

The Intended Consequences of Embedded Commissions in Mutual Funds

In September of 2018 the CSA will conduct yet another consultation on the issue of embedded commissions in the mutual fund industry. Despite a decade's worth of consultations, written commentaries, meetings with various mutual fund stakeholders, politicians and consumer advocates and participations in numerous conferences and in roundtable discussions, the CSA and its provincial counterparts (collectively referred to herein as the CSA) still do not believe that they are properly informed about the issues surrounding embedded commissions – why else would they feel the need to embark upon yet another consultation on this issue? The CSA is right – it is clear to any observer that the CSA is not properly informed about embedded commissions. Further, by virtue of their lack of being informed, the CSA is in no position to carry out its duties and responsibilities as a regulator on this particular issue (where are our elected politicians?). Additionally, the CSA has, for reasons which appear inexplicable to those outside of the CSA, demonstrated time and time again that they are unwilling or unable to enforce existing laws, rules and regulations which, if enforced, would have ended the practice of embedded commissions in the mutual fund industry long ago. Ending this practice could have saved Canadian investors tens of billions of dollars of their life's savings which, not surprisingly and by design, ended up in the pockets of mutual fund industry players.

The CSA refuses to ask the right questions in its consultations and remains wilfully blind to a simple fact which supersedes any discussion on embedded commissions – and that fact is:

Withdrawals of monies by mutual fund managers/trustees from mutual fund trusts subsequently used as embedded commission payments to dealers are unlawful and contrary to various provincial securities laws and National Instruments.

The CSA knows, or ought to know by virtue of its position as an industry regulator, that any representations by any party that links trailing commissions (a.k.a. embedded commissions) to “services and advice” dealers allegedly provide to mutual fund unitholders (a.k.a. mutual fund trust beneficiaries) constitutes a negligent misrepresentation at best and a fraudulent misrepresentation if it is made by a mutual fund manager/trustee (“Trustee”) or a dealer. To be clear, when a Trustee states (and they all do) in their Series “A” Fund Facts documents that trailing commissions are, “for the services and advice that your representative and his or her firm provide to you, “your Trustee has, in mandatory disclosure documents, engaged in a lie that it knows to be a lie (a fraudulent representation). To be even clearer, this fraudulent

misrepresentation is relevant to all mutual fund trust beneficiaries irrespective of the mutual fund distribution channel. The first and most glaring proof (and there are many more such proofs set out later in this letter) that Trustees and dealers have engaged in fraudulent misrepresentations can be found overtly in Distribution Contracts that exist between the two parties. A sample of such a contract can be found in Exhibit "A" attached (a copy of a Distribution Contract between TD Asset Management Inc. and TD Investor Services Inc.). As can be seen in the terms of paragraph 13 of this agreement, the dealer (TD Investor Services Inc.) receives trailing commission payments from the Trustee (TD Asset Management Inc.) as compensation for the services the dealer provides **TO** the Trustee. In this example, which serves as the norm for the mutual fund industry, the dealer is not required to provide any "services and advice" to unitholders in order to earn its receipt of trailing commissions. On the contrary, the unitholder is not even mentioned in this Distribution Contract and the Trustee, in concert with the dealer, has agreed that the true beneficiary of the dealer's services is the Trustee. In effect, the Trustee uses unitholder's monies to obtain benefits for itself not for its unitholders. The CSA knows, or ought to know this inconvenient truth - **embedded commissions in the mutual fund industry are built on a foundation of fraudulent and negligent misrepresentations.** Again, and to be clear, the negligent representations surrounding this false linkage of trailing commissions to "service and advice" are made by marketers, sales people and others who serve as an ill-informed echo chamber to the Trustees (and dealers) fraudulent representations. Does the CSA truthfully believe that these serious misrepresentations should be ignored in a discussion on whether embedded commissions in the mutual fund industry should be allowed to continue? Why has the CSA not broached this subject in any of its consultation papers?

SERVICES AND ADVICE

The CSA also knows that Trustees, in mandatory disclosure documents, have made the choice not to define the term "services and advice" in any of their mutual fund related documents despite knowing that this term is material and central to the Trustees cumulative withdrawal of nearly \$8.0 billion of beneficiaries monies each and every year from Series "A" mutual fund trusts. Any discussions involving embedded commissions must be made with a clear, concise, unambiguous and cited definition of this material term. The CSA has failed at all times to include such a definition in any of their materials making any consultation paper, and any commentary on that paper, irrelevant and ill-informed. Upon inquiry as to where unitholders can find a definition for the term "services and advice" as found on Fund Facts documents, Ontario Securities Commission lawyers, on behalf of the CSA, have provided, in writing, their position. The CSA writes, "The dealer, as part of their relationship with the client, can explain the scope of the advice and services they will provide to the client in exchange for trailing commission compensation." In effect, the CSA is taking the position that the dealer, who did

not make the representation to the unitholder that linked trailing commissions to “service and advice” and who was not a party to the agreements that binds the unitholder and the Trustee in a mutual fund unit purchase, is somehow the legal entity that has the authority to define what the Trustee meant when he/she made the “service and advice” representation – this position is absurd on its face. Further, the CSA’s writings appear to absolve the Trustees from any legal obligations to ensure themselves that their representations were/are at all times true and that their beneficiaries were, at all times, in fact receiving valuable “services and advice” from their dealers before the Trustee(s) made trailing commission payments to those dealers – again, this rationale is absurd on its face. The CSA, quite surprisingly, has it all wrong. Factually, it is the Trustees who are accountable to their unitholders for representations that they themselves made. Factually, the only parties that have a right to define a material term in an agreement are the parties that are party to that agreement (in the case of a mutual fund unit purchase, the Trustee and/or the unitholder). The CSA is a regulator who does not understand these basic contract principles?

The CSA also knows the following which, in concert, provide support for the allegations of fraudulent misrepresentation by the Trustees:

- 1) There is no correlation between the sum of trailing commission payments made on behalf of a unitholder by a Trustee and the cost or value of any alleged “services and advice” provided to that unitholder by a dealer. Provided that a Trustee and his/her unitholders could come to an agreement on what is meant by “services and advice”, it is clear that some unitholders would be overpaying for the level of “service and advice” while others would be underpaying as the Trustee is paying trailing commissions based on the value of unit holdings irrespective of the level of “service and advice” ; and
- 2) Unitholders of Series “A” mutual funds who hold those funds in discount brokerage accounts are not offered and do not receive any advice or any advice related services from their dealer (such as estate planning, tax planning, buy and sell recommendations, etc.). Despite this fact, discount brokerages are compensated as if they are providing their clients with the same level of “services and advice” as their full service brethren; and
- 3) The vast majority of mutual fund unitholders do not fully understand how embedded commission payments are calculated, what embedded commissions actually are and who is the ultimate recipient of those payments; as such, no mutual fund unitholders can assess whether they received “services and advice” at all yet alone “services and advice” of a value that is equal to the trailing commission paid on their behalf; and
- 4) Non-mutual fund holding clients (who are not associated with the payment of a trailing commission) of a dealer receive the same level of “services and advice” as mutual fund

holding clients (who are associated with trailing commissions) of that same dealer, so what are trailing commissions actually used for? and

- 5) Dealers co-mingle trailing commission monies with other forms of revenue they receive. As such, trailing commission monies are used by dealers for a whole host of expenditures that have nothing to do with “services and advice” provided to a unitholder. That is, dealers may provide a portion of trailing commission monies they receive to their affiliates and/or their parent company (as an example Scotia ITRADE may provide trailing commission monies it receives to The Bank of Nova Scotia). These trailing commission monies may in turn be used by the dealer’s affiliates and/or parent company for executive compensation and bonuses, profits, shareholder distributions, travel, marketing and advertising of non-mutual fund related products, loan capital, investment capital, etc. Dealers may choose to use a portion of trailing commission monies for their own executive compensation and bonuses, non-mutual fund related expenses such as legal expenses, regulatory expenses, the purchasing of cleaning products and toiletries, etc. None of the aforementioned uses of trailing commission monies would, according to any reasonable person, be described as being “services and advice” provided to unitholders; and
- 6) Trustees and dealers have engaged in practices that contravene numerous sections of both provincial securities laws and national instruments where such laws relate to prospectus representations and approved uses of trailing commission monies; and
- 7) Trustees are routinely violating their fiduciary duties, as confirmed by the terms of their respective declarations of trust and by trust law in general, each and every time they remove monies from a mutual fund trust with a total indifference as to whether those trust monies provide beneficiaries with anything of value.

The intended consequences of the status quo in embedded commissions are that mutual fund industry players enrich themselves at the expense of ordinary Canadians by actively concealing their abuses of power and breaches of the law. The CSA knows that embedded commissions in the mutual fund industry are carried out in an unlawful fashion under contract law, the law of torts, trust laws and securities laws. By virtue of being unlawful the CSA must take the steps necessary to end the practice of embedded commissions in mutual funds immediately. Further consultations on this issue are pointless and merely serve to distract from the plain and obvious fact that the CSA, elected politicians, industry related self-regulating organizations and yes, even the public, have dropped the ball and naively allowed the mutual fund industry to flourish by engaging in unlawful, immoral and harmful acts for decades.

Truly,

Dr. Gary Stenzler

AMENDED AND RESTATED DISTRIBUTION AGREEMENT

THIS AGREEMENT is effective as of the 26th day of July, 2016.

BETWEEN:

TD ASSET MANAGEMENT INC., a corporation amalgamated under the laws of Ontario, whose principal office is located at 66 Wellington Street West, TD Tower, 12th Floor, Toronto, Ontario, M5K 1A2, as manager (the "**Manager**") of the TD Mutual Funds as outlined in Schedule A and Schedule B attached as may be amended from time to time (the "**Funds**")

-and -

TD INVESTMENT SERVICES INC., a corporation incorporated under the laws of Ontario, P.O. Box 100, TD Bank Tower, Toronto, Ontario, M5K 1G8, as principal distributor of the Funds (the "**Distributor**")

RECITALS:

- A. The Manager has been appointed by the Funds to manage and direct the overall business affairs of the Funds.
- B. The Distributor is engaged in the business of, among other things, acting as a distributor of securities issued by mutual funds.
- C. Certain of the Funds, the Manager and the Distributor entered into a Distribution Agreement dated as of September 30, 2005, (the "**September 2005 Distribution Agreement**") in order to set out the terms under which the Distributor will distribute the Units (hereinafter defined).
- D. Certain of the Funds, the Manager and the Distributor amended and restated the September 2005 Distribution Agreement on August 28th, 2006 (the "**August 28th 2006 Distribution Agreement**") to amend the definition of Units and to amend Schedule A.
- E. Certain of the Funds, the Manager and the Distributor amended and restated the August 28th, 2006 Distribution Agreement on July 19th, 2007 (the "**July 19, 2007 Distribution Agreement**") to amend Schedule A and otherwise update the Agreement.
- F. Certain of the Funds, the Manager and the Distributor amended and restated the July 19, 2007 Distribution Agreement on July 21, 2008 (the "**July 21, 2008 Distribution Agreement**") to amend Schedule A and otherwise update the Agreement.
- G. The Funds, the Manager and the Distributor amended and restated the July 21, 2008 Distribution Agreement on July 22, 2009 (the "**July 22, 2009 Distribution Agreement**") to amend Schedule A and otherwise update the Agreement.
- H. The Funds, the Manager and the Distributor amended and restated the July 22, 2009 Distribution Agreement on January 5, 2010 (the "**January 5, 2010 Distribution Agreement**") to create a new Schedule B to allow for the distribution

of certain Units of the Funds as distributor, and not as principal distributor, and otherwise update the Agreement.

- I. The Funds, the Manager and the Distributor amended and restated the January 5, 2010 Distribution Agreement on July 25, 2011 (the "**July 25, 2011 Distribution Agreement**") to create a new Schedule A and otherwise update the Agreement.
- J. Certain of the Funds, the Manager and the Distributor amended and restated the July 25, 2011 Distribution Agreement on November 28, 2011 Agreement (the "**November 28, 2011 Distribution Agreement**") to amend Schedule A, add an additional clause with respect to right of inspection and otherwise update the Agreement.
- K. The Funds, the Manager and the Distributor amended and restated the November 28, 2011 Distribution Agreement on July 22, 2014 (the "**July 22, 2014 Distribution Agreement**") to amend Schedule A.
- L. The Funds, the Manager and the Distributor amended and restated the July 22, 2014 Distribution Agreement on July 21, 2015 (the "**July 21, 2015 Distribution Agreement**") to amend Schedule A.
- M. The Funds, the Manager and the Distributor wish to amend and restate the July 21, 2015 Distribution Agreement to amend Schedule A to add TD US\$ Retirement Portfolio and TD Retirement Conservative Portfolio to the schedule, effective September 26, 2016, and otherwise update the document.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties agree as follows:

Definitions and Interpretations

- 1. In this Agreement, except where the context otherwise requires:

" Agreement" means this agreement as it may be amended or supplemented from time to time and the expressions "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and, except where the context otherwise requires, not to any particular article, section or subsection;

"Annual Information Form" means any current annual information form, which may be filed with securities regulatory authorities to permit the continuous offering of the Units, together with any and all amendments;

"Business Day" means each day that the Toronto Stock Exchange is open for trading;

"Series" means a series of Units;

"Declaration of Trust" means the Amended, Consolidated and Restated Declarations of Trust dated as of July 26, 2016 pertaining to the Funds, as amended from time to time;

"Prospectus" means any current final prospectus or simplified prospectus, which may be filed with securities regulatory authorities to permit the continuous offering of the Units together with any and all amendments;

"prospectus" includes a proforma prospectus, preliminary prospectus, simplified prospectus and a final prospectus;

"Trustee" means, as of any particular time, the person holding the office of trustee under the Declaration of Trust at such time, whether it is the signatory to this Agreement or an additional or successor trustee; and

"Units" means those beneficial interests in the capital of the Funds presently constituted by the Declaration of Trust and referred to as Investor Series units, e-Series units, Premium Series units, Institutional Series units and those beneficial interests in the Funds of any other Series of units which the Trustee may hereafter create and the Manager authorize for issue and distribution by the Distributor and which the parties agree are "Units".

Appointment of the Distributor

2. The Funds appoint the Distributor as the person entitled to offer for sale, at any time and from time to time, unissued Units and the Distributor agrees to act as the principal distributor for the Funds and their respective Units listed on Schedule A attached hereto, and as distributor for the Funds and their respective Units listed on Schedule B attached hereto, and to sell Units on behalf of the Funds subject to the terms and conditions of this Agreement.

3. The Manager delegates to the Distributor, in its capacity as distributor of the Funds, the power and authority to act in the name of and on behalf of the Funds and the Manager for the sole purpose of performing the services described in this Agreement.

Delegation

4. The Distributor may from time to time, with the consent of the Manager, delegate all or a part of its functions under this Agreement to any person, or make such other arrangements as it may determine to be desirable relating to the distribution of Units.

Distribution Arrangements

5. The Distributor agrees that it shall forward all orders for the purchase of Units received by it to the office of the Manager on the same day that they are received unless received after 4 p.m. Eastern Time ("ET") (3 p.m. ET for e-Series units or orders placed over the internet) or any earlier times set by the Distributor for the receipt of orders than the times set by the Fund or received on a day which is not a Business Day, in which case they shall be forwarded on the next Business Day. The Distributor acknowledges that the Manager shall have the right to accept or reject any order, as set out in subsection 12(b).

6. The Distributor shall offer the Units for sale or cause the Units to be offered for sale by registered dealers in any province or territory in which the Units are qualified for sale to the residents of such province or territory at an amount equal to the net asset value applicable to that Series of Units from time to time, computed in accordance with the Declaration of Trust, plus any applicable sales charge applicable to that Series of Units

adjusted to the nearest cent per Unit determined on the basis set out in the Prospectus (or other applicable offering document) of the Funds from time to time.

7. The Distributor agrees to comply with the Declaration of Trust, securities laws, regulations, requirements, rules and policy statements of securities regulatory authorities as they relate to its position as the Distributor or to its obligations under this Agreement, and to act in accordance with, and not take any action which differs from, the statements contained in the Prospectus (or other applicable offering document) and the Annual Information Form.

Obligations of the Distributor

8. The Distributor hereby covenants and agrees that it shall effect all its activities as Distributor in accordance with all laws and, in particular, all securities laws, regulations, requirements, rules and policy statements of securities regulatory authorities of all provinces and territories of Canada in which the Units are qualified for sale.

9. The Distributor hereby agrees to assume all liability arising from any breach of any covenants of the Distributor set out in this Agreement and shall indemnify and save the Funds harmless from any liability, cost and damages (other than loss of profits) caused by any breach by it of those covenants including, without limiting the generality of the foregoing, all costs and damages (other than loss of profits) suffered by the Funds as a result of the exercise by a customer of the Distributor of a statutory rescission right which that customer would not have been entitled to exercise had the Distributor fully complied with all the covenants of the Distributor contained in this Agreement.

Obligations of the Funds and the Manager

10. The Funds agree to provide to the Distributor such number of copies of the Prospectus (or other applicable offering document), the Annual Information Form, any management reports of fund performance, and any financial statements and any other documents of the Funds that the Funds may be required to deliver to subscribers for Units as the Distributor may reasonably request from time to time. The Manager and the Funds agree to provide, on a timely basis, confirmation of each sale of Units.

11. The Manager agrees with the Distributor to act in accordance with, and not take any action which differs from, the statements contained in the Prospectus (or other applicable offering document) and the Annual Information Form.

Subscriptions

12. (a) Subscriptions received by the Distributor for Units shall be forwarded by or on behalf of the Distributor as set out in section 5. Subscriptions received and accepted by the Funds will be priced at the amount and in the manner set out, from time to time, in the Prospectus (or other applicable offering document) and the Annual Information Form.

(b) The Distributor acknowledges that the Manager has the right to accept or reject purchase orders for Units in whole or in part, subject to compliance with applicable securities laws, regulations, rules and policy statements of securities regulatory authorities in Canada and, without limiting the generality of the foregoing, may reject any order if the dollar amount subscribed for is less than the minimum amount which may, from time to time, be prescribed for an order for Units or any Series thereof. The Manager agrees to exercise such discretion promptly and in any event, within two Business Days after the

receipt by the Manager of the duly completed subscription. In the event of a rejection of an order by the Manager, the Manager shall promptly refund moneys received with the order to the subscriber and the Distributor shall ensure that any applicable sales charge is likewise refunded.

Remuneration and Expenses of Distributor

13. (a) In consideration of the services performed by the Distributor pursuant to this Agreement, the Distributor shall be entitled to receive from the Funds or the Manager the applicable amount or percentage, if any, agreed with the Fund or Manager, as the case may be, of commission or sales charge payable on the sale of Units and any trailing commissions, deferred sales charges, redemption fees or similar fees agreed to be payable in connection with the Units.

(b) From time to time the Distributor in its discretion may agree to accept remuneration with respect to the Units held by a Unitholder which is less than that otherwise payable by the Funds pursuant to section 13(a). In the event that the Distributor so agrees, the Funds shall distribute the amount of any such reduction in the Distributor's remuneration to such Unitholder.

Compliance with Laws: Notification

14. The Manager agrees that it will, and will cause the Funds to, at all times, comply with all applicable laws, regulations, requirements, rules or policy statements of securities regulatory authorities of each of the provinces and territories of Canada to permit the Units to be offered and sold to the public in such provinces and territories by the Distributor. In particular, and without limiting the generality of the foregoing, the Manager will file or cause to be filed annually, or more often as may be required, with the securities regulatory authorities in each province and territory of Canada as the Distributor may designate, such prospectuses and annual information forms, amendments to such prospectuses and annual information forms, reports, financial statements and other documents as may be required to comply with all applicable securities laws and regulations, rules or policy statements of securities regulatory authorities in connection with the distribution of Units.

15. During the term of this Agreement, the Funds agree to promptly notify the Distributor of the particulars of any change (actual, contemplated or threatened) in the Funds business or affairs which is of such a nature as to render the Prospectus (or other applicable offering document), Annual Information Form or any amendments misleading or untrue in any material respect or result in a misrepresentation (as defined in applicable securities legislation) or which would result in the Prospectus (or other applicable offering document), or Annual information Form not complying (to the extent that such compliance is required) with the laws, regulations, requirements, rules or policy statements of the securities regulatory authorities of each province and territory where Units are qualified for sale. The Funds shall promptly comply with all applicable filing and other requirements, under securities laws and similar laws and regulations in all provinces and territories of Canada, whether as a result of such change or otherwise.

16. During the term of this Agreement, the Manager, and its duly appointed representatives, shall have access at all reasonable times to all books and records maintained by the Distributor relating to the Funds. The Distributor agrees that all books and records which it maintains relating to the Funds are the property of the Funds and that it will surrender any of such books and records to the Manager promptly upon Manager's

request. The Distributor further agrees to preserve such records for such periods as may be prescribed by the laws of Ontario.

Indemnification

17. The Funds shall protect and indemnify the Distributor, and any person directly or indirectly controlling, controlled by or under common control with the Distributor (collectively an "affiliate") and any director, officer, employee or agent of the Distributor or any affiliate thereof (in each case, an "Indemnified Party") from and against all losses (other than loss of profits), claims, costs, damages, charges, expenses, liabilities, actions or demands which are caused by or arise directly or indirectly by reason of:

- (a) any information or statement (other than information or statements relating to the Distributor) contained in the Annual Information Form, the Prospectus (or other applicable offering document) or any amendment of such documents or any other document or material filed or delivered in connection with the Annual information Form, the Prospectus, or any amendment of such documents being or being alleged to be a misrepresentation or being or being alleged to be untrue; or
- (b) any omission or alleged omission to state any information or statements in any of the documents referred to in subsection 17(a) (other than information or statements relating to the Distributor) whether material or not, required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they were made; or
- (c) any order made or enquiry, investigation or proceeding commenced or threatened by any securities commission, stock exchange or other competent authority, relating to any untrue statement, omission or misrepresentation or alleged untrue statement, omission or misrepresentation (other than relating to the Distributor) contained in any of the documents referred to in subsection 17(a); or
- (d) the Funds not complying with any requirement of applicable laws, regulations, rules, requirements or policy statements of securities regulatory authorities of any province or territory in Canada; or
- (e) any matter or thing which the Distributor may do and have done or cause to be done pursuant to the terms of this Agreement;

provided that nothing in this Agreement, shall be deemed to protect an Indemnified Party against any liability to the Funds and its unitholders to which an Indemnified Party would otherwise be subject by reason of that Indemnified Party's negligence or willful misconduct or breach of its duties and obligations, if any, under this Agreement.

It is the intention of the Funds to constitute the Distributor a trustee, for each Indemnified Party, of the covenants of the Funds under this section 17 with respect to each Indemnified Party and the Distributor agrees to accept such trust and to hold and enforce such covenants on behalf of such persons. If any matter or thing contemplated by this section shall be asserted against an Indemnified Party, such Indemnified Party shall notify the Funds as soon as possible of the nature of such claim and the Funds shall be entitled (but not required) to assume the defense of any suit brought to enforce such claim,

provided, however, that the defence shall be through legal counsel acceptable to such Indemnified Party and that no settlement may be made by the Funds or such Indemnified Party without prior written consent of the other, such consent not to be unreasonably withheld.

18. An Indemnified Party shall have the right to employ separate counsel in any proceeding described above and participate in the defence thereof but the fees and expenses of such counsel shall be at the expense of such Indemnified Party unless:

- (i) the employment of such counsel has been authorized by the Funds; or
- (ii) the named parties to any such proceeding include both such Indemnified Party and the Funds or the Manager and representation of such parties by the same counsel would be inappropriate due to actual or potential differing interests between them, in which event the expense of such counsel shall be for the account of the Funds; or
- (iii) the Funds have not assumed the defence of such proceeding with legal counsel acceptable to the Indemnified Party and the required consent of the Indemnified Party has not been unreasonably withheld; in which event the expense of such counsel shall be for the account of the Funds.

Termination

19. This Agreement may be terminated at the request of a party upon thirty (30) days' prior written notice to the other party.

20. Upon termination of this Agreement, the Distributor shall forthwith deliver to the Manager all records, documents and books of account, and all materials and supplies which have been supplied by the Funds or the Manager or for which the Distributor has been reimbursed by the Manager or the Funds, which are in the possession or control of the Distributor and relate directly or indirectly to the performance by the Distributor of its obligations under this Agreement provided, however, that the Distributor may retain notarial or other copies of such records, documents and books of account and the Manager shall produce at its principal office the originals of such records, documents and books of account whenever reasonably required to do so by the Distributor for the purpose of legal proceedings or dealings with any governmental authorities.

21. Upon termination of this Agreement, the Manager shall pay to the Distributor such amounts as may be due as of the date of termination.

Survival

22. The parties agree that their respective obligations pursuant to section 9, section 13, section 17, section 18, section 20 and section 21 shall survive the termination of this Agreement.

Notices

23. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be given by facsimile or other means of electronic communication or by delivery as provided below. Any notice or other communication, if sent by facsimile or other means of electronic communication, shall be deemed to have

been received on the Business Day following the sending, or if delivered by hand shall be deemed to have been received at the time it is delivered to the applicable address noted below to an individual at such address having apparent authority to accept deliveries on behalf of the addressee. Notice of change of address shall be governed by this section. Notices and other communications shall be addressed as follows:

- (a) in the case of notices to the Funds, to:

TD Mutual Funds c/o TD Asset Management Inc.
P.O. Box 100
Toronto-Dominion Bank Tower
Toronto-Dominion Centre
Toronto, Ontario
M5K 1G8

Attention: President

- (b) in the case of notices to the Distributor, to:

TD Investment Services Inc.
P.O. Box 100
Toronto-Dominion Bank Tower
Toronto-Dominion Centre
Toronto, Ontario
M5K 1G8

Attention: President

Miscellaneous Provisions

24. The headings included in this Agreement are included for convenience of reference only and shall not affect the construction or interpretation hereof.

25. Capitalized terms used but not defined in this Agreement, which are defined in the Declaration of Trust, have the meanings attributable to such terms in the Declaration of Trust.

26. This Agreement shall be subject to and construed in accordance with the laws of Ontario and the laws of Canada applicable therein.

27. This Agreement may be assigned by the Distributor on thirty (30) days' prior written notice to the Funds.

28. Nothing in this Agreement shall be deemed in any way or for any purpose to constitute any party a partner of any of the other parties to this Agreement in the conduct of any business. Without limitation, this Agreement (and the corresponding relationship between the parties) does not represent or create a general partnership, limited partnership, joint venture, corporation, company or joint stock company.

29. This Agreement may not be amended in any respect except by written instrument signed by the parties to this Agreement.

30. Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision of this Agreement.

IN WITNESS WHEREOF the parties have executed this Agreement effective as of the date first above written.

TD ASSET MANAGEMENT INC.,
as Manager of the Funds

TD ASSET MANAGEMENT INC.

By: "Tim G. Wiggan" _____ c/s
Tim G. Wiggan
President, TD Mutual Funds
Chief Executive Officer and Director

By: "Tim G. Wiggan" _____ c/s
Tim G. Wiggan
President, TD Mutual Funds
Chief Executive Officer and Director

TD INVESTMENT SERVICES INC.,
as Distributor

By: "Thomas J. Dyck" _____ c/s
Thomas J. Dyck
Chief Executive Officer and Director

Schedule A – Principal Distributor for the following Fund Series

Investor Series units of:

Money Market Funds

TD Canadian Money Market Fund
TD Premium Money Market Fund
TD U.S. Money Market Fund

Fixed Income Funds

TD Short Term Bond Fund
TD Canadian Bond Fund
TD Canadian Core Plus Bond Fund
TD Real Return Bond Fund
TD Global Bond Fund
TD High Yield Bond Fund

Balanced Funds

TD Monthly Income Fund
TD U.S. Monthly Income Fund
TD Balanced Income Fund
TD Diversified Monthly Income Fund
TD Balanced Growth Fund
TD Dividend Income Fund

Canadian Equity Funds

TD Dividend Growth Fund
TD Canadian Equity Fund
TD Canadian Value Fund
TD Canadian Small-Cap Equity Fund

U.S. Equity Funds

TD North American Dividend Fund
TD U.S. Blue Chip Equity Fund
TD U.S. Quantitative Equity Fund
TD U.S. Mid-Cap Growth Fund
TD U.S. Small-Cap Equity Fund

Global Equity Funds

TD Global Low Volatility Fund
TD International Growth Fund
TD Asian Growth Fund
TD Emerging Markets Fund

Epoch Funds

Epoch U.S. Large-Cap Value Fund
Epoch Global Shareholder Yield Fund
Epoch Global Equity Fund
Epoch European Equity Fund

Investor Series units of (cont'd):

Sector Funds

TD Resource Fund
TD Precious Metals Fund
TD Entertainment & Communications Fund
TD Science & Technology Fund
TD Health Sciences Fund

Index Funds

TD Canadian Bond Index Fund
TD Balanced Index Fund
TD Canadian Index Fund
TD Dow Jones Industrial Average Index Fund
TD U.S. Index Fund
TD U.S. Index Currency Neutral Fund
TD Nasdaq[®] Index Fund
TD International Index Fund
TD International Index Currency Neutral Fund
TD European Index Fund

Comfort Portfolios

TD Comfort Conservative Income Portfolio
TD Comfort Balanced Income Portfolio
TD Comfort Balanced Portfolio
TD Comfort Balanced Growth Portfolio
TD Comfort Growth Portfolio
TD Comfort Aggressive Growth Portfolio

Retirement Portfolios

TD US\$ Retirement Portfolio*
TD Retirement Conservative Portfolio*

(collectively, the “Investor Series Funds”)

e-Series units of:

Index Funds

TD Canadian Bond Index Fund
TD Canadian Index Fund
TD Dow Jones Industrial Average Index Fund
TD U.S. Index Fund
TD U.S. Index Currency Neutral Fund
TD Nasdaq[®] Index Fund
TD International Index Fund
TD International Index Currency Neutral Fund
TD European Index Fund

(collectively, the “e-Series Funds”)

* Effective as of September 26, 2016

Schedule B – Distributor for the following Fund Series

Institutional Series units of:

Fixed Income Funds

TD Short Term Bond Fund
TD Canadian Bond Fund
TD Income Advantage Portfolio

Balanced Funds

TD Dividend Income Fund

Canadian Equity Funds

TD Dividend Growth Fund

(collectively, the “Institutional Series Funds”)