

TORONTO DOMINION BANK
Form 424B3
August 26, 2010

Filed Pursuant to Rule 424(b)(3)
Registration No. 333-167443

PROPOSED MERGER TRANSACTION YOUR VOTE IS VERY IMPORTANT

The South Financial Group, Inc., or TSFG, entered into a merger agreement with The Toronto-Dominion Bank, or TD, which provides for TD to acquire TSFG. If the merger is completed, you will receive either \$0.28 in cash, if a cash election is made, or 0.004 TD common shares (plus cash in lieu of any fractional share interests) for each share of TSFG common stock you hold immediately prior to the completion of the merger. The exchange ratio of 0.004 TD common shares for the stock consideration option is fixed and will only be adjusted in limited circumstances. The exchange ratio will not be adjusted to reflect changes in the stock price of TSFG or TD. The dollar value of the stock consideration TSFG shareholders may receive will change depending on changes in the market price of TD common shares and will not be known at the time you vote on the merger. Based on the closing price of TD common shares as reported on the New York Stock Exchange on May 14, 2010, the last trading day before public announcement of the merger, the stock consideration represented approximately \$0.28 in value for each share of TSFG common stock, and based on the closing price of TD common shares as reported on the New York Stock Exchange on August 23, 2010, the last practicable date before the date of this document, the stock consideration represented approximately \$0.2682 in value for each share of TSFG common stock. TD's common shares are listed on the New York Stock Exchange and the Toronto Stock Exchange under the symbol TD, and TSFG's common stock is listed on the Nasdaq Capital Market under the symbol TSFG. You should obtain current market quotations for both securities. We believe that the merger will be a taxable transaction for TSFG shareholders for United States federal income tax purposes.

At TSFG's special meeting of its shareholders, you will have the opportunity to vote on the approval of the plan of merger contained in the Agreement and Plan of Merger, or merger agreement, dated as of May 16, 2010, among TSFG, TD and Hunt Merger Sub, Inc., a wholly-owned subsidiary of TD. The special meeting of TSFG shareholders will be held at Poinsett Plaza, 2nd Floor, 104 South Main Street, Greenville, SC 29601, on September 28, 2010, at 10:30 a.m. local time, to vote on the approval of the plan of merger. **The TSFG board of directors unanimously recommends that you vote FOR the approval of the plan of merger.**

In connection with entering into the merger agreement, TSFG and TD also entered into a share purchase agreement, pursuant to which, on August 23, 2010, TD acquired 100 newly issued shares of TSFG's Series M Preferred Stock for consideration of 1,000 TD common shares. The Series M Preferred Stock that was issued to TD will vote together with TSFG common stock as a single class and represent 39.9% of the total voting power of holders of TSFG capital stock entitled to vote at the special meeting (including with respect to approval of the plan of merger contained in the merger agreement).

Your vote is very important. A majority of the votes entitled to be cast on the plan of merger contained in the merger agreement, consisting of all outstanding shares of TSFG common stock and the Series M Preferred Stock, voting together as a single class, constitutes a quorum for transacting business at the special meeting. Approval of the plan of merger contained in the merger agreement requires the affirmative vote of a majority of the votes entitled to be cast at the special meeting by the holders of TSFG common stock and the Series M Preferred Stock, voting together as a single class. TD will vote its shares of Series M Preferred Stock in favor of approval of the plan of merger contained in the merger agreement at the special meeting. An abstention or failure to vote or to instruct your broker how to vote will have the same effect as voting against the plan of merger contained in the merger agreement. Whether or not you plan to attend the meeting, please promptly return your completed proxy so that your shares are voted at the meeting. If your shares are held in street name, you must instruct your broker in order to vote.

This proxy statement/prospectus contains detailed information about the special meeting, the proposed merger, documents related to the merger and other related matters, and we urge you to read it carefully, including the section entitled Risk Factors beginning on page 23.

We appreciate your continued support.

Sincerely,
H. Lynn Harton
President and Chief Executive Officer

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

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

The date of this proxy statement/prospectus is August 24, 2010, and it is first being mailed or otherwise delivered to TSFG shareholders on or about August 26, 2010.

REFERENCES TO ADDITIONAL INFORMATION

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

The South Financial Group, Inc.
Investor Relations
104 South Main Street
Poinsett Plaza, 6th Floor
Greenville, SC 29601
(888) 592-3001
investor@thesouthgroup.com

TD Bank Financial Group
Investor Relations
TD Tower, 15th Floor
66 Wellington Street West
Toronto, Ontario, Canada M5K 1A2
(416) 308-9030
tdir@td.com

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

Innisfree M&A Incorporated
501 Madison Avenue
New York, NY 10022
Toll free telephone: (877) 717 3929
Brokers and banks, please call: (212) 750 5833

In order to receive timely delivery of requested documents in advance of the special meeting, you should make your request no later than September 21, 2010.

See Where You Can Find More Information beginning on page 96.

THE SOUTH FINANCIAL GROUP, INC.

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
To Be Held on September 28, 2010**

To the Shareholders of The South Financial Group, Inc.:

We will hold a special meeting of shareholders at 10:30 a.m. local time, on September 28, 2010 at Poinsett Plaza, 2nd Floor, 104 South Main Street, Greenville, SC 29601 to consider and vote upon the following matters:

a proposal to approve the plan of merger contained in the Agreement and Plan of Merger, dated as of May 16, 2010, among The South Financial Group, Inc., The Toronto-Dominion Bank and Hunt Merger Sub, Inc., pursuant to which Hunt Merger Sub, Inc. will merge with and into The South Financial Group, Inc., whereupon the separate corporate existence of Hunt Merger Sub, Inc. will cease and TSFG will survive as a wholly-owned subsidiary of TD, as more fully described in the attached proxy statement/prospectus. A copy of the Agreement and Plan of Merger is included as Appendix A to the proxy statement/prospectus; and

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

The close of business on August 23, 2010 has been fixed as the record date for determining those TSFG shareholders entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting. Only the holders of record of TSFG common stock and the Series M Preferred Stock at the close of business on that date are entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting. Approval of the plan of merger contained in the merger agreement requires the affirmative vote of a majority of the votes entitled to be cast at the special meeting by the holders of TSFG common stock and the Series M Preferred Stock, voting together as a single class. The Series M Preferred Stock was issued to TD prior to the record date for the special meeting of TSFG shareholders and represents 39.9% of the total voting power of holders of TSFG capital stock entitled to vote at the special meeting (including on the approval of the plan of merger contained in the merger agreement). TD is the sole holder of all shares of Series M Preferred Stock and is required to vote these shares in favor of approving the plan of merger contained in the merger agreement. If you wish to attend the special meeting and your shares are held in the name of a broker, trust, bank or other nominee, you must bring with you a proxy or letter from the broker, trustee, bank or other nominee to confirm your beneficial ownership.

By order of the Board of Directors,

William P. Crawford, Jr.

Secretary

August 24, 2010

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

TSFG S BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR APPROVAL OF THE PLAN OF MERGER AND FOR APPROVAL OF ANY ADJOURNMENT OR POSTPONEMENT OF THE SPECIAL MEETING, IF NECESSARY OR APPROPRIATE, INCLUDING TO PERMIT FURTHER SOLICITATION OF PROXIES.

TABLE OF CONTENTS

	Page
<u>SUMMARY</u>	1
<u>The Merger</u>	1
<u>TSFG Shareholders Will Have the Right to Elect to Receive Cash or TD Common Shares in the Merger</u>	1
<u>Treatment of TSFG Stock Options and Other Equity Based Awards</u>	1
<u>Comparative Per Share Market Price and Dividend Information</u>	2
<u>Opinion of TSFG's Financial Advisor</u>	2
<u>Material United States Federal Income Tax Consequences to Holders of TSFG Common Stock</u>	2
<u>Holders of TSFG Common Stock Do Not Have Dissenters' Rights of Appraisal</u>	2
<u>TSFG's Board of Directors Unanimously Recommends that You Vote FOR the Approval of the Plan of Merger</u>	2
<u>Your Rights as a Holder of TD Common Shares Will Be Different from Your Rights as a Holder of TSFG Common Stock</u>	3
<u>TSFG Executive Officers and Directors Have Financial and Other Interests in the Merger that are Different from or in Addition to Your Interests</u>	3
<u>The Companies</u>	3
<u>The Special Meeting of TSFG Shareholders</u>	4
<u>TD Shareholder Approval</u>	5
<u>The Merger Agreement</u>	5
<u>Completion of the Merger is Subject to Conditions</u>	5
<u>The Merger Agreement May Be Terminated Under Some Circumstances</u>	6
<u>TSFG May Be Required to Pay a Termination Fee Under Some Circumstances</u>	7
<u>TD and TSFG Entered into a Share Purchase Agreement</u>	7
<u>TD and the United States Department of the Treasury Entered into a Securities Purchase Agreement</u>	7
<u>TD Purchases of TSFG Common Stock</u>	7
<u>Regulatory Approvals Required for the Merger</u>	7
<u>Nasdaq Matters</u>	8
<u>Litigation Relating to the Merger</u>	8
<u>QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND RELATED MATTERS</u>	9
<u>COMPARATIVE PER SHARE DATA</u>	13
<u>COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION</u>	16
<u>CURRENCY EXCHANGE RATE DATA</u>	18
<u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF TD</u>	19
<u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF TSFG</u>	21
<u>RISK FACTORS</u>	23
<u>CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS</u>	26
<u>THE SPECIAL MEETING</u>	27
<u>Date, Time and Place</u>	27
<u>Matters to be Considered</u>	27
<u>Proxies</u>	27
<u>Solicitation of Proxies</u>	28
<u>Record Date and Quorum</u>	28
<u>Vote Required</u>	28
<u>Participants in TSFG Employee Plans</u>	29
<u>Voting by Telephone or Through the Internet</u>	29

<u>Delivery of Proxy Materials</u>	30
<u>Recommendations of TSFG's Board of Directors</u>	30
<u>INFORMATION ABOUT THE COMPANIES</u>	30
<u>The Toronto-Dominion Bank</u>	30
<u>Additional Information Relating to Certain Prior Disclosures of TD</u>	31
<u>Hunt Merger Sub, Inc.</u>	31
<u>The South Financial Group, Inc.</u>	31
<u>THE MERGER</u>	32
<u>Background of the Merger</u>	32
<u>TSFG's Reasons for the Merger</u>	35
<u>Opinion of TSFG's Financial Advisor</u>	37
<u>TD's Reasons for the Merger</u>	43
<u>Litigation Relating to the Merger</u>	43
<u>Interests of TSFG's Executive Officers and Directors in the Merger</u>	43
<u>Material United States Federal Income Tax Consequences</u>	46

	Page
<u>Material Canadian Federal Income Tax Considerations</u>	50
<u>Anticipated Accounting Treatment</u>	52
<u>Regulatory Matters Related to the Merger and Stock Exchange Listings</u>	52
<u>Merger Fees, Costs and Expenses</u>	53
<u>Procedures for Cash Election and Exchange of TSFG Stock Certificates</u>	53
<u>Treatment of TSFG Options and Other Equity Based Awards</u>	55
<u>No Dissenters Rights of Appraisal</u>	56
<u>Resale of TD Common Shares</u>	56
<u>Nasdaq Matters</u>	57
<u>PROPOSAL NO. 1: THE MERGER AGREEMENT</u>	58
<u>Structure of the Merger</u>	58
<u>Merger Consideration</u>	58
<u>Surviving Corporation, Governing Documents and Directors</u>	59
<u>Closing</u>	59
<u>Effective Time of the Merger</u>	60
<u>Representations and Warranties</u>	60
<u>Covenants and Agreements</u>	62
<u>Conditions to the Merger</u>	69
<u>Termination</u>	70
<u>Effect of Termination</u>	71
<u>Termination Fees and Expenses</u>	71
<u>Amendments, Extension and Waivers</u>	72
<u>Share Purchase Agreement</u>	72
<u>TD's Securities Purchase Agreement with the United States Department of the Treasury</u>	72
<u>TD Purchases of TSFG Common Stock</u>	72
<u>DIRECTORS AND MANAGEMENT OF TD</u>	73
<u>TD's Board of Directors and Executive Officers</u>	73
<u>BENEFICIAL OWNERSHIP OF TSFG COMMON STOCK</u>	77
<u>DESCRIPTION OF TD SHARE CAPITAL</u>	79
<u>TD Capital Stock</u>	79
<u>TD Common Shares</u>	79
<u>TD Preferred Shares</u>	79
<u>Limitations Affecting Holders of TD Common Shares</u>	82
<u>Amendments to the Rights, Privileges, Restrictions and Conditions of TD's Share Capital</u>	83
<u>COMPARISON OF SHAREHOLDER RIGHTS</u>	84
<u>Authorized Capital Stock</u>	84
<u>Number, Classification, and Election of Directors</u>	84
<u>Filling Vacancies on the Board of Directors and Removing Directors</u>	85
<u>Voting Rights Generally; Voting on Mergers, Share Exchanges, Conversions, and Sales of Assets</u>	86
<u>Exculpation of Liability</u>	87
<u>Director and Officer Indemnification</u>	87
<u>Special Meetings of Shareholders</u>	88
<u>Quorum Requirements</u>	88
<u>Shareholder Nominations and Proposals</u>	89
<u>Shareholder Action Without a Meeting</u>	89
<u>Amendments of Governing Instruments</u>	90

<u>Anti-Takeover and Ownership Provisions</u>	91
<u>Appraisal and Dissent Rights</u>	92
<u>Dividends and Other Distributions and Liquidation</u>	93
<u>Consideration of Other Constituencies</u>	93
<u>PROPOSAL NO. 2: ADJOURNMENT OF THE SPECIAL MEETING</u>	94
<u>TD MARKET ACTIVITIES INVOLVING TD COMMON SHARES</u>	94
<u>EXPERTS</u>	95
<u>LEGAL MATTERS</u>	95
<u>OTHER MATTERS</u>	95
<u>SHAREHOLDER PROPOSALS FOR NEXT ANNUAL MEETING</u>	95
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	96
<u>Appendix A Agreement and Plan of Merger</u>	A-1
<u>Appendix B Opinion of Morgan Stanley & Co. Incorporated</u>	B-1

SUMMARY

*This summary highlights material information from this proxy statement/prospectus. It may not contain all of the information that may be important to you. You should carefully read this entire document, including the appendices and the other documents to which this document refers you, for a more complete understanding of the matters being considered at the special meeting. In addition, we incorporate by reference into this document important business and financial information about TD and TSFG. You may obtain the information incorporated by reference into this document without charge by following the instructions in the section entitled *Where You Can Find More Information* beginning on page 96. Where applicable, each item in this summary includes a page reference directing you to a more complete description of that item. All references in this proxy statement/prospectus to dollars, \$ or U.S.\$ are to U.S. dollars and all references to C\$ are to Canadian dollars.*

The Merger (Page 32)

The merger agreement provides for TD's direct wholly-owned subsidiary, Hunt Merger Sub, Inc., to merge with and into TSFG, with TSFG surviving the merger as a wholly-owned subsidiary of TD.

TSFG Shareholders Will Have the Right to Elect to Receive Cash or TD Common Shares in the Merger (Page 58)

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

\$0.28 in cash, which we refer to as the cash consideration, if a cash election is effectively made with respect to such share; or

0.004 TD common shares, plus cash in lieu of any fractional share interests, which we refer to as the stock consideration.

For example, if you own 1,000 shares of TSFG common stock and you do not make a cash election for any of your shares, when the merger has been completed you will receive 4 TD common shares. If after the merger has been completed, you hold fewer than 100 TD common shares, you will have a so-called *odd lot* rather than a *round lot*. Trading in odd lots may be more difficult and/or expensive than trading in round lots. If there were fractional shares, you would receive cash in U.S. dollars in an amount equal to the fractional interest in a TD common share multiplied by the average of the daily volume weighted average price of a TD common share on the Toronto Stock Exchange for the five trading days immediately preceding the date of completion of the merger, as such price is converted from Canadian dollars into U.S. dollars. If you own 1,000 shares of TSFG common stock and you do make a cash election with respect to all of your shares, when the merger has been completed you would receive \$280.00 in cash.

The exchange ratio relating to the TD common shares you will receive is a fixed ratio, which means it will not be adjusted based on any changes in the trading price of TD common shares or TSFG common stock between now and the time the merger is completed. Therefore, the market value of the TD common shares you will receive in the merger in exchange for any shares of TSFG common stock for which you do not make a cash election will depend on the price of the TD common shares at the time the merger is completed and will not be known at the time TSFG shareholders vote on the merger. For information on recent market prices of the TD common shares and TSFG common stock, see *Comparative Per Share Market Price and Dividend Information* beginning on page 16. See also *Risk Factors* beginning on page 23.

In order to make a cash election with respect to any or all of your shares of TSFG common stock, you must submit a properly completed form of cash election, together with the stock certificates representing the shares you wish to exchange for cash consideration, a book-entry delivery of shares or a guarantee of delivery as described in the form of cash election by September 28, 2010, the date of the special meeting of TSFG shareholders, unless completion of the merger will occur more than four business days following the date of the special meeting, in which case the election deadline will be extended until two business days before the completion of the merger. If it is determined that the election deadline will not be the date of the special meeting of TSFG shareholders, TD and TSFG will publicly announce the election deadline at least five business days prior to the anticipated completion date of the merger. If you do not properly make a cash election by the election deadline, your shares of TSFG common stock will be exchanged for stock consideration. If you wish to elect to receive the cash consideration for any or all of your shares of TSFG common stock and your shares are held in street name, you must follow the instructions your broker or bank provides.

Treatment of TSFG Stock Options and Other Equity Based Awards (Page 55)

At the effective time of the merger, all outstanding TSFG equity awards (except for TSFG restricted stock units) will be converted into the right to receive corresponding TD equity awards, adjusted to reflect the exchange

ratio and outstanding TSFG restricted stock units will be converted into the right to receive \$0.28 per share subject to such restricted stock unit.

Certain TSFG options may be terminated, pursuant to their terms and conditions, upon completion of the merger or shortly thereafter.

Comparative Per Share Market Price and Dividend Information (Page 16)

The table below sets forth closing sale prices of TD common shares as reported on the New York Stock Exchange Composite Tape and shares of TSFG common stock as reported on the Nasdaq Global Select Market and Nasdaq Capital Market, respectively, on May 14, 2010, the last trading day before the public announcement of the merger, and August 23, 2010, the last practicable trading day before the distribution of this proxy statement/prospectus. Also, assuming no cash election is made, the table sets forth the implied value of the stock consideration for each share of TSFG common stock on each of these dates, as determined by multiplying the applicable closing sale price of TD common shares on the New York Stock Exchange by the exchange ratio for the stock consideration of 0.004. We urge you to obtain current market quotations for both TD common shares and TSFG common stock. As previously disclosed, the listing of TSFG's common stock has been transferred from the Nasdaq Global Select Market to the Nasdaq Capital Market as of June 7, 2010.

	TD Common Stock	TSFG Common Stock	Implied Value of Stock Consideration for One Share of TSFG Common Stock
May 14, 2010	U.S.\$ 70.89	U.S.\$ 0.67	U.S.\$ 0.28
August 23, 2010	U.S.\$ 67.05	U.S.\$ 0.2760	U.S.\$ 0.2682

Opinion of TSFG's Financial Advisor (Page 37 and Appendix B)

On May 16, 2010, Morgan Stanley & Co. Incorporated, or Morgan Stanley, TSFG's financial advisor in connection with the merger, rendered its oral opinion, subsequently confirmed in writing, to TSFG's board of directors that, as of such date and based upon and subject to the assumptions, considerations, qualifications and limitations set forth in the written opinion, the consideration to be received by the holders of shares of TSFG's common stock pursuant to the merger agreement was fair, from a financial point of view, to such holders. The full text of Morgan Stanley's written fairness opinion, dated May 17, 2010, is attached as Appendix B to this proxy statement/prospectus. TSFG's shareholders are encouraged to read the Morgan Stanley opinion, as well as the description of the assumptions made, procedures followed, factors considered and limitations on the review undertaken by Morgan Stanley in rendering its opinion set forth in the section of this proxy statement/prospectus entitled "The Merger - Opinion of TSFG's Financial Advisor" beginning on page 37.

Morgan Stanley addressed its opinion to TSFG's board of directors, and the opinion does not constitute a recommendation to any shareholder as to how to vote at the special meeting or as to any other action that a shareholder should take with respect to the merger.

Material United States Federal Income Tax Consequences to Holders of TSFG Common Stock (Page 46)

For a U.S. holder (as defined in "The Merger - Material United States Federal Income Tax Consequences"), we believe that the merger will be a taxable transaction. Accordingly, for United States federal income tax purposes, a

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

Holders of TSFG Common Stock Do Not Have Dissenters' Rights of Appraisal (Page 56)

Under applicable South Carolina law, the holders of TSFG common stock are not entitled to any dissenters' rights of appraisal in connection with the merger.

TSFG's Board of Directors Unanimously Recommends that You Vote FOR the Approval of the Plan of Merger (Page 35)

TSFG's board of directors determined that the merger, the merger agreement and the transactions contemplated by the merger agreement are advisable and in the best interests of TSFG and its shareholders and has unanimously approved the plan of merger contained in the merger agreement. For the factors considered by the TSFG board of directors in reaching its decision to approve the plan of merger, see the section entitled "The

Merger TSFG's Reasons for the Merger beginning on page 35. TSFG's board of directors unanimously recommends that TSFG shareholders vote FOR the approval of the plan of merger.

Your Rights as a Holder of TD Common Shares Will Be Different from Your Rights as a Holder of TSFG Common Stock (Page 84)

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

TSFG Executive Officers and Directors Have Financial and Other Interests in the Merger that are Different from or in Addition to Your Interests (Page 43)

Some executive officers and directors of TSFG may have financial interests in the merger that are in addition to, and/or different from, your interests. The independent members of the TSFG board of directors were aware of and considered these interests, among other matters, in evaluating and negotiating the merger and the merger agreement and recommending to the shareholders that the merger agreement be adopted.

Certain of TSFG's executive officers, including each of its named executive officers, are party to employment and supplemental executive retirement agreements with TSFG. These agreements have been amended to eliminate any severance or other benefits that would have otherwise been paid out in the case of qualifying terminations of employment in connection with or following the change in control as a result of the TD merger. TSFG's executive officers have entered into new offer letter agreements with TD that will become effective upon the completion of the merger and provide certain benefits, including a one-time retention bonus payment, subject to the executive officer's continued employment.

These interests are described in more detail in the section entitled The Merger Interests of TSFG's Executive Officers and Directors in the Merger beginning on page 43.

The Companies

The Toronto-Dominion Bank

Toronto-Dominion Centre

P.O. Box 1

Toronto, Ontario, Canada M5K 1A2

(416) 982-8222

TD and its subsidiaries are collectively known as TD Bank Financial Group, or TDBFG. TDBFG is the sixth largest bank in North America by branches and serves more than 18 million customers in four key businesses operating in a number of locations in key financial centres around the globe: Canadian Personal and Commercial Banking, including TD Canada Trust and TD Insurance; Wealth Management, including TD Waterhouse and an investment in TD AMERITRADE Holding Corporation (TD Ameritrade); U.S. Personal and Commercial Banking, including TD Bank, America's Most Convenient Bank; and Wholesale Banking, including TD Securities. TDBFG also ranks among the world's leading online financial services firms, with more than 6 million online customers. TDBFG had C\$574 billion in assets on April 30, 2010. The Toronto-Dominion Bank trades under the symbol TD on the Toronto and New York Stock Exchanges.

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

Additional Information Relating to Certain Prior Disclosures of TD

The discussion set forth under "Capital Structure" "Ratings" in the Annual Information Form filed as Exhibit 99.1 to TD's Annual Report on Form 40-F for the year ended October 31, 2009, "Liquidity Risk" "Funding" in the Management's Discussion and Analysis attached as Exhibit 99.2 to TD's Annual Report on Form 40-F for the year ended October 31, 2009, "Management's Discussion and Analysis" "Liquidity Risk" in the 1st Quarter 2010 Report to Shareholders attached as Exhibit 99.1 to TD's Report of Foreign Issuer on Form 6-K filed with the SEC on March 4, 2010 that attached as an exhibit TD's 1st Quarter 2010 Report to Shareholders, and "Management's Discussion and Analysis" "Liquidity Risk" in the 2nd Quarter 2010 Report to Shareholders attached as Exhibit 99.1 to TD's Report of Foreign Issuer on Form 6-K filed with the SEC on May 27, 2010 that attached as an exhibit TD's

2nd Quarter 2010 Report to Shareholders, which reports are incorporated by reference into this proxy statement/prospectus, is amended by supplementing such discussion with the following additional information:

Credit ratings are important to TD's borrowing costs and ability to raise funds. A ratings downgrade could potentially result in higher financing costs and reduce access to capital markets. A lowering of credit ratings may also affect TD's ability to enter into normal course derivative or hedging transactions and impact the costs associated with such transactions. TD regularly reviews the level of increased collateral its trading counterparties would require in the event of a downgrade of TD's credit rating. TD believes that the impact of a one notch downgrade would be minimal and could be readily managed in the normal course of business, but more severe downgrades could have a more significant impact by increasing TD's cost of borrowing and/or requiring TD to post additional collateral for the benefit of its trading counterparties. Credit ratings and outlooks provided by the ratings agencies reflect their views and are subject to change from time to time, based on a number of factors, including TD's financial strength, competitive position and liquidity as well as factors not entirely within TD's control, including the methodologies used by the rating agencies and conditions affecting the financial services industry generally.

The information contained under "Capital Structure - Ratings" in the Annual Information Form with respect to the description of ratings categories of various ratings agencies is issuer-related disclosure required by Canadian law and was based solely on public statements by the respective ratings agencies available on their respective public websites.

Hunt Merger Sub, Inc.

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

Hunt Merger Sub, Inc. is a South Carolina corporation and a wholly-owned subsidiary of TD. Hunt Merger Sub, Inc. was organized solely for the purpose of effecting the merger with TSFG described in this proxy statement/prospectus. It has not carried on any activities other than in connection with the merger agreement.

The South Financial Group, Inc.

104 South Main Street
Poinsett Plaza, 10th Floor
Greenville, South Carolina 29601
(864) 255-7900

TSFG is a bank holding company focused on serving small businesses, middle market companies, and retail customers in the Carolinas and Florida. At June 30, 2010, it had approximately \$11.6 billion in total assets and 176 branch offices. TSFG operates Carolina First Bank, which conducts banking operations in North Carolina and South Carolina (as Carolina First Bank), and in Florida (as Mercantile Bank). At June 30, 2010, approximately 44% of TSFG's total customer deposits were in South Carolina, 45% were in Florida, and 11% were in North Carolina. Additional information about TSFG can be found on its website at <http://www.thesouthgroup.com>. The information provided on TSFG's website is not part of this proxy statement/prospectus and is not incorporated herein by reference.

The Special Meeting of TSFG Shareholders (Page 27)

The TSFG special meeting will be held at 10:30 a.m. local time, on September 28, 2010, at Poinsett Plaza, 2nd Floor, 104 South Main Street, Greenville, SC 29601. At the TSFG special meeting, TSFG shareholders will be asked:

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

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

Record Date. The close of business on August 23, 2010 has been fixed as the record date for determining those TSFG shareholders entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting. Only the holders of record of TSFG common stock and of the Series M Preferred Stock at the close of business on that date are entitled to notice of, and to vote at, the special meeting and

any adjournments or postponements of the special meeting. TSFG shareholders may cast one vote at the special meeting for each share of TSFG common stock that was owned at the close of business on August 23, 2010.

At the record date, there were 216,401,091 shares of TSFG common stock outstanding and entitled to vote at the special meeting. Directors and executive officers of TSFG and their affiliates had the right to vote 4,018,003 shares of TSFG common stock at the special meeting, or approximately 1.12% of the voting power of the outstanding TSFG capital stock entitled to vote at the special meeting (after giving effect to the issuance of the Series M Preferred Stock). All of the members of the TSFG board of directors have indicated their intention as of August 23, 2010 to vote the shares of TSFG common stock they own (or have the power to vote or direct the vote), if any, as of the record date in favor of the approval of the plan of merger contained in the merger agreement. In addition, as of the record date for the special meeting, TD held 100 shares of Series M Preferred Stock of TSFG that will vote as a single class with TSFG's common stock and have voting power equal to 39.9% of the total voting power of holders of TSFG capital stock entitled to vote. In addition, TD also owns 10,000,000 shares of TSFG common stock, which it acquired in open market purchases, representing (together with the Series M Preferred Stock) 42.7% of the total voting power of holders of TSFG capital stock entitled to vote at the special meeting. TD is required to vote its shares of Series M Preferred Stock, and has informed TSFG that it intends to vote its shares of TSFG common stock, in favor of the proposal to approve the plan of merger contained in the merger agreement.

Required Vote. Approval of the plan of merger contained in the merger agreement requires the affirmative vote of a majority of the votes entitled to be cast at the special meeting by the holders of TSFG common stock and the Series M Preferred Stock, voting together as a single class. Approval of the proposal relating to the adjournment or postponement of the special meeting, if necessary or appropriate, including to solicit additional proxies requires the affirmative vote of a majority of the votes cast on such proposal at the special meeting by the holders of TSFG common stock and the Series M Preferred Stock, voting together as a single class, even if less than a quorum. We urge you to vote.

TD Shareholder Approval

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

The Merger Agreement (Page 58)

The merger agreement is described beginning on page 58 and is included as Appendix A to this proxy statement/prospectus. We urge you to read the merger agreement in its entirety because it is the legal document governing the merger. The merger agreement has been included to provide investors and security holders with information regarding its terms. It is not intended to provide any other factual information about TSFG or TD or any of their respective subsidiaries or affiliates. All descriptions in this summary and elsewhere in this document of the terms and conditions of the merger are qualified by reference to the merger agreement.

Completion of the Merger is Subject to Conditions (Page 69)

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

receipt of the requisite affirmative vote by the TSFG shareholders of the merger agreement;

approval for the listing on the New York Stock Exchange and the Toronto Stock Exchange of the TD common shares to be issued in the merger;

the registration statement on Form F-4, which includes this proxy statement/prospectus, filed by TD with the SEC must have been declared effective by the SEC and no stop order suspending the effectiveness of the Form F-4 shall have been issued and no proceedings for that purpose shall have been initiated by the SEC and not withdrawn; and

receipt of required regulatory approvals and the absence of any injunction or other legal prohibition or restraint against the merger.

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

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

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

there being no action taken, or applicable legal or regulatory restriction or condition that would be reasonably likely to have a material adverse effect on TSFG or TD (assuming, for this purpose, that TD is an entity the size of TSFG in terms of financial metrics);

TD's purchase from the United States Department of the Treasury and ownership of all right, title and interest in all of the issued and outstanding shares of TSFG's Series 2008-T Preferred Stock and the associated warrant issued to the United States Department of the Treasury in connection with the issuance of the Series 2008-T Preferred Stock for an aggregate cash purchase price of \$130,579,218.75 and otherwise on terms and conditions reasonably acceptable to TD; and

no occurrence of an exchange event (as defined in the applicable trust declaration) with respect to the Series 2000A Cumulative Fixed Rate Preferred Shares of Carolina First Mortgage Loan Trust or the Series 2002C Cumulative Floating Rate Preferred Shares of Carolina First Mortgage Loan Trust.

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

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

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

The Merger Agreement May Be Terminated Under Some Circumstances (Page 70)

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

by mutual written consent of TD and TSFG; or

by either TD or TSFG if:

any governmental entity which must grant a required regulatory approval has denied approval of the merger and this denial has become final and nonappealable or a governmental entity has issued a final nonappealable order prohibiting the consummation of the merger;

the merger has not been completed by February 17, 2011, but neither TD nor TSFG may terminate the merger agreement for this reason if its breach of any obligation under the merger agreement has resulted in the failure of the merger to occur by that date;

there is a breach by the other party of the merger agreement which would prevent satisfaction of a closing condition and the breach is not cured prior to 45 days after receipt of written notice of the breach or the breach cannot, by its nature, be cured prior to closing, but neither TD nor TSFG may terminate the merger agreement for this reason if it itself is then in material breach of the merger agreement; or

the shareholders of TSFG fail to approve the plan of merger at the TSFG special meeting; or

by TD if:

the board of directors of TSFG has failed to recommend the merger and the approval of the plan of merger by the shareholders of TSFG or has withdrawn, amended or modified in any manner adverse to TD its recommendation (or has resolved to take any of the foregoing actions), whether or not permitted under the merger agreement, or if TSFG has materially breached its obligations under the no solicitation covenant of the merger agreement, or failed to call, give notice of, convene or hold a special meeting of shareholders to vote on approval of the plan of merger;

a tender offer or exchange offer for 15% or more of the outstanding shares of TSFG common stock has commenced (other than by TD), and the board of directors of TSFG recommends that the shareholders of TSFG tender their shares in such tender offer or exchange offer or otherwise fails to recommend that its shareholders reject such tender offer or exchange offer within ten business days; or

TSFG has not received written approval, within 21 days after the date of the merger agreement, by The NASDAQ Stock Market LLC of TSFG's use of the exception provided in Listing Rule 5635(f) (Financial

Viability Exception) to permit the issuance of the Series M Preferred Stock by TSFG to TD as contemplated by the share purchase agreement without a vote of TSFG's shareholders. As described in *Nasdaq Matters*, TSFG issued the Series M Preferred Stock to TD on August 23, 2010 and TD has determined to proceed with the merger, notwithstanding Nasdaq's interpretation that the exception provided by Listing Rule 5635(f) is not available for the issuance of the Series M Preferred Stock. On August 23, 2010, TSFG received notice from Nasdaq of the commencement of delisting proceedings, as discussed under *The Merger* *Nasdaq Matters* on page 57.

TSFG May Be Required to Pay a Termination Fee Under Some Circumstances (Page 71)

If the merger agreement is terminated under certain circumstances, including circumstances involving a change in recommendation by TSFG's board of directors, TSFG will be required to pay TD a termination fee of \$7.62 million. The termination fee could discourage other companies from seeking to acquire or merge with TSFG.

TD and TSFG Entered into a Share Purchase Agreement (Page 72)

On May 16, 2010, TSFG and TD, in connection with entering into the merger agreement, entered into a share purchase agreement, pursuant to which TD agreed to purchase 100 newly issued shares of TSFG's Series M Preferred Stock, which will vote together with TSFG common stock as a single class and represent 39.9% of the total voting power of holders of TSFG capital stock entitled to vote, for consideration of 1,000 TD common shares. TD and TSFG completed the transactions contemplated by the share purchase agreement on August 23, 2010.

As of August 23, 2010, the record date for the special meeting, taking into account the Series M Preferred Stock and the 10,000,000 shares of TSFG common stock held by TD, TD had the power to vote approximately 42.7% of the total voting power of shares entitled to vote on the approval of the plan of merger contained in the merger agreement.

TD and the United States Department of the Treasury Entered into a Securities Purchase Agreement (Page 72)

On May 18, 2010, the Treasury Department and TD, in connection with TD entering into the merger agreement, entered into a securities purchase agreement, pursuant to which, immediately prior to completion of the merger, the Treasury Department will sell to TD its \$347 million of TSFG Series 2008-T Preferred Stock and the associated warrant acquired under the Treasury's Capital Purchase Program and discharge all accrued but unpaid dividends on that stock for total cash consideration of approximately \$130.6 million.

TD Purchases of TSFG Common Stock (Page 72)

Following the announcement of the execution of the merger agreement and as contemplated by the press release announcing the transaction, TD has purchased shares of TSFG common stock on the open market. As of the record date, TD has acquired 10,000,000 shares of TSFG common stock, representing approximately 4.6% of the total outstanding shares of TSFG common stock, at an average price of \$0.2760. TD may make additional purchases of shares of TSFG common stock prior to the special meeting of TSFG shareholders, subject to the restrictions contained in the stipulation of settlement described under *The Merger* *Litigation Relating to the Merger*, market conditions, applicable securities laws and receipt of any necessary regulatory approvals. TD has informed TSFG that it intends to vote its shares of TSFG common stock in favor of the proposal to approve the plan of merger contained in the merger agreement at the special meeting of TSFG shareholders.

Regulatory Approvals Required for the Merger (Page 52)

BHC Act. TD is required to obtain the approval of the Board of Governors of the U.S. Federal Reserve System, which we refer to as the Federal Reserve Board, under the BHC Act for the acquisition of control of TSFG. TD received

such approval from the Federal Reserve Board on July 22, 2010. Such approval required TSFG to enter into an agreement to divest certain branches in the Palatka banking market prior to consummation of the merger and TSFG did so on August 8, 2010.

Bank Act of Canada. Under the Bank Act of Canada, the consent of the Superintendent of Financial Institutions of Canada is required in order for TD to hold a substantial investment in TSFG as a result of the purchase of the Series M Preferred Stock and to acquire control of TSFG, as a result of the merger. Approval is also required

for TD to issue its common shares for non-cash consideration as part of the consideration to be distributed to TSFG shareholders in connection with the merger. TD has filed the necessary applications with the Superintendent of Financial Institutions of Canada for the aforementioned approvals. Approval was also required for TD to issue its common shares for non-cash consideration in order to purchase the TSFG shares of Series M Preferred Stock, which approval was received on July 7, 2010.

Other Regulatory Approvals. TD has filed an application with, and has obtained the conditional approval of, the State Board of Financial Institutions of the State of South Carolina. Applications and notifications may be filed with various other state regulatory authorities.

While we believe that the requisite regulatory approvals for the merger will be received, there can be no assurances that such approvals will be received on a timely basis, or as to our ability to obtain the approvals on satisfactory terms or the absence of litigation challenging such approvals. There can likewise be no assurances that U.S., Canadian or state regulatory authorities will not attempt to challenge the merger on antitrust grounds or for other reasons, or, if such a challenge is made, as to the result of such challenge. The obligations of TD and TSFG to complete the merger are conditioned upon the receipt of all required regulatory approvals (and, in the case of TD's obligation to complete the merger, the receipt of these approvals without the imposition of any condition or restriction that would reasonably be expected to have a material adverse effect on TSFG or TD (assuming, for this purpose, that TD is an entity the size of TSFG in terms of financial metrics)).

Nasdaq Matters (Page 57)

As discussed under *The Merger Background of the Merger*, TSFG's audit committee determined that the issuance of the Series M Preferred Stock to TD without a shareholder vote was necessary to avoid seriously jeopardizing the financial viability of TSFG, as contemplated by Nasdaq Rule 5635(f). Following announcement of the merger, however, the staff of Nasdaq informed TSFG that it has interpreted Rule 5635(f) to not apply in the specific context of the merger. This interpretation, which TSFG understands was an issue of first impression for Nasdaq, is contrary to determinations by the New York Stock Exchange in similar circumstances with respect to its comparable shareholder approval rules.

Because there is no process for appealing this conclusion other than as part of the delisting appeal process, because the TD preferred share issuance remains an important requirement under the terms of the proposed transaction, and because the TSFG board determined that the issuance is in the best interests of TSFG, its shareholders and other constituents, TSFG completed the issuance of the Series M Preferred Stock to TD on August 23, 2010. On August 23, 2010, TSFG received a letter from Nasdaq stating that TSFG had failed to comply with Nasdaq Listing Rules 5635(b), 5635(d) and 5640 and had taken action that raises public interest concerns under Listing Rule 5100. The letter stated that TSFG's common stock would be delisted from Nasdaq on September 1, 2010 unless TSFG requested a hearing before the Nasdaq Listing Qualifications Hearing Panel prior to August 30, 2010. In response to the letter, TSFG intends to request an oral hearing before the Nasdaq Listing Qualifications Hearing Panel to appeal the Nasdaq staff's delisting determination. Meanwhile, TSFG's common stock will continue to trade on the NASDAQ Capital Market until a written decision is rendered by the Nasdaq Listing Qualifications Hearing Panel. TSFG cannot predict the timing or outcome of this process, but if shares of TSFG common stock were to be delisted prior to completion of the merger, the trading price and liquidity levels would likely be negatively impacted.

Litigation Relating to the Merger (Page 43)

The parties to certain litigation in connection with the merger have entered into a stipulation of settlement, as discussed under *The Merger Litigation Relating to the Merger* on page 43.

QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND RELATED MATTERS

Q: What am I being asked to vote on?

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

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

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

\$0.28 in cash, if a cash election is effectively made with respect to such share; or

0.004 TD common shares, plus cash in lieu of any fractional share interests.

Q: How do I make a cash election?

A: A form of cash election is included with this proxy statement/prospectus. TSFG shareholders should carefully review and follow the instructions in the form of cash election. To make a cash election, TSFG shareholders must properly complete, sign and send the form of cash election and the stock certificates representing the shares of TSFG common stock you wish to exchange for the cash consideration, a book-entry delivery of shares or a guarantee of delivery as described on the form of cash election to BNY Mellon Shareowner Services, the exchange agent, at the following address:

BNY Mellon Shareowner Services
480 Washington Boulevard
Jersey City, NJ 07310-1900

The exchange agent must receive the form of cash election and the stock certificates representing the shares of TSFG common stock for which a cash election is made, a book-entry delivery of shares or a guarantee of delivery as described in the form of cash election by the election deadline. **The election deadline will be 5:00 p.m., New York City time, on September 28, 2010, the date of the special meeting of TSFG shareholders, unless the completion of the merger will occur more than four business days following the date of the special meeting, in which case the election deadline will be extended until two business days before the completion of the merger.** If it is determined that the election deadline will not be the date of the special meeting of TSFG shareholders, TD and TSFG will publicly announce the election deadline at least five business days prior to the anticipated completion date of the merger.

If you own shares of TSFG common stock in street name through a bank, broker or other financial institution and you wish to make a cash election, you should seek instructions from the financial institution holding your shares concerning how to make your cash election.

Q: Can TSFG shareholders make a cash election for a portion of their shares of TSFG common stock and receive stock consideration for the rest?

A: Yes. The form of cash election provides for a cash election to be made for all or any portion of a shareholder's shares of TSFG common stock.

Q: Can TSFG shareholders change their cash election after the form of cash election has been submitted?

A: Any form of cash election may be revoked by the TSFG shareholder submitting it only by written notice received by the exchange agent prior to 5:00 p.m., New York City time, on the election deadline. If a form of cash election is revoked, any certificate for shares of TSFG common stock to which the form of cash election relates will be promptly returned by the exchange agent to the TSFG shareholder.

Q: What if a TSFG shareholder does not submit a form of cash election or it is not received?

A: If the exchange agent does not receive a properly completed form of cash election from you before the election deadline, together with the stock certificates representing the shares you wish to exchange for cash, properly endorsed for transfer, a book-entry delivery of shares or a guarantee of delivery as described in the form of cash election, then your shares of TSFG common stock will be exchanged for stock consideration. **You bear the risk of delivery and should send any form of cash election by courier or by hand to the appropriate addresses shown in the form of cash election.**

Q: If I will be receiving stock consideration, can the number of TD common shares to be issued in the merger for each share of TSFG common stock change between now and the time the merger is completed based on changes in the trading price of TD common shares?

A: No. The exchange ratio is a fixed ratio, which means that it will not be adjusted if the trading price of TD common shares or TSFG common stock changes between now and the time the merger is completed. Therefore, the market value of TD common shares you will receive in the merger will depend on the price of TD common shares at the time the shares are issued. See Risk Factors beginning on page 23.

Q: When and where is the TSFG special meeting?

A: The TSFG special meeting will be held at Poinsett Plaza, 2nd Floor, 104 South Main Street, Greenville, SC 29601 on September 28, 2010 at 10:30 a.m. local time.

Q: Who can vote at the special meeting?

A: Holders of TSFG common stock and Series M Preferred Stock as of the close of business on the record date of August 23, 2010 are entitled to vote at the special meeting. Beneficial owners as of the record date should receive instructions from their bank, broker or other nominee describing how to vote their shares.

Q: What is the quorum requirement for the TSFG special meeting?

A: A majority of the votes entitled to be cast on the plan of merger, consisting of all outstanding shares of TSFG common stock and the Series M Preferred Stock, voting together as a single class, constitutes a quorum for transacting business at the special meeting.

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

A: The affirmative vote of a majority of the votes entitled to be cast by the holders of TSFG common stock and Series M Preferred Stock, voting together as a single class, at the special meeting is required to approve the plan of merger contained in the merger agreement.

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

A: If you submit a proxy without specifying the manner in which you would like your shares to be voted, your shares will be voted FOR approval of the plan of merger contained in the merger agreement and FOR the proposal to adjourn or postpone the special meeting, if necessary or appropriate, including to solicit additional proxies.

Q: What happens if I abstain from voting or do not vote at all?

A: The affirmative vote of a majority of the votes entitled to be cast by the holders of TSFG common stock and Series M Preferred Stock, voting together as a single class, at the special meeting is required to approve the plan of merger contained in the merger agreement. If you do not vote, or you abstain from voting, your shares with respect to the proposal to approve the plan of merger, it will have the same effect as a vote against the approval of the plan of merger contained in the merger agreement. If the proposal to approve the plan of merger contained in the merger agreement receives the required approval of TSFG's shareholders and the merger is completed, your shares of TSFG common stock will be converted into the right to receive the merger consideration even though you did not vote.

The affirmative vote of a majority of the votes cast by the holders of the TSFG common stock and Series M Preferred Stock, voting together as a single class, at the special meeting is required to approve the proposal to adjourn or postpone the special meeting, if necessary or appropriate, including to solicit additional proxies. If

you do not vote, or you abstain from voting, your shares with respect to the proposal to approve such adjournment or postponement, it will have no effect on such proposal.

Additionally, if you do not vote your shares with respect to the proposal to approve the plan of merger contained in the merger agreement or the proposal to adjourn or postpone the special meeting, if necessary or appropriate, including to solicit additional proxies, then your vote will not be counted toward the quorum requirement at the TSFG special meeting called for such purpose.

Q: What do I need to do now?

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

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

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

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

A: If you are a participant in The South Financial Group, Inc. 401(k) Plan, you may give voting instructions for any shares of TSFG common stock held in your account to Ellen Philip Associates, Inc., TSFG's 401(k) Plan Tabulator, by completing and returning a voting instruction ballot distributed to plan participants along with this proxy statement/prospectus, or by telephone or via the Internet as described on your ballot. TSFG's 401(k) Plan Tabulator will certify the total votes cast by plan participants for and against approval of the plan of merger to the trustee for the plan, for the purpose of having those shares voted in accordance with your instructions.

Q: If my shares are held in the TSFG Deferred Compensation Plan, will I be allowed to vote these shares in the merger?

A: If you participate in the 2005 Executive and Director Deferred Compensation Plan (the *Deferred Compensation Plan*), you will not be entitled to vote any shares of TSFG common stock held for your benefit under such plan. The trustee of the *Deferred Compensation Plan* may, in its discretion, vote any shares of TSFG common stock held under the plan.

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

A: We currently expect to complete the merger shortly after the special meeting, assuming all regulatory approvals have been received. However, we cannot assure you when or if the merger will be completed. Among other things, we must first obtain the approval of the plan of merger by TSFG shareholders at the special meeting and the necessary regulatory approvals. See *The Merger Regulatory Matters Related to the Merger and Stock Exchange Listings* beginning on page 52.

Q: What are the material United States federal and Canadian income tax consequences of the merger to TSFG shareholders?

A: For a U.S. holder (as defined in The Merger Material United States Federal Income Tax Consequences beginning on page 46), we believe that the merger will be treated for United States federal income tax purposes as a taxable sale by such holder of the shares of TSFG common stock that such holder surrenders in

the merger. Accordingly, the expected material United States federal income tax consequences of the merger to U.S. holders are as follows:

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

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

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

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

See "The Merger - Material United States Federal Income Tax Consequences" beginning on page 46.

The merger should not give rise to Canadian income tax liability for TSFG shareholders who are not residents of Canada for Canadian income tax purposes. See "The Merger - Material Canadian Federal Income Tax Considerations" beginning on page 50.

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

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

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

The South Financial Group, Inc.
104 South Main Street
Poinsett Plaza, 10th Floor
Greenville, SC 29601
Attn: William P. Crawford, Jr.

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

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

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

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

A:

You should come to Poinsett Plaza, 2nd Floor, 104 South Main Street, Greenville, SC 29601, at 10:30 a.m., local time, on September 28, 2010. If you hold your shares in street name, you will need to bring proof of ownership (by means of a recent brokerage statement, letter from your bank or broker or similar means) to be admitted to the meeting. Shareholders of record as of the record date for the special meeting can vote in person at the special meeting. If your shares are held in street name, then you are not the shareholder of record and you must ask your bank, broker or other nominee how you can vote at the special meeting.

Q: Should I send in my stock certificates now?

A: If you are making a cash election, you should send in your TSFG stock certificates to the exchange agent with your form of cash election. If you are NOT making a cash election with respect to your shares of TSFG common stock, after the completion of the merger, you will receive a letter of transmittal for you to use in

surrendering any TSFG stock certificates you have at the time of the completion of the merger. Please DO NOT send your TSFG stock certificates with your proxy card.

Q: What if I cannot find my stock certificates?

A: There will be a procedure for you to receive the merger consideration in the merger, even if you have lost one or more of your TSFG stock certificates. This procedure, however, may take time to complete. In order to ensure that you will be able to receive the merger consideration promptly after the merger is completed, if you cannot locate your TSFG stock certificates after looking for them carefully, we urge you to contact TSFG's transfer agent, Registrar and Transfer Company, as soon as possible and follow the procedure they explain to you for replacing your TSFG stock certificates. Registrar and Transfer Company can be reached at (800) 368-5948 or on their website at <http://www.rtc.com>, or you can write to them at the following address:

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

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

A: Yes. We have set forth a non-exhaustive list of risk factors that you should consider carefully in connection with the merger in the section entitled "Risk Factors" beginning on page 23.

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

A: No. Under South Carolina law, TSFG's shareholders are not entitled to appraisal rights in connection with the merger. See "The Merger - No Dissenters' Rights of Appraisal" beginning on page 56.

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

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

Innisfree M&A Incorporated
501 Madison Avenue
New York, NY 10022
Toll free telephone: (877) 717 3929
Brokers and banks, please call: (212) 750 5833

COMPARATIVE PER SHARE DATA

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

You should read this information in conjunction with, and the information is qualified in its entirety by, the consolidated financial statements and accompanying notes of TD and TSFG incorporated into this proxy statement/prospectus by reference. See "Where You Can Find More Information" beginning on page 96.

The pro forma amounts in the tables below are presented for informational purposes only. You should not rely on the pro forma combined or pro forma equivalent amounts as being necessarily indicative of the financial position or results of operations of TD or TSFG that would have actually occurred had the transaction been effective during the

periods presented or of the future financial position or results of operations of TD or TSFG. The combined financial information as at or for the periods presented may have been different had the transaction actually been effective as at or during those periods. The pro forma information, although helpful in illustrating the financial characteristics of the combined company under one set of assumptions, does not reflect the benefits of expected cost savings, opportunities to earn additional revenue, the impact of restructuring and merger-related costs, or other factors that may result as a consequence of the merger and, accordingly, does not attempt to predict or suggest future results.

TD Historical and Pro Forma Common Share Data

The following table presents, in Canadian dollars and in U.S. dollars, the earnings per share, dividends per share and book value per share with respect to TD on a historical basis and pro forma combined basis giving effect to the transaction and assuming that no TSFG shareholder makes a cash election. The TD pro forma combined amounts are presented as if the transaction had been effective for the period presented based on the purchase method of accounting. The TD pro forma combined amounts do not include any cost savings or revenue enhancements which may arise from the transaction, and do not include restructuring or integration costs.

	As at and for the		As at and for the Year	
	Six Months Ended		Ended	
	April 30, 2010		October 31, 2009	
	(C\$)(2)	(U.S.\$)(1)	(C\$)	(U.S.\$)(1)
Basic Earnings Per Share:				
TD historical (Canadian GAAP)	C\$ 2.76	US\$ 2.65	C\$ 3.49	US\$ 2.98
TD historical (U.S. GAAP)	2.33	2.24	4.25	3.63
TD pro forma combined (Canadian GAAP)(3)	2.29	2.20	2.53	2.15
TD pro forma combined (U.S. GAAP)(3)	1.86	1.79	3.29	2.80
Diluted Earnings Per Share:				
TD historical (Canadian GAAP)	2.74	2.63	3.47	2.97
TD historical (U.S. GAAP)	2.31	2.22	4.23	3.62
TD pro forma combined (Canadian GAAP)(3)	2.28	2.19	2.52	2.14
TD pro forma combined (U.S. GAAP)(3)	1.85	1.78	3.28	2.79
Dividends Per Share:				
TD historical and pro forma(4)	1.22	1.17	2.44	2.09
Book Value Per Share at Period End:				
TD historical (Canadian GAAP)	40.35	39.89	41.13	38.18
TD historical (U.S. GAAP)	39.54	39.08	39.89	37.02
TD pro forma combined (Canadian GAAP)(3)	39.92	39.47	40.23	37.39
TD pro forma combined (U.S. GAAP)(3)	39.11	38.67	38.98	36.24

- (1) TD historical and pro forma combined amounts (except with respect to book value per share at period end) have been converted into U.S. dollars based on the average U.S. dollar/Canadian dollar exchange rate during the six months ended April 30, 2010 of 1.040 and the year ended October 31, 2009 of 1.170. The average exchange rate is calculated as the average of the noon rate on each day during the period as reported by the Bank of Canada. The TD historical and pro forma combined book value per share at period end has been converted into U.S. dollars using the U.S. dollar/Canadian dollar exchange rate as at April 30, 2010 of 1.012 at October 31, 2009 of 1.077. TD historical and pro forma dividend amounts have been converted into U.S. dollars based on the exchange rate used on each dividend payment date as reported by the Bank of Canada.
- (2) TSFG balances included in the pro forma combined amounts (except with respect to book value per share at period end) have been converted into Canadian dollars based on the average U.S. dollar/Canadian dollar exchange rate during the six months ended June 30, 2010 of 1.034 and the year ended December 31, 2009 of 1.142. The average exchange rate is calculated as the average of the noon rate of each day during the period as reported by the Bank of Canada.

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

TD pro forma combined results for the six months ended April 30, 2010 and year ended October 31, 2009 were calculated using the latest annual financial information filed with the SEC. TSFG's results for the six months

ended June 30, 2010 and the twelve months ended December 31, 2009 have been used to calculate the TD pro forma combined results for the six months ended April 30, 2010 and the year ended October 31, 2009.

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

TSFG Historical Share Data and Unaudited Pro Forma Equivalent Share Data

The following table presents, in U.S. dollars, the earnings per share, dividends per share and book value per share with respect to TSFG on a historical basis and pro forma equivalent basis. The pro forma equivalent amounts with respect to the TSFG common stock are calculated by multiplying the corresponding TD pro forma combined amount (which is described and presented under TD Historical and Pro Forma Common Share Data beginning on page 14) by the exchange ratio of 0.004 TD common shares constituting the stock consideration, and assume no TSFG shareholder makes a cash election. Since TSFG and TD have different fiscal years, the pro forma equivalent for the six months ended June 30, 2010 has been compared with TD's six months ended April 30, 2010 and the pro forma equivalent for fiscal year ended December 31, 2009 has been compared with TD's fiscal year ended October 31, 2009.

	As at and for the Six Months Ended June 30, 2010 (U.S.\$)	As at and for the Year Ended December 31, 2009 (U.S.\$)
Basic Earnings Per Share:		
TSFG historical	\$ (1.86)	\$ (5.22)
TSFG pro forma equivalent (Canadian GAAP)	0.01	0.01
TSFG pro forma equivalent (U.S. GAAP)	0.01	0.01
Diluted Earnings Per Share:		
TSFG historical	(1.86)	(5.22)
TSFG pro forma equivalent (Canadian GAAP)	0.01	0.01
TSFG pro forma equivalent (U.S. GAAP)	0.01	0.01
Dividends Per Share:		
TSFG historical		0.02
TSFG pro forma equivalent	0.00	0.01
Book Value Per Share at Period End:		
TSFG historical(1)	1.31	3.06
TSFG pro forma equivalent (Canadian GAAP)	0.16	0.15
TSFG pro forma equivalent (U.S. GAAP)	0.15	0.14

- (1) The TSFG historical book value per share for December 31, 2009 has been adjusted for the mandatorily convertible preferred shares totaling \$4.65 million which were converted into 715,383 shares of TSFG common stock in May 2010. Also excludes outstanding balances for the \$347 million of Series 2008-T Preferred Stock issued to the U.S. Treasury.

COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION

TD's common shares are listed on the Toronto Stock Exchange and the New York Stock Exchange under the trading symbol TD. Effective June 7, 2010, the listing of TSFG's common stock has been transferred from the Nasdaq Global Select Market to the Nasdaq Capital Market. TSFG's common stock continues to trade under the trading symbol TSFG. The following table sets forth, for the respective calendar years and quarters indicated, the high and low closing prices per share of TSFG common stock as reported on the Nasdaq Global Select Market (prior to June 7, 2010) or the Nasdaq Capital Market (from and after June 7, 2010, as applicable), and the high and low closing prices per TD common share as reported on the New York Stock Exchange Composite Tape and the Toronto Stock Exchange. The Toronto Stock Exchange closing prices of TD common shares are presented in Canadian dollars, and the New York Stock Exchange closing prices of TSFG common stock and TD common shares are presented in U.S. dollars. For comparison purposes, the following table uses calendar quarters, but it should be noted that TD's fiscal year end is October 31 and TSFG's fiscal year end is December 31.

	The Nasdaq Global Select Market (U.S.\$)		The New York Stock Exchange (U.S.\$)		The Toronto Stock Exchange (C\$)	
	TSFG Common Stock High	Low	TD Common Shares High	Low	TD Common Shares High	Low
2005						
Annual	U.S.\$ 32.20	U.S.\$ 25.86	U.S.\$ 52.85	U.S.\$ 38.92	C\$ 61.60	C\$ 48.15
2006						
Annual	28.33	25.14	60.57	49.85	70.04	56.00
2007						
Annual	27.38	15.57	76.94	57.55	76.33	64.48
2008						
Annual	17.93	2.85	72.24	32.51	71.89	40.00
First Quarter	17.93	12.61	69.95	59.29	69.50	60.27
Second Quarter	14.62	3.89	72.24	61.31	71.89	62.40
Third Quarter	10.44	3.02	63.02	53.24	64.94	53.51
Fourth Quarter	9.11	2.85	60.99	32.51	64.08	40.00
2009						
Annual	4.47	0.54	64.74	26.20	69.49	32.80
First Quarter	4.47	0.69	39.45	26.20	46.56	32.80
Second Quarter	2.89	1.10	53.40	34.58	61.31	43.46
Third Quarter	2.05	1.05	64.45	48.30	69.49	56.31
Fourth Quarter	1.56	0.54	64.74	57.24	69.25	61.68
2010						
First Quarter	0.89	0.35	74.92	58.38	76.50	61.75
Second Quarter(1)	0.93	0.26	76.84	64.91	76.97	68.59
Third Quarter (through August 23, 2010)	0.28	0.27	72.85	64.10	74.46	68.25

(1) Effective June 7, 2010, TSFG's common stock is listed on the Nasdaq Capital Market.

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

	The Nasdaq Global Select Market (U.S.\$) TSFG Common Stock		The New York Stock Exchange (U.S.\$) TD Common Shares		The Toronto Stock Exchange (C\$) TD Common Shares	
	High	Low	High	Low	High	Low
	February 2010	0.57	0.35	63.89	58.45	67.24
March 2010	0.89	0.56	74.92	64.76	76.50	67.55
April 2010	0.93	0.66	76.84	73.01	76.97	73.41
May 2010	0.77	0.27	74.91	65.81	75.70	70.32
June 2010	0.29	0.26	71.98	64.91	73.63	68.59
July 2010	0.28	0.27	71.61	64.10	74.46	68.25

The table below sets forth the closing sale prices of TD common shares as reported on the New York Stock Exchange Composite Tape and TSFG common stock as reported on the Nasdaq Global Select Market and Nasdaq Capital Market, respectively, on May 14, 2010, the last trading day before the public announcement of the merger, and August 23, 2010, the last practicable trading day before the distribution of this proxy statement/prospectus. The table also sets forth the equivalent pro forma sale price of TSFG common stock on each of these dates, as determined by multiplying the applicable closing sale price of TD common shares on the New York Stock Exchange by the exchange ratio of 0.004 and assuming no cash election is made. We urge you to obtain current market quotations for both TD common shares and TSFG common stock.

	TD Common Shares (U.S.\$)	TSFG Common Stock (U.S.\$)	TSFG Common Stock Pro Forma Equivalent (Assuming No Cash Election) (U.S.\$)
May 14, 2010	\$ 70.89	\$ 0.67	\$ 0.28
August 23, 2010	\$ 67.05	\$ 0.2760	\$ 0.2682

The table below sets forth the dividends declared per TD common share and per share of TSFG common stock for the fiscal years ended 2005, 2006, 2007, 2008 and 2009. TD's fiscal year end is October 31 and TSFG's fiscal year end is December 31.

	Declared Dividends		
	TD	TD	TSFG

Edgar Filing: TORONTO DOMINION BANK - Form 424B3

	(C\$)(1)	(U.S.\$(1)(2)	(U.S.\$)
Fiscal Year Ended			
2005	C\$ 1.58	U.S.\$ 1.17	U.S.\$ 0.65
2006	1.78	1.46	0.69
2007	2.11	1.98	0.73
2008	2.36	2.23	0.22
2009	2.44	2.09	0.02

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

(2) TD dividends have been converted into U.S. dollars based on the exchange rate as reported by the Bank of Canada on each dividend payment date.

CURRENCY EXCHANGE RATE DATA

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

	C\$ per U.S.\$1.00	U.S.\$ per C\$1.00
May 14, 2010 (the last trading day before public announcement of the merger)	C\$ 1.0344	U.S.\$ 0.9667
August 23, 2010	C\$ 1.0523	U.S.\$ 0.9503
	Average Rate(1)	
	C\$ per U.S.\$1.00	U.S.\$ per C\$1.00
Year Ended October 31,		
2005	C\$ 1.2175	U.S.\$ 0.8213
2006	1.1386	0.8783
2007	1.1003	0.9089
2008	1.0275	0.9732
2009	1.1693	0.8552
Six Months Ended April 30,		
2009	1.2359	0.8091
2010	1.0397	0.9618

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

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

	High (C\$ per U.S.\$1.00)	Low
February 2010	C\$ 1.0734	C\$ 1.0420
March 2010	1.0421	1.0113
April 2010	1.0201	0.9961
May 2010	1.0778	1.0116
June 2010	1.0648	1.0138
July 2010	1.0678	1.0256

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF TD

The following table sets forth certain selected consolidated financial information of TD prepared in accordance with generally accepted accounting principles in Canada (which we refer to in this document as Canadian GAAP), except as otherwise indicated. The information as at and for each of the years in the five-year period ended October 31, 2009 has been derived from the consolidated financial statements of TD as filed with the SEC. The information as at and for the six-month periods ended April 30, 2010 and April 30, 2009 has been derived from the unaudited interim consolidated financial statements of TD and the notes thereto filed by TD with the SEC, which reflect, in the opinion of TD's management, all adjustments (consisting only of normal recurring adjustments) necessary for a fair presentation of such information. Results for interim periods are not necessarily indicative of results which may be expected for any other interim period or for the fiscal year as a whole. The information presented below is only a summary and should be read in conjunction with the respective audited financial statements of TD, including the notes thereto, incorporated by reference in this proxy statement/prospectus. See [Where You Can Find More Information](#) beginning on page 96.

Amounts determined under generally accepted accounting principles in the U.S. (which we refer to in this document as U.S. GAAP) are different from those determined under Canadian GAAP. For a reconciliation to U.S. GAAP of TD's consolidated financial statements for the six months ended April 30, 2010, see TD's Form 6-K for the six months ended April 30, 2010, filed with the SEC on May 27, 2010, and for a discussion of the principal differences between Canadian GAAP and U.S. GAAP and a reconciliation to U.S. GAAP of TD's consolidated financial statements for the year ended October 31, 2009, see Exhibit 99.4 to TD's Form 40-F for the year ended October 31, 2009, filed with the SEC on December 3, 2009, which Exhibit 99.4 is incorporated by reference in this proxy statement/prospectus. A reconciliation to U.S. GAAP for other periods presented is included in the notes to the applicable historical consolidated financial statements of TD filed by TD with the SEC. See [Where You Can Find More Information](#) beginning on page 96.

	At and for the Six Months Ended		Fiscal Year Ended October 31,				2005
	2010	2009	2009	2008	2007	2006	
	(C\$ in millions, except per share data and ratios)						
Operations Data:							
Interest income	8,518	10,103	18,887	19,584	17,852	15,569	12,776
Interest expense	2,879	4,435	7,561	11,052	10,928	9,198	6,768
Net interest income	5,639	5,668	11,326	8,532	6,924	6,371	6,008
Provision for (recovery of) credit losses	882	1,402	2,480	1,063	645	409	55
Net interest income after credit loss provision	4,757	4,266	8,846	7,469	6,279	5,962	5,953
Other income	4,165	2,807	6,534	6,137	7,357	6,821	5,951
Non-interest expenses	5,934	6,071	12,211	9,502	8,975	8,815	8,844
Dilution gain (net)	0	0	0	0	0	1,559	0
Net income (loss)	2,473	1,198	3,120	3,833	3,997	4,603	2,229
Net income (loss) (U.S. GAAP basis)	2,115	2,297	3,792	3,922	4,108	4,618	2,144

Edgar Filing: TORONTO DOMINION BANK - Form 424B3

Preferred dividends	97	70	167	59	20	22	0
Net income (loss) applicable to common shares	2,376	1,128	2,953	3,774	3,977	4,581	2,229
Net income (loss) applicable to common shares (U.S. GAAP basis)	2,005	2,214	3,599	3,828	4,053	4,559	2,089
Per Common Share:							
Net income (basic)	2.76	1.34	3.49	4.90	5.53	6.39	3.22
Net income (basic) (U.S. GAAP basis)	2.33	2.63	4.25	4.97	5.64	6.36	3.02
Net income (fully diluted)	2.74	1.34	3.47	4.87	5.48	6.34	3.20
Net income (fully diluted) (U.S. GAAP basis)	2.31	2.63	4.23	4.93	5.59	6.31	3.00
Cash dividends declared	1.22	1.22	2.44	2.36	2.11	1.78	1.58
Book value (period end)	40.35	43.47	41.13	36.78	29.23	26.77	22.29
Consolidated Balance Sheet (period end):							
Total assets	573,905	575,628	557,219	563,214	422,124	392,914	365,210
Total assets (U.S. GAAP basis)	542,157	515,389	518,176	497,612	428,602	400,616	371,746
Loans (net)	254,001	242,813	253,128	219,624	175,915	160,608	152,243
Deposits	404,492	401,955	391,034	375,694	276,393	260,907	246,981
Subordinated notes	12,328	12,469	12,383	12,436	9,449	6,900	5,138
Total shareholders equity	38,424	40,372	38,720	31,674	21,404	19,632	15,866
Common shares outstanding (in millions)	868.2	850.6	858.8	810.1	717.8	717.4	711.8
Selected Ratios:							
Return on total common equity	13.5	6.4	8.4	14.4	19.3	25.5	15.3
Net impaired loans net of specific allowance as a % of net loans	0.2	0.5	0.7	0.4	0.2	0.2	0.1
Efficiency ratio(1)	60.5	71.6	68.4	64.8	62.8	59.8	74.0

	At and for the Six Months Ended		Fiscal Year Ended October 31,				
	April 30, 2010	2009	2009	2008	2007	2006	2005
	(C\$ in millions, except per share data and ratios)						
Provision for credit losses as a % of net average loans	0.68	1.12	0.97	0.50	0.37	0.25	0.04
Tier 1 capital to risk weighted assets(2)	12.0	10.8	11.3	9.8	10.3	12.0	10.1
Total capital to risk-weighted assets(2)	15.5	14.2	14.9	12.0	13.0	13.1	13.2
Common dividend payout ratio	44.3	91.7	70.3	49.0	38.1	27.9	49.3

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

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

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

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

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF TSFG

The following table sets forth certain selected consolidated financial information of TSFG prepared in accordance with U.S. GAAP. This information as at and for each of the years in the five year period ended December 31, 2009 has been derived from the consolidated financial statements of TSFG and notes to the consolidated financial statements as filed with the SEC. The information as at and for the six-month periods ended June 30, 2010 and June 30, 2009 has been derived from the unaudited consolidated financial statements of TSFG and the notes thereto filed by TSFG with the SEC, which reflect, in the opinion of TSFG's management, all adjustments (consisting only of normal recurring adjustments) necessary for a fair presentation of such information. Results for interim periods are not necessarily indicative of results which may be expected for any other interim period or for the fiscal year as a whole. The information presented below is only a summary and should be read in conjunction with the respective audited and unaudited financial statements of TSFG, including the notes thereto, incorporated by reference in this proxy statement/prospectus. See "Where You Can Find More Information" beginning on page 96.

	At or for the Six Months Ended June 30		Years Ended December 31,				
	2010	2009	2009	2008	2007	2006	2005
(US\$ and shares in thousands, except per share data, ratios, branch offices and employees)							
Earnings Summary							
Interest income	\$ 142,993	\$ 170,948	\$ 331,532	\$ 380,163	\$ 382,781	\$ 401,371	\$ 409,000
Interest expense	58,097	56,013	118,033	121,967	113,712	118,210	43,800
Net revenue	201,090	226,961	449,565	502,130	496,493	519,581	452,900
Provision for loan losses	209,007	273,964	668,904	344,589	68,568	32,789	40,500
Interest expenses	389,106	226,429	419,121	792,233	321,249	326,244	316,700
(Loss) income from continuing ops	(390,139)	(164,079)	(676,254)	(547,118)	73,276	112,866	70,200
(Loss) income attributable to common shareholders	(400,732)	(202,296)	(736,943)	(568,776)	72,611	112,348	69,600
Common Share Data:							
(Loss) income from continuing ops	\$ (1.86)	\$ (2.34)	\$ (5.22)	\$ (7.78)	\$ 0.99	\$ 1.50	\$ 0.00
(Loss) income attributable to common shareholders	(1.86)	(2.34)	(5.22)	(7.78)	0.99	1.50	0.00
(Loss) income from continuing ops	(1.86)	(2.34)	(5.22)	(7.78)	0.98	1.49	0.00
(Loss) income attributable to common shareholders	(1.86)	(2.34)	(5.22)	(7.78)	0.98	1.49	0.00
Shares outstanding:							
End of period	215,756	86,629	141,208	73,137	73,618	74,940	73,300
Beginning of period	215,756	86,629	141,208	73,137	74,085	75,543	74,500
Per share	\$	\$ 0.02	\$ 0.02	\$ 0.22	\$ 0.73	\$ 0.69	\$ 0.00

h dividends								
ared								
mon book value								
iod end)	1.31	6.18	3.05	14.12	21.40	20.73	19.	
ket price (period								
)	0.27	1.19	0.64	4.32	15.63	26.59	27.	
Balance Sheet Data								
iod end)								
ns held for								
vestment	\$ 7,658,395	\$ 9,306,009	\$ 8,386,127	\$ 10,192,072	\$ 10,213,420	\$ 9,701,867	\$ 9,439,3	
owance for credit								
es	400,678	289,680	373,126	249,874	128,695	112,688	109,3	
urities	2,145,352	1,891,102	2,222,917	2,094,367	1,990,570	2,743,518	3,092,0	
ngible assets	13,690	240,932	229,825	246,020	678,182	685,568	691,7	
al assets	11,595,369	12,588,231	11,894,982	13,602,326	13,877,584	14,210,516	14,319,2	
otomer funding(1)	7,936,832	7,663,645	7,666,801	7,989,962	8,178,471	8,392,597	8,201,5	
osits	9,429,153	9,388,652	9,296,212	9,405,717	9,788,568	9,516,740	9,234,4	
g-term debt	1,116,206	1,126,435	1,116,869	707,769	698,340	1,130,475	1,922,1	
reholders equity	616,821	1,509,253	993,174	1,620,531	1,550,308	1,562,032	1,486,9	

	At or for the Six Months Ended June 30		Years Ended December 31,				
	2010	2009	2009	2008	2007	2006	2005
	(US\$ and shares in thousands, except per share data, ratios, branch offices and employees)						
Sheet Data							
(excludes gains, available for (ties)	\$ 8,064,542	\$ 10,030,953	\$ 9,478,536	\$ 10,374,423	\$ 10,013,387	\$ 9,621,846	\$ 8,064,542
ng assets(2)	2,206,168	2,023,286	2,018,845	2,087,745	2,525,317	3,043,385	4,064,542
s	10,888,059	12,152,879	11,673,702	12,478,993	12,545,223	12,692,872	13,064,542
funding(1)	11,962,444	13,319,542	12,819,697	13,833,355	14,044,565	14,202,649	14,764,542
ers equity	7,869,569	7,795,697	7,723,889	8,065,982	8,216,762	8,077,605	7,869,569
ance Ratios	936,412	1,570,266	1,450,273	1,558,081	1,543,552	1,506,195	1,936,412
verage	(6.58)%	(2.48)%	(5.28)%	(3.96)%	0.52%	0.79%	(6.58)%
verage	(84.02)	(21.07)	(46.63)	(35.11)	4.75	7.49	(84.02)
t margin (valent)(2)	2.65	2.87	2.88	3.09	3.10	3.22	2.65
quity to assets	5.21	10.27	6.54	10.29	6.61	6.48	5.21
ayout ratio	n/m	n/m	n/m	n/m	73.74	46.31	n/m
ality							
ming loans	\$ 460,617	\$ 464,941	\$ 399,046	\$ 365,664	\$ 80,191	\$ 37,168	\$ 460,617
ming assets	608,451	560,693	522,360	414,657	88,467	41,509	608,451
ming assets							
oans and property	7.76%	5.94%	6.13%	4.04%	0.86%	0.43%	7.76%
ming assets							
total assets	5.25	4.45	4.39	3.05	0.64	0.29	5.25
-offs to ans HFI							
d)	4.55	4.63	5.72	2.16	0.53	0.28	4.55
for credit % of loans	5.23	3.11	4.45	2.45	1.26	1.16	5.23
s Data							
ices	176	177	177	180	172	167	176
s (full-time)	2,066	2,345	2,214	2,505	2,474	2,618	2,066

(1) Customer funding is total deposits less brokered deposits plus customer sweeps.

- (2) Prior to first quarter 2010, interest-bearing balances held at the Federal Reserve were included in non-earning assets, and the related interest income was utilized to offset certain Federal Reserve account charges. Beginning first quarter 2010, these cash balances were included in interest-bearing bank balances, with amounts from prior periods reclassified to conform to the current presentation. The related amounts of interest income are prospectively included in net interest income beginning in first quarter 2010.

RISK FACTORS

*In addition to the other information included or incorporated by reference in this proxy statement/prospectus, you should carefully consider the matters described below relating to the proposed merger in deciding whether to vote for approval of the plan of merger. Although TD and TSFG believe that the matters described below cover the material risks related to the merger, they may not contain all of the information that is important to you in evaluating the merger. Accordingly, we urge you to read this entire proxy statement/prospectus, including the appendices and the information included or incorporated by reference in this document. Please also refer to the additional risk factors identified in the periodic reports and other documents of TD and TSFG incorporated by reference into this proxy statement/prospectus and listed in the section entitled *Where You Can Find More Information* beginning on page 96.*

Because the exchange ratio for the stock consideration is fixed and the market price of TD common shares may fluctuate, if you do not make a cash election, you cannot be certain of the dollar value of the stock consideration that you will receive upon completion of the merger.

Upon completion of the merger, each TSFG shareholder of record will be entitled to receive, in exchange for each share of TSFG common stock owned by such shareholder either (1) \$0.28 in cash, if a cash election is effectively made with respect to such share or (2) 0.004 TD common shares, plus cash in lieu of any fractional share interests. Because the exchange ratio for the stock consideration of 0.004 TD common shares is fixed, the value of the TD common shares that may be issued to you as stock consideration in the merger will depend on the market price of TD common shares at the time they are issued. There will be no adjustment to the fixed number of TD common shares that may be issued to you as stock consideration based upon changes in the market price of TD common shares or TSFG common stock prior to the closing.

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

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

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

Upon completion of the merger, holders of TSFG common stock not making a cash election will become holders of TD common shares, and the market price for TD common shares may be affected by factors different from those that historically have affected TSFG.

Upon completion of the merger, holders of TSFG common stock not making a cash election will become holders of TD common shares. TD's businesses differ from those of TSFG, and accordingly the results of operations

of TD will be affected by some factors different from those currently affecting the results of operations of TSFG. For a discussion of the businesses of TSFG and TD and of some important factors to consider in connection with those businesses, see the documents incorporated by reference in this proxy statement/prospectus and referred to under *Where You Can Find More Information* beginning on page 96.

If you deliver your shares of TSFG common stock to the exchange agent to make a cash election, you will not be able to sell those shares, unless you revoke your cash election prior to the election deadline or unless the merger agreement is terminated.

If you want to make a cash election, you must deliver a properly completed and signed form of cash election covering the shares of TSFG common stock for which you wish to make a cash election to the exchange agent together with stock certificates representing those shares of TSFG common stock, a book-entry delivery of shares or a guarantee of delivery as described in the form of cash election. The deadline for doing this is 5:00 p.m., New York City time, on September 28, 2010, the day of the special meeting of TSFG shareholders, unless the completion of the merger will occur more than four business days following the date of this special meeting, in which case the election deadline will be extended until two business days before the completion of the merger. After you submit a form of cash election, under the terms of the cash election, you will not be able to sell any shares of TSFG common stock covered by your form of cash election, regardless of whether those shares are held in certificated or book entry form, unless you revoke your cash election before the deadline by providing written notice to the exchange agent. If you do not revoke your election, you will not be able to sell your shares of TSFG common stock covered by a form of cash election prior to completion of the merger. In the time between your submission of a form of cash election and the completion of the merger, the trading price of TSFG common stock may change, and you might otherwise want to sell your shares of TSFG common stock covered by a form of cash election to gain access to cash, make other investments, or reduce the potential for an adverse change in the value of your investment.

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

In considering the recommendation of TSFG's board of directors, you should be aware that some executive officers and directors of TSFG may have interests in the merger that are different from, or in addition to, your interests.

These interests are described in more detail in the section entitled *The Merger - Interests of TSFG's Executive Officers and Directors in the Merger* beginning on page 43.

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

The merger agreement contains provisions that may discourage a third party from submitting a business combination proposal to TSFG that might result in greater value to TSFG's shareholders than the proposed merger. These provisions include a general prohibition on TSFG from soliciting, or, subject to certain exceptions, entering into discussions with any third party regarding any acquisition proposal or offers for competing transactions and the requirement that TSFG pay a termination fee of up to \$7.62 million if the merger agreement is terminated in specified circumstances. The termination fee may result in a potential competing acquiror proposing to pay a lower per share price to acquire TSFG than it might otherwise have proposed to pay. For further information, please see the section entitled *Proposal No. 1: The Merger Agreement - Termination Fees and Expenses* beginning on page 71.

In addition, pursuant to the share purchase agreement, as of the record date for the special meeting, TD held 100 shares of Series M Preferred Stock that vote as a single class with TSFG's common stock and have voting power equal to 39.9% of the total voting power of holders of TSFG capital stock entitled to vote. In addition, TD also owns

10,000,000 shares of TSFG's common stock, which it purchased in the open market, representing (together with the Series M Preferred Stock) 42.7% of the total voting power of holders of TSFG capital stock entitled to vote at the special meeting, which could make it more difficult for a third party to acquire TSFG prior to completion of the merger or termination of the merger agreement.

The merger is subject to the receipt of consents and approvals from government entities that may impose conditions that could have an adverse effect on TD, or, if not obtained, could prevent completion of the merger.

We cannot complete the merger unless we receive various consents, orders, approvals and clearances from the Federal Reserve Board, the Superintendent of Financial Institutions of Canada, the State Board of Financial Institutions of the State of South Carolina and other bank regulatory, antitrust and other authorities in the U.S. On July 22, 2010, the Federal Reserve Board of Governors announced its approval of the application of TD and its subsidiary bank holding companies to acquire TSFG and its subsidiary bank. The approval required TSFG to enter into an agreement to divest certain branches in the Palatka banking market prior to consummation of the Merger and TSFG did so on August 8, 2010. TD filed an application with, and has obtained the conditional approval of, the State Board of Financial Institutions of the State of South Carolina. Authorities who have not yet approved the transactions may impose conditions on the completion of the merger or require changes to the terms of the merger. While TD and TSFG do not currently expect that any such conditions or changes would be imposed, there can be no assurance that they will not be, and such conditions or changes could have the effect of imposing additional costs on or limiting the revenues of TD following the merger, any of which may have an adverse effect on TD. See *The Merger Regulatory Matters Related to the Merger and Stock Exchange Listings* beginning on page 52 and *Proposal No. 1: The Merger Agreement Conditions to the Merger* beginning on page 69. In addition, if any action is taken or legal or regulatory restrictions or conditions deemed applicable to the merger that would be reasonably likely to have a material adverse effect on TSFG or TD (assuming, for this purpose, that TD is an entity the size of TSFG in terms of financial metrics), TD may elect not to consummate the merger.

Certain rights of TSFG shareholders who do not make a cash election will change as a result of the merger.

Following the completion of the merger, TSFG shareholders who do not make a cash election will no longer be shareholders of TSFG, a South Carolina corporation, but will instead be shareholders of TD, a Canadian chartered bank. There will be certain differences between your current rights as a shareholder of TSFG, on the one hand, and the rights to which you will be entitled as a shareholder of TD, on the other hand. For a more detailed discussion of the differences in the rights of shareholders of TSFG and TD, see *Comparison of Shareholder Rights* beginning on page 84.

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

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

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

As a foreign private issuer, TD is exempt from rules under the Exchange Act that impose disclosure requirements, as well as procedural requirements, for proxy solicitations under Section 14 of the Exchange Act. In addition, TD's officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions of Section 16 of the Exchange Act. In addition, TD is permitted, under a multi-jurisdictional disclosure system

adopted by the United States and Canada, to prepare its disclosure documents filed under the Exchange Act in accordance with Canadian disclosure requirements, including preparing its financial statements in accordance with Canadian GAAP, which differ in some respects from U.S. GAAP.

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

TD is chartered under the laws of Canada. A substantial portion of TD's assets are located outside the United States, and many of TD's directors and officers and some of the experts named in this proxy statement/prospectus are residents outside of the United States. As a result, it may be difficult for investors to effect service within the United States upon TD and those directors, officers and experts, or to realize in the United States upon

judgments of courts of the United States predicated upon civil liability of TD and such directors, officers or experts under the United States federal securities laws. There is uncertainty as to the enforceability in Canada by a court in original actions, or in actions to enforce judgments of United States courts, of the civil liabilities predicated upon the United States federal securities laws.

Nasdaq may delist the shares of TSFG common stock as a result of the issuance of the Series M Preferred Stock to TD without shareholder approval which may adversely affect the market price and liquidity of the shares of TSFG's common stock. If the merger is not consummated and TSFG is unable to relist its common stock on the Nasdaq Capital Market, the market price and liquidity of the shares of TSFG common stock may be further adversely affected.

As discussed under *The Merger Background of the Merger* and *Nasdaq Matters*, TSFG's audit committee determined that the issuance of the Series M Preferred Stock to TD without shareholder approval was necessary to avoid seriously jeopardizing the financial viability of TSFG, as contemplated by Nasdaq Rule 5635(f). Following announcement of the merger, however, the staff of Nasdaq informed TSFG that it has interpreted Rule 5635(f) to not apply in the specific context of the merger. Because there is no process for appealing this conclusion other than as part of the delisting appeal process, because the TD preferred share issuance remains an important requirement under the terms of the proposed transaction, and because the TSFG board determined that the issuance is in the best interests of TSFG, its shareholders and other constituents, TSFG completed the issuance of the Series M Preferred Stock to TD on August 23, 2010. On August 23, 2010, TSFG received a letter from Nasdaq stating that TSFG had failed to comply with Nasdaq Listing Rules 5635(b), 5635(d) and 5640 and had taken action that raises public interest concerns under Listing Rule 5100. The letter stated that TSFG's common stock would be delisted from Nasdaq on September 1, 2010 unless TSFG requested a hearing before the Nasdaq Listing Qualifications Hearing Panel prior to August 30, 2010. In response to the letter, TSFG intends to request an oral hearing before the Nasdaq Listing Qualifications Hearing Panel to appeal the Nasdaq staff's delisting determination. Meanwhile, TSFG's common stock will continue to trade on the Nasdaq Capital Market until a written decision is rendered by the Nasdaq Listing Qualifications Hearing Panel. TSFG cannot predict the timing or outcome of this process, but if shares of TSFG common stock were to be delisted prior to completion of the merger, the trading price and liquidity levels would likely be negatively impacted.

If the shares of TSFG common stock are ultimately delisted from the Nasdaq Capital Market, there is no guarantee that they will begin trading on the Over-the-Counter Bulletin Board, the Pink Sheets or any other established market. The delisting of TSFG's common stock would likely negatively impact the trading price of TSFG common stock and result in a reduction of the liquidity of the common stock. Delisting could reduce the ability of holders of TSFG's common stock to purchase or sell shares as quickly and as inexpensively as they could have done in the past. In addition, following any delisting, certain investors may become obligated by law or contractual mandate to sell their shares of TSFG common stock, TSFG common stock would not be eligible for margin loans and TSFG common stock would be subject to Rule 15g-9 of the Exchange Act.

If the merger is not consummated, TSFG may not be able to meet the criteria for relisting its shares of common stock on the Nasdaq Capital Market due to certain listing requirements. The listing requirements include a minimum bid price of \$4.00 per share and a market value of publicly held shares of at least \$15 million. The inability to relist the shares of TSFG common stock following any termination of the merger agreement may have further negative effects on the market price and liquidity of TSFG's common stock.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Some of the statements contained or incorporated by reference in this proxy statement/prospectus, including those relating to TD's and TSFG's strategies and other statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as *expects*, *anticipates*, *intends*, *plans*, *believes*, *estimates*

should, may or similar expressions, are forward-looking statements within the meaning of Section 21E of the Exchange Act and Section 27A of the Securities Act of 1933, as amended, which we refer to in this document as the Securities Act. Without limiting the generality of the preceding sentence, statements contained in the sections The Merger TSFG s Reasons for the Merger, Opinion of TSFG s Financial Advisor, and TD s Reasons for the Merger include forward-looking statements. These statements are not historical facts but instead represent only TD s and/or TSFG s expectations, estimates and projections regarding future events.

The forward-looking statements contained or incorporated by reference in this proxy statement/prospectus are not guarantees of future performance and involve certain risks and uncertainties that are difficult to predict. The future results and shareholder values of TD and TSFG may differ materially from those expressed in the forward-looking statements contained or incorporated by reference in this proxy statement/prospectus due to, among other factors, the matters set forth under **Risk Factors** beginning on page 23, the parties' ability to obtain the regulatory and other approvals required for the merger on the terms and within the time expected, the risk that TD will not be able to integrate successfully the businesses of TSFG or that such integration will be more time consuming or costly than expected, the risk that expected synergies and benefits of the merger will not be realized within the expected time frame or at all, the risk of deposit attrition, increased operating costs, customer loss, employee loss and business disruption following the merger and the factors detailed in each company's filings with the SEC, including the factors detailed in TD's Form 40-F for its fiscal year ended October 31, 2009, TD's reports on Form 6-K and TSFG's annual report on Form 10-K for the year ended December 31, 2009 and TSFG's quarterly reports on Form 10-Q and current reports on Form 8-K.

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

THE SPECIAL MEETING

This section contains information for TSFG shareholders about the special meeting that TSFG has called to allow its shareholders to consider and approve the plan of merger contained in the merger agreement. TSFG is mailing this proxy statement/prospectus to its shareholders on or about August 26, 2010. Together with this proxy statement/prospectus, TSFG is sending a notice of the special meeting and a form of proxy that TSFG's board of directors is soliciting for use at the special meeting and at any adjournments or postponements of the meeting.

Date, Time and Place

The special meeting will be held on September 28, 2010, at 10:30 a.m. local time at Poinsett Plaza, 2nd Floor, 104 South Main Street, Greenville, SC 29601.

Matters to be Considered

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

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

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

Proxies

If you are a registered shareholder (that is, you hold stock certificates registered in your own name), you may attend the special meeting and vote in person, or you may vote by proxy. You may vote by proxy by completing and returning the proxy card accompanying this proxy statement/prospectus or by telephone or through the Internet by

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

The South Financial Group, Inc.
104 South Main Street
Poinsett Plaza, 10th Floor
Greenville, SC 29601
Attn: William P. Crawford, Jr.

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

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

Solicitation of Proxies

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

TSFG has also made arrangements with Innisfree M&A Incorporated to assist in soliciting proxies in connection with approval of the plan of merger and in communicating with shareholders and has agreed to pay it up to \$100,000 plus disbursements for these services. Proxies may also be solicited by directors, officers and employees of TSFG in person or by telephone or other means, for which such persons will receive no special compensation.

Record Date and Quorum

TSFG's board of directors has fixed the close of business on August 23, 2010 as the record date for determining the holders of TSFG common stock and Series M Preferred Stock entitled to receive notice of and to vote at the special meeting.

At the record date, there were 216,401,091 shares of TSFG common stock outstanding and entitled to vote at the special meeting held by 7,493 holders of record. Each share of TSFG common stock entitles the holder to one vote at the special meeting on all matters properly presented at the meeting. At the record date, TD held 100 shares of the Series M Preferred Stock of TSFG that vote as a single class with TSFG's common stock, representing 39.9% of the total voting power of holders of TSFG capital stock entitled to vote at the special meeting. In addition, as of the record date for the special meeting, TD also held 10,000,000 shares of TSFG common stock, representing (together with the Series M Preferred Stock) 42.7% of the total voting power of holders of TSFG capital stock entitled to vote at the special meeting. TD is required to vote its shares of Series M Preferred Stock, and has informed TSFG that intends to vote its shares of TSFG common stock, in favor of the proposal to approve the plan of merger contained in the merger agreement.

A majority of the votes entitled to be cast on the plan of merger, consisting of all outstanding shares of TSFG common stock and the Series M Preferred Stock, voting together as a single class, constitutes a quorum for transacting business at the special meeting. Abstentions and broker non-votes will be counted for the purpose of determining whether a quorum is present.

Vote Required

Approval of the plan of merger requires the affirmative vote of a majority of the votes entitled to be cast at the special meeting by the holders of TSFG common stock and the Series M Preferred Stock, voting together as a single class. Only holders of TSFG common stock and Series M Preferred Stock are entitled to vote at the special meeting. You are entitled to one vote for each full share of TSFG common stock you held as of the record date. Approval of the proposal relating to the adjournment or postponement of the special meeting, if necessary or appropriate, including to solicit additional proxies requires the affirmative vote of a majority of the votes cast on such proposal at the special meeting by the holders of TSFG common stock and the Series M Preferred Stock, voting together as a single class, even if less than a quorum.

At the record date, there were 216,401,091 shares of TSFG common stock outstanding and entitled to vote at the special meeting. Directors and executive officers of TSFG and their affiliates had the right to vote 4,018,003 shares of TSFG common stock at the special meeting, or approximately 1.12% of the voting power of the outstanding TSFG capital stock entitled to vote at the special meeting (after giving effect to the issuance of the Series M Preferred Stock). All of the members of the TSFG board of directors have indicated their intention as of August 23, 2010 to vote the shares of TSFG common stock they own (or have the power to vote or direct the vote), if any, as of the record date in favor of the approval of the plan of merger contained in the merger agreement. In addition, as of the record date for the special meeting, TD held 100 shares of Series M Preferred Stock of TSFG that votes as a single class with TSFG's common stock and has voting power equal to 39.9% of the total voting power of holders of TSFG capital stock entitled to vote, and also held 10,000,000 shares of TSFG common stock, which it purchased in the open market, representing (together with the Series M Preferred Stock) 42.7% of the total voting power of holders of TSFG capital stock entitled to vote at the special meeting. TD is required to vote its shares of Series M Preferred Stock, and has informed TSFG that it intends to vote its shares of TSFG common stock in favor of, the proposal to approve the plan of merger contained in the merger agreement. TSFG's board of directors urges TSFG shareholders to complete, date and sign the accompanying proxy card and return it promptly in the enclosed postage paid envelope, or to vote by telephone or through the Internet.

If you do not vote, or you abstain from voting, your shares with respect to the proposal to approve the plan of merger, it will have the same effect as a vote against the approval of the plan of merger contained in the merger agreement. If the proposal to approve the plan of merger contained in the merger agreement receives the required approval of TSFG's shareholders and the merger is completed, your shares of TSFG common stock will be converted into the right to receive the merger consideration even though you did not vote.

The affirmative vote of a majority of the votes cast by the holders of the TSFG common stock and Series M Preferred Stock, voting together as a single class, at the special meeting is required to approve the proposal to adjourn or postpone the special meeting, if necessary or appropriate, including to solicit additional proxies. If you do not vote, or you abstain from voting, your shares with respect to the proposal to approve such adjournment or postponement, it will have no effect on such proposal.

Additionally, if you do not vote your shares with respect to the proposal to approve the plan of merger contained in the merger agreement, or the proposal to adjourn or postpone the special meeting, if necessary or appropriate, including to solicit additional proxies, then your vote will not be counted toward the quorum requirement at the TSFG special meeting called for such purpose.

Brokers cannot vote the shares that they hold beneficially either for or against the proposal to approve the plan of merger contained in the merger agreement without specific instructions from the person who beneficially owns the shares, so-called broker non-votes. Therefore, if your shares are held by a broker and you do not give your broker instructions on how to vote your shares, this will have the same effect as voting against the proposal to approve the plan of merger contained in the merger agreement. Abstentions also will have the same effect as a vote against the proposal to approve the plan of merger contained in the merger agreement.

Participants in TSFG Employee Plans

If you own shares of TSFG common stock in The South Financial Group, Inc. 401(k) Plan, such shares will be voted solely by the trustee of such plan pursuant to the terms of such plan and the instructions received by the trustee from plan participants. The trustees of such plan will not disclose the confidential voting directions of any individual participant or beneficiary to TSFG. If you own shares of TSFG common stock in such plan, you will be receiving a separate letter, shortly after the mailing of this proxy, from the trustee of such plan explaining the voting process with

respect to such shares and you will be provided with instructions on how to direct the trustee to vote those shares.

If you own shares of TSFG common stock in the Deferred Compensation Plan, such shares will be voted solely by the trustee of such plan pursuant to the terms of such plan. You will not be entitled to vote any shares of the TSFG common stock held for your benefit under the Deferred Compensation Plan.

Voting by Telephone or Through the Internet

Many shareholders of TSFG have the option to submit their proxies or voting instructions by telephone or electronically through the Internet instead of submitting proxies by mail on the enclosed proxy card. Please note that

there are separate arrangements for using the telephone and the Internet depending on whether your shares are registered in TSFG's stock records in your name or in the name of a brokerage firm or bank. You should check your proxy card or the voting instruction form forwarded by your broker, bank or other holder of record to see which options are available.

TSFG shareholders of record may submit proxies:

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

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

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

Delivery of Proxy Materials

To reduce the expenses of delivering duplicate proxy materials to TSFG shareholders, TSFG is relying upon SEC rules that permit us to deliver only one proxy statement/prospectus to multiple shareholders who share an address unless we receive contrary instructions from any shareholder at that address. If you share an address with another shareholder and have received only one proxy statement/prospectus, you may call us at (888) 592-3001 or write us as specified below to request a separate copy of this document and we will promptly send it to you at no cost to you:

The South Financial Group, Inc.
104 South Main Street
Poinsett Plaza, 10th Floor
Greenville, SC 29601
Attn: William P. Crawford, Jr.

Recommendations of TSFG's Board of Directors

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

INFORMATION ABOUT THE COMPANIES

The Toronto-Dominion Bank

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

TD and its subsidiaries are collectively known as TD Bank Financial Group, or TDBFG. TDBFG is the sixth largest bank in North America by branches and serves more than 18 million customers in four key businesses operating in a number of locations in key financial centres around the globe: Canadian Personal and Commercial Banking, including TD Canada Trust and TD Insurance; Wealth Management, including TD Waterhouse and an investment in TD Ameritrade; U.S. Personal and Commercial Banking, including TD Bank, America's Most Convenient Bank; and Wholesale Banking, including TD Securities. TDBFG also ranks among the world's leading online financial services firms, with more than 6 million online customers. TDBFG had C\$574 billion in assets on April 30, 2010. The Toronto-Dominion Bank trades under the symbol TD on the Toronto and New York Stock Exchanges.

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

Additional information about TD and its subsidiaries is included in documents incorporated by reference into this document. For more information, see the section entitled "Where You Can Find More Information" on page 96.

Additional Information Relating to Certain Prior Disclosures of TD

The discussion set forth under "Capital Structure Ratings" in the Annual Information Form filed as Exhibit 99.1 to TD's Annual Report on Form 40-F for the year ended October 31, 2009, "Liquidity Risk Funding" in the Management's Discussion and Analysis attached as Exhibit 99.2 to TD's Annual Report on Form 40-F for the year ended October 31, 2009, "Management's Discussion and Analysis Liquidity Risk" in TD's 1st Quarter 2010 Report to Shareholders attached as Exhibit 99.1 to TD's Report of Foreign Issuer on Form 6-K filed with the SEC on March 4, 2010 that attached as an exhibit to TD's 1st Quarter 2010 Report to Shareholders, and "Management's Discussion and Analysis Liquidity Risk" in the 2nd Quarter 2010 Report to Shareholders attached as Exhibit 99.1 to TD's Report of Foreign Issuer on Form 6-K filed with the SEC on May 27, 2010 that attached as an exhibit to TD's 2nd Quarter 2010 Report to Shareholders, which reports are incorporated by reference into this proxy statement/prospectus, is amended by supplementing such discussion with the following additional information:

Credit ratings are important to TD's borrowing costs and ability to raise funds. A ratings downgrade could potentially result in higher financing costs and reduce access to capital markets. A lowering of credit ratings may also affect TD's ability to enter into normal course derivative or hedging transactions and impact the costs associated with such transactions. TD regularly reviews the level of increased collateral its trading counterparties would require in the event of a downgrade of TD's credit rating. TD believes that the impact of a one notch downgrade would be minimal and could be readily managed in the normal course of business, but more severe downgrades could have a more significant impact by increasing TD's cost of borrowing and/or requiring TD to post additional collateral for the benefit of its trading counterparties. Credit ratings and outlooks provided by the ratings agencies reflect their views and are subject to change from time to time, based on a number of factors, including TD's financial strength, competitive position and liquidity as well as factors not entirely within TD's control, including the methodologies used by the rating agencies and conditions affecting the financial services industry generally.

The information contained under "Capital Structure Ratings" in the Annual Information Form with respect to the description of ratings categories of various ratings agencies is issuer-related disclosure required by Canadian law and was based solely on public statements by the respective ratings agencies available on their respective public websites.

Hunt Merger Sub, Inc.

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

Hunt Merger Sub, Inc. is a South Carolina corporation and a wholly-owned subsidiary of TD. Hunt Merger Sub, Inc. was organized solely for the purpose of effecting the merger with TSFG described in this proxy statement/prospectus. It has not carried on any activities other than in connection with the merger agreement.

The South Financial Group, Inc.

104 South Main Street
Poinsett Plaza, 10th Floor

Greenville, SC 29601
(888) 592-3001

TSFG is a bank holding company focused on serving small businesses, middle market companies, and retail customers in the Carolinas and Florida. At June 30, 2010, it had approximately \$11.6 billion in total assets and 176 branch offices. TSFG operates Carolina First Bank, which conducts banking operations in North Carolina and South Carolina (as Carolina First Bank), and in Florida (as Mercantile Bank). At June 30, 2010, approximately 44% of TSFG's total customer deposits were in South Carolina, 45% were in Florida, and 11% were in North Carolina.

Additional information about TSFG and its subsidiaries can be found on its website at <http://www.thesouthgroup.com> and in documents incorporated by reference into this document. The information provided on TSFG's website is not part of this proxy statement/prospectus and is not incorporated herein by reference.

For more information, see the section entitled "Where You Can Find More Information" on page 96.

THE MERGER

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

TD's and TSFG's boards of directors have approved the merger agreement. The merger agreement provides for the acquisition of TSFG by TD through the merger of Hunt Merger Sub, Inc., a wholly-owned subsidiary of TD, with and into TSFG, with TSFG as the surviving corporation. Following the merger, TSFG will operate as a wholly-owned subsidiary of TD.

In the merger, each share of TSFG common stock will be converted into the right to receive either \$0.28 in cash, if a cash election is effectively made with respect to such share, or 0.004 TD common shares, plus cash in lieu of any fractional share interests. TD common shares issued and outstanding at merger completion will remain outstanding and those stock certificates will be unaffected by the merger. TD's common shares will continue to trade on the New York Stock Exchange and the Toronto Stock Exchange under the symbol "TD" following the merger.

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

Background of the Merger

TSFG has been severely affected by economic deterioration and real estate downturn resulting in declining asset quality. During 2008, TSFG experienced a \$568.8 million net loss available to common shareholders, which was followed by a net loss available to common shareholders of \$736.9 million in 2009 and an additional \$85.8 million net loss available to common shareholders in the first quarter of 2010. As of May 2010, TSFG projected that these substantial losses would continue for the foreseeable future, and in particular projected net losses of approximately \$365 million in 2010 and further losses in 2011. These losses have severely depleted its capital and future losses will further erode capital levels. At March 31 of this year, TSFG's tangible common equity ratio had declined precipitously to 2.9% (compared to 6% a year earlier) and both TSFG's and the Carolina First Bank's credit ratings have been reduced to "junk" status. As a result of TSFG's severe financial challenges, on April 30, 2010, the FDIC and the South Carolina Board of Financial Institutions required Carolina First Bank to enter into a consent order, and TSFG entered into a formal written agreement with the Federal Reserve effective May 4, 2010. As discussed in TSFG's public filings, these regulatory agreements, among other things, require that Carolina First Bank meet and maintain a minimum Tier 1 leverage ratio of 8% and a minimum total risk-based capital ratio of 12% by August 28, 2010, prohibit Carolina First Bank from originating or renewing brokered deposits without prior FDIC approval, limit the interest rates Carolina First Bank is permitted to pay on customer deposits and require TSFG to develop a capital plan addressing TSFG's and Carolina First Bank's current and future capital requirements. Carolina First Bank's capital ratios are substantially lower than the minimums required by these regulatory agreements, and TSFG expects that if it does not meet those requirements in accordance with the terms of the regulatory agreements, Carolina First Bank will ultimately be subject to FDIC receivership, which will result in the insolvency of TSFG and a complete loss by its

shareholders of their investment in the company.

In light of the circumstances TSFG has faced over the past several years, TSFG has undertaken numerous and exhaustive efforts to preserve and raise capital, reduce problem asset levels and stabilize earnings. These efforts began in early 2008, when TSFG raised \$250 million of capital through a mandatorily convertible preferred stock

issuance. TSFG raised an additional \$347 million in December 2008 by selling preferred stock to the U.S. Department of the Treasury under the Treasury's Capital Purchase Program. Due to continuing losses, these efforts were insufficient, and TSFG announced and began executing a capital plan in June 2009 to bolster its common equity. This plan enabled TSFG to raise \$85 million of common equity in an underwritten public offering, \$200 million from public and private exchanges of the mandatorily convertible preferred stock for common stock, and \$16 million from the sale of three ancillary businesses. TSFG also took various other steps, including first reducing and then suspending all common stock, preferred stock and trust preferred securities dividends, and reducing its total loans by approximately \$2.2 billion from December 31, 2008 to March 31, 2010.

Although TSFG completed over \$942 million of capital actions in 2008 and 2009, those actions proved insufficient in the face of mounting losses. In the fall of 2009, TSFG began to explore the potential for a transaction or series of transactions that would enable the company to obtain a substantial capital infusion from private capital sources that would effectively recapitalize TSFG, and formed a special committee to assist in leading those efforts with management, comprised of directors M. Dexter Hagy, Jon W. Pritchett, C.B. Smith and William R. Timmons III and former director Edward J. Sebastian. Members of management, including Chief Executive Officer H. Lynn Harton and Chief Financial Officer James R. Gordon, were invited to, attended, and actively participated in the meetings of the special committee. As a result, TSFG, working with its advisors, began discussions with a number of potential capital sources. The potential investors engaged in discussions with management, led by Mr. Harton, and conducted due diligence regarding a potential recapitalization transaction. In December 2009, following discussions with its bank regulators, and in recognition of its large and growing need for a substantial amount of capital, TSFG committed to expand its efforts by proceeding on simultaneous paths in which it would seek either to obtain a substantial capital infusion from public or private investors or to sell itself to a strategic partner. Accordingly, TSFG began to approach and undertake discussions and due diligence with potential strategic partners in addition to the discussions in process with private capital sources. Working with and through its advisors, TSFG undertook a comprehensive effort to identify potential transaction partners, including parties both within and beyond its geographic footprint. Among other efforts, TSFG or its advisors contacted the principals of these potential transaction partners and distributed materials relating to the company and its business. In total, TSFG or its advisors formally contacted nineteen potential strategic acquirers and investors, and fourteen of those potential partners entered into confidentiality agreements with TSFG. Upon execution of a confidentiality agreement, parties were provided with access to an electronic data room containing extensive due diligence materials relating to TSFG, and a number of parties participated in discussions with management. In addition, six parties attended formal presentations by TSFG's management, which were arranged by TSFG's financial advisor, Morgan Stanley, and led by Mr. Harton, relating to a potential transaction with the Company.

Following several months of due diligence and management meetings, none of the capital sources remained interested in pursuing discussions with TSFG, with a number of such investors indicating they were not interested in pursuing an investment in TSFG because of the extent of the perceived credit losses in TSFG's loan portfolio, as well as the risk of bank failure and seizure by the FDIC. Similarly, while TSFG sought to engage in discussions and due diligence with a number of potential strategic partners, only three potential partners engaged in comprehensive due diligence. After this diligence, two determined not to proceed with a potential transaction in view of significant anticipated credit losses in TSFG's loan portfolio and only TD expressed a willingness to continue to explore a potential transaction.

Throughout this period and through the announcement of the merger on May 17, 2010, the TSFG board of directors met periodically to receive updates and engage in discussions regarding the status of TSFG's financial condition, the results of its efforts to seek a transaction and the status of the discussions with the bank regulatory authorities. Also during this period, the TSFG special committee met regularly between meetings of the full board to consider and discuss these matters and related matters and give direction to management and TSFG's advisors. During this period representatives of TSFG, including Mr. Harton, also engaged in weekly update discussions with the FDIC, the Federal Reserve and the South Carolina State Board of Financial Institutions, and Mr. Harton generally served as TSFG's

primary contact with its regulators throughout TSFG's strategic process.

While TD continued to conduct due diligence and explore the potential for a transaction, TSFG also continued to seek out other potential capital sources and strategic merger partners. These efforts became particularly important following the issuance of the FDIC consent order and written agreement with the Federal Reserve Board because of

TSFG's inability to meet the requirements contained therein absent a strategic transaction or substantial capital raise. These various efforts resulted in further discussions and due diligence efforts with additional potential investors and acquirers, as well as with some of the potential partners previously contacted by TSFG which had previously determined not to pursue a transaction. These efforts took place both before and after the period following the release by TSFG and other U.S. bank holding companies of first quarter 2010 earnings reflecting some degree of credit improvement at TSFG and across the industry, which resulted in renewed investor interest in regional banking franchises. In late April, one potential strategic partner expressed interest in a potential transaction at an indicative price that, while still below the market value of TSFG's common stock, exceeded the consideration offered under the merger agreement by TD. However, following additional due diligence on TSFG, the potential partner withdrew its indication and informed TSFG that it had determined that it was unable to arrive at a positive equity value for the company.

Thus, TSFG's efforts were not successful in obtaining a firm proposal from any of these potential investors or acquirers. In addition, analyses performed by TSFG and its financial advisor indicated that a public or private stock offering to raise capital would require a minimum of \$500 million and would likely need to equal or even exceed \$800 million in order to successfully address TSFG's capital needs and provide investors with an adequate capital cushion against potential future credit losses. TSFG, following discussions with its financial advisor, concluded that such a capital raise (which would appear to be the largest in U.S. public capital markets history relative to the issuer's pre-issuance market capitalization and shareholder base), was not likely achievable under the circumstances, and even if achievable would likely result in such massive dilution to existing TSFG shareholders that it would almost certainly provide less value to TSFG shareholders than the merger with TD.

During the period of TD's due diligence and consideration of a potential transaction, the parties also engaged in discussions regarding the treatment of the \$347 million of TSFG Series 2008-T Preferred Stock and related warrant held by the Treasury Department pursuant to the Treasury's Capital Purchase Program. In light of preliminary discussions with the Treasury Department and the occurrence of a number of publicly announced transactions involving similarly situated banks in which the Treasury Department had exchanged TARP preferred stock at a discount, TSFG engaged in general discussions with TD and other potential investors and strategic partners regarding the possibility of negotiating with the Treasury Department to redeem or exchange the Series 2008-T Preferred Stock at a discount, but in each case (other than TD) these parties ceased discussions with TSFG before arriving at a specific transaction that could be proposed to the Treasury Department. As the discussions with TD regarding a potential transaction progressed, TSFG, working with Morgan Stanley, and the Treasury Department held discussions relating to the consideration to be paid to the Treasury, and TSFG obtained a commitment from Treasury to accept approximately \$130.6 million as consideration for the exchange of the Series 2008-T Preferred Stock and related warrant and the discharge of all accrued but unpaid dividends on the preferred stock.

Following agreement in principle on the terms of the preferred stock repurchase, the parties continued to work to finalize the terms of the proposed merger, and counsel to TSFG and TD worked to finalize the definitive transaction documentation, including the merger agreement. The parties also worked on the Series M Preferred Stock purchase arrangements, under which TSFG agreed to issue and sell to TD, 100 shares of Series M Preferred Stock, which shares represent in the aggregate 39.9% of the voting power of TSFG's outstanding voting securities after giving effect to the issuance and will vote with the common stock on the merger agreement. The issuance was an essential component of, and a condition of TD's willingness to enter into, the merger. The share issuance was essential in order to provide TD, as well as TSFG's depositors and other customers and its regulators, with a reasonable level of confidence that TSFG would not be destabilized prior to the completion of the merger and that the merger transaction, once announced, would be completed.

On May 16, the audit committee of the TSFG board of directors met to discuss and consider the proposed Series M Preferred Stock purchase agreement. Ordinarily, the rules of the Nasdaq would require shareholder approval on an

issuance of securities having voting rights of 20% or more of the company's outstanding voting securities. However, following discussion and consideration of the factors described above and further discussed with the full board of directors as described below and under "Reasons for the Merger," including the lack of alternatives available to meet TSFG's capital and other regulatory obligations under the FDIC and Federal Reserve Board agreements and prevent the ultimate seizure of Carolina First Bank and resulting failure of TSFG, the audit

committee unanimously determined that, upon full board approval of the transactions, it was appropriate to issue the Series M Preferred Stock without shareholder approval pursuant to Nasdaq Rule 5635(f). This Rule, commonly known as the financial viability exception, permits a Nasdaq-listed issuer, with the approval of Nasdaq, to issue securities without shareholder approval where the audit committee determines that the delay in securing shareholder approval prior to the consummation of the share issuance would seriously jeopardize the financial viability of the issuer. The TSFG audit committee so determined in connection with the proposed TD merger and related share issuance. As discussed below under **Nasdaq Matters**, subsequent to the announcement of the merger TSFG was advised by Nasdaq staff that they did not believe that the issuance of the Series M Preferred Stock without a shareholder vote would qualify under the financial viability exception. TSFG has determined that it is in the best interests of TSFG and its shareholders and other constituents to proceed with the issuance of the Series M Preferred Stock in accordance with the terms of the applicable purchase agreement, and intends to reassert its position that such issuance does qualify under the financial viability exception in any proceedings that Nasdaq may bring to delist TSFG's common stock, including if necessary in an appeal from any such delisting determination.

Also on May 16, the TSFG board of directors met to consider the proposed transactions with TD. The special committee and management reviewed for the TSFG board of directors the most recent discussions with TD and the Treasury Department and the result of the audit committee meeting. Representatives of TSFG's financial advisor, Morgan Stanley, reviewed with the TSFG board of directors the proposed financial terms of the transaction with TD. The Morgan Stanley representatives also reviewed with the TSFG board of directors additional information, including information regarding TSFG's financial condition, information regarding TSFG's capital needs and its efforts to seek alternative transactions to meet those needs, information regarding the commitment from Treasury regarding the Series 2008-T Preferred Stock and financial information regarding TD. In connection with the deliberation by the TSFG board of directors, Morgan Stanley rendered to the TSFG board of directors its oral opinion (subsequently confirmed in writing), as described under **Opinion of TSFG's Financial Advisor**, that, as of such date and based upon and subject to the assumptions, considerations, qualifications and limitations set forth in the written opinion, the consideration to be received by the holders of shares of TSFG's common stock pursuant to the merger agreement was fair, from a financial point of view, to such holders. Representatives of Wachtell, Lipton, Rosen & Katz, legal advisors to TSFG, discussed with the TSFG board of directors the legal standards applicable to its decisions and actions with respect to its evaluation of merger proposals, and reviewed the proposed transaction agreements, the terms of the Series M Preferred Stock and related information.

Following these discussions with their advisors, the members of the TSFG board of directors reviewed and discussed the proposed merger and related matters among the board members and with their advisors, including consideration of the factors described under **TSFG's Reasons for the Merger**. The TSFG board noted in particular that, other than the TD merger, it did not have any other viable alternative that would enable it to meet the obligations under the FDIC consent order or the written agreement with the Federal Reserve. The TSFG board also noted that if TSFG failed to meet those obligations, Carolina First Bank would ultimately be subject to FDIC receivership, which would in turn result in the insolvency of TSFG, and that any insolvency would likely result in a complete loss to its shareholders due to the minimal assets of TSFG outside of its investment in Carolina First Bank. Following these board deliberations, the TSFG board of directors determined that the merger, the merger agreement and the transactions contemplated by the merger agreement are advisable and in the best interests of TSFG and its shareholders, and the directors voted unanimously to approve the merger and other transactions and to approve and adopt the merger agreement and the other agreements and related matters.

The definitive transaction documentation was entered into as of May 16, 2010, and on the following day, the transaction was announced before the opening of the market in press releases issued by TD and TSFG.

TSFG's Reasons for the Merger

After careful consideration, the TSFG board of directors determined that the merger agreement and the transactions contemplated by the merger agreement were advisable and in the best interests of TSFG and its shareholders and approved the merger agreement and the transactions contemplated by the merger agreement, including the merger and the Series M Preferred Stock issuance. Accordingly, TSFG's board recommends that TSFG shareholders vote FOR adoption of the merger agreement at the TSFG special meeting.

In reaching its decision, the board of directors, with advice from its financial and legal advisors, considered a number of factors, including the following:

The lack of strategic alternatives available to TSFG, notwithstanding the exhaustive search and evaluation of alternatives conducted by TSFG with the assistance of its financial and legal advisors.

The likelihood that TSFG would not be able to access the capital markets at levels sufficient to meet its obligations under the FDIC consent order, and the risk that pursuing such a path despite its low likelihood would jeopardize the potential transaction with TD.

The fact that any material failure to comply with the provisions of the FDIC consent order or the written agreement with the Federal Reserve Board would result in additional enforcement actions, including, in the absence of a transaction that satisfies the capital requirements under the FDIC and Federal Reserve Board agreements, eventual FDIC receivership of Carolina First and the resulting insolvency of TSFG.

The risks that TSFG faces in terms of loss of liquidity in the future, including the regulatory prohibition on accepting or renewing brokered deposits without FDIC approval in light of its approximately \$1 billion of maturing brokered deposits prior to June 2011 (\$1.9 billion outstanding) (as of May 2010). In addition, the board noted that TSFG's deteriorating financial position or external events could trigger deposit outflows or volatility, further weakening its liquidity position and impacting TSFG's franchise value.

The belief that FDIC receivership and the resulting failure of TSFG would result in a complete loss of value to TSFG's shareholders, and would also have significant adverse impacts on depositors, other customers, the Treasury Department, the resources of the FDIC and employees.

TSFG's and TD's respective sizes, businesses, operations, financial conditions, asset quality, earnings and prospects, including the stronger balance sheet and relative prospects of TD.

The Carolina First Bank loan portfolio and the current and prospective environment in which it operates, which reflects challenging conditions and risks that are likely to persist, including future credit losses, the potential for volatile market actions and generally uncertain economic conditions. The board also considered the effect these factors could have on TSFG's liquidity and capital position and funding capabilities, and noted the effects which these factors had had on its business, including difficulties in retaining necessary vendor contracts, limitations on its ability to confirm letters of credit for customers, the elimination of all trading and other credit lines with financial institutions (which severely restricts its ability to serve commercial and international customers), and significant and continuing deterioration in TSFG's ability to hire and retain employees.

The inability of financial institutions such as TSFG to withstand a loss of confidence, which presents the risk of a run on the bank that could have a material and adverse impact on Carolina First Bank and the speed with which such a loss of confidence and resulting impact can cause bank regulators to proceed with bank seizure.

The fact that TD was willing to permit, and the merger agreement allows, all holders to elect between the cash consideration and the stock consideration, and that the stock consideration had a fixed exchange ratio and, therefore, would allow TSFG shareholders to participate in a portion of the future performance of the combined TSFG and TD businesses and synergies resulting from the merger, and the value to TSFG shareholders represented by that consideration. The TSFG board of directors also considered that the consideration reflected a substantial discount to TSFG's then-current and historical trading prices.

Closing certainty and time to closing, along with management's belief that TSFG's regulators would view the transaction favorably.

The terms of the merger agreement and share purchase agreement.

The oral opinion of Morgan Stanley (which subsequently was confirmed in writing) that, as of May 16, 2010 and based upon and subject to the assumptions, considerations, qualifications and limitations set forth in the written opinion, the consideration to be received by the holders of shares of TSFG's common stock pursuant

to the merger agreement was fair, from a financial point of view, to such holders. For more information, see **Opinion of TSFG's Financial Advisor** beginning on page 37.

The requirement that TSFG issue shares of preferred stock to TD that would give TD voting rights reflecting 39.9% of TSFG's post-issuance voting securities, which would provide greater certainty and stability at TSFG, but which would lessen the ability of TSFG shareholders to accept a competing transaction proposal or otherwise vote down the proposed merger.

The reasons set forth above are not intended to be exhaustive, but include material factors considered by the board of directors in approving the merger agreement. Although each member of TSFG's board individually considered these and other factors, the board did not collectively assign any specific or relative weights to the factors considered and did not make any determination with respect to any individual factor. The board collectively made its determination with respect to the merger based on the conclusion reached by its members, in light of the factors that each of them considered appropriate, that the merger is in the best interests of TSFG and its shareholders. TSFG's board of directors realized there can be no assurance about future results, including results expected or considered in the factors listed above. However, the board concluded the potential positive factors outweighed the potential risks of entering into the transaction agreements.

Opinion of TSFG's Financial Advisor

TSFG retained Morgan Stanley to act as its financial advisor in connection with the merger because of Morgan Stanley's qualifications, expertise and reputation, as well as its knowledge of the business and affairs of TSFG and its investment banking professionals' substantial experience in comparable transactions. On May 16, 2010, Morgan Stanley rendered its oral opinion, subsequently confirmed in writing, to TSFG's board of directors that, as of such date and based upon and subject to the assumptions, considerations, qualifications and limitations set forth in the written opinion, the consideration to be received by the holders of shares of TSFG's common stock pursuant to the merger agreement was fair, from a financial point of view, to such holders.

The full text of Morgan Stanley's written fairness opinion, dated May 17, 2010, is attached as Appendix B to this proxy statement/prospectus. You should read the Morgan Stanley opinion for a discussion of the assumptions made, procedures followed, factors considered and limitations upon the review undertaken by Morgan Stanley in rendering its opinion. Morgan Stanley's opinion is directed to TSFG's board of directors and addresses only the fairness, from a financial point of view, of the consideration to be received by the holders of shares of TSFG's common stock pursuant to the merger agreement, and it does not address any other aspect of the merger nor does it constitute a recommendation to any shareholder as to how to vote at any shareholders meeting. The summary of the opinion of Morgan Stanley set forth in this document is qualified in its entirety by reference to the full text of such opinion.

In arriving at its opinion, Morgan Stanley, among other things:

reviewed certain publicly available financial statements and other business and financial information of TSFG and TD, respectively;

reviewed certain internal financial statements and other financial and operating data concerning TSFG;

reviewed certain financial projections prepared by management of TSFG;

reviewed (i) the consent order with the FDIC and the South Carolina State Board of Financial Institutions, effective April 30, 2010, which consent order was entered into by the board of directors of TSFG's bank

subsidiary, Carolina First Bank, and (ii) TSFG's written agreement with the Federal Reserve Board, effective May 4, 2010;

discussed the past and current operations and financial condition and the prospects of TSFG with senior executives of TSFG;

reviewed the reported prices and trading activity for TSFG's common stock and TD's common stock;

compared the financial performance of TSFG and TD and the prices and trading activity of TSFG's common stock and TD's common stock with that of certain other publicly-traded companies comparable with TSFG and TD, respectively, and their securities;

reviewed the financial terms, to the extent publicly available, of certain recent recapitalization transactions involving certain companies comparable with TSFG;

participated in discussions and negotiations among representatives of TSFG and TD and their financial and legal advisors;

reviewed the merger agreement and certain related documents; and

performed such other analyses, reviewed such other information and considered such other factors as Morgan Stanley deemed appropriate.

The TSFG board of directors advised Morgan Stanley that TSFG had considerable exposure to risks related to the deteriorating credit performance and declining values of a significant portion of the loan portfolio and related assets of TSFG and its subsidiaries, and that the business and prospects of TSFG were severely and negatively affected as a result thereof, as well as due to the prevailing economic, financial and regulatory environment and the deteriorating financial condition of TSFG.

In particular, the TSFG board of directors informed Morgan Stanley that:

The board of directors of TSFG's bank subsidiary, Carolina First Bank, had entered into the consent order, that, among other things, included the following:

A requirement that Carolina First Bank have a tier 1 leverage ratio of not less than 8% and a total risk-based capital ratio of not less than 12% within 120 days of the date of the consent order;

Prohibitions on Carolina First Bank's ability to accept or renew brokered deposits without prior approval from the FDIC, which may put severe pressure on Carolina First Bank's short and long term liquidity needs; and

Limitations on Carolina First Bank with respect to the rates it can pay on certain customer deposits.

TSFG had also entered into the written agreement, that, among other things, required TSFG to submit to the Federal Reserve Board, within 60 days of such agreement, an acceptable written plan to maintain sufficient capital at TSFG on a consolidated basis; and

TSFG expected that, absent a transaction such as the merger or a significant infusion of new capital, TSFG's capital position would become severely strained and, as a result, TSFG and Carolina First Bank would face additional regulatory actions, including intervention by the United States federal banking regulators, and/or TSFG would be required to seek protection under applicable bankruptcy laws.

As part of Morgan Stanley's engagement, Morgan Stanley assisted the management of TSFG in connection with its evaluation of a range of strategic alternatives, including, but not limited to, a sale of TSFG and capital raising and recapitalization alternatives. As part of this process, TSFG had discussions with a significant number of potential strategic acquirors and investors. In arriving at its opinion, Morgan Stanley took into account the foregoing.

The TSFG board of directors advised Morgan Stanley that, as a result of the foregoing, TSFG and its board of directors were faced with a narrow set of alternatives, which, at the time of Morgan Stanley's opinion, were limited to a significant strategic transaction such as the merger or intervention by United States banking regulators and eventual liquidation of TSFG, and, at that point, there were no executable transactions other than the merger. Morgan Stanley considered recent instances where concerns regarding the liquidity of a bank or financial institution triggered a rapid deterioration of the institution's financial condition, necessitating government intervention or bankruptcy protection and, as a result of which, the common equity holders of the institution received substantially diminished value, if any at all, for their equity. In light of the facts and circumstances, Morgan Stanley assumed that, if Carolina First Bank were taken over by the United States federal banking regulators and TSFG's non-banking

assets were liquidated under applicable bankruptcy laws, the holders of TSFG's common stock would likely receive no value for their shares.

In arriving at its opinion, Morgan Stanley assumed and relied upon, without independent verification, the accuracy and completeness of the information that was publicly available or supplied or otherwise made available to it by TSFG, and formed a substantial basis for its opinion. With respect to the financial projections, Morgan Stanley assumed that they had been reasonably prepared on bases reflecting the best currently available estimates and judgments of TSFG's management of the future financial performance of TSFG. In addition, Morgan Stanley assumed that the merger will be consummated in accordance with the terms set forth in the merger agreement without any waiver, amendment or delay of any terms or conditions. Morgan Stanley assumed that, in connection with the receipt of all the necessary governmental, regulatory or other approvals and consents required for the merger, no delays, limitations, conditions or restrictions will be imposed that would have a material adverse effect on the contemplated benefits expected to be derived in the merger. Morgan Stanley is not a legal, tax, accounting or regulatory advisor. Morgan Stanley is a financial advisor only and relied upon, without independent verification, the assessment of TSFG and its legal, tax, accounting, or regulatory advisors with respect to legal, tax, accounting, or regulatory matters. Morgan Stanley's opinion is not a solvency opinion and did not in any way address the solvency or financial condition of TSFG or whether other strategic alternatives exist for TSFG or are available. Morgan Stanley expressed no opinion with respect to the fairness of the amount or nature of the compensation to any of TSFG's officers, directors or employees, or any class of such persons, relative to the consideration to be received by the holders of TSFG's common stock in the merger. Morgan Stanley did not make any independent valuation or appraisal of the assets or liabilities of TSFG, nor was it furnished with any such appraisals. Morgan Stanley does not have expertise in the evaluation of allowances for loan losses, and it neither made an independent evaluation of the adequacy of the allowance for loan losses at TSFG nor examined any individual loan credit files of TSFG, nor was Morgan Stanley requested to conduct such a review. Accordingly, Morgan Stanley relied upon, without independent verification, the assessment by TSFG's management that the aggregate allowance for the estimated loan losses of TSFG was adequate. In particular, Morgan Stanley did not express any opinion as to the value of any asset of TSFG, whether at the current market prices or in the future. Morgan Stanley noted, however, that, under the ownership of a company with adequate liquidity and capital, such as TD, the value of TSFG could substantially improve, resulting in significant returns to TD if the proposed merger is consummated. Morgan Stanley's opinion was necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to Morgan Stanley as of, the date of the opinion. Events occurring after such date may affect its opinion and the assumptions used in preparing it, and Morgan Stanley did not assume any obligation to update, revise or reaffirm its opinion. Morgan Stanley's opinion was approved by a committee of Morgan Stanley investment banking professionals in accordance with its customary practices.

The following is a summary of the material financial analyses used by Morgan Stanley in connection with providing its opinion to TSFG's board of directors. The financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses used by Morgan Stanley, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses. Rather, the analyses listed in the tables and described below must be considered as a whole; considering any portion of such analyses and of the factors considered, without considering all analyses and factors, could create a misleading or incomplete view of the process underlying Morgan Stanley's fairness opinion. Morgan Stanley did not perform certain analyses that it would customarily prepare in connection with a financial opinion letter because such analyses were not meaningful as a result of the extraordinary circumstances of TSFG described in the opinion.

Review of Alternatives

Based on information provided by TSFG's board of directors, Morgan Stanley reviewed the condition of TSFG and the alternatives available to TSFG. The TSFG board of directors informed Morgan Stanley that TSFG's principal operating subsidiary, Carolina First Bank, had received the consent order following, among other things,

approximately \$1.4 billion in losses (after preferred dividends) since 2008, significant continuing expected losses and rapidly depleting capital. The consent order, among other things, required Carolina First Bank to raise substantial capital within 120 days. The TSFG board of directors also informed Morgan Stanley that TSFG had

entered into the written agreement with the Federal Reserve Board. Based upon the foregoing, absent third party action (i.e., a sale of the company or substantial capital raise), Carolina First Bank would exhaust its regulatory capital, fail to achieve the obligations under the consent order and be expected to be seized by the FDIC. Because TSFG had only minimal assets beyond its investment in Carolina First Bank, its common shareholders would likely receive no value in the event of a seizure of the bank.

TSFG had conducted an extensive review of capital options and potential investors and no definitive offers were received. Even if a recapitalization of TSFG could be completed, the terms of recent publicly announced recapitalization transactions involving companies that Morgan Stanley, based on its experience, deemed comparable to TSFG would imply a value to TSFG's common stock that is less than the value attributed to such shares in the merger with TD.

Using publicly available information, Morgan Stanley reviewed the following transactions:

Sterling Financial Corporation's proposed capital plan, consisting of a \$170 million investment by Thomas H. Lee Partners; conversion of \$303 million of preferred stock held by the U.S. Treasury into common stock at a 75% discount; and a \$555 million capital raise (announced April 27, 2010); and

Ford Financial Fund, L.P.'s proposed investment of \$500 million in Pacific Capital Bancorp, conditioned upon Pacific Capital Bancorp's exchange of \$181 million of preferred stock held by the U.S. Treasury for common stock at an 80% discount; successful tender for at least 70% of \$67 million of trust preferred securities at an 80% discount and \$121 million of subordinated debt at a 70% discount; and receipt of approval from NASDAQ for an exemption to its shareholder voting requirements pursuant to NASDAQ's financial viability exception (announced April 29, 2010).

No company or transaction utilized in this analysis is identical to TSFG or the merger.

The following table sets forth certain financial metrics of these transactions and the implied price per share of TSFG common stock, based on TSFG's closing price on the Nasdaq Global Select Market on May 14, 2010 of \$0.67 per share:

Sterling Financial	Financial Metrics	Implied Price per Share for TSFG
Discount to Current Market Price	87%	\$0.08
Price/Tangible Book Value*	Not Meaningful	Not Meaningful
Pro Forma Ownership of Existing Shareholders	1%	\$0.05**
Pacific Capital	Financial Metrics	Implied Price per Share for TSFG
Discount to Current Market Price	95 %	\$ 0.03
Price/Tangible Book Value	0.1 x	\$ 0.16
Pro Forma Ownership of Existing Shareholders	2 %	\$ 0.07 **

* Sterling Financial reported negative tangible book value at March 31, 2010.

** Assumes \$800 million common equity raise by TSFG.

Morgan Stanley was also advised that TSFG conducted an extensive solicitation of strategic partners and received no definitive offers other than from TD with respect to the merger.

The TSFG board of directors advised Morgan Stanley that, as a result of the foregoing, TSFG and its board of directors were faced with a narrow set of alternatives, which at the time of Morgan Stanley's opinion were limited to a significant strategic transaction such as the merger with TD or intervention by United States banking regulators and eventual liquidation of TSFG, and that at that point, there were no executable transactions other than the merger with TD.

TD Valuation Summary

The number of shares of TD common stock issuable in the merger for each share of TSFG common stock for which an election to receive TD shares is made was calculated based on TD's closing stock price on the Toronto Stock Exchange on May 14, 2010 of C\$73.39 per share, converted to U.S. dollars, as compared to the cash price per share of TSFG common stock for which an election to receive cash in the merger is made (\$0.28).

Discounted Cash Flow Analysis

Morgan Stanley conducted an illustrative discounted cash flow analysis on TD (on a stand-alone basis), using Institutional Brokers' Estimate System, which we refer to as IBES, mean earnings per share estimates for the remainder of fiscal year 2010, and fiscal years 2011 and 2012, grown at 7.0% thereafter, a 5% tangible common equity ratio, discount rates ranging from 10% - 12% and terminal forward earnings multiples ranging from 10.0x - 12.0x applied to estimated earnings for fiscal year 2015. IBES is a data service that compiles forward-looking financial estimates made by equity research analysts for U.S. publicly traded companies. This analysis resulted in an implied present value per share of TD common stock in the range of C\$67 to C\$85, as compared to TD's closing stock price on the Toronto Stock Exchange on May 14, 2010 of C\$73.39.