shares of any class of voting shares and provided, in each case, that the person acquiring those shares does not have any direct or indirect influence over TD that, if exercised, would result in that person having control in fact of TD. For these purposes, the

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shares beneficially owned by that person, any entity controlled by that person and by any person acting jointly or in concert with that person with respect to TD shares are aggregated. In addition, the Bank Act of Canada prohibits banks, including TD, from recording a transfer or issuing shares of any class to Her Majesty in right of Canada or of a province, an agent of Her Majesty, a foreign government or an agent of a foreign government.

The restrictions contained in the Bank Act of Canada and the Canadian government s policies may deter, delay or prevent a future acquisition of a significant interest in TD and will prevent the acquisition of control of TD, including transactions that could be perceived by TD s shareholders as advantageous to them. For further information, please see the section entitled Description of TD Share Capital Limitations Affecting Holders of TD Common Shares beginning on page 91.

TD is chartered under the laws of Canada and a substantial portion of its assets are, and many of its directors and officers reside, outside of the United States. As a result, it may not be possible for shareholders to enforce civil liability provisions of the securities laws of the United States in Canada.

TD is chartered under the laws of Canada. A substantial portion of TD s assets are located outside the United States, and many of TD s directors and officers and some of the experts named in this proxy statement/prospectus are residents outside of the United States. As a result, it may be difficult for investors to effect service within the United States upon TD and those directors, officers and experts, or to realize in the United States upon judgments of courts of the United States predicated upon civil liability of TD and such directors, officers or experts under the United States federal securities laws. There is uncertainty as to the enforceability in Canada by a court in original actions, or in actions to enforce judgments of United States courts, of the civil liabilities predicated upon the United States federal securities laws.

The merger agreement contains provisions that may discourage other companies from trying to acquire Commerce for greater merger consideration.

The merger agreement contains provisions that may discourage a third party from submitting a business combination proposal to Commerce that might result in greater value to Commerce s shareholders than the proposed merger. These provisions include a general prohibition on Commerce from soliciting any acquisition proposal or offers for competing transactions and the requirement that Commerce pay a termination fee of up to $332 million (or, if a final stipulation of settlement is entered into with respect to the litigation settlement described under The Merger Litigation Relating to the Merger , $255 million) if the merger agreement is terminated in specified circumstances. For further information, please see the section entitled Proposal No. 1: The Merger Agreement Termination Fees and Expenses beginning on page 79.

TD required Commerce to agree to these provisions as a condition to TD s willingness to enter into the merger agreement. These provisions, however, might discourage a third party that might have an interest in acquiring all or a significant part of Commerce from considering or proposing an acquisition, even if that party were prepared to pay consideration with a higher per share price than the current proposed merger consideration. Furthermore, the termination fee may result in a potential competing acquiror proposing to pay a lower per share price to acquire Commerce than it might otherwise have proposed to pay.

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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Some of the statements contained or incorporated by reference in this proxy statement/prospectus, including those relating to TD s and Commerce s strategies and other statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as expects, anticipates, intends, plans, believes, estim will, should, may or similar expressions, are forward-looking statements within the meaning of Section 21E of the Exchange Act and Section 27A of the U.S. Securities Act of 1933, as amended, or Securities Act. Without limiting the generality of the preceding sentence, statements contained in the sections The Merger Commerce s Reasons for the Merger, Opinion of Commerce s Financial Advisor, and TD s Reasons for the Merger include forward-looking statements. These statements are not historical facts but instead represent only TD s and/or Commerce s expectations, estimates and projections regarding future events.

The forward-looking statements contained or incorporated by reference in this proxy statement/prospectus are not guarantees of future performance and involve certain risks and uncertainties that are difficult to predict. The future results and shareholder values of TD and Commerce may differ materially from those expressed in the forward-looking statements contained or incorporated by reference in this proxy statement/prospectus due to, among other factors, the matters set forth under Risk Factors beginning on page 21, the parties ability to obtain the regulatory and other approvals required for the merger on the terms and within the time expected, the risk that TD will not be able to integrate successfully the businesses of Commerce or that such integration will be more time consuming or costly than expected, the risk that expected synergies and benefits of the merger will not be realized within the expected time frame or at all, the risk of deposit attrition, increased operating costs, customer loss, employee loss and business disruption following the merger and the factors detailed in each company s filings with the SEC, including the factors detailed in TD s Form 40-F for its fiscal year ended October 31, 2007, TD s reports on Form 6-K and Commerce s annual report on Form 10-K for the year ended December 31, 2006 and Commerce s quarterly reports on Form 10-Q and current reports on Form 8-K.

We caution you not to place undue reliance on the forward-looking statements, which speak only as of the date of this proxy statement/prospectus, in the case of forward-looking statements contained in this proxy statement/prospectus, or the dates of the documents incorporated by reference into this proxy statement/prospectus, in the case of forward-looking statements made in those incorporated documents. Neither TD nor Commerce undertakes any obligation to update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this proxy statement/prospectus or to reflect the occurrence of unanticipated events, except as required by law.

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THE SPECIAL MEETING

This section contains information for Commerce shareholders about the special meeting that Commerce has called to allow its shareholders to consider and approve the plan of merger contained in the merger agreement. Commerce is mailing this proxy statement/prospectus to its shareholders on or about January 7, 2008. Together with this proxy statement/prospectus, Commerce is sending a notice of the special meeting and a form of proxy that Commerce s board of directors is soliciting for use at the special meeting and at any adjournments or postponements of the meeting.

Date, Time and Place

The special meeting will be held on February 6, 2008, at 4:00 p.m. local time at Commerce University, 4140 Church Road, Mt. Laurel, New Jersey.

Matters to be Considered

At the special meeting, Commerce shareholders will be asked to:

- approve the plan of merger contained in the merger agreement; and

- approve the adjournment or postponement of the special meeting, if necessary or appropriate, including to solicit additional proxies.

Proxies

If you are a registered shareholder (that is, you hold stock certificates registered in your own name), you may attend the special meeting and vote in person, or you may vote by proxy. You may vote by proxy by completing and returning the proxy card accompanying this proxy statement/prospectus or by telephone or through the Internet by following the instructions described on your proxy card. If your shares are held through a bank, broker or other nominee (that is, if your shares are held in street name), you will receive separate voting instructions from your bank, broker or other nominee with your proxy materials. Although most banks, brokers and other nominees offer telephone and Internet voting, availability and specific processes will depend on their voting arrangements. You can revoke a proxy at any time before the vote is taken at the special meeting by submitting a properly executed proxy of a later date by mail, telephone or Internet, or by attending the special meeting and voting in person. Communications about revoking Commerce proxies should be addressed to:

Commerce Bancorp, Inc.
Commerce Atrium
1701 Route 70 East
Cherry Hill, New Jersey 08034-5400
Attention: C. Edward Jordan, Jr., Secretary

If your shares are held in street name, you should follow the instructions of your bank, broker or other nominee regarding the revocation of proxies.

All shares represented by valid proxies that Commerce receives through this solicitation, and that are not revoked, will be voted in accordance with the instructions on the proxy card. If you make no specification on your proxy card as to how you want your shares voted before signing and returning it, your proxy will be voted FOR the approval of the plan of merger and FOR the proposal to adjourn or postpone the special meeting, if necessary or appropriate, including to solicit additional proxies. Commerce s board of directors is currently unaware of any other matters that may be presented for action at the special meeting. If other matters properly come before the special meeting, or at any adjournment or postponement of the meeting, Commerce intends that shares represented by properly submitted proxies will be voted, or not voted, by and in accordance with the best judgment of the persons named as proxies on the proxy card.

Solicitation of Proxies

Commerce will bear the entire cost of soliciting proxies from its shareholders, except that TD and Commerce will share equally the costs of filing, printing and mailing this proxy statement/prospectus. In addition to solicitation of proxies by mail, Commerce will request that banks, brokers and other record holders send proxies and proxy material to the beneficial owners of Commerce common stock and secure their voting instructions, if necessary. Commerce will reimburse the record holders for their reasonable expenses in taking those actions.

Commerce has also made arrangements with Morrow & Co., LLC to assist in soliciting proxies in connection with approval of the plan of merger and in communicating with shareholders and has agreed to pay it $10,000 plus disbursements for these services. Proxies may also be solicited by directors, officers and employees of Commerce in person or by telephone or other means, for which such persons will receive no special compensation.

Record Date and Quorum

Commerce s board of directors has fixed the close of business on December 14, 2007 as the record date for determining the Commerce shareholders entitled to receive notice of and to vote at the special meeting. At that time, 195,548,790 shares of Commerce common stock were outstanding, held by approximately 54,500 holders of record.

The presence, in person or by properly executed proxy, of the holders of a majority of the aggregate outstanding shares of Commerce common stock is necessary to constitute a quorum at the special meeting. Pursuant to the NJBCA, abstentions and broker non-votes will be counted for the purpose of determining whether a quorum is present.

Vote Required

Approval of the plan of merger and approval of the proposal relating to the adjournment or postponement of the special meeting, if necessary or appropriate, including to solicit additional proxies, require the affirmative vote of a majority of the votes cast by Commerce shareholders entitled to vote at the special meeting. Only Commerce shareholders are entitled to vote at the special meeting. You are entitled to one vote for each full share of Commerce common stock you held as of the record date.

As of the record date, directors and executive officers of Commerce and their affiliates owned (directly or indirectly) and had the right to vote approximately 16.4 million shares of Commerce common stock, representing approximately 8.4% of the shares of Commerce common stock entitled to be voted at the special meeting, and directors and executive officers of TD and their affiliates owned (directly or indirectly) and had the right to vote less than 1% of the shares of Commerce common stock entitled to be voted at the special meeting. Commerce currently expects that its directors and executive officers will vote such shares FOR the approval of the plan of merger and FOR the proposal to adjourn or postpone the special meeting, if necessary or appropriate, including to solicit additional proxies.

Commerce s board of directors urges Commerce shareholders to complete, date and sign the accompanying proxy card and return it promptly in the enclosed postage paid envelope, or to vote by telephone or through the Internet.

Under the NJBCA, abstentions or broker non-votes are not counted as votes cast and, therefore, will have no effect on the vote to approve the plan of merger or on any proposal to be considered at the special meeting.

Participants in Commerce Employee Plans

If you own shares of Commerce common stock in the Commerce Bancorp, Inc. 401(k) Retirement Plan, such shares will be voted solely by the trustee of such plan pursuant to the terms of such plan and the instructions received by the trustee from plan participants. The trustees of such plan will not disclose the confidential voting directions of any individual participant or beneficiary to Commerce. If you own shares of Commerce common stock in such plan, you will be receiving a separate letter from the trustee of such plan explaining the voting process with respect to such shares and you will be provided with instructions on how to direct the trustee to vote those shares.

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Voting by Telephone or Through the Internet

Many shareholders of Commerce have the option to submit their proxies or voting instructions by telephone or electronically through the Internet instead of submitting proxies by mail on the enclosed proxy card. Please note that there are separate arrangements for using the telephone and the Internet depending on whether your shares are registered in Commerce s stock records in your name or in the name of a brokerage firm or bank. You should check your proxy card or the voting instruction form forwarded by your broker, bank or other holder of record to see which options are available.

Commerce shareholders of record may submit proxies:

By telephone: Use any touch-tone telephone to vote your proxy 24 hours a day, 7 days a week. Have your proxy card handy when you call. You will be prompted to enter your control number(s), which is located on your proxy card, and then follow the directions given.

Through the Internet: Use the Internet to vote your proxy 24 hours a day, 7 days a week. Have your proxy card handy when you access the website. You will be prompted to enter your control number(s), which is located on your proxy card, to create and submit an electronic ballot.

Please note that although there is no charge to you for voting by telephone or electronically through the Internet, there may be costs associated with electronic access such as usage charges for Internet service providers and telephone companies. Commerce does not cover these costs; they are solely your responsibility. The telephone and Internet voting procedures being made available to you are valid forms of granting proxies under the NJBCA.

Delivery of Proxy Materials

To reduce the expenses of delivering duplicate proxy materials to Commerce shareholders, Commerce is relying upon SEC rules that permit us to deliver only one proxy statement/prospectus to multiple shareholders who share an address unless we receive contrary instructions from any shareholder at that address. If you share an address with another shareholder and have received only one proxy statement/prospectus, you may call us at (856) 751-9000 or write us as specified below to request a separate copy of this document and we will promptly send it to you at no cost to you:

Commerce Bancorp, Inc.
Commerce Atrium
1701 Route 70 East
Cherry Hill, New Jersey 08034-5400
Attention: C. Edward Jordan, Jr., Secretary

Recommendations of Commerce s Board of Directors

Commerce s board of directors has unanimously approved the plan of merger. The board of directors believes that the merger and the merger agreement are advisable and in the best interests of Commerce and its shareholders, and unanimously recommends that Commerce shareholders vote FOR the approval of the plan of merger and FOR the proposal to adjourn or postpone the special meeting, if necessary or appropriate, including to solicit additional proxies.

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INFORMATION ABOUT THE COMPANIES

The Toronto-Dominion Bank
Toronto Dominion Centre
P.O. Box 1
Toronto, Ontario, Canada M5K 1A2
(416) 982-8222

TD is a Canadian chartered bank formed through the amalgamation of The Bank of Toronto (established 1855) and The Dominion Bank (established 1869). TD and its subsidiaries are collectively known as TD Bank Financial Group. In Canada and around the world, TD serves more than 14 million customers in four key businesses operating in a number of locations in key financial centers around the globe: Canadian Personal and Commercial Banking, including TD Canada Trust as well as TD s global insurance operations (excluding the U.S.); Wealth Management, including TD Waterhouse Canada, TD Waterhouse U.K. and TD s investment in TD Ameritrade; U.S. Personal and Commercial Banking through TD Banknorth; and Wholesale Banking, including TD Securities. TD also ranks among the world s leading online financial services firms, with more than 4.5 million online customers. TD had C$422.1 billion (U.S. $444.5 billion based on the noon buying rate as reported by the Federal Reserve Bank in the City of New York at October 31, 2007) in assets as at October 31, 2007 and is headquartered in Toronto, Canada.

Additional information about TD can be found on its website at *http://www.td.com*. The information provided on TD s website is not part of this proxy statement/prospectus and is not incorporated herein by reference.

Additional information about TD and its subsidiaries is included in documents incorporated by reference into this document. For more information, see the section entitled Where You Can Find More Information on page 108.

Cardinal Merger Co.
c/o The Toronto-Dominion Bank
New York Branch
31 West 52nd Street
New York, NY 10019-6101
(212) 827-7000

Cardinal Merger Co. is a New Jersey corporation and an indirect wholly-owned subsidiary of TD. Cardinal Merger Co. was organized solely for the purpose of effecting the merger with Commerce described in this proxy statement/prospectus. It has not and will not carry on any activities other than in connection with the merger agreement. Cardinal Merger Co. will not survive the merger.

Commerce Bancorp, Inc.
1701 Route 70 East
Cherry Hill, New Jersey 08034-5400
(856) 751-9000

Commerce Bancorp, Inc., a New Jersey business corporation, is a regional financial services leader, anchored by the financial strength of its banking subsidiaries, Commerce Bank, N.A. and Commerce Bank/North, and augmented by CBIS and Commerce Capital Markets, Inc. With assets of more than $49 billion as of September 30, 2007, Commerce is the largest bank headquartered in New Jersey, serving Metropolitan Philadelphia, New Jersey, New York, Connecticut, Delaware, Washington, D.C., Virginia, Maryland and Southeast Florida. Commerce is a growth retailer selling convenience, and has successfully developed and implemented a unique retail strategy. This retail approach to banking uses a chain concept and features standardized facilities, standardized hours, standardized service and aggressive marketing. Commerce is America s Most Convenient Bank with over 450 convenient branch locations which are open seven days a week.

Commerce is a bank holding company registered with the Board of Governors of the Federal Reserve System under the BHC Act. As such, Commerce and its subsidiaries are subject to supervision, examination and reporting requirements of the BHC Act and the regulations of the Federal Reserve Board.

Additional information about Commerce can be found on its website at *http://www.commerceonline.com*. The information provided on Commerce s website is not part of this proxy statement/prospectus and is not incorporated herein by reference.

Additional information about Commerce and its subsidiaries is included in documents incorporated by reference into this document. For more information, see the section entitled Where You Can Find More Information on page 108.

THE MERGER

The following discussion contains material information about the merger. The discussion is subject, and qualified in its entirety by reference, to the merger agreement included as an Appendix to this document. We urge you to read carefully this entire document, including the merger agreement included as an Appendix to this document, for a more complete understanding of the merger.

TD s and Commerce s boards of directors have approved the merger agreement. The merger agreement provides for the acquisition of Commerce by TD through the merger of Cardinal Merger Co., an indirect wholly-owned subsidiary of TD, with and into Commerce, with Commerce as the surviving corporation. Following the merger, Commerce will operate as an indirect wholly-owned subsidiary of TD.

In the merger, each share of Commerce common stock will be converted into the right to receive 0.4142 TD common shares, plus cash in lieu of any fractional share interests and $10.50 in cash for each such share. TD common shares issued and outstanding at merger completion will remain outstanding and those stock certificates will be unaffected by the merger. TD s common shares will continue to trade on the New York Stock Exchange and the Toronto Stock Exchange under The Toronto-Dominion Bank name with the symbol TD following the merger.

See Proposal No. 1: The Merger Agreement for additional and more detailed information regarding the legal documents that govern the merger, including information about the conditions to the completion of the merger and the provisions for terminating or amending the merger agreement.

Background of the Merger

For many years, Commerce s basic strategy has focused on an aggressive program of organic, deposit-focused growth based on de novo branch expansion. As a result, Commerce did not seek out or participate in significant merger and acquisition transactions.

In January 2007, Commerce reported that it was subject to an investigation by the OCC and the Federal Reserve Bank of Philadelphia regarding related-party transactions and various other matters. In June 2007, Commerce entered into a Consent Order with the OCC, and a Memorandum of Understanding with the Federal Reserve Bank of Philadelphia, regarding related-party transactions and various other matters. During the period of the investigation and prior to Commerce s entry into the Consent Order in June 2007, the OCC s process for approval of Commerce applications for de novo branches, which is at the heart of Commerce s strategic plan, had become far more prolonged as the OCC imposed various new requirements on the branch application and approval process. In connection with Commerce s entry into these enforcement orders, Vernon W. Hill, II, the founder and long-time Chief Executive Officer of Commerce, who was largely responsible for establishing Commerce s strategy, was terminated. Following the former chief executive officer s termination, the market price of Commerce s stock increased significantly and there were various news articles speculating about a possible sale of Commerce. Goldman Sachs made a presentation to the board of directors about the potential market reaction to the termination of Mr. Hill. In the weeks following Mr. Hill s termination, Commerce and its advisors were contacted by a number of financial institutions, including TD, about Commerce s status.

As a result of the impact of the regulatory actions, as well as other key business considerations, Commerce s board of directors began to review whether a strategic combination with a larger institution should be explored. Among the business challenges that the Commerce board of directors considered were Commerce s ability to sustain, over time, a price-to-earnings ratio that historically exceeded the ratio of almost all other banking institutions, its declining net interest margin due primarily to the flattening of the yield curve, its ability to improve its relatively low return on assets and equity, the absence of a strong lending presence in its markets, its low non-interest income relative to its peers, its hampered ability to open branches expeditiously due to the regulatory actions, which reduced its rate of deposit growth, increased competition from larger banks that were attempting to follow Commerce s service model, which was potentially affecting the growth of low-cost deposits, a slowdown in core, low-cost deposit growth on a same store basis, the changes that would need to be made in its business and the ability of Commerce to sustain the business and implement these changes, particularly in view of concerns about the ability to retain senior management given, among other things, Commerce s regulatory issues and Mr. Hill s termination. The Commerce board of directors considered these factors in light of Commerce s strong historic record of de novo branch expansion, deposit growth and increases in market share. Although Commerce s board of directors believed that each of the business challenges, as well as the regulatory issues, could have been resolved, such resolutions would have required substantial investments of money and personnel and would have diverted management s attention from day-to-day operation of the business for a lengthy period of time.

Given these considerations, the board of directors held meetings on July 8, 2007 and July 17, 2007 to consider Commerce s prospects and challenges as a standalone company and the strategic options that might otherwise be available. Prior to the meeting on July 17, 2007, Commerce representatives approached Goldman Sachs and asked Goldman Sachs to make a presentation at the July 17 board meeting about Commerce s strategic alternatives. These meetings were attended by representatives of Sullivan & Cromwell LLP, which served as special counsel to Commerce s board of directors in reviewing its strategic options and had advised the board of directors on issues relating to the regulatory actions. At the July 17 meeting, among other things, Goldman Sachs assisted the board of directors in reviewing the strategic alternatives available to Commerce and potential strategic partners and advised the board of directors that the significant increase in Commerce s stock price that immediately followed the announcement of the chief executive officer s termination may have reflected market speculation of a potential sale of Commerce. After extensive discussion by the board of directors and the presentations by Commerce s advisors, on July 17 the board of directors determined to hire Goldman Sachs and directed Goldman Sachs to identify potential strategic partners for Commerce. Prior to being hired, Goldman Sachs advised the board of directors that it provides a number of investment banking services to many banking institutions on a regular basis, and had previously provided such services to TD, including advising TD on its two-stage acquisition of TD Banknorth.

In late July 2007, Mr. George Norcross, a member of the Commerce board of directors and Chairman and Chief Executive Officer of Commerce Banc Insurance Services, Inc., or CBIS, the insurance agency subsidiary of Commerce, requested consideration by Commerce management of a possible sale of CBIS to Mr. Norcross and others. On July 24, 2007, Mr. Norcross sent a letter to the Commerce board of directors offering to purchase CBIS, although no specific terms were mentioned. Mr. Norcross had discussed the possibility of such a transaction earlier in the year with Mr. Hill. Mr. Norcross retained outside counsel to advise him on any potential sale of CBIS and recused himself from board discussions regarding any such sale. The board of directors created a special committee of independent directors to consider Mr. Norcross s proposal, comprised of Mr. Morton N. Kerr, Mr. John K. Lloyd and Mr. Joseph S. Vassalluzzo. In addition, the board of directors retained Goldman Sachs to advise the board of directors on whether such a sale would adversely impact Commerce s strategic initiatives and determined to obtain a fairness opinion from Goldman Sachs in connection with any potential sale of CBIS. However, further consideration of Mr. Norcross s proposal was terminated upon the subsequent withdrawal of the proposal, orally on August 21, 2007 and in writing on August 27, 2007, as described below.

In late July and early August 2007, Goldman Sachs had initial conversations with 17 larger banking institutions (in terms of market capitalization). Goldman Sachs eventually identified four institutions, including TD, which it believed were most likely to be interested in a transaction involving paying a premium to Commerce s then-current market price. A number of the remaining 13 potential bidders indicated either that their business models were not compatible with Commerce s unique business model or that they would not be willing to pay a premium to Commerce s then-current market price given the current market environment. Between August 6 and August 10, 2007, one-on-one meetings were arranged between each of the four identified institutions and Goldman Sachs. At these meetings, the institutions were provided with an opportunity to ask questions regarding certain historical business model and financial information that was provided to the institutions prior to the meetings. Each of the four identified institutions signed a confidentiality agreement with Commerce prior to attending these meetings or receiving any information.

A one-on-one meeting with TD and Goldman Sachs took place on August 7, 2007. Representatives of TD attending that meeting included Mr. Bharat Masrani, President and Chief Executive Officer of TD Banknorth, Mr. Stephen Boyle, Chief Financial Officer of TD Banknorth, and Mr. Riaz Ahmed, TD s Senior Vice President Corporate

Development. During that meeting, the TD representatives expressed the view that Commerce s customer-service philosophy was similar to TD s own and would likely be considered a key part of TD s U.S. banking strategy after completion of a potential merger.

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Shortly after the meetings with the four identified institutions, one of the four informed Goldman Sachs of its conclusion that, although it was impressed with Commerce s deposit generation and continued growth, Commerce was not a good fit with the institution s current branch strategy. A second institution informed Goldman Sachs that it decided not to expand its operations into the mid-Atlantic region. The remaining two parties, one of which was TD, submitted preliminary written indications of interest shortly thereafter. TD s preliminary indication of interest stated that, subject to completion of due diligence and confirmation of various assumptions provided by Goldman Sachs, it would be willing to pay a price within a range that represented a premium to Commerce s then-current market price with a mix of TD common shares and cash. The other interested party indicated that it would be willing to pay a price approximately equivalent to Commerce s then-current market price, with the form of consideration to be determined.

On August 21, 2007, representatives from Goldman Sachs and Sullivan & Cromwell met with Commerce s board of directors to review the preliminary written indications of interest. The board of directors noted that the price range in TD s preliminary indication of interest of $42 to $46 per share with up to 30% in cash was materially greater than that indicated by the other institution and that the anticipated benefits to Commerce, its shareholders and its other constituencies, including its employees, customers and the communities that it serves, of a transaction with TD (including the opportunity to provide an expanded range of sophisticated products and services to customers over a broader footprint, as well as access to greater financial resources to support future growth) were in the aggregate significantly greater than the anticipated benefits of a transaction with the other institution. In addition, the board of directors concluded that the execution risk of pursuing a transaction with TD was less than with the other institution. Goldman Sachs also informed the board of directors that the other institution had advised Goldman Sachs that it was not willing to pay a meaningfully higher price than proposed in its preliminary indication of interest and that any higher price would appear to be significantly dilutive to the other institution. After the other institution was informed that its initial indication of interest was insufficient, it made no attempt to increase its proposal. Goldman Sachs updated the board of directors on the market environment, including the significant disruptions in the debt and housing markets and the general effects of those disruptions on financial institution stocks and the interest of other institutions in a business combination with Commerce. The board of directors also discussed with Goldman Sachs the fact that, notwithstanding the widespread speculation that Commerce would be sold, no other potential purchasers had approached Commerce to engage in substantive discussions about a potential business combination. After extensive discussion and deliberation, the board of directors instructed Commerce s management to focus its efforts on a strategic transaction with TD, and authorized further due diligence by TD. Up to this time, none of the discussions Commerce had with the various institutions proceeded beyond the exploratory stage and no understanding with respect to the definitive terms of a transaction was reached during these discussions.

At its August 21 meeting, the Commerce board of directors formed, upon the recommendation of Mr. Joseph Buckelew, Chairman of the Commerce board of directors, a special committee, or the Special Committee, to oversee the process for a possible strategic transaction. The Special Committee members also included Mr. Donald T. DiFrancesco, Mr. Lloyd and Mr. Joseph T. Tarquini, Jr., as well as Mr. Buckelew as a non-voting member. Mr. Norcross was chosen to chair the Special Committee by the board of directors based on his skill and experience in negotiating acquisition transactions. Thereafter, Mr. Norcross was the principal liaison of the Special Committee with Commerce s financial and legal advisors and TD. During the August 21 meeting and following his appointment to the Special Committee, Mr. Norcross voluntarily withdrew his request for consideration of a sale of CBIS to him and other members of CBIS management so he could focus his efforts and attention on the Commerce sale process and minimize any potential conflict of interest. Mr. Norcross formalized this withdrawal in writing on August 27, 2007. At the time of the withdrawal, no terms for a transaction had been proposed by Mr. Norcross or otherwise discussed by Mr. Norcross and Commerce, and prior Commerce board discussions were limited to preliminary consideration of a process for consideration of the proposal and whether or not a sale of CBIS would affect Commerce s strategic options. As part of its diligence process, TD learned of Mr. Norcross s indication of interest with respect to CBIS.

On August 22, 2007, Commerce invited TD to conduct due diligence. From August 29 until September 20, 2007, TD conducted its due diligence investigation with respect to Commerce s business, legal, tax, regulatory and other matters. The process included meetings with Commerce management. Commerce, with the assistance of

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Goldman Sachs and Sullivan & Cromwell, conducted a due diligence investigation with respect to TD s business, legal, tax, regulatory and other matters.

Throughout this process, the Special Committee was in frequent contact with representatives of Goldman Sachs and Sullivan & Cromwell. The Special Committee had frequent telephonic updates and kept Commerce s board of directors informed about developments through telephonic updates. Mr. William M. Tambussi, of Brown & Connery, LLP, and Mr. Richard Alexander, of Arnold & Porter LLP, each counsel to Commerce, and representatives of Goldman Sachs and Sullivan & Cromwell often participated in these updates.

Between September 21 and September 23, Commerce and TD, and their respective financial advisors, engaged in further discussions regarding the purchase price and form of consideration. These discussions focused on, among other things, potential losses in Commerce s securities portfolio as a result of recent sharp declines in the bond markets and slower low-cost deposit growth in Commerce s stores, and the potential adverse effect these events could have on Commerce s future earnings. As a result of these factors, TD indicated that it was now prepared to offer only $35 to $38 per share.

Following additional discussions, the parties and their advisors agreed to meet in Toronto to determine if an agreement on price could be reached. Mr. Norcross, as Chairman of the Special Committee, and representatives from Goldman Sachs and Sullivan & Cromwell attended these meetings on behalf of Commerce on September 24 and 25. At the conclusion of the meetings, TD expressed a willingness to offer $42 per share, provided that this price could be supported by additional due diligence investigation, and that the transaction could be structured on terms that would be financially attractive to TD s shareholders. TD also indicated that the consideration for the transaction would consist entirely of securities of TD and that it was considering offering, for a small portion of the consideration, some form of security other than TD common shares. In connection with these meetings, TD was advised that Mr. Norcross remained interested in pursuing a possible purchase of CBIS and wanted to establish a process for the consideration of such a transaction following the announcement of the merger. However, no discussions of the economic terms of any potential transaction involving CBIS occurred at this time.

On September 26, 2007, after further discussions and information sharing among the parties, TD informed Commerce that it was prepared to pay Commerce $42 per share with the consideration to consist entirely of TD common shares based on a fixed exchange ratio to be established shortly before announcement of a transaction. TD also informed Commerce that its ability to offer this price would be subject to the transaction being done on a taxable basis for U.S. federal income tax purposes and with TD being satisfied with the actions Commerce had determined to take to reduce the potential interest rate and other risk in its investment securities portfolio.

In September, Commerce s management had begun considering restructuring its investment securities portfolio before the issue was raised by TD, and management now accelerated that process. Goldman Sachs and its affiliates and other financial institutions later acted as counterparty as principal for their own account in hedging or trading transactions in connection with the restructuring.

On September 27, 2007, Simpson Thacher & Bartlett LLP, counsel to TD, provi