

Prospectus Supplement to the Short Form Base Shelf Prospectus dated January 11, 2007

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This prospectus supplement, together with the short form base shelf prospectus dated January 11, 2007 to which it relates, as amended or supplemented, and each document deemed to be incorporated by reference in the short form base shelf prospectus, as amended or supplemented, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

These securities have not been and will not be registered under the United States Securities Act of 1933, as amended and may not be offered, sold or delivered within the United States of America, its possessions and other areas subject to its jurisdiction or to, or for the account or benefit of, U.S. persons.

New Issue

May 30, 2008

Prospectus Supplement



Bank Financial Group

The Toronto-Dominion Bank (a Canadian chartered bank)

\$250,000,000

10,000,000 Non-Cumulative 5-Year Rate Reset Preferred Shares, Series S

This offering of Non-Cumulative 5-Year Rate Reset Preferred Shares, Series S (the “Series S Shares”) of The Toronto-Dominion Bank (the “Bank”) under this prospectus supplement (the “Prospectus Supplement”) consists of 10,000,000 Series S Shares. The holders of the Series S Shares will be entitled to receive fixed quarterly non-cumulative preferential cash dividends, as and when declared by the board of directors of the Bank (the “Board of Directors”), for the initial period from and including the closing date of this offering to but excluding July 31, 2013 (the “Initial Fixed Rate Period”), payable on the last day of January, April, July and October in each year (each three-month period ending on the last day of each such month, a “Quarter”), at a per annum rate of 5.00% per share, or \$0.3125 per share per Quarter. Notwithstanding the foregoing, based on the anticipated closing date of this offering of June 11, 2008, the first dividend per Series S Share, if declared, will be payable on October 31, 2008 in respect of the period from and including June 11, 2008 to but excluding October 31, 2008, in the amount of \$0.4863 per share. See “Details of the Offering”.

For each five-year period after the Initial Fixed Rate Period (each a “Subsequent Fixed Rate Period”), the holders of the Series S Shares will be entitled to receive fixed quarterly non-cumulative preferential cash dividends, as and when declared by the Board of Directors, payable on the last day of January, April, July and October in each year in an amount per share per annum determined by multiplying the Annual Fixed Dividend Rate (as defined herein) applicable to such Subsequent Fixed Rate Period by \$25.00. The Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period will be determined by the Bank on the Fixed Rate Calculation Date (as defined herein) and will be equal to the sum of the Government of Canada Yield (as defined herein) on the Fixed Rate Calculation Date plus 1.60%. See “Details of the Offering”.

Option to Convert Into Series T Shares

The holders of the Series S Shares will have the right, at their option, to convert their shares into Non-Cumulative Floating Rate Preferred Shares, Series T of the Bank (the “Series T Shares”), subject to certain conditions, on July 31, 2013 and on July 31 every five years thereafter. The holders of the Series T Shares will be entitled to receive quarterly floating rate non-cumulative preferential cash dividends, as and when declared by the Board of Directors, payable on the last day of January, April, July and October in each year (the initial quarterly dividend period and each subsequent quarterly dividend period is referred to as a “Quarterly Floating Rate Period”) in an amount per share determined by multiplying the applicable Floating Quarterly Dividend Rate (as defined herein) by \$25.00. The Floating Quarterly Dividend Rate will be equal to the sum of the T-Bill Rate (as defined herein) plus 1.60% (calculated on the basis of the actual number of days elapsed in the applicable Quarterly Floating Rate Period divided by 365) determined on the Floating Rate Calculation Date (as defined herein). See “Details of the Offering”.

Subject to the provisions of the *Bank Act* (Canada) (the “Bank Act”), including, if required, the consent of the Superintendent of Financial Institutions (Canada) (the “Superintendent”), on July 31, 2013 and on July 31 every five years thereafter, the Bank may redeem all or any part of the then outstanding Series S Shares, at the Bank’s option without the consent of the holder, by the payment in cash of a sum per share so redeemed equal to \$25.00 together with an amount equal to the sum (the “Accrued Amount”) of (i) all declared and unpaid dividends in respect of completed Quarters preceding the date fixed for redemption; and (ii) an amount equal to the cash dividend in respect of the Quarter in which the redemption occurs, whether declared or not, *pro rated* to such date. See “Details of the Offering”.

It is the Bank’s intention to fund any cash redemption of the Series S Shares in full by issuing securities that will have equity characteristics that are similar or equivalent to the Series S Shares and qualify as Tier 1 capital from a regulatory perspective within six months of the date of redemption.

The Bank intends to apply to list the Series S Shares and the Series T Shares on the Toronto Stock Exchange (the “TSX”). Listing will be subject to the Bank fulfilling all of the requirements of the TSX.

PRICE: \$25.00 per Series S Share to Yield initially 5.00%

The Underwriters (hereinafter defined), as principals, conditionally offer the Series S Shares, subject to prior sale, if, as and when issued by the Bank and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under “Plan of Distribution” below, and subject to approval of certain legal matters on behalf of the Bank by McCarthy Tétrault LLP and on behalf of the Underwriters by Fasken Martineau DuMoulin LLP. **TD Securities Inc., one of the Underwriters, is a wholly-owned subsidiary of the Bank. By virtue of such ownership, the Bank is a related and connected issuer of TD Securities Inc. under applicable securities legislation.** See “Plan of Distribution”.

	<u>Price to the Public</u>	<u>Underwriters’ Fee⁽¹⁾</u>	<u>Net Proceeds to the Bank⁽²⁾</u>
Per Series S Share	\$25.00	\$0.75	\$24.25
Total.....	\$250,000,000	\$7,500,000	\$242,500,000

- (1) The Underwriters’ fee is \$0.25 for each Series S Share sold to certain institutions and \$0.75 per Series S Share for all other shares sold. The commission set forth in the table assumes that no shares are sold to such institutions.
- (2) Before deduction of expenses of the issue estimated at \$200,000, which, together with the Underwriters’ fee, are payable by the Bank.

In connection with this offering, the Underwriters may over allot or effect transactions that stabilize or maintain the market price of the Series S Shares in accordance with applicable market stabilization rules. **The Underwriters may offer the Series S Shares at a lower price than stated above. See “Plan of Distribution”.**

Subscriptions for Series S Shares will be received by the Underwriters subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the

closing date will be on or about June 11, 2008 or such later date as the Bank and Underwriters may agree, but in any event not later than July 18, 2008. A book-entry only certificate representing the Series S Shares will be issued in registered form only to CDS Clearing and Depository Services Inc. (“CDS”), or its nominee, and will be deposited with CDS on closing of this offering. A purchaser of the Series S Shares will receive only a customer confirmation from the registered dealer who is a CDS participant and from or through whom the Series S Shares are purchased. See “Details of the Offering —Depository Services”.

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In this Prospectus Supplement, unless otherwise indicated, capitalized terms which are defined in the accompanying short form base shelf prospectus of the Bank dated January 11, 2007 (the "Prospectus") are used herein with the meanings defined therein.

ELIGIBILITY FOR INVESTMENT

In the opinion of McCarthy Tétrault LLP, counsel to the Bank, and Fasken Martineau DuMoulin LLP, counsel to the Underwriters, the Series S Shares to be issued under this Prospectus Supplement, if issued on the date hereof, would be, on such date, qualified investments under the *Income Tax Act* (Canada) (the "Tax Act") and the regulations thereunder for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans and registered disability savings plans.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus Supplement is deemed to be incorporated by reference into the Prospectus solely for the purpose of the offering of the Series S Shares. Other documents are also incorporated or deemed to be incorporated by reference into the Prospectus and reference should be made to the Prospectus for full particulars thereof. In addition, the following documents filed with the Superintendent and the various securities commissions or similar authorities in Canada are incorporated by reference into this Prospectus Supplement:

- (a) the Management Proxy Circular dated as of January 24, 2008;
- (b) the Annual Information Form dated November 29, 2007;
- (c) the consolidated audited financial statements for the fiscal year ended October 31, 2007 with comparative consolidated financial statements for the fiscal year ended October 31, 2006, together with the auditors' report thereon and Management's Discussion and Analysis as contained in the Annual Report to Shareholders for the year ended October 31, 2007; and
- (d) the Second Quarter Report to Shareholders for the three and six months ended April 30, 2008, which includes comparative consolidated interim financial statements (unaudited) and Management's Discussion and Analysis.

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

PRIOR SALES

The following chart sets out all of the issuances of Class A First Preferred Shares of the Bank and of subordinated debentures convertible into Class A First Preferred Shares of the Bank during the 12 months preceding the date of this Prospectus Supplement:

Date Issued	Securities Issued	Issue Price	Aggregate Principal Amount/Number of Securities Issued
July 20, 2007	Subordinated Debentures ⁽¹⁾	\$1,000 (per \$1,000 principal amount of subordinated debentures)	\$1,800,000,000
November 1, 2007	Class A First Preferred Shares, Series P	\$25 per share	10,000,000 shares
January 31, 2008	Class A First Preferred Shares, Series Q	\$25 per share	8,000,000 shares
March 12, 2008	Class A First Preferred Shares, Series R	\$25 per share	10,000,000 shares

⁽¹⁾ Convertible into Class A First Preferred Shares, Series A8 in certain circumstances.

TRADING PRICE AND VOLUME OF THE BANK'S SECURITIES

The following chart sets out the trading price and volume of the Bank's securities on the Toronto Stock Exchange during the 12 months preceding the date of this Prospectus Supplement:

	Common Shares	Class A First Preferred Shares					
		Series M	Series N	Series O	Series P ⁽¹⁾	Series Q ⁽²⁾	Series R ⁽³⁾
May 2007							
-High Price (\$)	74.89	27.00	27.23	26.38	-	-	-
-Low Price (\$)	66.55	26.71	26.25	25.30	-	-	-
-Volume ('000)	39,802	120	102	1,422	-	-	-
June 2007							
-High Price (\$)	74.53	26.98	27.48	25.50	-	-	-
-Low Price (\$)	71.51	26.11	25.64	23.75	-	-	-
-Volume ('000)	39,224	77	79	447	-	-	-
July 2007							
-High Price (\$)	73.75	27.24	27.50	24.75	-	-	-
-Low Price (\$)	67.82	25.76	25.73	24.27	-	-	-
-Volume ('000)	36,546	153	26	177	-	-	-
August 2007							
-High Price (\$)	72.50	26.39	26.24	24.79	-	-	-
-Low Price (\$)	64.02	26.09	25.80	24.35	-	-	-
-Volume ('000)	62,339	178	145	340	-	-	-
September 2007							
-High Price (\$)	77.10	26.57	26.59	25.00	-	-	-
-Low Price (\$)	70.66	26.16	26.09	23.75	-	-	-
-Volume ('000)	42,204	177	191	257	-	-	-
October 2007							
-High Price (\$)	76.50	26.50	26.40	24.58	-	-	-
-Low Price (\$)	67.75	26.12	25.86	22.05	-	-	-
-Volume ('000)	76,799	100	106	212	-	-	-
November 2007							
-High Price (\$)	75.00	26.52	26.24	23.00	24.99	-	-
-Low Price (\$)	64.18	26.10	26.00	22.01	24.00	-	-
-Volume ('000)	64,761	776	42	768	2,718	-	-
December 2007							
-High Price (\$)	74.69	26.46	26.39	23.85	25.14	-	-
-Low Price (\$)	68.00	26.17	26.10	22.64	24.48	-	-
-Volume ('000)	45,060	33	22	439	1,024	-	-
January 2008							
-High Price (\$)	69.37	26.78	26.40	23.44	25.09	25.17	-
-Low Price (\$)	61.00	26.02	25.91	22.25	23.66	25.00	-
-Volume ('000)	67,605	103	71	281	453	434	-

	Common Shares	Class A First Preferred Shares					
		Series M	Series N	Series O	Series P ⁽¹⁾	Series Q ⁽²⁾	Series R ⁽³⁾
February 2008							
-High Price (\$)	69.09	26.50	26.39	24.00	25.02	25.74	-
-Low Price (\$)	65.00	26.21	26.11	23.01	24.39	25.12	-
-Volume ('000)	43,114	36	72	164	244	998	-
March 2008							
-High Price (\$)	66.20	26.45	26.30	24.00	24.93	25.64	24.97
-Low Price (\$)	58.57	26.01	26.01	22.77	23.75	24.96	24.70
-Volume ('000)	80,929	195	346	173	268	425	1,837
April 2008							
-High Price (\$)	67.04	26.44	26.30	23.87	24.27	25.20	25.08
-Low Price (\$)	62.00	26.00	25.87	22.54	23.42	24.80	24.80
-Volume ('000)	57,633	88	85	288	469	445	1,119
May 2008 ⁽⁴⁾							
-High Price (\$)	69.79	26.30	26.16	23.23	24.73	25.35	25.30
-Low Price (\$)	65.99	26.06	26.00	22.45	23.85	25.00	24.96
-Volume ('000)	45,834	24	34	479	292	133	567

⁽¹⁾ The Class A First Preferred Shares, Series P (“Series P Shares”) were issued on November 1, 2007.

⁽²⁾ The Class A First Preferred Shares, Series Q (“Series Q Shares”) were issued on January 31, 2008.

⁽³⁾ The Class A First Preferred Shares, Series R (“Series R Shares”) were issued on March 12, 2008.

⁽⁴⁾ The May 2008 data includes trading prices and volume up to and including May 27, 2008.

DETAILS OF THE OFFERING

The following is a summary of certain provisions attaching to the Series S Shares as a series and the Series T Shares as a series, each of which represents a series of Class A First Preferred Shares of the Bank. See “Description of Preferred Shares” in the Prospectus for a description of the general terms and provisions of the Class A First Preferred Shares of the Bank as a class.

Certain Provisions of the Series S Shares as a Series

Definition of Terms

The following definitions are relevant to the Series S Shares.

“**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the rate of interest (expressed as a percentage rate rounded down to the nearest one hundred-thousandth of one percent (with 0.000005% being rounded up)) equal to the Government of Canada Yield on the applicable Fixed Rate Calculation Date plus 1.60%.

“**Fixed Rate Calculation Date**” means, for any Subsequent Fixed Rate Period, the 30th day prior to the first day of such Subsequent Fixed Rate Period.

“**Government of Canada Yield**” on any date shall mean the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term

to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and which appears on the Bloomberg Screen GCAN5YR Page on such date; provided that, if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, the Government of Canada Yield will mean the arithmetic average of the yields quoted to the Bank by two registered Canadian investment dealers selected by the Bank as being the annual yield to maturity on such date, compounded semi-annually, which a non-callable Government of Canada bond would carry if issued, in Canadian dollars in Canada, at 100% of its principal amount on such date with a term to maturity of five years.

“**Initial Fixed Rate Period**” means the period from and including the closing date of this offering to but excluding July 31, 2013.

“**Subsequent Fixed Rate Period**” means for the initial Subsequent Fixed Rate Period, the period from and including July 31, 2013 to but excluding July 31, 2018, and for each succeeding Subsequent Fixed Rate Period, the period from and including the day immediately following the end of the immediately preceding Subsequent Fixed Rate Period to but excluding July 31 in the fifth year thereafter.

Issue Price

The Series S Shares will have an issue price of \$25.00 per share.

Dividends on Series S Shares

During the Initial Fixed Rate Period, the holders of the Series S Shares will be entitled to receive fixed quarterly non-cumulative preferential cash dividends at a per annum rate of 5.00%, as and when declared by the Board of Directors, subject to the provisions of the Bank Act, payable on the last day of January, April, July and October in each year. Such quarterly cash dividends, if declared, will be \$0.3125 per share. Notwithstanding the foregoing, the first dividend per Series S Share, if declared, will be payable on October 31, 2008 in respect of the period from and including June 11, 2008 to but excluding October 31, 2008, in the amount of \$0.4863 per share, based on the anticipated closing date of this offering of June 11, 2008.

During each Subsequent Fixed Rate Period, the holders of the Series S Shares will be entitled to receive fixed quarterly non-cumulative preferential cash dividends, as and when declared by the Board of Directors, subject to the provisions of the Bank Act, payable on the last day of January, April, July and October in each year, in an amount per share per annum determined by multiplying the Annual Fixed Dividend Rate applicable to such Subsequent Fixed Rate Period by \$25.00.

The Annual Fixed Dividend Rate applicable to a Subsequent Fixed Rate Period will be determined by the Bank on the Fixed Rate Calculation Date. Such determination will, in the absence of manifest error, be final and binding upon the Bank and upon all holders of Series S Shares. The Bank will, on the Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series S Shares.

If the Board of Directors of the Bank does not declare a dividend, or any part thereof, on the Series S Shares on or before the dividend payment date therefor, then the rights of the holders of the Series S Shares to such dividend, or to any part thereof, will be extinguished.

Redemption of Series S Shares

The Series S Shares will not be redeemable prior to July 31, 2013. Subject to the provisions of the Bank Act, including, if required, the prior consent of the Superintendent, and to the provisions described below under “ — Restrictions on Dividends and Retirement of Series S Shares”, on July 31, 2013 and on July 31 every five years thereafter, the Bank may redeem all or any part of the then outstanding Series S Shares, at the Bank’s option without the consent of the holder, by the payment in cash of a sum per share so redeemed equal to \$25.00 together with an amount equal to the Accrued Amount to the date fixed for redemption. It is the Bank’s intention to fund any cash redemption of

the Series S Shares in full by issuing securities that will have equity characteristics that are similar or equivalent to the Series S Shares and qualify as Tier 1 capital from a regulatory perspective within six months of the date of redemption.

Notice of any redemption of the Series S Shares will be given in writing by the Bank not more than 60 days and not less than 30 days prior to the date fixed for redemption. If less than all of the outstanding Series S Shares are at any time to be redeemed, the shares to be redeemed will be selected *pro rata* disregarding fractions or in such other manner as the Bank may determine.

Conversion of Series S Shares into Series T Shares

Holders of Series S Shares will have the right, at their option, on July 31, 2013 and on July 31 every five years thereafter (each a "Series S Conversion Date"), to convert, subject to the restrictions on conversion described below and the payment or delivery to the Bank of evidence of payment of the tax (if any) payable, all or any of their Series S Shares into Series T Shares on the basis of one Series T Share for each Series S Share. Notice of a holder's intention to convert Series S Shares must be received by the Bank not earlier than the 30th day prior to, but not later than 5:00 p.m. (Toronto time) on the 15th day preceding, a Series S Conversion Date.

The Bank will, not more than 60 and not less than 30 days prior to the applicable Series S Conversion Date, give notice in writing to the then registered holders of the Series S Shares of the above-mentioned conversion right. On the 30th day prior to each Series S Conversion Date, the Bank will give notice in writing to the then registered holders of the Series S Shares of the Annual Fixed Dividend Rate for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate applicable to the Series T Shares for the next succeeding Quarterly Floating Rate Period.

Holders of Series S Shares will not be entitled to convert their shares into Series T Shares if the Bank determines that there would remain outstanding on a Series S Conversion Date less than 750,000 Series T Shares, after having taken into account all Series S Shares tendered for conversion into Series T Shares and all Series T Shares tendered for conversion into Series S Shares. The Bank will give notice in writing thereof to all registered holders of the Series S Shares at least seven days prior to the applicable Series S Conversion Date. Furthermore, if the Bank determines that there would remain outstanding on a Series S Conversion Date less than 750,000 Series S Shares, after having taken into account all Series S Shares tendered for conversion into Series T Shares and all Series T Shares tendered for conversion into Series S Shares, then, all, but not part, of the remaining outstanding Series S Shares will automatically be converted into Series T Shares on the basis of one Series T Share for each Series S Share on the applicable Series S Conversion Date and the Bank will give notice in writing thereof to the then registered holders of such remaining Series S Shares at least seven days prior to the Series S Conversion Date.

Upon exercise by the holder of this right to convert Series S Shares into Series T Shares, the Bank reserves the right not to issue Series T Shares to any person whose address is in, or whom the Bank or its transfer agent has reason to believe is a resident of, any jurisdiction outside Canada, to the extent that such issue would require the Bank to take any action to comply with the securities, banking or analogous laws of such jurisdiction. See also "Bank Act Restrictions and Restrictions on Payment of Dividends" in the Prospectus.

If the Bank gives notice to the registered holders of the Series S Shares of the redemption of all the Series S Shares, the Bank will not be required to give notice as provided hereunder to the registered holders of the Series S Shares of an Annual Fixed Dividend Rate or of the conversion right of holders of Series S Shares and the right of any holder of Series S Shares to convert such Series S Shares will cease and terminate in that event.

Conversion of Series S Shares into Another Series of Preferred Shares at the Option of the Holder

The Bank may at any time on and after July 31, 2013 give holders of the Series S Shares notice that they have the right, pursuant to the terms of the Series S Shares, at their option, to convert their Series S Shares on the date specified in the notice into fully-paid New Preferred Shares (as hereinafter defined) on a share for share basis. Notice shall be given by the Bank in writing not more than 60 and not less than 30 days prior to such conversion date.

“New Preferred Shares” means a further series of Class A First Preferred Shares constituted by the Board of Directors having rights, privileges, restrictions and conditions attaching thereto which would qualify such New Preferred Shares as Tier 1 capital or equivalent of the Bank under the then current capital adequacy guidelines prescribed by the Superintendent if applicable, and if not applicable, having such rights, privileges, restrictions and conditions as the Board of Directors may determine, provided that in each case such New Preferred Shares will not, if issued, be or be deemed to be “short term preferred shares” within the meaning of the Tax Act.

Upon exercise by the holder of this right to convert Series S Shares into New Preferred Shares, the Bank reserves the right not to issue New Preferred Shares to any person whose address is in, or whom the Bank or its transfer agent has reason to believe is a resident of, any jurisdiction outside Canada, to the extent that such issue would require the Bank to take any action to comply with the securities, banking or analogous laws of such jurisdiction. See also “Bank Act Restrictions and Restrictions on Payment of Dividends” in the Prospectus.

Purchase for Cancellation

Subject to the provisions of the Bank Act, including, if required, the prior consent of the Superintendent, and to the provisions described below under “—Restrictions on Dividends and Retirement of Series S Shares”, the Bank may at any time purchase for cancellation any Series S Shares at the lowest price or prices at which, in the opinion of the Bank, such shares are obtainable.

Rights on Liquidation

In the event of the liquidation, dissolution or winding-up of the Bank, the holders of the Series S Shares will be entitled to receive a sum per share equal to \$25.00, together with the amount of declared and unpaid dividends to the date of payment, before any amount shall be paid or any assets of the Bank distributed to the holders of Common Shares or other shares ranking junior to the Series S Shares. The holders of the Series S Shares will not be entitled to share in any further distribution of the property or assets of the Bank.

Restrictions on Dividends and Retirement of Series S Shares

So long as any Series S Shares are outstanding, the Bank will not, without the approval of the holders of the Series S Shares given as specified below:

- (a) declare any dividend on the Common Shares or any other shares ranking junior to the Series S Shares (other than stock dividends on shares ranking junior to the Series S Shares); or
- (b) redeem, purchase or otherwise retire any Common Shares or any other shares ranking junior to the Series S Shares (except out of the net cash proceeds of a substantially concurrent issue of shares ranking junior to the Series S Shares); or
- (c) redeem, purchase or otherwise retire: (i) less than all the Series S Shares; or (ii) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching to any series of preferred shares of the Bank, any other shares ranking prior to or on a parity with the Series S Shares;

unless, in each case, all dividends on the Series S Shares up to and including those payable on the dividend payment date for the last completed period for which dividends shall be payable and in respect of which the rights of the holders thereof have not been extinguished, and all dividends then accrued on all other shares ranking prior to or on a parity with the Series S Shares, have been declared and paid or set apart for payment.

Issuance of Additional Series of Class A First Preferred Shares and Amendment of Series S Share Provisions

The Bank may not, without the prior approval of the holders of the Class A First Preferred Shares (in addition to such approvals as may be required by the Bank Act or any other legal requirement), (i) create or issue any shares ranking

in priority to the Class A First Preferred Shares, or (ii) create or issue any additional series of Class A First Preferred Shares or any shares ranking *pari passu* with the Class A First Preferred Shares, unless at the date of such creation or issuance all cumulative dividends up to and including the last completed period for which such cumulative dividends shall be payable, shall have been declared and paid or set apart for payment in respect of each series of cumulative Class A First Preferred Shares then issued and outstanding and any declared and unpaid non-cumulative dividends shall have been paid or set apart for payment in respect of each series of non-cumulative Class A First Preferred Shares then issued and outstanding. Currently, there are no outstanding Class A First Preferred Shares which carry the right to cumulative dividends.

The provisions attaching to the Series S Shares may not be deleted or varied without such approval as may then be required by the Bank Act, subject to a minimum requirement for approval by at least two-thirds of the votes cast at a meeting of the holders of Series S Shares duly called for the purpose or by the signature of the holders of at least two-thirds of the Series S Shares outstanding. In addition to the aforementioned approval, the Bank will not without, but may from time to time with, the prior approval of the Superintendent make any such deletion or variation which might affect the classification afforded to the Series S Shares from time to time for capital adequacy requirements pursuant to the Bank Act and the Regulations and Guidelines thereunder.

Voting Rights

The holders of the Series S Shares will not be entitled as such to receive notice of or to attend or to vote at any meeting of the shareholders of the Bank unless and until the first time at which the rights of such holders to any undeclared dividends have been extinguished as described under “—Dividends on Series S Shares” above. In that event, the holders of the Series S Shares will be entitled to receive notice of, and to attend, all meetings of the shareholders at which directors are to be elected and will be entitled to one vote for each share held. The voting rights of the holders of the Series S Shares shall forthwith cease upon the first payment by the Bank of a dividend on the Series S Shares to which the holders are entitled subsequent to the time such voting rights arose. At such time as the rights of such holders to any undeclared dividends on the Series S Shares have again been extinguished, such voting rights will become effective again and so on from time to time.

Tax Election

The Series S Shares will be “taxable preferred shares” as defined in the Tax Act for purposes of the tax under Part IV.1 of the Tax Act applicable to certain corporate holders of the Series S Shares. The terms of the Series S Shares require the Bank to make the necessary election under Part VI.1 of the Tax Act so that corporate holders will not be subject to the tax under Part IV.1 of the Tax Act on dividends received (or deemed to be received) on the Series S Shares. See “Canadian Federal Income Tax Considerations”.

Business Day

If any action is required to be taken by the Bank on a day that is not a business day, then such action will be taken on the next succeeding day that is a business day.

Certain Provisions of the Series T Shares as a Series

Definition of Terms

The following definitions are relevant to the Series T Shares.

“**Floating Quarterly Dividend Rate**” means, for any Quarterly Floating Rate Period, the rate of interest (expressed as a percentage rate rounded down to the nearest one hundred-thousandth of one percent (with 0.000005% being rounded up)) equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date plus 1.60% (calculated on the basis of the actual number of days elapsed in such Quarterly Floating Rate Period divided by 365).

“**Floating Rate Calculation Date**” means, for any Quarterly Floating Rate Period, the 30th day prior to the first day of such Quarterly Floating Rate Period.

“**Quarterly Commencement Date**” means the last day of January, April, July and October in each year, commencing July 31, 2013.

“**Quarterly Floating Rate Period**” means, for the initial Quarterly Floating Rate Period, the period from and including July 31, 2013 to but excluding the next following Quarterly Commencement Date, and thereafter the period from and including the day immediately following the end of the immediately preceding Quarterly Floating Rate Period to but excluding the next succeeding Quarterly Commencement Date.

“**T-Bill Rate**” means, for any Quarterly Floating Rate Period, the average yield expressed as a percentage per annum on three-month Government of Canada Treasury Bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.

Issue Price

The Series T Shares will have an issue price of \$25.00 per share.

Dividends on Series T Shares

The holders of the Series T Shares will be entitled to receive quarterly floating rate non-cumulative preferential cash dividends, as and when declared by the Board of Directors, subject to the provisions of the Bank Act, payable on the last day of January, April, July and October in each year. Such quarterly cash dividends, if declared, will be in an amount per share determined by multiplying the applicable Floating Quarterly Dividend Rate by \$25.00.

The Floating Quarterly Dividend Rate for each Quarterly Floating Rate Period will be determined by the Bank on the Floating Rate Calculation Date. Such determination will, in the absence of manifest error, be final and binding upon the Bank and upon all holders of Series T Shares. The Bank will, on the Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to all registered holders of the then outstanding Series T Shares.

If the Board of Directors of the Bank does not declare a dividend, or any part thereof, on the Series T Shares on or before the dividend payment date therefor, then the rights of the holders of the Series T Shares to such dividend, or to any part thereof, will be extinguished.

Redemption of Series T Shares

Subject to the provisions of the Bank Act, including, if required, the prior consent of the Superintendent, and to the provisions described below under “—Restrictions on Dividends and Retirement of Series T Shares”, the Bank may redeem all or any part of the then outstanding Series T Shares, at the Bank’s option without the consent of the holder, by the payment in cash of a sum per share so redeemed equal to (i) \$25.00 in the case of redemptions on July 31, 2018 and on July 31 every five years thereafter, or (ii) \$25.50 in the case of redemptions on any other date on or after July 31, 2013, together, in each case, with an amount equal to the Accrued Amount to the date fixed for redemption. It is the Bank’s intention to fund any cash redemption of the Series T Shares in full by issuing securities that will have equity characteristics that are similar or equivalent to the Series T Shares and qualify as Tier 1 capital from a regulatory perspective within six months of the date of redemption.

Notice of any redemption of the Series T Shares will be given in writing by the Bank not more than 60 days and not less than 30 days prior to the date fixed for redemption. If less than all of the outstanding Series T Shares are at any time to be redeemed, the shares to be redeemed will be selected *pro rata* disregarding fractions or in such other manner as the Bank may determine.

Conversion of Series T Shares into Series S Shares

Holders of Series T Shares will have the right, at their option, on July 31, 2018 and on July 31 every five years thereafter (each a “Series T Conversion Date”), to convert, subject to the restrictions on conversion described below and the payment or delivery to the Bank of evidence of payment of the tax (if any) payable, all or any of their Series T Shares into Series S Shares on the basis of one Series S Share for each Series T Share. Notice of a holder’s intention to convert Series T Shares must be received by the Bank not earlier than the 30th day prior to, but not later than 5:00 p.m. (Toronto time) on the 15th day preceding, a Series T Conversion Date.

The Bank will, not more than 60 and not less than 30 days prior to the applicable Series T Conversion Date, give notice in writing to the then registered holders of the Series T Shares of the above-mentioned conversion right. On the 30th day prior to each Series T Conversion Date, the Bank will give notice in writing to the then registered holders of the Series T Shares of the Annual Fixed Dividend Rate applicable to the Series S Shares for the next succeeding Subsequent Fixed Rate Period.

Holders of Series T Shares will not be entitled to convert their shares into Series S Shares if the Bank determines that there would remain outstanding on a Series T Conversion Date less than 750,000 Series S Shares, after having taken into account all Series T Shares tendered for conversion into Series S Shares and all Series S Shares tendered for conversion into Series T Shares. The Bank will give notice in writing thereof to all registered holders of the Series T Shares at least seven days prior to the applicable Series T Conversion Date. Furthermore, if the Bank determines that there would remain outstanding on a Series T Conversion Date less than 750,000 Series T Shares, after having taken into account all Series T Shares tendered for conversion into Series S Shares and all Series S Shares tendered for conversion into Series T Shares, then, all, but not part, of the remaining outstanding Series T Shares will automatically be converted into Series S Shares on the basis of one Series S Share for each Series T Share on the applicable Series T Conversion Date and the Bank will give notice in writing thereof to the then registered holders of such remaining Series T Shares at least seven days prior to the Series T Conversion Date.

Upon exercise by the holder of this right to convert Series T Shares into Series S Shares, the Bank reserves the right not to issue Series S Shares to any person whose address is in, or whom the Bank or its transfer agent has reason to believe is a resident of, any jurisdiction outside Canada, to the extent that such issue would require the Bank to take any action to comply with the securities, banking or analogous laws of such jurisdiction. See also “Bank Act Restrictions and Restrictions on Payment of Dividends” in the Prospectus.

If the Bank gives notice to the registered holders of the Series T Shares of the redemption of all the Series T Shares, the Bank will not be required to give notice as provided hereunder to the registered holders of the Series T Shares of an Annual Fixed Dividend Rate or of the conversion right of holders of Series T Shares and the right of any holder of Series T Shares to convert such Series T Shares will cease and terminate in that event.

Conversion of Series T Shares into Another Series of Preferred Shares at the Option of the Holder

The Bank may at any time on and after July 31, 2018 give holders of the Series T Shares notice that they have the right, pursuant to the terms of the Series T Shares, at their option, to convert their Series T Shares on the date specified in the notice into fully-paid New Preferred Shares on a share for share basis. Notice shall be given by the Bank in writing not more than 60 and not less than 30 days prior to such conversion date.

Upon exercise by the holder of this right to convert Series T Shares into New Preferred Shares, the Bank reserves the right not to issue New Preferred Shares to any person whose address is in, or whom the Bank or its transfer agent has reason to believe is a resident of, any jurisdiction outside Canada, to the extent that such issue would require the Bank to take any action to comply with the securities, banking or analogous laws of such jurisdiction. See also “Bank Act Restrictions and Restrictions on Payment of Dividends” in the Prospectus.

Purchase for Cancellation

Subject to the provisions of the Bank Act, including, if required, the prior consent of the Superintendent, and to the provisions described below under “—Restrictions on Dividends and Retirement of Series T Shares”, the Bank may

at any time purchase for cancellation any Series T Shares at the lowest price or prices at which, in the opinion of the Bank, such shares are obtainable.

Rights on Liquidation

In the event of the liquidation, dissolution or winding-up of the Bank, the holders of the Series T Shares will be entitled to receive a sum per share equal to \$25.00, together with the amount of declared and unpaid dividends to the date of payment, before any amount shall be paid or any assets of the Bank distributed to the holders of Common Shares or other shares ranking junior to the Series T Shares. The holders of the Series T Shares will not be entitled to share in any further distribution of the property or assets of the Bank.

Restrictions on Dividends and Retirement of Series T Shares

So long as any Series T Shares are outstanding, the Bank will not, without the approval of the holders of the Series T Shares given as specified below:

- (a) declare any dividend on the Common Shares or any other shares ranking junior to the Series T Shares (other than stock dividends on shares ranking junior to the Series T Shares); or
- (b) redeem, purchase or otherwise retire any Common Shares or any other shares ranking junior to the Series T Shares (except out of the net cash proceeds of a substantially concurrent issue of shares ranking junior to the Series T Shares); or
- (c) redeem, purchase or otherwise retire: (i) less than all the Series T Shares; or (ii) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provisions attaching to any series of preferred shares of the Bank, any other shares ranking prior to or on a parity with the Series T Shares;

unless, in each case, all dividends on the Series T Shares up to and including those payable on the dividend payment date for the last completed period for which dividends shall be payable and in respect of which the rights of the holders thereof have not been extinguished, and all dividends then accrued on all other shares ranking prior to or on a parity with the Series T Shares, have been declared and paid or set apart for payment.

Issuance of Additional Series of Class A First Preferred Shares and Amendment of Series T Share Provisions

The Bank may not, without the prior approval of the holders of the Class A First Preferred Shares (in addition to such approvals as may be required by the Bank Act or any other legal requirement), (i) create or issue any shares ranking in priority to the Class A First Preferred Shares, or (ii) create or issue any additional series of Class A First Preferred Shares or any shares ranking *pari passu* with the Class A First Preferred Shares, unless at the date of such creation or issuance all cumulative dividends up to and including the last completed period for which such cumulative dividends shall be payable, shall have been declared and paid or set apart for payment in respect of each series of cumulative Class A First Preferred Shares then issued and outstanding and any declared and unpaid non-cumulative dividends shall have been paid or set apart for payment in respect of each series of non-cumulative Class A First Preferred Shares then issued and outstanding. Currently, there are no outstanding Class A First Preferred Shares which carry the right to cumulative dividends.

The provisions attaching to the Series T Shares may not be deleted or varied without such approval as may then be required by the Bank Act, subject to a minimum requirement for approval by at least two-thirds of the votes cast at a meeting of the holders of Series T Shares duly called for the purpose or by the signature of the holders of at least two-thirds of the Series T Shares outstanding. In addition to the aforementioned approval, the Bank will not without, but may from time to time with, the prior approval of the Superintendent make any such deletion or variation which might affect the classification afforded to the Series T Shares from time to time for capital adequacy requirements pursuant to the Bank Act and the Regulations and Guidelines thereunder.

Voting Rights

The holders of the Series T Shares will not be entitled as such to receive notice of or to attend or to vote at any meeting of the shareholders of the Bank unless and until the first time at which the rights of such holders to any undeclared dividends have been extinguished as described under “—Dividends on Series T Shares” above. In that event, the holders of the Series T Shares will be entitled to receive notice of, and to attend, all meetings of the shareholders at which directors are to be elected and will be entitled to one vote for each share held. The voting rights of the holders of the Series T Shares shall forthwith cease upon the first payment by the Bank of a dividend on the Series T Shares to which the holders are entitled subsequent to the time such voting rights arose. At such time as the rights of such holders to any undeclared dividends on the Series T Shares have again been extinguished, such voting rights will become effective again and so on from time to time.

Tax Election

The Series T Shares will be “taxable preferred shares” as defined in the Tax Act for purposes of the tax under Part IV.1 of the Tax Act applicable to certain corporate holders of the Series T Shares. The terms of the Series T Shares require the Bank to make the necessary election under Part VI.1 of the Tax Act so that corporate holders will not be subject to the tax under Part IV.1 of the Tax Act on dividends received (or deemed to be received) on the Series T Shares. See “Canadian Federal Income Tax Considerations”.

Business Day

If any action is required to be taken by the Bank on a day that is not a business day, then such action will be taken on the next succeeding day that is a business day.

Depository Services

Except as otherwise provided below, the Series S Shares and the Series T Shares will be issued in “book-entry only” form and must be purchased, transferred, converted or redeemed through participants (“Participants”) in the depository service of CDS or its nominee. Each of the Underwriters is a Participant. On the closing of this offering, the Bank will cause a global certificate or certificates representing the Series S Shares to be delivered to, and registered in the name of, CDS or its nominee. Except as described below, no purchaser of Series S Shares or Series T Shares, as applicable, will be entitled to a certificate or other instrument from the Bank or CDS evidencing that purchaser’s ownership thereof, and no purchaser will be shown on the records maintained by CDS except through a book-entry account of a Participant acting on behalf of such purchaser. Each purchaser of Series S Shares or Series T Shares, as applicable, will receive a customer confirmation of purchase from the registered dealer from which the Series S Shares or Series T Shares, as applicable, are purchased in accordance with the practices and procedures of that registered dealer. The practices of registered dealers may vary, but generally customer confirmations are issued promptly after execution of a customer order. CDS will be responsible for establishing and maintaining book-entry accounts for its Participants having interests in the Series S Shares or Series T Shares, as applicable. Reference in this Prospectus Supplement to a holder of Series S Shares or Series T Shares, as applicable, means, unless the context otherwise requires, the owner of the beneficial interest in the Series S Shares or Series T Shares, as applicable.

If the Bank determines, or CDS notifies the Bank in writing, that CDS is no longer willing or able to discharge properly its responsibilities as depository with respect to the Series S Shares or Series T Shares, as applicable, and the Bank is unable to locate a qualified successor, or if the Bank at its option elects, or is required by law, to withdraw the Series S Shares or Series T Shares, as applicable, from the book-entry system, then Series S Shares or Series T Shares, as applicable, will be issued in fully registered form to holders or their nominees.

Transfers

Transfers of ownership in the Series S Shares or Series T Shares, as applicable, will be effected only through records maintained by CDS for such Series S Shares or Series T Shares, as applicable, with respect to interests of Participants and on the records of Participants with respect to interests of holders other than Participants. Holders of Series S Shares or Series T Shares, as applicable, other than Participants, wishing to purchase, sell or otherwise transfer

ownership of or other interests in the Series S Shares or Series T Shares, as applicable, may do so only through Participants. The ability of a holder to pledge Series S Shares or Series T Shares, as applicable, or otherwise take action with respect to such holder's interest in Series S Shares or Series T Shares, as applicable, (other than through a Participant) may be limited due to the lack of a physical certificate.

Payments and Deliveries

Payments of dividends, if any, or other amounts in respect of Series S Shares or Series T Shares, as applicable, will be made by or on behalf of the Bank to CDS or its nominee, as the case may be, as the registered holder of the Series S Shares or Series T Shares, as applicable, and the Bank understands that such payments will be forwarded by CDS or its nominee in the appropriate amounts to the relevant Participants in accordance with CDS Procedures. As long as CDS or its nominee is the sole registered holder of the Series S Shares or Series T Shares, as applicable, CDS or its nominee will be considered the sole owner of the Series S Shares or Series T Shares, as applicable, for purposes of receiving any payments thereon and for all other purposes.

RATINGS

The Series S Shares have been given a preliminary rating of Pfd-1 with a stable trend by DBRS Limited ("DBRS"), P-1(Low) and A by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies (Canada) Corporation ("S&P") using S&P's Canadian Scale for preferred shares and S&P's global scale for preferred shares, respectively, and Aa2 by Moody's Investors Service, Inc. ("Moody's"), a subsidiary of Moody's Corporation.

A Pfd-1 rating by DBRS is the highest of five categories granted by DBRS for preferred shares. A rating trend, expressed as positive, stable or negative, provides an opinion regarding the likely direction of any medium-term rating actions. A P-1 rating by S&P is the highest of the five categories used by S&P in its Canadian preferred share rating scale. "High" and "Low" grades may be used to indicate the relative standing of a credit within a particular rating category. The A rating by S&P is the second highest of nine categories used by S&P in its global preferred share scale. An Aa2 rating by Moody's is the second highest of nine categories used by Moody's. The modifier 2 indicates that the obligation ranks in the middle of the Aa rating category.

Credit ratings are intended to provide investors with an independent assessment of the credit quality of an issue or issuer of securities and do not speak to the suitability of particular securities for any particular investor. The credit ratings assigned to the Series S Shares may not reflect the potential impact of all risks on the value of the Series S Shares. A rating is therefore not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the rating agency.

BANK ACT RESTRICTIONS AND APPROVALS

The Prospectus sets out a summary of the restrictions contained in the Bank Act concerning the declaration and payment of dividends. The Bank does not anticipate that such restrictions will prevent a declaration or payment of dividends on the Series S Shares or Series T Shares, as applicable, in the normal course and the Superintendent has not made any direction to the Bank pursuant to the Bank Act regarding its capital or its liquidity.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of McCarthy Tétrault LLP, counsel to the Bank, and Fasken Martineau DuMoulin LLP, counsel to the Underwriters, the following is a summary of the principal Canadian federal income tax considerations generally applicable to a purchaser of Series S Shares pursuant to this Prospectus Supplement (a "Holder") who, for purposes of the Tax Act and at all relevant times, is resident or is deemed to be resident in Canada, deals at arm's length with and is not affiliated with the Bank, holds his or her Series S Shares and will hold any Series T Shares as capital property and is not exempt from tax under Part I of the Tax Act. Generally, the Series S Shares and Series T Shares will be considered to constitute capital property to a Holder provided that the Holder does not acquire or hold such shares in the course of carrying on a business or as part of an adventure or concern in the nature of trade. Certain Holders who might not otherwise be considered to hold their Series S Shares or Series T Shares as capital property may, in certain

circumstances, be entitled to have such shares and all of their other “Canadian Securities”, as defined in the Tax Act, treated as capital property by making the irrevocable election permitted under subsection 39(4) of the Tax Act.

This summary is not applicable to a purchaser an interest in which is a “tax shelter investment” (as defined in the Tax Act), to a purchaser who has elected to determine its Canadian tax results in a currency (other than Canadian currency) that is a “functional currency” (as defined in the Tax Act), or to a purchaser who is a “financial institution” (as defined in the Tax Act) for purposes of certain rules applicable to securities held by financial institutions (referred to as the “mark-to-market” rules). Such purchasers should consult their own tax advisors. Furthermore, this summary is not applicable to a purchaser that is a “specified financial institution” (as defined in the Tax Act) that receives or is deemed to receive, alone or together with persons with whom it does not deal at arm’s length, in the aggregate dividends in respect of more than 10% of the Series S Shares or Series T Shares, as the case may be, outstanding at the time a dividend is (or is deemed to be) received. This summary also assumes that all issued and outstanding Series S Shares and Series T Shares are listed on a designated stock exchange in Canada (as defined in the Tax Act) at the time dividends are (or deemed to be) received on such shares.

This summary is based upon the current provisions of the Tax Act and the regulations issued thereunder in force as of the date hereof, all specific proposals to amend the Tax Act and the regulations thereunder publicly announced by the Minister of Finance (Canada) prior to the date hereof (the “Tax Proposals”) and counsel’s understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the “CRA”) published in writing by the CRA prior to the date hereof. This summary is not exhaustive of all possible Canadian federal income tax considerations, and, except for the Tax Proposals, does not take into account or anticipate any changes in law or CRA administrative policies or assessing practices, whether by way of legislative, governmental or judicial decision or action, nor does it take into account or consider any other federal tax considerations or any provincial, territorial or foreign tax considerations, which may differ materially from those discussed herein. While this summary assumes that the Tax Proposals will be enacted in the form proposed, no assurance can be given that this will be the case, and no assurance can be given that judicial, legislative or administrative changes will not modify or change the statements below.

This summary is of a general nature only and is not, and is not intended to be, and should not be construed to be, legal or tax advice to any particular Holder and no representation with respect to the income tax consequences to any particular Holder is made. Prospective purchasers of Series S Shares should consult their own tax advisors with respect to the tax consequences of acquiring, holding and disposing of Series S Shares or Series T Shares having regard to their own particular circumstances.

Dividends

Dividends (including deemed dividends) received on the Series S Shares or the Series T Shares by an individual (other than certain trusts) will be included in the individual’s income and generally will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit rules applicable to any dividends designated by the Bank as eligible dividends in accordance with the provisions of the Tax Act. Dividends (including deemed dividends) received on the Series S Shares and the Series T Shares by a corporation to which this summary applies will be included in computing its income and will generally be deductible in computing its taxable income.

The Series S Shares and the Series T Shares will be “taxable preferred shares” as defined in the Tax Act for purposes of the tax under Part IV.1 of the Tax Act applicable to certain corporate Holders of the Series S Shares and the Series T Shares. The terms of the Series S Shares and the Series T Shares require the Bank to make the necessary election under Part VI.1 of the Tax Act so that such corporate Holders will not be subject to tax under Part IV.1 of the Tax Act on dividends received (or deemed to be received) on the Series S Shares and the Series T Shares.

A “private corporation”, as defined in the Tax Act, or any other corporation controlled, whether by reason of a beneficial interest in one or more trusts or otherwise, by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts), will generally be liable to pay a 33 $\frac{1}{3}$ % refundable tax under Part IV of the Tax Act on dividends received (or deemed to be received) on the Series S Shares and the Series T Shares to the extent such dividends are deductible in computing its taxable income.

Dividends received by an individual may give rise to a liability for alternative minimum tax.

Dispositions

A Holder who disposes of or is deemed to dispose of Series S Shares or Series T Shares (including on a redemption of the shares or other acquisition by the Bank, but not including a conversion of Series S Shares into Series T Shares or New Preferred Shares and a conversion of Series T Shares into Series S Shares or New Preferred Shares) will generally realize a capital gain (or sustain a capital loss) to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such shares to such Holder immediately before the disposition or deemed disposition. The amount of any deemed dividend arising on the redemption or acquisition by the Bank of Series S Shares or Series T Shares (described below) generally will not be included in computing the proceeds of disposition to a Holder for purposes of computing the capital gain or capital loss arising on the disposition of such shares. If the Holder is a corporation, any capital loss realized on a disposition or deemed disposition of Series S Shares or Series T Shares may in certain circumstances be reduced by the amount of any dividends, including deemed dividends, which have been received on such shares to the extent and under circumstances prescribed by the Tax Act. Analogous rules apply to a partnership or trust of which a corporation, trust or partnership is a member or beneficiary.

Redemption and Conversion

If the Bank redeems for cash or otherwise acquires Series S Shares or Series T Shares, other than by a purchase in the manner in which shares are normally purchased by a member of the public in the open market, the Holder will be deemed to have received a dividend equal to the amount, if any, paid by the Bank, including any redemption premium, in excess of the paid-up capital of such shares at such time. The difference between the amount paid and the amount of the deemed dividend will be treated as proceeds of disposition for the purposes of computing the capital gain or capital loss arising on the disposition of such shares. In the case of a corporate shareholder, it is possible that in certain circumstances all or part of the amount so deemed to be a dividend may be treated as proceeds of disposition and not as a dividend.

The conversion of the Series S Shares into Series T Shares or New Preferred Shares and the conversion of Series T Shares into Series S Shares or New Preferred Shares will be deemed not to be a disposition of property and accordingly will not give rise to any capital gain or capital loss. The cost to a Holder of Series T Shares, Series S Shares or New Preferred Shares, as the case may be, received on the conversion will be deemed to be equal to the Holder's adjusted cost base of the Series S Shares or Series T Shares, as the case may be, immediately before the conversion.

Taxation of Capital Gains and Capital Losses

Generally, a Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "taxable capital gain") realized by the Holder in the year. Subject to and in accordance with the provisions of the Tax Act, a Holder is required to deduct one half of the amount of any capital loss (an "allowable capital loss") realized in a taxation year from taxable capital gains realized by the Holder in the year and allowable capital losses in a taxation year in excess of taxable capital gains in the taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years. Capital gains realized by an individual may give rise to a liability for alternative minimum tax.

Additional Refundable Tax

A Holder that is a Canadian-controlled private corporation (as defined in the Tax Act) may be liable to pay an additional refundable tax of 6 $\frac{2}{3}$ % on certain investment income including amounts in respect of taxable capital gains.

EARNINGS COVERAGE

The Bank's dividend requirements on all its outstanding preferred shares, after giving effect to the issue of the Series S Shares, including the issue of the Series P Shares, the Series Q Shares and the Series R Shares, and adjusted to a before-tax equivalent using an effective tax rate of 18.3% for the twelve months ended October 31, 2007 and 16.8% for the twelve months ended April 30, 2008, amounted to \$15.3 million for the twelve months ended October 31, 2007 and

\$15 million for the twelve months ended April 30, 2008. The Bank's interest requirements on all subordinated notes and debentures and liabilities for preferred shares and capital trust securities after adjustment for new issues and retirement, amounted to \$777.7 million for the twelve months ended October 31, 2007 and \$727.1 million for the twelve months ended April 30, 2008. The Bank's reported net income, before interest on subordinated debt and liabilities for preferred shares and capital trust securities and income taxes was \$5,278 million for the twelve months ended October 31, 2007, which was 6.6 times the Bank's aggregate dividend and interest requirement for this period. The Bank's reported net income, before interest on subordinated debt and liabilities for preferred shares and capital trust securities and income taxes was \$5,210 million for the twelve months ended April 30, 2008, which was 7 times the Bank's aggregate dividend and interest requirement for this period.

On an adjusted basis, the Bank's net income before interest on subordinated debt and liabilities for preferred shares and capital trust securities and income taxes for the twelve months ended October 31, 2007 was \$5,594 million, which was 7 times the Bank's aggregate dividend and interest requirement for this period. On an adjusted basis, the Bank's net income before interest on subordinated debt and liabilities for preferred shares and capital trust securities and income taxes for the twelve months ended April 30, 2008 was \$5,491 million, which was 7.4 times the Bank's aggregate dividend and interest requirement for this period.

The Bank's financial results are prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The Bank refers to results prepared in accordance with GAAP as "reported" results. The Bank also utilizes non-GAAP financial measures referred to as "adjusted" results to assess each of its businesses and to measure overall Bank performance. To arrive at adjusted results, the Bank removes "items of note", net of income taxes, from reported results. The items of note relate to items which management does not believe are indicative of underlying business performance. The Bank believes that adjusted results provide the reader with a better understanding of how management views the Bank's performance. As explained, adjusted results are different from reported results determined in accordance with GAAP. Adjusted results, items of note and related terms used herein are not defined terms under GAAP, and, therefore, may not be comparable to similar terms used by other issuers. Please see page 6 of the Bank's Second Quarter 2008 Report to Shareholders for the three and six months ended April 30, 2008 and page 15 of the Bank's 2007 Annual Report for a reconciliation between the Bank's reported and adjusted results.

PLAN OF DISTRIBUTION

Under an underwriting agreement (the "Underwriting Agreement") dated as of May 30, 2008 between the Bank and TD Securities Inc. and the other underwriters whose names appear under the heading "Certificate of the Underwriters" (together, the "Underwriters"), the Bank has agreed to sell and the Underwriters have severally agreed to purchase on June 11, 2008 or such later date as may be agreed upon, but not later than July 18, 2008, subject to the terms and conditions stated therein, all but not less than all of the 10,000,000 Series S Shares at a price of \$25.00 per share payable in cash to the Bank against delivery of such Series S Shares. The obligations of the Underwriters under the Underwriting Agreement may be terminated if there should occur conditions of national or international consequence which may seriously adversely affect the Canadian financial markets and may also be terminated upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Series S Shares if any Series S Shares are purchased under the Underwriting Agreement.

The Underwriting Agreement provides that the Underwriters will be paid a fee equal to \$0.25 per share in respect of Series S Shares sold to certain institutions and \$0.75 per share in respect of all other Series S Shares, on account of underwriting services rendered in connection with this offering, which fees will be paid out of the general funds of the Bank.

The Underwriters may not, throughout the period of distribution, bid for or purchase the Series S Shares. The foregoing restriction is subject to certain exceptions, on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in, or raising the price of the Series S Shares. These exceptions include a bid or purchase permitted under the Universal Market Integrity Rules administered by Market Regulation Services Inc. relating to market stabilization and passive market-making activities and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution. The Bank has been advised that, in connection with this offering and subject to the foregoing, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Series S Shares at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The Underwriters propose to offer the Series S Shares initially at the offering price specified on the front cover of this Prospectus Supplement. After the Underwriters have made a reasonable effort to sell all of the Series S Shares at the price specified on the cover page, the offering price may be decreased and may be further changed from time to time to an amount not greater than that set out on the cover page.

TD Securities Inc., one of the Underwriters, is a wholly-owned subsidiary of the Bank. By virtue of such ownership, the Bank is a related and connected issuer of TD Securities Inc. under applicable securities legislation. The decision to distribute the Series S Shares and the determination of the terms of the distribution were made through negotiations between the Bank on the one hand and the Underwriters on the other hand. TD Securities Inc. will not receive any benefit in connection with this offering, other than its share of the Underwriters' fee payable by the Bank.

Under applicable securities laws, RBC Dominion Securities Inc. ("RBC") is an independent underwriter in connection with this offering and is not related or connected to the Bank or to TD Securities Inc. In that capacity, RBC has participated with all other Underwriters in due diligence meetings relating to this Prospectus Supplement with the Bank and its representatives, has reviewed this Prospectus Supplement and has had the opportunity to propose such changes to this Prospectus Supplement as it considered appropriate. In addition, RBC has participated, together with the other Underwriters, in the structuring and pricing of this offering.

RISK FACTORS

An investment in the Series S Shares is subject to certain risks including those set out in the Prospectus and the following. From time to time, the stock market experiences significant price and volume volatility that may affect the market price for reasons unrelated to the Bank's performance. Additionally, the respective value of the Series S Shares and the Series T Shares is subject to market value fluctuations based upon factors which influence the Bank's operations, such as legislative or regulatory developments, competition, technological change and global capital market activity.

Real or anticipated changes in credit ratings on the Series S Shares or the Series T Shares may affect the market value of the Series S Shares and the Series T Shares, respectively.

The Series S Shares and the Series T Shares are equity capital of the Bank which rank equally with other Class A First Preferred Shares of the Bank in the event of an insolvency or winding-up of the Bank. If the Bank becomes insolvent or is wound-up, the Bank's assets must be used to pay deposit liabilities and other debt, including subordinated debt, before payments may be made on the Series S Shares, the Series T Shares and other Class A First Preferred Shares.

Prevailing yields on similar securities will also affect the market value of the Series S Shares and the Series T Shares.

The dividend rate in respect of the Series S Shares and Series T Shares will reset every five years and quarterly, respectively. In each case, the new dividend rate is unlikely to be the same as, and may be lower than, the dividend rate for the applicable preceding dividend period.

An investment in the Series S Shares may become an investment in Series T Shares without the consent of the holder in the event of an automatic conversion in the circumstances described under "Details of the Offering – Certain Provisions of the Series S Shares as a Series - Conversion of Series S Shares into Series T Shares" above. Upon the automatic conversion of the Series S Shares into Series T Shares, the dividend rate on the Series T Shares will be a floating rate that is adjusted quarterly by reference to the T-Bill Rate which may vary from time to time. In addition, holders may be prevented from converting their Series S Shares into Series T Shares in certain circumstances. See "Details of the Offering – Certain Provisions of the Series S Shares as a Series - Conversion of Series S Shares into Series T Shares" and "- Issuance of Additional Series of Class A First Preferred Shares and Amendment of Series S Share Provisions".

USE OF PROCEEDS

The net proceeds to the Bank from the sale of the Series S Shares, after deducting expenses of issue, will be used for general purposes of the Bank.

LEGAL MATTERS

In connection with the issue and sale of the Series S Shares, certain legal matters will be passed upon on behalf of the Bank by McCarthy Tétrault LLP and on behalf of the Underwriters by Fasken Martineau DuMoulin LLP. As of the date hereof, partners, counsel and associates of McCarthy Tétrault LLP and Fasken Martineau DuMoulin LLP, respectively, as a group, beneficially own, directly or indirectly, less than one percent of any securities of the Bank or any associates or affiliates of the Bank.

TRANSFER AGENT AND REGISTRAR

CIBC Mellon Trust Company, Toronto, is a transfer agent and registrar for the Series S Shares and Series T Shares and is the transfer agent and registrar for each outstanding series of Class A First Preferred Shares and the Common Shares.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

CERTIFICATE OF THE UNDERWRITERS

Dated: May 30, 2008

To the best of our knowledge, information and belief, the short form base shelf prospectus dated January 11, 2007, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the *Bank Act* (Canada) and the regulations thereunder and by the securities legislation of all provinces and territories of Canada.

TD SECURITIES INC.

By: (signed) Jonathan Broer

**RBC DOMINION SECURITIES
INC.**

By: (signed) Rajiv Bahl

BMO NESBITT BURNS INC.

By: (signed) Bradley J. Hardie

CIBC WORLD MARKETS INC.

By: (signed) Shannan Levere

SCOTIA CAPITAL INC

By: (signed) Mary Robertson

DESJARDINS SECURITIES INC.

By: (signed) Thomas L. Jarmai

NATIONAL BANK FINANCIAL INC.

By: (signed) Darin E. Deschamps

HSBC SECURITIES (CANADA) INC.

By: (signed) Catherine J. Code

DUNDEE SECURITIES CORPORATION

By: (signed) Vilma Jones

BROOKFIELD FINANCIAL CORP.

By: (signed) Mark W. Murski

LAURENTIAN BANK SECURITIES INC.

By: (signed) Pierre Godbout

APPENDIX A

AUDITORS' CONSENT

We have read the Prospectus Supplement of The Toronto-Dominion Bank (“the Bank”) dated May 30, 2008 relating to the sale and issuance of \$250,000,000 Non-Cumulative 5-Year Rate Reset Preferred Shares, Series S to the Short Form Base Shelf Prospectus dated January 11, 2007 relating to the offering of up to \$8,000,000,000 Debt Securities (subordinated indebtedness), Common Shares, Class A First Preferred Shares and Warrants to Purchase Preferred Shares (collectively, the “Prospectus”). We have complied with Canadian generally accepted standards for an auditor’s involvement with offering documents.

We consent to the incorporation by reference in the above-mentioned Prospectus of our report dated November 28, 2007 to the shareholders of the Bank on the Consolidated Balance Sheets of the Bank as at October 31, 2007 and 2006 and the Consolidated Statements of Income, Changes in Shareholders’ Equity, Comprehensive Income and Cash Flows for each of the years then ended.

(signed) Ernst & Young LLP
Chartered Accountants
Licensed Public Accountants
Toronto, Canada
May 30, 2008