TD Wealth

Principal-at-Risk Notes

TD Barrier Coupon Growth Notes

What are TD Barrier Coupon Growth Notes?

Issued by The Toronto-Dominion Bank, TD Barrier Coupon Growth Notes are principal-at risk solutions linked to the price performance of an underlying equity index (e.g. the S&P/TSX 60). With a TD Barrier Coupon Growth Note, an investor has the potential to receive enhanced coupon payments and a variable growth payment at maturity, but without the same potential for loss as the index at maturity.

An investor might experience the following outcomes if they hold the Note to maturity:

a. Coupon payments when the Index Return is above a coupon payment threshold on each coupon payment date

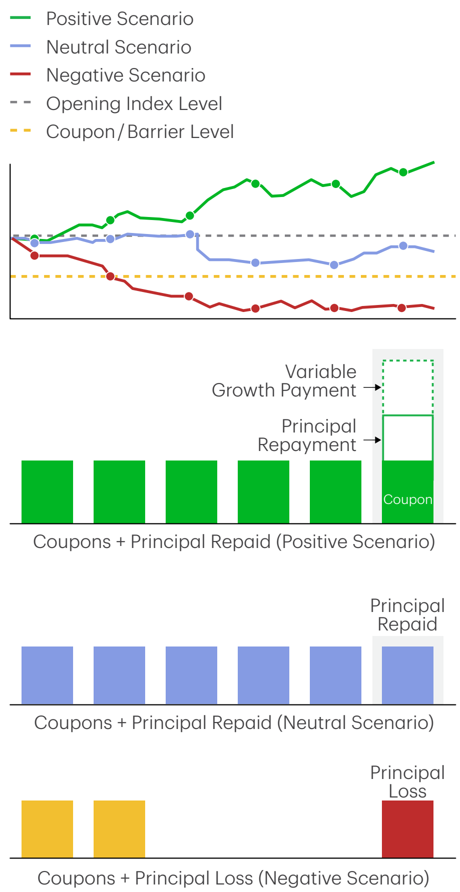
b. A variable growth payment on the maturity date

c. Principal repayment when Index Return is above the Barrier Level

d. Principal loss if the Index Return is below the Barrier Level

Return Profile

For illustrative purposes only



Definitions

Coupon: The interest income payment an investor receives.

Coupon Payment Date: A pre-defined date on which an investor receives a coupon payment.

Coupon Payment Threshold: A pre-determined index return above which a coupon is paid on a pre-determined coupon payment date.

Barrier Level: A return above which an investor's money is protected from loss (e.g. > -25%), or below which (e.g. < -25%) an investor would experience a loss equal to the index.

Variable Growth Payment: The variable payment, if any, is a payment at maturity equal to a percentage of the index return if positive (>0%).

Principal-at-Risk: An investor places some or all of their original investment at risk of loss in exchange for the potential to earn an enhanced return.

Investor Suitability

- Balanced / Balanced Income Investors
- Overweight fixed income
- Seeking to enhance cash flow by taking on some equity risk
- Slightly bearish to slightly bullish view on the price return of the underlying index
- Comfortable with some reinvestment risk and price / return volatility
- Medium-term investment horizon
- Transactional and fee-based accounts
- Eligible for RRSPs, RRIFs, RESPs, and TFSAs

The investor is concerned that low interest rates may not generate enough money to support their lifestyle in retirement, that the market could experience a moderate decline within the next 5-6 years, or does not want to assume the credit risk associated with some bonds paying a high coupon.

They require a solution that has the potential to generate an enhanced cash flow while still protecting some of their money against a potential loss.

Investment Considerations

TD Barrier Coupon Growth Notes are not principal protected and investors may lose substantially all of their investment in the Notes

- May not be suitable for investors seeking a steady source of income
- The partial principal protection provided by the barrier only applies when the Note is held to maturity and the index return is at or above the Barrier Level
- Any principal or income payments are dependent upon the issuer's ability to pay their obligations
- Sale of a Note in the secondary market may result in a gain or loss of principal
- May be subject to an early redemption fee
- Returns are taxed as interest income when held outside registered and tax free accounts
- Not CDIC insured (Canadian Depository Insurance Corporation)

Investor Scenarios

Meet Mica

Mica is entering retirement and wants to supplement the income from a low yielding GIC and bond portfolio until her company pension, OAS and CPP begin. She feels that investing in higher yielding, low grade debt or dividend paying equities is not an option as she believes their return does not appear to compensate for the market and / or credit risk she would have to assume.

The TD Barrier Coupon Growth Note may be a good solution for Mica as she has the potential to receive a higher total return than the index while retaining partial principal protection of the money invested. Although Mica could be exposed to the same negative return as the market in Scenario C, she may feel that the potential return is appropriate for assuming the risk that the market won't fall by more than the Coupon / Barrier Level of -25% by the time the Note matures.

	Scenario A – Positive Coupons paid (6) with growth payment and principal returned at maturity		**Scenario B – Neutral** Coupons paid (6) with no growth payment and principal returned at maturity		**Scenario C – Negative** Coupons paid (2) with no growth payment and principal loss at maturity	
	Index Return	**Note Payment**	**Index Return**	**Note Payment**	**Index Return**	**Note Payment**
Coupon 1	2.1%	$500	-14.89%	$500	-20.56%	$500
Coupon 2	12.9%	$500	-0.126%	$500	-2.36%	$500
Coupon 3	1.6%	$500	-18.352%	$500	-26.58%	$0
Coupon 4	5.2%	$500	-21.28%	$500	-34.68%	$0
Coupon 5	10.8%	$500	1.58%	$500	-27.54%	$0
Coupon 6	14.5%	$500	-13.82%	$500	-32.15%	$0
Total Coupons		$3,000		$3,000		$1,000

	Scenario A – Positive Coupons paid (6) with growth payment and principal returned at maturity	Scenario B – Neutral Coupons paid (6) with no growth payment and principal returned at maturity	Scenario C – Negative Coupons paid (2) with no growth payment and principal loss at maturity
Variable Growth Payment	$1,450 = ($10,000 x 14.5%)	$0 = (final index level negative)	$0 = (final index level negative)
Principal Repayment	$10,000 (principal protected)	$10,000 (principal protected)	$6,785 = [$10,000 + ($10,000 x -32.15%)]
Total Payments	$14,450	$13,000	$7,785
Compound Return	6.32%	4.47%	-4.08%
Note Return	39.5%	5.0%	-22.15%

- The examples set out above are included for illustrative purposes only and are not a prediction or guarantee of any gain or particular return of the Note
- The examples above assume that a Noteholder has purchased $10,000 of the Notes (100 Notes) and held the Notes until the Maturity Date; the notes have a term of 6 years, coupons paid annually at a rate of 5.0%, a Payment Threshold and Barrier Level of -25%; Participation rate 100%

For a summary of all material facts, especially risk factors relating to the Note under consideration, please refer to the Pricing Supplement and Shelf Prospectus which can be found at www.tdstructurednotes.com.

For more information, contact your TD representative.

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