

# **TD Balanced Growth Fund**

532038  
(08/17)

## **TD Mutual Funds Semi-Annual Financial Report**

**for the period ended June 30, 2017**



## Management's Responsibility for Financial Reporting

The accompanying unaudited interim financial report has been prepared by TD Asset Management Inc. ("TDAM") as manager of the TD Mutual Fund Trusts, TD Managed Assets Program Portfolios and TD Managed ETF Portfolios (collectively the "Funds" and individually the "Fund") and approved by TDAM's board of directors. The manager is responsible for the integrity, objectivity and reliability of the data presented. This responsibility includes selecting appropriate accounting principles and making judgments and estimates consistent with International Financial Reporting Standards ("IFRS"). The manager is also responsible for the development of internal controls over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced, and the safeguarding of all assets of the Funds.

The board of directors of TDAM is responsible for reviewing and approving the interim financial report and overseeing management's performance of its financial reporting responsibilities.

On behalf of TDAM, manager of the Funds.



Bruce Cooper  
Director and  
Chief Executive Officer  
August 15, 2017



David Lambie  
Director and  
Chief Financial Officer  
August 15, 2017

## Notice to Unitholders

### **The Auditor of the Funds has not reviewed the TD Mutual Fund Trusts in this Financial Report**

TDAM, as manager of the Funds, appoints an independent auditor to audit the Funds' annual financial statements. Applicable securities laws require that if an auditor has not reviewed the Funds' interim financial report, this must be disclosed in an accompanying notice.

## TD Balanced Growth Fund

### Statements of Financial Position (in 000s except per unit amounts) as at June 30, 2017 and December 31, 2016 (Unaudited)

	June 30, 2017	December 31, 2016
<b>Assets</b>		
<b>Current Assets</b>		
Investments	\$ 776,410	\$ 813,044
Cash	47,099	8,452
Interest Receivable	1,263	1,644
Dividends Receivable	1,107	1,290
Subscriptions Receivable	472	421
Receivable for Investments Sold	504	1,789
Derivative Assets		
Unrealized Appreciation on Open Foreign Exchange Forward Contracts	1,511	1,210
	<u>828,366</u>	<u>827,850</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accrued Liabilities	1,518	59
Redemptions Payable	1,085	768
Distributions Payable	25	0
Payable for Investments Purchased	2,435	1,756
Derivative Liabilities		
Unrealized Depreciation on Open Foreign Exchange Forward Contracts	702	1
Written Options	78	0
	<u>5,843</u>	<u>2,584</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 822,523</u>	<u>\$ 825,266</u>
<b>Net Assets Attributable to Holders of Redeemable Units – Per Series (Note 5)</b>		
Investor Series	\$ 792,063	\$ 794,969
Advisor Series	\$ 21,023	\$ 23,267
F-Series	\$ 9,437	\$ 7,030
	<u>\$ 822,523</u>	<u>\$ 825,266</u>
<b>Net Assets Attributable to Holders of Redeemable Units – Per Series Unit</b>		
Investor Series	\$ 26.94	\$ 26.04
Advisor Series	\$ 14.07	\$ 13.61
F-Series	\$ 14.25	\$ 13.73

### Statements of Comprehensive Income (in 000s except per unit amounts) for the periods ended June 30, 2017 and 2016 (Unaudited)

	2017	2016
<b>Income</b>		
Foreign Exchange Gain (Loss) on Cash	\$ (643)	\$ (41)
Securities Lending Income	54	57
<b>Net Gain (Loss) on Investments and Derivatives</b>		
<b>Net Gain (Loss) on Investments</b>		
Interest for Distribution Purposes	3,699	4,443
Dividend Income	8,716	9,445
Net Realized Gain (Loss)	13,841	12,607
Net Change in Unrealized Appreciation/ Depreciation	14,986	6,764
<b>Net Gain (Loss) on Investments</b>	<u>41,242</u>	<u>33,259</u>
<b>Net Gain (Loss) on Derivatives</b>		
Net Realized Gain (Loss)	(287)	5,084
Net Change in Unrealized Appreciation/ Depreciation	(385)	(1,525)
<b>Net Gain (Loss) on Derivatives</b>	<u>(672)</u>	<u>3,559</u>
<b>Total Net Gain (Loss) on Investments and Derivatives</b>	<u>40,570</u>	<u>36,818</u>
<b>Total Income (Net)</b>	<u>39,981</u>	<u>36,834</u>
<b>Expenses (Note 6)</b>		
Management Fees	8,823	8,562
Administration Fees	363	354
Independent Review Committee Fees	1	1
Transaction Costs	211	340
<b>Total Expenses before Waivers</b>	<u>9,398</u>	<u>9,257</u>
Less: Waived Expenses	0	0
<b>Total Expenses (Net)</b>	<u>9,398</u>	<u>9,257</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units before Tax</b>	<u>30,583</u>	<u>27,577</u>
<b>Tax Reclaims (Withholding Taxes)</b>	<u>(496)</u>	<u>(594)</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 30,087</u>	<u>\$ 26,983</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units – Per Series</b>		
Investor Series	\$ 28,961	\$ 26,006
Advisor Series	\$ 804	\$ 795
F-Series	\$ 322	\$ 182
	<u>\$ 30,087</u>	<u>\$ 26,983</u>
<b>Weighted Average Units Outstanding for the Period – Per Series</b>		
Investor Series	<u>29,876</u>	<u>32,195</u>
Advisor Series	<u>1,552</u>	<u>1,915</u>
F-Series	<u>584</u>	<u>324</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units – Per Series Unit</b>		
Investor Series	\$ 0.97	\$ 0.81
Advisor Series	\$ 0.52	\$ 0.42
F-Series	\$ 0.55	\$ 0.56

The accompanying notes are an integral part of the interim financial report.

## TD Balanced Growth Fund

### Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (in 000s)

for the periods ended June 30, 2017 and 2016 (Unaudited)

	Investor Series		Advisor Series	
	2017	2016	2017	2016
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of the Period</b>	\$ 794,969	\$ 799,596	\$ 23,267	\$ 25,150
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	28,961	26,006	804	795
<b>Distributions to Holders of Redeemable Units</b>	(1,776)	(3,698)	(47)	(113)
<b>Redeemable Unit Transactions</b>				
Proceeds from Redeemable Units Issued	33,274	29,775	1,471	1,127
Reinvestments of Distributions to Holders of Redeemable Units	1,767	3,675	45	110
Early Redemption Fees on Redeemable Units	1	2	0	0
Redemption of Redeemable Units	(65,133)	(64,937)	(4,517)	(2,757)
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>	(30,091)	(31,485)	(3,001)	(1,520)
<b>Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	(2,906)	(9,177)	(2,244)	(838)
<b>Net Assets Attributable to Holders of Redeemable Units at End of the Period</b>	\$ 792,063	\$ 790,419	\$ 21,023	\$ 24,312
<b>Redeemable Unit Transactions</b>				
Redeemable Units Outstanding, Beginning of the Period	30,523	32,870	1,710	1,978
Redeemable Units Issued	1,237	1,236	106	91
Redeemable Units Issued on Reinvestments	66	148	3	8
Redeemable Units Redeemed	(2,425)	(2,683)	(325)	(219)
<b>Redeemable Units Outstanding, End of the Period</b>	29,401	31,571	1,494	1,858
	F-Series		TOTAL	
	2017	2016	2017	2016
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of the Period</b>	\$ 7,030	\$ 3,840	\$ 825,266	\$ 828,586
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	322	182	30,087	26,983
<b>Distributions to Holders of Redeemable Units</b>	(44)	(44)	(1,867)	(3,855)
<b>Redeemable Unit Transactions</b>				
Proceeds from Redeemable Units Issued	2,730	881	37,475	31,783
Reinvestments of Distributions to Holders of Redeemable Units	28	29	1,840	3,814
Early Redemption Fees on Redeemable Units	0	0	1	2
Redemption of Redeemable Units	(629)	(455)	(70,279)	(68,149)
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>	2,129	455	(30,963)	(32,550)
<b>Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	2,407	593	(2,743)	(9,422)
<b>Net Assets Attributable to Holders of Redeemable Units at End of the Period</b>	\$ 9,437	\$ 4,433	\$ 822,523	\$ 819,164
<b>Redeemable Unit Transactions</b>				
Redeemable Units Outstanding, Beginning of the Period	512	301		
Redeemable Units Issued	192	71		
Redeemable Units Issued on Reinvestments	2	2		
Redeemable Units Redeemed	(44)	(36)		
<b>Redeemable Units Outstanding, End of the Period</b>	662	338		

The accompanying notes are an integral part of the interim financial report.

## TD Balanced Growth Fund

### Statements of Cash Flows (in 000s)

for the periods ended June 30, 2017 and 2016 (Unaudited)

	2017	2016
<b>Cash Flows from (used in) Operating Activities</b>		
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$ 30,087	\$ 26,983
Adjustment For:		
Unrealized Foreign Exchange (Gain) Loss on Cash	600	24
Net Realized (Gain) Loss on Sale of Investments and Derivatives	(13,554)	(17,691)
Net Change in Unrealized Appreciation/Depreciation of Investments and Derivatives	(14,601)	(5,239)
Purchase of Investments	(108,228)	(1,235,622)
Proceeds from Sale and/or Maturity of Investments	175,472	1,289,672
(Increase) Decrease in Interest Receivable	375	239
(Increase) Decrease in Dividends Receivable	176	(203)
Increase (Decrease) in Accrued Liabilities	1,459	(82)
<b>Net Cash from (used in) Operating Activities</b>	<b>71,786</b>	<b>58,081</b>
<b>Cash Flows from (used in) Financing Activities</b>		
Distributions Paid to Holders of Redeemable Units, Net of Reinvested Distributions	(2)	(13)
Proceeds from Issuances of Redeemable Units	35,100	30,855
Amounts Paid on Redemption of Redeemable Units, Net of Early Redemption Fees	(67,637)	(66,862)
<b>Net Cash from (used in) Financing Activities</b>	<b>(32,539)</b>	<b>(36,020)</b>
Unrealized Foreign Exchange Gain (Loss) on Cash	(600)	(24)
Net Increase (Decrease) in Cash	39,247	22,061
Cash (Bank Overdraft) at Beginning of the Period	8,452	512
<b>Cash (Bank Overdraft) at End of the Period</b>	<b>\$ 47,099</b>	<b>\$ 22,549</b>
Interest for Distribution Purposes Received*, Net of Withholding Taxes	\$ 4,074	\$ 4,682
Dividends Received*, Net of Withholding Taxes	\$ 8,399	\$ 8,653

\* Included as part of Cash Flows from (used in) Operating Activities.

The accompanying notes are an integral part of the interim financial report.

## TD Balanced Growth Fund

Schedule of Investment Portfolio (in 000s except number of Shares or Units/Par Value/Contracts) as at June 30, 2017 (Unaudited)

No. of Shares or Units/Par Value/Contracts	Description	Cost	Fair Value
<b>Canadian Equities – 42.0%</b>			
<b>ENERGY – 9.3%</b>			
300,000	Canadian Natural Resources Limited	\$ 9,090	\$ 11,226
300,000	Enbridge Inc.	12,451	15,498
250,000	Kinder Morgan Canada Ltd.	4,250	3,958
300,000	Pason Systems Inc.	6,166	5,802
300,000	Seven Generations Energy Ltd.	5,630	6,663
215,000	Suncor Energy Inc.	7,052	8,146
260,000	TransCanada Corporation	12,097	16,073
150,000	Vermilion Energy Inc.	6,392	6,171
350,000	Whitecap Resources Inc.	3,430	3,241
		66,558	76,778
<b>MATERIALS – 2.9%</b>			
65,000	Agnico Eagle Mines Limited	3,239	3,801
60,000	Agrium Inc.	7,866	7,052
250,000	Barrick Gold Corporation	4,671	5,157
50,000	Franco-Nevada Corporation	3,003	4,679
50,000	Methanex Corporation	3,030	2,863
		21,809	23,552
<b>INDUSTRIALS – 4.3%</b>			
400,000	CAE Inc.	4,481	8,944
160,000	Canadian National Railway Company	6,805	16,835
40,000	Canadian Pacific Railway Limited	7,473	8,346
60,000	Finning International Inc.	1,598	1,525
		20,357	35,650
<b>CONSUMER DISCRETIONARY – 2.6%</b>			
60,000	Dollarama Inc.	1,630	7,434
100,000	Gildan Activewear Inc.	3,414	3,985
120,000	Restaurant Brands International Inc.	5,692	9,737
		10,736	21,156
<b>CONSUMER STAPLES – 1.6%</b>			
25,000	Alimentation Couche-Tard Inc., Class B SV	420	1,554
160,000	Loblaw Companies Limited	8,554	11,542
		8,974	13,096
<b>FINANCIALS – 15.8%</b>			
300,000	The Bank of Nova Scotia	16,341	23,403
300,000	Brookfield Asset Management Inc., Class A	6,353	15,267
70,000	Canadian Imperial Bank of Commerce	5,824	7,377
400,000	Fairfax India Holdings Corporation	4,870	8,294
635,000	Manulife Financial Corporation	10,071	15,437
330,000	Royal Bank of Canada	19,506	31,073
450,000	The Toronto-Dominion Bank*	16,257	29,408
1,764	Trisura Group Ltd.	43	38
		79,265	130,297
<b>INFORMATION TECHNOLOGY – 1.0%</b>			
70,000	Shopify Inc., Class A	4,971	7,882
<b>TELECOMMUNICATION SERVICES – 1.8%</b>			
195,000	BCE Inc.	10,999	11,388
75,000	TELUS Corporation	2,234	3,358
		13,233	14,746

No. of Shares or Units/Par Value/Contracts	Description	Cost	Fair Value
<b>ROYALTY/INCOME TRUSTS – 1.6%</b>			
250,000	Brookfield Infrastructure Partners L.P.	\$ 6,302	\$ 13,260
<b>INDEX EQUIVALENTS – 1.1%</b>			
400,000	iShares S&P/TSX 60 Index ETF	7,810	8,972
	Total Canadian Equities	240,015	345,389
<b>U.S. Equities – 14.9%</b>			
<b>ENERGY – 0.9%</b>			
30,000	EOG Resources Inc.	3,305	3,522
50,000	Schlumberger Ltd.	4,818	4,269
		8,123	7,791
<b>MATERIALS – 0.2%</b>			
55,000	CF Industries Holdings Inc.	2,233	1,994
<b>INDUSTRIALS – 1.9%</b>			
12,000	The Boeing Company	2,178	3,077
15,000	Honeywell International Inc.	1,336	2,593
60,000	Nielsen Holdings PLC	3,586	3,008
15,000	Parker-Hannifin Corporation	2,206	3,109
25,000	Union Pacific Corporation (USD)	3,025	3,531
		12,331	15,318
<b>CONSUMER DISCRETIONARY – 1.9%</b>			
3,000	Amazon.com Inc.	2,343	3,766
65,000	Comcast Corporation	2,066	3,281
15,000	The Home Depot Inc.	1,718	2,984
35,000	NIKE Inc., Class B	2,458	2,678
20,000	Time Warner Inc.	2,099	2,604
		10,684	15,313
<b>CONSUMER STAPLES – 1.1%</b>			
32,000	The Coca-Cola Company	1,700	1,861
45,000	Philip Morris International Inc.	4,254	6,854
		5,954	8,715
<b>HEALTH CARE – 1.9%</b>			
25,000	Amgen Inc.	5,199	5,584
28,000	Celgene Corporation	4,482	4,715
5,000	McKesson Corporation	1,113	1,067
55,000	Merck & Company Inc.	3,369	4,571
		14,163	15,937
<b>FINANCIALS – 2.6%</b>			
37,000	Ameriprise Financial Inc.	5,339	6,108
100,000	Bank of America Corporation	3,196	3,146
52,000	JPMorgan Chase & Co.	3,521	6,163
100,000	Morgan Stanley	3,601	5,779
		15,657	21,196
<b>INFORMATION TECHNOLOGY – 3.9%</b>			
4,000	Alphabet Inc., Class A	3,128	4,822
30,000	Apple Inc.	3,839	5,603
40,000	Broadridge Financial Solutions Inc.	1,579	3,919
10,000	International Business Machines Corporation	2,125	1,995
50,000	Microsoft Corporation	2,629	4,469
85,000	Oracle Corporation	3,686	5,527
40,000	Visa Inc., Class A	2,761	4,865
70,000	Yext Inc.	1,114	1,210
		20,861	32,410
<b>REAL ESTATE – 0.5%</b>			
7,300	Equinix Inc.	3,536	4,063
	Total U.S. Equities	93,542	122,737

**TD Balanced Growth Fund**

No. of Shares or Units/ Par Value/ Contracts	Description	Cost	Fair Value
<b>International Equities – 11.7%</b>			
<b>BELGIUM – 0.4%</b>			
25,000	Anheuser-Busch InBev NV	\$ 3,458	\$ 3,581
<b>BRAZIL – 0.2%</b>			
150,000	Banco Santander Brasil SA, ADR	1,638	1,465
<b>DENMARK – 0.3%</b>			
50,000	Novo Nordisk AS, Class B	3,243	2,777
<b>FRANCE – 1.2%</b>			
40,000	Airbus Group SE	3,373	4,266
35,000	BNP Paribas SA	3,191	3,269
40,000	TOTAL SA	2,468	2,564
		9,032	10,099
<b>GERMANY – 1.0%</b>			
15,000	Allianz SE	3,252	3,830
80,000	Innogy SE	4,244	4,084
		7,496	7,914
<b>HONG KONG – 0.3%</b>			
250,000	AIA Group Limited	1,392	2,369
<b>IRELAND – 1.0%</b>			
25,000	Accenture PLC, Class A	3,754	4,010
35,000	Medtronic PLC	2,725	4,028
		6,479	8,038
<b>ITALY – 0.4%</b>			
100,000	Moncler SpA	2,238	3,036
<b>JAPAN – 0.9%</b>			
10,000	Daito Trust Construction Company Ltd.	2,113	2,017
15,000	FANUC Corporation	3,597	3,745
200,000	Resona Holdings Inc.	1,143	1,426
		6,853	7,188
<b>NETHERLANDS – 1.6%</b>			
240,000	ING Groep NV	4,038	5,368
950,000	Koninklijke KPN NV	4,103	3,941
90,000	NN Group NV	4,024	4,148
		12,165	13,457
<b>NEW ZEALAND – 0.3%</b>			
700,000	Spark New Zealand Limited	2,319	2,515
<b>SPAIN – 1.0%</b>			
55,000	Amadeus IT Holding SA	2,809	4,265
450,000	Banco Santander SA	2,875	3,860
		5,684	8,125
<b>SWEDEN – 1.4%</b>			
90,000	Atlas Copco AB, Class A	2,967	4,475
400,000	Com Hem Holding AB	4,467	7,204
		7,434	11,679
<b>SWITZERLAND – 0.8%</b>			
12,000	Galenica Sante Ltd.	622	730
25,000	Nestle SA	1,848	2,822
6,500	Valora Holding AG	1,965	2,694
		4,435	6,246
<b>UNITED KINGDOM – 0.9%</b>			
150,000	BP PLC	1,168	1,122
65,000	Diageo PLC	2,416	2,490
1,200,000	ITV PLC	4,299	3,677
		7,883	7,289
	Total International Equities	81,749	95,778

No. of Shares or Units/ Par Value/ Contracts	Description	Cost	Fair Value
<b>Options – 0.0%</b>			
<b>OPTIONS, WRITTEN – 0.0%</b>			
(400)	Cisco Systems Inc. Put 30.5, 21/07/2017	\$ (12)	\$ (13)
(100)	Costco Wholesale Corporation Put 160, 21/07/2017	(21)	(33)
(100)	McKesson Corporation Put 160, 21/07/2017	(14)	(14)
(200)	Pioneer Natural Resources Company Put 144, 21/07/2017	(36)	(12)
(100)	Wal-Mart Stores Inc. Put 70, 18/08/2017	(11)	(6)
	Total Options	(94)	(78)
<b>Canadian Bonds – 24.3%</b>			
<b>FEDERAL BONDS &amp; GUARANTEES – 4.5%</b>			
4,000,000	Canada Housing Trust No. 1 3.75% due March 15, 2020	4,464	4,249
4,000,000	3.15% due September 15, 2023	4,463	4,291
2,400,000	Canada Post Corporation 4.08% due July 16, 2025	2,397	2,735
	Government of Canada		
990,000	0.50% due March 01, 2022	966	951
3,300,000	1.50% due June 01, 2026	3,297	3,247
5,825,000	1.00% due June 01, 2027	5,559	5,429
8,800,000	3.50% due December 01, 2045	11,669	11,305
4,000,000	2.75% due December 01, 2048	4,323	4,567
		37,138	36,774
<b>PROVINCIAL BONDS &amp; GUARANTEES – 5.3%</b>			
	Hydro One Inc.		
1,000,000	Callable 4.17% due June 06, 2044	1,050	1,124
	Ontrea Inc.		
978,091	4.619% due April 09, 2018	978	1,000
	Province of Alberta		
3,000,000	2.35% due June 01, 2025	3,008	2,999
1,920,000	2.20% due June 01, 2026	1,915	1,880
1,360,000	3.30% due December 01, 2046	1,360	1,419
	Province of British Columbia		
1,580,000	5.62% due August 17, 2028	1,949	2,035
700,000	4.30% due June 18, 2042	859	873
	Province of Manitoba		
2,700,000	2.45% due June 02, 2025	2,743	2,720
3,170,000	5.70% due March 05, 2037	4,438	4,442
2,900,000	4.10% due March 05, 2041	3,579	3,402
	Province of Nova Scotia		
3,000,000	4.50% due June 01, 2037	3,411	3,677
	Province of Ontario		
6,820,000	2.85% due June 02, 2023	7,200	7,118
10,000,000	2.90% due December 02, 2046	9,637	9,883
	Province of Ontario Residual		
3,000,000	3.01% due June 02, 2045	1,243	1,312
		43,370	43,884

**TD Balanced Growth Fund**

No. of Shares or Units/ Par Value/ Contracts	Description	Cost	Fair Value
<b>CORPORATE BONDS – 14.5%</b>			
	777 Bay Limited Partnership		
246,341	3.185% due July 17, 2026	\$ 246	\$ 242
	AIMco Realty Investors LP		
490,000	Callable 2.266% due June 26, 2024	490	484
	Bank of Montreal		
740,000	1.88% due March 31, 2021	740	738
1,500,000	3.40% due April 23, 2021	1,642	1,578
1,330,000	1.61% due October 28, 2021	1,330	1,306
830,000	Callable 3.34% due December 08, 2025	830	856
1,100,000	Callable 2.57% due June 01, 2027	1,100	1,092
	The Bank of Nova Scotia		
1,050,000	2.09% due September 09, 2020	1,050	1,058
2,820,000	3.27% due January 11, 2021	2,945	2,949
1,060,000	1.90% due December 02, 2021	1,060	1,051
1,470,000	1.83% due April 27, 2022	1,469	1,448
1,910,000	2.29% due June 28, 2024	1,910	1,893
1,280,000	Callable 3.367% due December 08, 2025	1,280	1,321
1,000,000	Callable 2.58% due March 30, 2027	989	996
	bclMC Realty Corporation		
1,560,000	Callable 2.84% due June 03, 2025	1,559	1,590
530,000	Callable 3.00% due March 31, 2027	530	540
	Bell Canada		
2,680,000	3.25% due June 17, 2020	2,769	2,778
770,000	2.00% due October 01, 2021	768	762
1,270,000	Callable 3.00% due October 03, 2022	1,265	1,307
	BMO Capital Trust II		
346,000	Callable 10.221% due December 31, 2018	477	386
	BMW Canada Inc.		
620,000	1.78% due October 19, 2020	620	616
1,540,000	1.88% due December 11, 2020	1,540	1,536
	Bombardier Inc. (USD)		
150,000	7.75% due March 15, 2020	216	210
	Bow Centre Street L.P.		
1,300,000	3.69% due June 14, 2021	1,300	1,296
	Canadian Imperial Bank of Commerce		
630,000	1.90% due April 26, 2021	630	629
900,000	1.64% due July 12, 2021	900	888
620,000	2.04% due March 21, 2022	620	618
500,000	Callable 3.00% due October 28, 2024	515	509
1,570,000	Callable 3.42% due January 26, 2026	1,570	1,621
	Canadian Natural Resources Limited		
640,000	2.05% due June 01, 2020	640	635
1,450,000	2.89% due August 14, 2020	1,478	1,469
1,360,000	3.31% due February 11, 2022	1,360	1,387
	Chaudiere Hydro L.P., Series 2016-1		
200,000	4.08% due March 31, 2057	200	196
	Daimler Canada Finance Inc.		
700,000	2.23% due December 16, 2021	700	699
	Enbridge Gas Distribution Inc.		
560,000	Callable 3.31% due September 11, 2025	560	592
1,000,000	Callable 2.50% due August 05, 2026	1,002	991
500,000	Callable 4.00% due August 22, 2044	546	544
	Enbridge Pipelines Inc.		
2,130,000	4.45% due April 06, 2020	2,149	2,274
680,000	Callable 3.00% due August 10, 2026	680	683
	Finning International Inc.		
1,000,000	6.02% due June 01, 2018	1,121	1,039
	Ford Auto Securitization Trust		
210,000	Callable 1.423% due April 15, 2021	210	209

No. of Shares or Units/ Par Value/ Contracts	Description	Cost	Fair Value
	Ford Credit Canada Company		
130,000	3.14% due June 14, 2019	\$ 130	\$ 133
1,040,000	2.923% due September 16, 2020	1,040	1,056
530,000	2.71% due February 23, 2022	530	528
1,170,000	2.766% due June 22, 2022	1,170	1,165
	Grand Renewable Solar L.P.		
348,120	3.926% due January 31, 2035	348	348
	HCN Canadian Holdings-1 L.P.		
600,000	3.35% due November 25, 2020	598	621
	Honda Canada Finance Inc.		
400,000	2.155% due February 18, 2021	400	402
	HSBC Bank Canada		
2,150,000	2.491% due May 13, 2019	2,182	2,180
1,910,000	1.816% due July 07, 2020	1,910	1,904
1,900,000	2.449% due January 29, 2021	1,903	1,927
1,900,000	2.908% due September 29, 2021	1,925	1,956
640,000	2.17% due June 29, 2022	640	635
	Husky Energy Inc.		
666,000	5.00% due March 12, 2020	725	714
	Industrial Alliance Insurance and Financial Services Inc.		
500,000	Callable 3.30% due September 15, 2028	500	516
	Institutional Mortgage Securities Canada Inc.		
179,173	Callable 3.69% due April 12, 2020	179	183
	Inter Pipeline Ltd.		
290,000	Callable 2.734% due April 18, 2024	290	288
	Kingston Solar LP		
572,885	3.571% due July 31, 2035	573	562
	The Manufacturers Life Insurance Company		
490,000	Callable 2.64% due January 15, 2025	490	498
1,520,000	Callable 2.10% due June 01, 2025	1,520	1,523
1,110,000	Callable 3.181% due November 22, 2027	1,110	1,152
	Manulife Financial Capital Trust II		
2,000,000	Callable 7.405% due December 31, 2019	2,301	2,244
	Nissan Canada Financial Services Inc.		
200,000	1.75% due April 09, 2020	200	199
	North West Redwater Partnership/ NWR Financing Company Ltd.		
620,000	Callable 2.10% due February 23, 2022	619	616
458,000	Callable 3.20% due April 24, 2026	439	470
440,000	Callable 2.80% due June 01, 2027	439	432
1,240,000	Callable 4.25% due June 01, 2029	1,236	1,353
530,000	Callable 3.65% due June 01, 2035	530	535
440,000	Callable 3.70% due February 23, 2043	438	433
370,000	Callable 4.05% due July 22, 2044	369	385
	OMERS Realty Corporation		
2,960,000	3.203% due July 24, 2020	2,991	3,079
510,000	2.971% due April 05, 2021	510	528
650,000	Callable 2.858% due February 23, 2024	650	667
570,000	3.328% due November 12, 2024	570	601
	Open Text Corporation (USD)		
100,000	Callable 5.625% due January 15, 2023	134	136
	Original Wempi Inc.		
620,000	4.309% due February 13, 2024	620	648
	Plenary Roads Winnipeg Transitway L.P.		
300,000	4.1126% due May 31, 2049	300	303
	Powell River Energy Inc.		
190,000	4.45% due August 31, 2026	190	189
	Real Estate Asset Liquidity Trust		
410,251	Callable 2.356% due January 12, 2025	410	409
470,000	Callable 3.239% due May 12, 2025	470	475
510,000	Callable 2.588% due October 12, 2025	510	498



**TD Balanced Growth Fund**

No. of Shares or Units/ Par Value/ Contracts	Description	Cost	Fair Value
	Reliant FN L.P.		
67,868	4.51% due June 15, 2036	\$ 68	\$ 69
	Resolute Forest Products Inc. (USD)		
125,000	Callable 5.875% due May 15, 2023	135	158
	RioCan Real Estate Investment Trust		
450,000	2.185% due August 26, 2020	450	448
300,000	2.194% due April 09, 2021	300	297
1,200,000	3.716% due December 13, 2021	1,281	1,255
490,000	2.83% due October 03, 2022	490	491
	Rogers Communications Inc.		
490,000	5.38% due November 04, 2019	537	529
670,000	4.00% due June 06, 2022	667	721
	Royal Bank of Canada		
2,320,000	2.35% due December 09, 2019	2,354	2,354
1,420,000	2.86% due March 04, 2021	1,420	1,465
1,710,000	2.03% due March 15, 2021	1,709	1,714
930,000	1.583% due September 13, 2021	930	912
870,000	Callable 2.48% due June 04, 2025	870	874
1,320,000	Callable 3.31% due January 20, 2026	1,319	1,359
820,000	Callable 3.45% due September 29, 2026	820	848
	Schlegel Villages Inc.		
179,337	4.433% due March 31, 2037	179	184
	Scotiabank Tier 1 Trust		
1,700,000	Callable 7.802% due June 30, 2019	2,048	1,878
	Shaw Communications Inc.		
1,900,000	5.65% due October 01, 2019	1,976	2,052
	Sun Life Capital Trust II		
1,600,000	Callable 5.863% due December 31, 2019	1,677	1,735
	TD Capital Trust IV*		
3,000,000	Callable 6.631% due June 30, 2021	3,365	3,442
	TELUS Corporation		
2,315,000	Callable 3.20% due April 05, 2021	2,339	2,398
	Thomson Reuters Corporation		
290,000	Callable 3.309% due November 12, 2021	290	301
	The Toronto-Dominion Bank*		
1,300,000	1.909% due July 18, 2023	1,301	1,273
2,800,000	3.226% due July 24, 2024	2,856	2,954
2,020,000	Callable 2.692% due June 24, 2025	2,020	2,043
990,000	Callable 4.859% due March 04, 2031	990	1,114
	Toyota Credit Canada Inc.		
1,010,000	2.48% due November 19, 2019	1,010	1,027
	TransCanada PipeLines Limited		
340,000	Callable 3.69% due July 19, 2023	361	364
1,370,000	Callable 3.30% due July 17, 2025	1,368	1,431
	Union Gas Limited		
390,000	Callable 4.20% due June 02, 2044	383	440
	Ventas Canada Finance Limited		
810,000	3.00% due September 30, 2019	808	827
810,000	Callable 2.55% due March 15, 2023	810	800
	Ventas Canada Finance Limited (USD)		
810,000	Callable 3.30% due February 01, 2022	810	833
	Videotron Ltd. (USD)		
2,000	Callable 5.125% due April 15, 2027	3	3
	VW Credit Canada Inc.		
1,240,000	2.50% due October 01, 2019	1,239	1,253
2,310,000	2.15% due June 24, 2020	2,322	2,309
	Wells Fargo Canada Corporation		
1,100,000	3.04% due January 29, 2021	1,163	1,139
		117,763	118,801
	<b>Total Canadian Bonds</b>	<b>198,271</b>	<b>199,459</b>

No. of Shares or Units/ Par Value/ Contracts	Description	Cost	Fair Value
	<b>Global Bonds – 1.5%</b>		
	<b>GERMANY – 0.0%</b>		
	Unitymedia Hessen GmbH & Co. KG/ Unitymedia NRW GmbH (USD)		
180,000	Callable 5.50% due January 15, 2023	\$ 245	\$ 243
	<b>UNITED STATES – 1.3%</b>		
	The ADT Corporation (USD)		
75,000	6.25% due October 15, 2021	113	106
70,000	3.50% due July 15, 2022	87	88
	AECOM (USD)		
175,000	Callable 5.75% due October 15, 2022	238	239
	Ally Financial Inc. (USD)		
225,000	4.125% due March 30, 2020	300	301
	ANTM CTL PT Trust, Series A2 (USD)		
320,000	4.12% due November 30, 2023	429	412
	Ashland Inc. (USD)		
150,000	Callable 4.75% due August 15, 2022	198	204
	Ball Corporation (USD)		
15,000	5.00% due March 15, 2022	22	21
	Best Buy Company Inc. (USD)		
189,000	Callable 5.50% due March 15, 2021	266	267
	Calpine Corporation (USD)		
170,000	Callable 5.375% due January 15, 2023	224	216
	CCO Holdings LLC/ CCO Holdings Capital Corporation (USD)		
150,000	Callable 5.125% due May 01, 2023	204	205
	CenturyLink Inc. (USD)		
155,000	5.625% due April 01, 2020	206	213
	CIT Group Inc. (USD)		
75,000	5.50% due February 15, 2019	108	102
	CNH Industrial Capital LLC (USD)		
200,000	3.625% due April 15, 2018	266	262
	Constellation Brands Inc. (USD)		
225,000	3.875% due November 15, 2019	306	303
	Crown Castle International Corp. (USD)		
150,000	4.875% due April 15, 2022	209	213
	Dana Holding Corporation (USD)		
250,000	Callable 5.375% due September 15, 2021	331	334
	Diamond 1 Finance Corp/ Diamond 2 Finance Corporation (USD)		
150,000	Callable 5.875% due June 15, 2021	208	204
	DISH DBS Corporation (USD)		
50,000	4.25% due April 01, 2018	70	66
	First Data Corporation (USD)		
170,000	Callable 5.375% due August 15, 2023	236	231
	Frontier Communications Corporation (USD)		
150,000	Callable 10.50% due September 15, 2022	198	186
45,000	7.625% due April 15, 2024	54	48
	GameStop Corp. (USD)		
100,000	Callable 6.75% due March 15, 2021	132	135
	The Goodyear Tire & Rubber Company (USD)		
150,000	Callable 5.125% due November 15, 2023	203	204
	HCA Inc. (USD)		
350,000	6.50% due February 15, 2020	514	496
	The Hertz Corporation (USD)		
50,000	Callable 5.875% due October 15, 2020	67	63

**TD Balanced Growth Fund**

No. of Shares or Units/ Par Value/ Contracts	Description	Cost	Fair Value	No. of Shares or Units/ Par Value/ Contracts	Description	Cost	Fair Value
250,000	Hologic Inc. (USD) Callable 5.25% due July 15, 2022	\$ 343	\$ 342	5,000	VeriSign Inc. (USD) Callable 4.75% due July 15, 2027	\$ 7	\$ 7
225,000	International Lease Finance Corporation (USD) 6.25% due May 15, 2019	322	313	10,000	WESCO Distribution Inc. (USD) Callable 5.375% due June 15, 2024	13	14
100,000	Jabil Circuit Inc. (USD) 4.70% due September 15, 2022	142	138	150,000	ZF North America Capital Inc. (USD) 4.00% due April 29, 2020	198	202
130,784	Kawa SBA IO Trust 2016-1 A (USD) 4.00% due October 25, 2019	175	169			10,934	10,792
190,000	L Brands Inc. (USD) 8.50% due June 15, 2019	297	275		<b>SUPRANATIONALS – 0.2%</b>		
125,000	Lamar Media Corp. (USD) Callable 5.875% due February 01, 2022	174	168	1,750,000	Inter-American Development Bank 4.40% due January 26, 2026	1,725	2,012
121,000	Match Group Inc. (USD) Callable 6.75% due December 15, 2022	168	164		Total Global Bonds	12,904	13,047
221,000	MSCI Inc. (USD) Callable 5.25% due November 15, 2024	299	305		Transaction Costs	(515)	
84,000	Neptune Finco Corp. (USD) Callable 6.625% due October 15, 2025	124	120		TOTAL INVESTMENT		
170,000	Nielsen Finance LLC/Nielsen Finance Co. (USD) Callable 5.00% due April 15, 2022	220	229		PORTFOLIO – 94.4%	\$ 625,872	\$ 776,332
20,000	NRG Energy Inc. (USD) 7.625% due January 15, 2018	28	27		FORWARD CONTRACTS		
225,000	PVH Corp. (USD) Callable 4.50% due December 15, 2022	299	303		(SCHEDULE 1) – 0.1%		809
129,627	Reynolds Group Issuer Inc. (USD) Callable 6.875% due February 15, 2021	180	173		OTHER NET ASSETS		
100,000	SBA Communications Corporation (USD) Callable 4.875% due July 15, 2022	133	134		(LIABILITIES) – 5.5%		45,382
143,863	SHW CTL PS Trust, Series A1 (USD) 3.67% due May 15, 2029	186	182		<b>TOTAL NET ASSETS – 100.0%</b>		\$ 822,523
220,000	SHW CTL PS Trust, Series A2 (USD) 4.41% due May 15, 2029	284	278				
200,000	Sinclair Television Group Inc. (USD) Callable 5.375% due April 01, 2021	266	267				
100,000	Sirius XM Radio Inc. (USD) Callable 5.75% due August 01, 2021	137	134				
62,000	Callable 6.00% due July 15, 2024	86	86				
40,000	Callable 5.00% due August 01, 2027	53	53				
185,000	Sprint Corporation (USD) 7.00% due August 15, 2020	241	265				
45,000	Steel Dynamics Inc. (USD) Callable 5.00% due December 15, 2026	61	60				
125,000	T-Mobile US Inc. (USD) Callable 6.00% due March 01, 2023	174	172				
272,337	UNA CTL PT Trust, Series A1 (USD) 3.47% due June 15, 2033	357	343				
129,344	UNA CTL PT Trust, Series A2 (USD) 4.03% due June 15, 2033	170	164				
32,968	UNA CTL PT Trust, Series A3 (USD) 14.00% due June 15, 2033	43	42				
200,000	United Rentals North America Inc. (USD) Callable 7.625% due April 15, 2022	276	272				
200,000	VA Tal CTL Trust, Series A2 (USD) 4.09% due July 15, 2036	264	249				
18,000	Valeant Pharmaceuticals International Inc. (USD) Callable 6.375% due October 15, 2020	25	23				

\* Related party to the Fund as an affiliated entity of TD Asset Management Inc.

## Schedule 1

## Foreign Exchange Forward Contracts (in 000s except contract price and total number of contract(s))

Settlement Date	Currency to be Delivered		Canadian Value as at June 30, 2017	Currency to be Received		Canadian Value as at June 30, 2017	Contract Price	CAD Unrealized Appreciation
July 31, 2017	2,034	CHF	\$ 2,755	2,800	CAD	\$ 2,800	0.72640	\$ 45
July 31, 2017	1,236	CHF	1,674	1,700	CAD	1,700	0.72702	26
July 31, 2017	3,826	GBP	6,465	6,560	CAD	6,560	1.67505	
							to 1.72883	95
July 31, 2017	989,682	JPY	11,420	12,293	CAD	12,293	80.51150	873
July 31, 2017	9,594	NOK	1,490	1,493	CAD	1,493	6.42681	3
July 31, 2017	5,875	USD	7,614	8,000	CAD	8,000	1.36171	386
July 31, 2017	2,923	USD	3,788	4,000	CAD	4,000	1.36844	212
July 31, 2017	735	USD	952	1,000	CAD	1,000	1.36139	48
August 31, 2017	5,618	USD	7,278	7,563	CAD	7,563	1.34623	285
August 31, 2017	5,576	USD	7,224	7,506	CAD	7,506	1.34606	282
August 31, 2017	15	USD	19	20	CAD	20	1.34611	1
			\$ 50,679			\$ 52,935		\$ 2,256

Settlement Date	Currency to be Delivered		Canadian Value as at June 30, 2017	Currency to be Received		Canadian Value as at June 30, 2017	Contract Price	CAD Unrealized Depreciation
July 04, 2017	80	NOK	\$ 12	12	CAD	\$ 12	6.45340	\$ 0
July 31, 2017	6,050	CAD	6,050	487,122	JPY	5,621	80.51150	(429)
July 31, 2017	2,723	CAD	2,723	2,017	USD	2,615	1.34960	(108)
July 31, 2017	2,400	CAD	2,400	1,372	GBP	2,318	1.74934	(82)
July 31, 2017	1,700	CAD	1,700	1,282	USD	1,662	1.32573	(38)
July 31, 2017	500	CAD	500	3,139	NOK	488	6.27884	(12)
July 31, 2017	1,011	CAD	1,011	6,454	NOK	1,003	6.38303	(8)
July 31, 2017	10,776	EUR	15,978	15,619	CAD	15,619	1.44949	(359)
July 31, 2017	2,990	EUR	4,434	4,334	CAD	4,334	1.44947	(100)
July 31, 2017	1,010	GBP	1,706	1,700	CAD	1,700	1.68383	(6)
July 31, 2017	60,515	SEK	9,327	9,094	CAD	9,094	6.65440	(233)
July 31, 2017	13,330	SEK	2,055	2,003	CAD	2,003	6.65603	(52)
September 29, 2017	457	CAD	457	346	USD	447	1.32349	(10)
September 29, 2017	400	CAD	400	302	USD	391	1.32365	(9)
September 29, 2017	270	CAD	270	181	EUR	269	1.48977	(1)
			\$ 49,023			\$ 47,576		\$ (1,447)

TOTAL NUMBER OF CONTRACT(S): 28

CAD NET UNREALIZED APPRECIATION

\$ 809

## TD Balanced Growth Fund

### Fund-Specific Notes to the Interim Financial Report (Unaudited)

#### (A) The Fund

(I) The Fund start date was September 4, 1987.

(II) TDAM is the manager, portfolio adviser and trustee of the Fund. TDIS is the principal distributor of the Investor Series units of the Fund.

(III) The presentation and functional currency of the Fund is the Canadian dollar.

(IV) The investment objective of the Fund is to seek to provide capital growth and income by investing primarily in equity and fixed income securities of issuers in Canada. In seeking to achieve this objective, the Fund balances the major asset classes based on relative valuation parameters between such asset classes and focuses on high-quality investments. Common stock investments concentrate on those companies which are expected to have above-average earnings growth over the course of a market cycle. The Fund may invest in exchange-traded funds, investment and non-investment grade bonds, debt-like instruments (including investments in loans) and any other debt obligations.

(V) Any related party holdings as at June 30, 2017 (December 31, 2016: 5.2%), are disclosed in the Schedule of Investment Portfolio.

#### (B) Management Fees and Administration Fees (Note 6)

for the six-month periods ended June 30, 2017 and 2016

##### (I) MANAGEMENT FEES (%)

Series	Maximum	Actual* Annual Rate (exclusive of GST and HST)	
		2017	2016
Investor Series	2.00	1.93	1.93
Advisor Series	2.00	1.93	1.93
F-Series	1.00	1.00	1.00

\* Includes management fees paid by the Fund and the proportionate management fees, if any, of the underlying funds managed by TDAM held by the Fund. However there is no duplication of management fees.

The amount payable (in 000s) to TDAM as at June 30, 2017 for management fees is \$1,322 (December 31, 2016: \$0) which is included in Accrued Liabilities on the Statements of Financial Position.

##### (II) ADMINISTRATION FEES (%)

Series	Annual Rate (exclusive of GST and HST)	
	2017	2016
Investor Series	0.08	0.08
Advisor Series	0.08	0.08

The amount payable (in 000s) to TDAM as at June 30, 2017 for administration fees is \$54 (December 31, 2016: \$54) which is included in Accrued Liabilities on the Statements of Financial Position.

(C) Brokerage Commissions and Soft Dollars (in 000s) (Notes 3 and 6) for the six-month periods ended June 30, 2017 and 2016

##### (I) BROKERAGE COMMISSIONS

	2017	2016
Total Brokerage Commissions	\$ 211	\$ 340
Paid to Related Parties	7	42

##### (II) SOFT DOLLARS

	2017	2016
Soft Dollars	\$ 1	\$ 10
Percentage of Total Commissions (%)	0.5	2.9

(D) Tax Loss Carry Forwards (in 000s) (Note 7)

as at December 31, 2016

None for the Fund.

##### (E) Securities Lent (Note 3)

###### (I) SECURITIES LENDING INCOME

A reconciliation of the gross amount generated from the securities lending transactions to the security lending income to the Fund for the periods ended June 30, 2017 and 2016 is as follows:

	Amount (in 000s)		Percentage of Total Amount (%)	
	2017	2016	2017	2016
Gross Securities				
Lending Income	\$ 67	\$ 70	100.0	100.0
Agent fees – The Bank of New York Mellon Corp.	(13)	(13)	(19.4)	(18.6)
Securities Lending				
Income to the Fund before Tax Reclaims (Withholding Taxes)	54	57	80.6	81.4
Tax Reclaims (Withholding Taxes)	(3)	(5)	(4.5)	(7.1)
Net Securities				
Lending Income	\$ 51	\$ 52	76.1	74.3

###### (II) SECURITIES LENT AND COLLATERAL HELD (in 000s)

The table below summarizes the aggregate securities lent and related collateral held by the Fund as at June 30, 2017 and December 31, 2016.

	June 30, 2017	December 31, 2016
Fair Value of Securities Lent	\$ 60,588	\$ 67,810
Fair Value of Collateral Held	64,170	71,481

Collateral held is in the form of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments or corporations and is not included in the Statements of Financial Position.

**(F) Financial Risk Management** (Notes 3, 4 and 8)

as at June 30, 2017 and December 31, 2016

**(I) INTEREST RATE RISK**

The table below summarizes the Fund's exposure to interest rate risk as at June 30, 2017 and December 31, 2016 by remaining term to maturity. The table also illustrates the potential impact to the Fund's net assets had the prevailing interest rates changed by 1 percent, assuming a parallel shift in the yield curve, with all other variables held constant. The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual trading results may differ from these approximate sensitivity analysis amounts and the differences could be material.

Term to Maturity Bonds	Total Exposure (in 000s)	
	June 30, 2017	December 31, 2016
Less than 1 year	\$ 2,394	\$ 7,344
1-5 years	85,927	97,267
5-10 years	70,695	73,382
> 10 years	53,490	62,664
Total	\$ 212,506	\$ 240,657
Impact on Net Assets (000s)	\$ 15,747	\$ 17,254
Impact on Net Assets (%)	1.9	2.1

**(II) CURRENCY RISK**

The table below indicates the foreign currencies to which the Fund had exposure as at June 30, 2017 and December 31, 2016 in Canadian dollar terms, including the impact of the underlying principal amount of forward currency contracts, if any. The table also illustrates the potential impact to the Fund's net assets if the Fund's functional currency, the Canadian dollar, had strengthened or weakened by 5 percent in relation to all other currencies, with all other variables held constant. In practice, the actual trading results may differ from these approximate sensitivity amounts and the differences could be material.

Currency	Total Exposure* (in 000s)		Impact on Net Assets* (in 000s)	
	June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
British Pound	\$ 1,437	\$ 4,890	\$ 72	\$ 244
Danish Krone	2,777	1,210	139	61
Euro	26,070	13,949	1,304	697
Hong Kong Dollar	2,369	5,195	118	260
Japanese Yen	1,390	953	69	48
New Zealand Dollar	2,514	2,226	126	111
Norwegian Krone	0	2,217	0	111
Swedish Krona	297	10,084	15	504
Swiss Franc	1,817	4,215	91	211
United States Dollar	151,085	152,584	7,554	7,629
Total	\$ 189,756	\$ 197,523	\$ 9,488	\$ 9,876
As Percentage of Net Assets (%)	23.1	23.9	1.2	1.2

\* Includes both monetary and non-monetary instruments, where applicable.

**(III) OTHER PRICE RISK**

The table below summarizes the impact of other price risk to the Fund. As at June 30, 2017 and December 31, 2016, had the benchmark of the Fund increased or decreased by 5 percent, with all other variables held constant, the net assets of the Fund would have increased or decreased by approximately:

Benchmark	Impact on Net Assets (in 000s)		Impact on Net Assets (%)	
	June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
45% S&P/TSX Composite Total Return Index, 35% FTSE TMX Canada Universe Bond Index, 20% MSCI World Index (Net Dividend, C\$)	\$ 30,208	\$ 29,827	3.7	3.6

In practice, the actual trading results may differ from the above estimated amounts and the differences could be material.

**(IV) CREDIT RISK**

The table below summarizes the debt instruments by credit ratings as at June 30, 2017 and December 31, 2016.

Credit Rating <sup>o</sup>	Percentage of Total Bonds (%)		Percentage of Total Net Assets (%)	
	June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
AAA	20.5	16.4	5.3	4.8
AA	26.7	33.3	6.8	9.7
A	23.0	20.2	5.9	5.9
BBB	24.4	24.5	6.3	7.2
BB	2.7	3.1	0.7	0.9
B	1.3	1.2	0.4	0.3
CCC	0.0	0.1	0.0	0.1
No Rating	1.4	1.2	0.4	0.3
Total	100.0	100.0	25.8	29.2

<sup>o</sup> Credit ratings are obtained from Standard & Poor's, Moody's or DBRS rating agencies.

**(V) FINANCIAL INSTRUMENTS BY THE LEVEL IN THE FAIR VALUE HIERARCHY**  
(in 000s)

The table below illustrates the classification of the Fund's financial instruments within the fair value hierarchy as at June 30, 2017 and December 31, 2016.

	Level 1	Level 2	Level 3	Total
June 30, 2017				
Common Shares	\$ 563,904	\$ 0	\$ 0	\$ 563,904
Bonds	0	209,484	3,022	212,506
Forward Contracts	0	1,511	0	1,511
	563,904	210,995	3,022	777,921
Written Options	(78)	0	0	(78)
Forward Contracts	0	(702)	0	(702)
	(78)	(702)	0	(780)
	\$ 563,826	\$ 210,293	\$ 3,022	\$ 777,141

As at the end of the period, equity positions with a fair value of \$8,294 were transferred from Level 2 to Level 1 during the period as a result of increased activity in the market for those securities.

	Level 1	Level 2	Level 3	Total
December 31, 2016				
Common Shares	\$ 563,836	\$ 8,551	\$ 0	\$ 572,387
Bonds	0	237,845	2,812	240,657
Forward Contracts	0	1,210	0	1,210
	563,836	247,606	2,812	814,254
Forward Contracts	0	(1)	0	(1)
	\$ 563,836	\$ 247,605	\$ 2,812	\$ 814,253

As at the end of the period, equity positions with a fair value of \$11,352 were transferred from Level 2 to Level 1 as a result of increased activity in the market for those securities.

**(VI) RECONCILIATION OF LEVEL 3 FAIR VALUE MEASUREMENTS** (in 000s)

The table below reconciles the Fund's Level 3 fair value measurements from January 1, 2017 to June 30, 2017 and January 1, 2016 to December 31, 2016.

	Bonds
Balance at January 1, 2017	\$ 2,812
Purchases	250
Sales	(56)
Gains (Losses)	
Net Change in Unrealized Appreciation/ Depreciation of Investments	16
Balance at June 30, 2017	\$ 3,022
Total Change in Unrealized Appreciation/Depreciation for Assets Held at June 30, 2017	\$ 17
	Bonds
Balance at January 1, 2016	\$ 0
Purchases	2,916
Sales	(18)
Gains (Losses)	
Net Change in Unrealized Appreciation/ Depreciation of Investments	(86)
Balance at December 31, 2016	\$ 2,812
Total Change in Unrealized Appreciation/Depreciation for Assets Held at December 31, 2016	\$ (86)

**(VII) CONTRACTUAL MATURITIES ANALYSIS FOR FINANCIAL LIABILITIES**

As at June 30, 2017 and December 31, 2016, the Fund's net assets are due on demand. All other financial liabilities of the Fund are due in less than three months.

**(G) Investment Portfolio Concentration (%)** (Note 8)

As at June 30, 2017 and December 31, 2016, the Fund's investment portfolio concentration can be summarized as follows:

	June 30, 2017	December 31, 2016
<b>Canadian Equities</b>		
Energy	9.3	10.9
Materials	2.9	3.2
Industrials	4.3	3.9
Consumer Discretionary	2.6	2.1
Consumer Staples	1.6	1.6
Financials	15.8	16.3
Information Technology	1.0	0.5
Telecommunication Services	1.8	2.1
Royalty/Income Trusts	1.6	1.4
Index Equivalents	1.1	1.0
<b>U.S. Equities</b>		
Energy	0.9	1.6
Materials	0.2	0.5
Industrials	1.9	2.0
Consumer Discretionary	1.9	2.2
Consumer Staples	1.1	1.4
Health Care	1.9	1.4
Financials	2.6	2.8
Information Technology	3.9	3.8
Real Estate	0.5	0.3
<b>International Equities</b>		
Belgium	0.4	0.4
Brazil	0.2	0.0
Denmark	0.3	0.1
France	1.2	0.7
Germany	1.0	0.6
Hong Kong	0.3	0.4
Ireland	1.0	0.7
Israel	0.0	0.1
Italy	0.4	0.2
Japan	0.9	1.5
Netherlands	1.6	1.5
New Zealand	0.3	0.3
Norway	0.0	0.3
Spain	1.0	0.6
Sweden	1.4	1.2
Switzerland	0.8	0.5
United Kingdom	0.9	1.2
<b>Options</b>		
Options, Written	0.0	0.0
<b>Canadian Bonds</b>		
Federal Bonds & Guarantees	4.5	3.5
Provincial Bonds & Guarantees	5.3	6.5
Corporate Bonds	14.5	16.2
<b>Global Bonds</b>		
Germany	0.0	0.0
United Kingdom	0.0	0.2
United States	1.3	2.6
Supranationals	0.2	0.2
Forward Contracts	0.1	0.1
Other Net Assets (Liabilities)	5.5	1.4
	100.0	100.0

**(H) Interest in Unconsolidated Structured Entities** (in 000s) (Note 3)

The table below illustrates the Fund's investment details in the underlying funds and exchange-traded funds as at June 30, 2017 and December 31, 2016.

Underlying Funds/Common Shares	Fair Value of Fund's Investment	Underlying Fund's Net Assets
June 30, 2017		
iShares S&P/TSX 60 Index ETF	\$ 8,972	\$ 12,557,692
December 31, 2016		
iShares S&P/TSX 60 Index ETF	\$ 9,056	\$ 12,295,126

**(I) Offsetting of Financial Assets and Liabilities** (in 000s) (Note 3)

The following table presents the recognized financial instruments that are offset, or subject to enforceable master netting arrangements, if certain conditions arise, or other similar agreements but that are not offset, and cash and financial instruments collateral received or pledged, as at June 30, 2017 and December 31, 2016 and shows in the Net Amount column what the impact would be on the Fund's Statements of Financial Position if all set-off rights were exercised.

	Gross Amounts of Recognized Financial Assets (Liabilities)	Amounts Set-Off on the Statements of Financial Position	Net Amounts Presented on the Statements of Financial Position	Related Amounts Not Set-Off on the Statements of Financial Position		
				Financial Instruments	Cash	Net Amount
June 30, 2017						
Derivative Assets	\$ 2,270	\$ (759)	\$ 1,511	\$ 0	\$ 0	\$ 1,511
Derivative Liabilities	(1,461)	759	(702)	0	0	(702)
December 31, 2016						
Derivative Assets	\$ 1,517	\$ (307)	\$ 1,210	\$ (1)	\$ 0	\$ 1,209
Derivative Liabilities	(308)	307	(1)	1	0	0

## 1. The Fund

The TD Mutual Fund Trusts, TD Managed Assets Program Portfolios and TD Managed ETF Portfolios (collectively, the "Funds" and individually, the "Fund") are open-end mutual funds established under the laws of Ontario and governed by the Declaration of Trust, as amended from time to time.

The TD Managed Assets Program Portfolios invest primarily in units of other mutual funds and TD Managed ETF Portfolios invest primarily in units of other exchange-traded funds.

TD Asset Management Inc. ("TDAM") is the manager, portfolio adviser and trustee of the Funds. TDAM, TDAM USA Inc., TD Investment Services Inc. ("TDIS"), TD Waterhouse Canada Inc. ("TDW") and Epoch Investment Partners, Inc. ("Epoch") are wholly-owned subsidiaries of The Toronto-Dominion Bank ("TD"). The registered address of the Funds is P.O. Box 100, 66 Wellington Street West, TD Bank Tower, Toronto-Dominion Centre, Toronto, Ontario M5K 1G8.

The financial year-end for the Funds is December 31. The Statements of Financial Position are presented as at June 30, 2017 and December 31, 2016. The Statements of Comprehensive Income, Statements of Changes in Net Assets Attributable to Holders of Redeemable Units and Statements of Cash Flows are presented for the periods ended June 30, 2017 and 2016. Where a Fund or series of a Fund was established during either period, the information for the Fund or series is provided from the inception date. A comparative statement has only been presented for any period for which the Fund was in existence as at the reporting date.

The Fund's start date as indicated in the Interim Fund-Specific Notes to the Financial Report is the date that the Fund commenced operations or in the case of a new series, the date the series was first offered and not its inception date.

This financial report was authorized for issue by TDAM on August 15, 2017.

## 2. Basis of Presentation

This interim financial report has been prepared in compliance with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board ("IASB"), applicable to the preparation of interim financial reports, including International Accounting Standards ("IAS") 34, "Interim Financial Reporting". This interim financial report has been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss ("FVTPL").

## 3. Summary of Significant Accounting Policies

### Financial Instruments

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at FVTPL. Regular way purchases and sales of financial instruments are recognized at their trade date. The Fund's non-derivative investments, which are designated at FVTPL, and derivative assets and liabilities, which are classified as held for trading ("HFT"), are measured at FVTPL.

All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate.

The Fund has determined that it meets the definition of an 'investment entity' and as a result, it measures subsidiaries, if any, at FVTPL. An investment entity is an entity that: obtains funds from one or more investors for the purpose of providing them with investment management services; commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measures and evaluates the performance of substantially all of its investments on a fair value basis. The significant judgment that the Fund has made in determining that it meets this definition is that fair value is the primary measurement attribute used to measure and evaluate the performance of substantially all of its investments. The Fund's investments may also include associates and joint ventures which are designated at FVTPL.

The Fund's outstanding redeemable units' entitlements include a contractual obligation to distribute any net income and net realized capital gains in cash (at the request of the unitholder) and therefore the ongoing redemption feature is not the Fund's only contractual obligation. Consequently, the Fund's outstanding redeemable units are classified as financial liabilities in accordance with the requirements of IAS 32, "Financial Instruments: Presentation" ("IAS 32"). The Fund's obligations for Net Assets Attributable to Holders of Redeemable Units are presented at the redemption amount.

The Fund's accounting policies for measuring the fair value of its investments and derivatives are substantially similar to those used in measuring its net asset value ("NAV") for transactions with unitholders. The NAV is the value of the total assets of a fund less the value of its total liabilities determined, on each valuation day, in accordance with Part 14 of National Instrument 81-106, "Investment Fund Continuous Disclosure", for the purpose of processing unitholder transactions. Net Assets Attributable to Holders of Redeemable Units, also referred to as net assets, refers to net assets calculated in accordance with IFRS. As at all dates presented, there were no differences between the Fund's NAV per series unit and net assets per series unit.



### Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, TDAM determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels at the end of reporting periods.

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other techniques commonly used by market participants and which make the maximum use of observable inputs.

The valuation methodology for specific types of investments held by the Fund is summarized below.

- (a) Securities not listed on any recognized public securities exchange are valued based on available quotations from recognized dealers in such securities, where readily available. If securities held in the Fund, if any, have no available broker-dealer bid/ask quotes, TDAM uses its own pricing model to price the securities. The pricing model will generally include the discounted cash flow valuation approach, the identification of a "uniqueness" premium and the use of such credit and yield analysis comparables as TDAM believes are relevant in the circumstances. Debt instruments are valued based on mid prices, where readily available.
- (b) Short-term debt instruments, repurchase and reverse repurchase agreements are valued based on quotations received from recognized investment dealers.
- (c) Real return bonds are valued based on the available public quotations from recognized dealers. Changes in the inflation factor are reported in Interest for Distribution Purposes on the Statements of Comprehensive Income.
- (d) The Fund may use foreign exchange forward contracts to hedge against or profit from fluctuations in foreign exchange rates. These contracts are valued on each valuation day based on the difference between the contract rates and the current forward rates at the measurement date applied to the contracts' notional amount. The net change in unrealized appreciation or depreciation and the net realized gain or loss from closing out contracts are reflected on the Statements of Comprehensive Income as part of Net Gain (Loss) on Derivatives.
- (e) The Fund may enter into a forward contract to obtain exposure to a specific type of investment without actually investing directly in such investment. These contracts are valued based on the difference between the contract rate and the current market rate for the underlying investment, at the measurement date. The unrealized gain or loss and the net realized gain or loss from closing out contracts are reflected on the Statements of Comprehensive Income as part of Net Gain (Loss) on Derivatives.
- (f) The Fund may purchase standardized, exchange-traded futures contracts. Any outstanding futures contracts as at June 30, 2017 are listed in the Schedule of Investment Portfolio. Any difference between the value at the close of business on the current valuation day and that of the previous valuation day is settled in cash daily and recorded on the Statements of Comprehensive Income as Derivatives Income (Loss). Any amounts receivable (payable) from settlement of futures contracts are reflected on the Statements of Financial Position as Futures Margin Receivable (Payable). Short-term debt instruments as indicated in the Schedule of Investment Portfolio have been segregated and are held as margin against the futures contracts purchased by the Fund.
- (g) Options contracts that are traded in exchange markets are valued at their closing prices on each valuation day. The premium received or paid on options written or purchased is included in the cost of the options. Any difference between the current value of the contract and the value of the contract originated is recognized as net change in unrealized appreciation/depreciation on derivatives. When options are closed or exercised, the difference between the premium and the amount paid or received, or the full amount of the premium if the option expires worthless, is reflected on the Statements of Comprehensive Income as part of Net Gain (Loss) on Derivatives. The cost of a security purchased will be reduced by the premium received on options when a written put option is exercised.
- (h) Investments in underlying funds (mutual funds and TD Exchange-Traded Funds) are generally valued at the NAV per series unit of the underlying funds as reported by the underlying funds' managers.
- (i) The exchange-traded funds (ETFs) are valued based on quoted market prices at the close of trading on the reporting date.

### Fair Value Hierarchy

The Fund classifies its investment into fair value measurements within a hierarchy that prioritizes the inputs to fair value measurement. The fair value hierarchy has the following three levels:

- Level 1 Quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2 Inputs other than quoted prices that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 Inputs that are not based on observable market data (that is, unobservable inputs).

All fair value measurements are recurring. The carrying values of Cash, Subscriptions Receivable, Interest Receivable, Dividends Receivable, Receivable for Investments Sold, Payable for Investments Purchased, Redemptions Payable, Distributions Payable, Accrued Liabilities and the Fund's obligation for Net Assets Attributable to Holders of Redeemable Units approximate their fair values due to their short-term nature.

Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment. Observable data is considered to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

TDAM has a Global Fair Value Committee which oversees the performance of the fair value measurements included in the financial statements of the Fund, including any Level 3 measurements. TDAM utilizes a variety of methods (as listed in the Fair Value Measurement section) in determining the fair value of securities classified as Level 3. The committee also meets quarterly to perform reviews of the valuations of investments held by the Fund.

The classification of the Fund's financial instruments within the fair value hierarchy as at June 30, 2017 and December 31, 2016, and any transfers between levels at end of the period as a result of changes in the lowest level input that is significant to the fair value measurement are disclosed in the Fund-Specific Notes to the Financial Statements, where applicable.

### Interest in Unconsolidated Structured Entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. TDAM has determined that all of the underlying funds and ETFs in which the Fund invests are unconsolidated structured entities. In making this determination, TDAM evaluated the fact that decision making about underlying funds' and ETF's activities are generally not governed by voting or similar rights held by the Fund and other investors in any underlying funds and ETFs.

The Fund may invest in underlying funds and ETFs whose investment objectives range from achieving short- to long-term income and capital growth potential. The Fund's interests in these securities as at June 30, 2017 and December 31, 2016 are included at their fair value on the Statements of Financial Position, which represent the Fund's exposure in these underlying funds and ETFs. The Fund does not provide and has not committed to provide any additional significant financial or other support to the underlying funds and ETFs. The change in fair value of each of the underlying funds and ETFs during the reporting periods is included in Net Change in Unrealized Appreciation/Depreciation on the Statements of Comprehensive Income in Net Gain (Loss) on Investments. Additional information on the Fund's interest in underlying funds and ETFs, where applicable, is provided in the Fund-Specific Notes to the Financial Statements.

### TD MUTUAL FUND TRUSTS

The TD Mutual Fund Trusts may also invest in mortgage-related and other asset-backed securities that directly or indirectly represent a participation in, or are secured by and payable from, mortgage loans on real property. Mortgage-related securities are created from pools of residential or commercial mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. The debt and equity securities issued by these issuers may include tranches with varying levels of subordination. The Fund may also invest in senior notes that have a first lien on assets and have minimum exposure to junior or subordinate tranches. These securities may provide a monthly payment which consists of both interest and principal payments. Other asset-backed securities are created from many types of assets, including auto loans, credit card receivables, home equity loans, and student loans.

As at June 30, 2017 and December 31, 2016, the fair value of mortgage-related and other asset-backed securities of the Fund, where applicable, is disclosed as part of the Investments on the Statements of Financial Position. This amount represents the maximum exposure to losses at that date. The change in fair value of mortgage-related and other asset-backed securities during the reporting periods are included in the Net Change in Unrealized Appreciation/Depreciation on Statements of Comprehensive Income in Net Gain (Loss) on Investments.

### Translation of Foreign Currencies

The Fund's functional currency, as disclosed in the Fund-Specific Notes to the Financial Statements, represents the currency that TDAM views to most faithfully represent the economic effects of the Fund's underlying transactions, events and conditions taking into consideration how units are issued or redeemed and how returns are measured. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates that transactions occur. Assets and liabilities denominated in a foreign currency are translated into the functional currency using the exchange rate prevailing at the measurement date. Foreign exchange gains and losses on the sale of investments are included in Net Realized Gain (Loss) on Investments. Unrealized foreign exchange gains and losses on investments held are included in Net Change in Unrealized Appreciation/Depreciation on Investments. Realized and unrealized foreign exchange gains and losses relating to cash are presented as Foreign Exchange Gain (Loss) on Cash on the Statements of Comprehensive Income.

### Offsetting Financial Assets and Liabilities

Financial assets and liabilities are offset and the net amount reported on the Statements of Financial Position where the Fund has a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. In all other situations they are presented on a gross basis. In the normal course of business, the Fund may enter into various master netting agreements or other similar arrangements that do not meet the criteria for offsetting on the Statements of Financial Position but still allow for the related amounts to be set-off in certain circumstances, such as bankruptcy or the termination of the contracts. Offsetting information, where applicable, is presented in the Fund-Specific Notes to the Financial Statements.

### Reverse Repurchase Agreements

The Fund may enter into reverse repurchase transactions. In a reverse repurchase transaction, the Fund buys a security at one price from a third party and agrees to sell the same security back to the same party at a specified price on an agreed future date and the difference is included as Net Gain (Loss) on Investments on the Statements of Comprehensive Income.

The risk with these types of transactions is that the other party may default under the agreement or go bankrupt. These risks are reduced by requiring the other party to provide collateral to the Fund. The value of the collateral has to be at least 102 percent of the market value of the security and the collateral is marked to market on each business day. The type of securities received and related collateral held by the Fund, where applicable, are listed in the Schedule of Investment Portfolio.

### Cash

Cash is comprised of deposits with financial institutions. Bank overdrafts are shown under Current Liabilities on the Statements of Financial Position.

### Receivable for Investments Sold/Payable for Investments Purchased

Receivable for Investments Sold and Payable for Investments Purchased represent trades that have been contracted for but not yet settled or delivered in the Statements of Financial Position dates.

### Impairment of Financial Assets

At each reporting date, the Fund assesses whether there is objective evidence that a financial asset at amortized cost is impaired. If such evidence exists, the Fund recognizes an impairment loss as the difference between the amortized cost of the financial asset and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. Impairment losses on financial assets at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

### Valuation of Series Units

TDAM generally calculates the NAV for each series of the Fund as at 4 p.m. Eastern Time on each day that the Toronto Stock Exchange is open for trading. However, in some unusual circumstances, the series NAV per unit may be calculated at another time where it is in the best interests of unitholders to do so.

The NAV is calculated, for processing purchase, switch, conversion or redemption orders of series units, for each series of units of the Fund by taking the series' proportionate share of the Fund's common assets less that series' proportionate share of the Fund's common liabilities and deducting from this amount all liabilities that relate solely to that specific series.

The Net Assets Attributable to Holders of Redeemable Units – Per Series Unit is determined by dividing the total Net Assets Attributable to Holders of Redeemable Units of each series of the Fund by the total number of units outstanding of that series at the reporting date.

### Income Recognition

Interest for Distribution Purposes as shown on the Statements of Comprehensive Income includes interest income from cash and the coupon interest on debt instruments accounted for on an accrual basis. Interest Receivable is disclosed on the Statements of Financial Position based on the debt instruments' stated rates of interest. The Fund does not amortize premiums paid or discounts received on the purchase of debt securities except for zero coupon bonds which are amortized.

Dividend income and distributions from any underlying funds and ETFs, are recognized on the ex-dividend and ex-distribution date respectively. Distributions received from ETFs are recognized and presented in the financial statements based on the nature of the underlying components such as interest income, dividend income, capital gains and return of capital.

The TD Mutual Fund Trusts may engage in securities lending pursuant to the terms of an agreement which includes restrictions as set out in Canadian securities legislation. The income earned from securities lending, where applicable, is included in the Statements of Comprehensive Income as it is earned. The fair value of the securities loaned and fair value of the collateral held is determined daily. The details of security lending income, aggregate values of securities on loan and related collateral held by the Fund is provided in the Fund-Specific Notes to the Financial Statements, where applicable.

#### Investment Transactions and Transaction Costs

The cost of each investment security (excluding transaction costs), realized and unrealized gains and losses from investment transactions are determined on an average cost basis.

Transaction costs, such as brokerage commissions, incurred by the Fund in the purchase and sale of investments at fair value are recognized in the Statements of Comprehensive Income in the period incurred. Commissions paid, where applicable, are described in the Fund-Specific Notes to the Financial Statements. No transaction costs are incurred when the Fund invests in underlying funds. However, the underlying funds' investments may be subject to transaction costs.

#### Allocation of Income and Expenses, Realized and Unrealized Gains (Losses)

Expenses (excluding interest charges and portfolio transaction costs) are accrued daily, separately for each series. Interest charges and portfolio transaction costs along with income, gains and losses, are allocated to each series based on their respective Net Assets Attributable to Holders of Redeemable Units.

#### Increase (Decrease) in Net assets Attributable to Holders of Redeemable Units – Per Series Unit

The Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units – Per Series Unit is calculated by dividing the Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units of each series by the weighted average units outstanding of that series for the period except Weighted Average Units Outstanding for the Period – Per Series which is calculated from the start date.

#### Accounting Standards Issued but Not Yet Adopted

The final version of IFRS 9, "Financial Instruments" ("IFRS 9") was issued by the IASB in July 2014 and will replace International Accounting Standards ("IAS") 39, "Financial Instruments: Recognition and Measurement" ("IAS 39"). IFRS 9 introduces a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. The new single, principle based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however it is available for early adoption. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The manager is in the process of assessing the impact of IFRS 9.

#### 4. Critical Accounting Estimates and Judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements:

##### Fair Value Measurement of Derivatives and Securities Not Quoted in an Active Market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives. As described in Note 3, the use of valuation techniques for financial instruments and derivatives that are not quoted in an active market requires TDAM to make assumptions that are based on market conditions existing as at the date of financial statements. Changes in assumptions about these factors could affect the reported fair values of financial instruments. Refer to the Fund-Specific Notes to the Financial Statements for further information about the fair value measurement of the Fund's financial instruments, where applicable.

##### Classification and Measurement of Investments and Application of the Fair Value Option

In classifying and measuring financial instruments held by the Fund, TDAM is required to make significant judgments about whether or not the business of the Fund is to invest on a total return basis for the purpose of applying the fair value option for financial assets under IAS 39. The most significant judgments made include the determination that certain investments are HFT and that the fair value option can be applied to those which are not.

##### Investment Entity

In determining whether the Fund is an investment entity, TDAM may be required to make significant judgments about whether the Fund has the typical characteristics of an investment entity. The Fund may hold only one investment, an underlying fund (or have only one investor or have investors that are its related parties), however, consistent with the investment entity definition, the Fund primarily obtains funds from one or more investors for the purpose of providing investment management services, commits to its investors that the business purpose is to invest the funds solely for returns from capital appreciation, investment income or both, and measures and evaluates the performance of its investments on a fair value basis.

## 5. Redeemable Units

### TD Mutual Fund Trusts

Each Fund is authorized to issue an unlimited number of units of multiple series that rank equally and are available for sale under a single simplified prospectus. In addition, the Fund is also authorized to issue unlimited number of units of multiple series to be sold under a confidential offering memorandum or other separate simplified prospectus. The various series that may be offered by the Fund are as described below.

---

Investor Series:	Offered on a no-load basis to investors.
H-Series:	Offered on a no-load basis to investors who wish to receive a regular monthly cash flow from the Fund. Monthly distributions may consist of net income, net realized capital gains and/or a return of capital.
Premium Series:	Offered on a no-load basis to large investors and others who make the required minimum investment, as determined by TDAM from time to time.
K-Series:	Offered on a no-load basis to large investors and others who make the required minimum investment, as determined by TDAM from time to time, and who wish to receive a regular monthly cash flow from the Fund. Monthly distributions may consist of net income, net realized capital gains, and/or a return of capital.
e-Series:	Offered on a no-load basis to investors who want to complete their transactions electronically.
D-Series:	Offered on a no-load basis to investors who want to complete their transactions through TD Direct Investing, a division of TDW, or other discount brokers.
Advisor Series:	Offered to investors who seek investment advice and want the option of transacting on a front-end load, back-end load, low-load or low-load-2 basis.
T-Series:	Offered to investors who seek investment advice; want the option of transacting on a front-end load, back-end load, low-load or low-load-2 basis; and who wish to receive a regular monthly cash flow from the Fund. Monthly distributions may consist of net income, net realized capital gains and/or a return of capital.
F-Series:	Offered to investors, through fee-based financial advisors or dealer-sponsored "wrap accounts", and others who pay an annual fee to their dealer instead of transactional sales charges.
S-Series:	Offered to investors who wish to receive a regular monthly cash flow from the Fund, through fee-based financial advisors or dealer-sponsored "wrap accounts". This series may also be offered to other investors who pay an annual fee to their dealer instead of transactional sales charges. Monthly distributions may consist of net income, net realized capital gains, and/or a return of capital.

---

Premium F-Series:	Offered to large investors, through fee-based financial advisors or dealer-sponsored "wrap accounts", and others who pay an annual fee to their dealer instead of transactional sales charges. For this series, investors must make the required minimum investment, as determined by TDAM from time to time.
PS Series:	Offered to large investors who wish to receive a regular monthly cash flow from the Fund, through fee-based financial advisors or dealer-sponsored "wrap accounts", and others who pay an annual fee to their dealer instead of transactional sales charges. For this services, investors must make the required minimum investment, as determined by TDAM from time to time. Monthly distributions may consist of net income, net realized capital gains, and/ a return of capital.
W-Series:	Offered to investors, through certain wealth management businesses of TD Bank Group, including certain divisions of TDW, or other dealers authorized by TDAM, who pay an annual fee to their dealer instead of transactional sales charges.
Private Series:	Offered on a no-load basis to large investors who make the required minimum investment as determined by TDAM, and have entered into a Private Series agreement with TDAM.
Institutional Series:	Offered on a no-load basis to large investors, such as group savings plans and others who make the required minimum investment, as determined by TDAM from time to time.
Q-Series:	Offered on a no-load basis to large investors such as group savings plans and others who wish to receive a regular monthly cash flow from the Fund, and who make the required minimum investment, as determined by TDAM from time to time. Monthly distributions may consist of net income, net realized capital gains and/or a return of capital.
C-Series	Offered on a no-load basis to large investors who make the required minimum investment as determined by TDAM and have entered into a C-Series agreement with TDAM.
O-Series:	Offered on a no-load basis to large investors who make the required minimum investment as determined by TDAM, and have entered into an O-Series agreement with TDAM.

---

Units of the Fund are redeemable at the option of the unitholder in accordance with the provisions of the Declaration of Trust. Units of the Fund are issued or redeemed on a daily basis at the NAV per series unit next determined after the purchase, switch, conversion order or redemption request, respectively, is received by TDAM. Purchases and redemptions include units exchanged from one series to another series within a Fund in the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units. However, switches between series within a Fund are excluded from Proceeds from Issuances of Redeemable Units and Amounts Paid on Redeemable Units, Net of Redemption Fees in the Statements of Cash Flows.

**TD Managed Assets Program Portfolios**

Each Fund is authorized to issue an unlimited number of units of multiple series that rank equally and are available for sale under a single simplified prospectus. The various series that may be offered by the Fund are as described below.

---

Investor Series:	Offered on a no-load basis to investors.
H-Series:	Offered on a no-load basis to investors who wish to receive a regular monthly cash flow from the Fund. Monthly distributions may consist of net income, net realized capital gains and/or a return of capital.
Premium Series:	Offered on a no-load basis to large investors and others who make the required minimum investment, as determined by TDAM from time to time.
K-Series:	Offered on a no-load basis to large investors and others who make the required minimum investment, as determined by TDAM from time to time, and who wish to receive a regular monthly cash flow from the Fund. Monthly distributions may consist of net income, net realized capital gains, and/or a return of capital.
e-Series:	Offered on a no-load basis to investors who want to complete their transactions electronically.
Advisor Series:	Offered to investors who seek investment advice and want the option of transacting on a front-end load, back-end load, low-load or low-load-2 basis.
T-Series:	Offered to investors who seek investment advice; want the option of transacting on a front-end load, back-end load, low-load or low-load-2 basis; and who wish to receive a regular monthly cash flow from the Fund. Monthly distributions may consist of net income, net realized capital gains and/or a return of capital.
F-Series:	Offered to investors, through fee-based financial advisors or dealer-sponsored "wrap accounts", and others who pay an annual fee to their dealer instead of transactional sales charges.
S-Series:	Offered to investors who wish to receive a regular monthly cash flow from the Fund, through fee-based financial advisors or dealer-sponsored "wrap accounts". This series may also be offered to other investors who pay an annual fee to their dealer instead of transactional sales charges. Monthly distributions may consist of net income, net realized capital gains, and/or a return of capital.

---

**TD Managed ETF Portfolios**

Each Fund is authorized to issue an unlimited number of units of multiple series that rank equally and are available for sale under a single simplified prospectus. The Funds offer D-Series units only.

---

D-Series:	Offered on a no-load basis to investors who want to complete their transactions through TD Direct Investing, a division of TDW, or other discount brokers.
-----------	--

---

For TD Mutual Fund Trusts, TD Managed Assets Program Portfolios and TD Managed ETF Portfolios, each individual series of units is sold under differing purchase options and may have higher or lower management fees based on their specific attributes, as summarized above, reflecting the extent of the investment advice provided. The management fee rates for the Fund and its various series are provided in the Interim Fund-Specific Notes to the Financial Report.

**6. Related Party Transactions**

**Management Fees**

**TD MUTUAL FUND TRUSTS**

In consideration for the provision of management, distribution and portfolio management services and oversight of any portfolio sub-advisory services provided to the Fund, TDAM receives an annual management fee in respect of certain series of the Fund. The management fee is calculated and accrued on a daily basis for each series based on the NAV of that series of the Fund and paid monthly to TDAM. Where a Fund invests in any underlying funds, there may be fees and expenses payable by the underlying funds in addition to those paid by the Fund. However, there is no duplication of management fees.

No management fees are charged with respect to Private Series and O-Series units. Instead, unitholders in Private Series and O-Series units may be charged a fee directly by TDAM.

The maximum management fee is the maximum fee that can be charged to each series of units of the Fund according to the simplified prospectus. TDAM may charge a management fee that is less than the management fee TDAM is otherwise entitled to charge each series of units of the Fund. The actual management fee is the annualized fee that was charged to each series of the Fund for the reporting periods. TDAM may charge the maximum management fee without notice to unitholders. Actual and maximum management fees for each series of the Fund are provided in the Interim Fund-Specific Notes to the Financial Report.

**TD MANAGED ASSETS PROGRAM PORTFOLIOS**

In consideration for the provision of management, distribution and portfolio management services to the Fund, each series of the Fund pays TDAM a management fee. The management fee is a variable fee dependent upon the amount of all other fees and expenses, including applicable goods and services tax ("GST") and harmonized sales tax ("HST"). GST and HST are paid or payable by the Fund based on the province or territory of residence of the unitholders in each series of the Fund. Where a Fund invests in any underlying funds, there are fees and expenses payable by the underlying funds in addition to those paid by the Fund. However, there is no duplication of management fees.

The maximum management fee is the amount that would be necessary to reach the cap, when combined with all expenses of the Fund and its share of the underlying funds' expenses. Actual management fees for each series of the Fund are provided in the Interim Fund-Specific Notes to the Financial Report.

The management fee is calculated and accrued on a daily basis for each series based on the NAV of that series of the Fund and paid monthly to TDAM.

#### TD MANAGED ETF PORTFOLIOS

In consideration of the management, distribution and portfolio management services and investment advice provided to the Fund, D-Series of the Fund pays TDAM a management fee. The management fee, plus applicable taxes, is calculated and accrued daily and paid monthly to TDAM. TDAM may waive all or a portion of the management fee TDAM is otherwise entitled to charge the Fund. Any waivers of management fees may be suspended or terminated at any time without notice to unitholders. Detailed information on the management fees of the Fund are provided in the Fund-Specific Notes to the Interim-Financial Report.

The Fund Management Fee is the annualized fee that was charged to the Fund directly for the reporting period.

Where the Fund invests in other mutual funds managed by TDAM, there are fees and expenses payable by the other funds in addition to those paid by the Fund. However, there is no duplication of management fees paid to TDAM or its affiliates.

#### Administration Fees

##### TD MUTUAL FUND TRUSTS

In consideration for paying certain operating expenses, TDAM is paid an annual administration fee with respect to certain series of the Fund. The administration fee includes recordkeeping and communication costs, custodial costs, certain legal fees, audit fees, regulatory filing fees and bank charges. The administration fee is calculated and accrued on a daily basis for each series based on the NAV of the applicable series of the Fund and paid monthly to TDAM. Annual administration fees for each series of the Fund, where applicable, are provided in the Interim Fund-Specific Notes to the Financial Report.

The administration fee is payable in respect of Investor Series, H-Series, K-Series, D-Series, Advisor Series and T-Series of the Fund, as applicable, other than the money market funds, TD Ultra Short Term Bond Fund, TD Short Term Bond Fund, TD Canadian Bond Fund, the index funds, the Target Return Funds and Advisor Series units of TD U.S. Equity Portfolio. The administration fee is also payable in respect of Premium Series of the Fund, as applicable, other than TD U.S. Money Market Fund, TD Short Term Bond Fund, TD Canadian Bond Fund, TD Income Advantage Portfolio, TD Canadian Core Plus Bond Fund, TD Corporate Bond Plus Fund and the Target Return Funds.

No administration fee is charged with respect to other series of the Fund according to the simplified prospectus.

##### TD MANAGED ETF PORTFOLIOS

In consideration for paying certain operating expenses, TDAM is paid an annual administration fee with respect to D-Series of the Fund. The administration fee includes recordkeeping and communication costs, custodial costs, certain legal fees, audit fees, regulatory filing fees and bank charges. The administration fee is calculated and accrued on a daily basis for each series based on the NAV of the applicable series of the Fund and paid monthly to TDAM. Annual administration fees for each series of the Fund, where applicable, are provided in the Interim Fund-Specific Notes to the Financial Report.

#### Operating Expenses

##### Fund's Independent Review Committee ("IRC")

TDAM is responsible for management of the Fund's investment portfolio, including the making of decisions relating to the investment of the Fund's assets.

TDAM has established an IRC in respect of the Fund and the underlying funds managed by TDAM. The IRC acts as an impartial and independent committee to review and provide recommendations or, if appropriate, approvals respecting any transactions in which TDAM may have a conflict of interest.

The IRC has approved standing instructions to permit the Fund and/or underlying funds managed by TDAM to enter into the following securities transactions:

- (a) trades in securities of TD or any affiliate or associate thereof;
- (b) investments in the securities of an issuer where TD Securities Inc., TDW, or any other affiliate of TDAM (a "Related Dealer") acted as an underwriter during the distribution of such securities and the 60-day period following the completion of the distribution of the underwritten securities;
- (c) purchases or sales of securities of an issuer from or to another investment fund or discretionary managed account managed by TDAM; and
- (d) purchases of securities from or sales of securities to a Related Dealer, where it acted as principal.

Investments in securities of TD, interests in underlying funds managed by TDAM, or investments in any affiliates that were held by the Fund at the end of the reporting period are disclosed in the Schedule of Investment Portfolio and/or the Interim Fund-Specific Notes to the Financial Report.

The compensation and relevant expenses of IRC members were allocated among the investment funds managed by TDAM and disclosed on the Statements of Comprehensive Income as Independent Review Committee Fees.

##### TD MANAGED ASSETS PROGRAM PORTFOLIOS AND TD MANAGED ETF PORTFOLIOS

All operating expenses of the Fund (including for services provided by TDAM or its affiliates) are paid for by TDAM, including costs of the Fund's IRC; recordkeeping and communication costs; custodial, legal, audit and filing fees; bank charges; borrowing costs; and all taxes.

While securities legislation requires the Fund to pay its proportionate share of all reasonable costs and expenses associated with the IRC from its assets, TDAM will reimburse the Fund for such costs and expenses.

## Other Operating Expenses

### TD MUTUAL FUND TRUSTS

Except in respect of Private Series of the Fund and Advisor Series of TD U.S. Equity Portfolio, TDAM pays all of the operating expenses for the Fund (including services provided by TDAM or affiliates of TDAM), other than expenses associated with taxes of all kinds to which a Fund is or might be subject; borrowing; IRC and other costs relating to compliance with any new governmental and regulatory requirements. Any new types of governmental and regulatory expenses are disclosed as "Other Trust Fund Costs" on the Statements of Comprehensive Income.

TDAM pays the operating expenses with respect to O-Series units of the Fund.

TDAM, at its discretion, may waive or absorb a portion of the operating expenses otherwise payable by the Fund. These waivers or absorptions may be terminated at any time without notice. The amount of expenses waived or absorbed is disclosed in the Statements of Comprehensive Income as Waived Expenses, where applicable.

### Brokerage Commissions and Soft Dollars

#### TD MUTUAL FUND TRUSTS

Brokerage commissions (including other transaction costs) paid on securities transactions and amounts paid to related parties of TD for brokerage services provided to the Fund for the periods ended June 30, where applicable, are disclosed in the Interim Fund-Specific Notes to the Financial Report.

Client brokerage commissions are used as payment for order execution services or research services. The portfolio advisers or TDAM may select brokers including its affiliates, who charge a commission in excess of that charged by other brokers ("soft dollars") if they determine in good faith that the commission is reasonable in relation to the order execution and research services utilized.

For debt instruments traded in the over the counter markets where client brokerage commissions are not charged, soft dollars or client brokerage commissions are not generated. For equities or other securities where client brokerage commissions are charged, the soft dollar portion of the amount paid or payable for goods and services other than order execution for the Fund is not generally ascertainable. Any ascertainable soft dollar value received as a percentage of total brokerage commissions paid under the soft dollar arrangement entered into by the portfolio advisers or TDAM, where applicable, is disclosed in the Interim Fund-Specific Notes to the Financial Report.

#### TD MANAGED ASSETS PROGRAM PORTFOLIOS AND TD MANAGED ETF PORTFOLIOS

The Fund did not incur any brokerage commissions during the periods ended June 30, 2017 and 2016 to execute transactions in the underlying funds and debt instruments, and accordingly did not receive any investment or research services from brokers in exchange for commissions paid by the Fund.

Certain of the underlying funds have incurred brokerage commissions, a portion of which may have been received by the underlying funds' investment advisers in the form of investment or research services ("soft dollars"). Such amounts for each of the underlying funds are disclosed in the underlying funds' financial statements, where ascertainable.

## 7. Taxation

The Fund qualifies or intends to qualify as mutual fund trust under the *Income Tax Act* (Canada), unless otherwise disclosed in the Fund-Specific notes to the Interim Financial Report. All or substantially all of the net investment income and sufficient amounts of net capital gains realized in any period are distributed to unitholders such that no income tax is payable by the Fund. As a result, the Fund has determined that it is in substance not taxable and therefore does not record income taxes in the Statements of Comprehensive Income nor does it recognize any deferred tax assets or liabilities in the Statements of Financial Position. The Fund's capital and/or non-capital losses, where applicable, are provided in the Interim Fund-Specific Notes to the Financial Report. Capital losses have no expiry. Non-Capital losses can be carried forward for up to twenty years.

The Fund currently incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are reported as Tax Reclaims (Withholding Taxes) on the Statements of Comprehensive Income.

## 8. Financial Risk Management

### Financial Risk Factors

The Fund is exposed to a variety of financial risks: market risk (including interest rate risk, currency risk, and other price risk), credit risk, liquidity risk and concentration risk. All investments present a risk of loss of capital.

TDAM seeks to reduce financial risks by employing and overseeing professional and experienced portfolio advisers that regularly monitor the Fund's positions, market events and diversify investment portfolios within the constraints of the Fund's investment objectives, investment strategies and applicable TDAM policies and procedures (collectively referred to as "Investment Restrictions").

If the Fund invests in underlying funds, TDAM seeks to reduce financial risks by diversifying investments across the three main asset classes: money market investments for safety, bonds for income and equity investments for growth, where applicable. Since different types of investments tend to move independently from one another, positive performance in one asset class can help offset negative performance in another, thereby reducing volatility and overall risk in the long-term.

The Fund is managed in accordance with its Investment Restrictions.

#### (a) Market Risk

##### (i) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect the future cash flows or the fair values of interest-bearing investments.

The Fund's exposure to interest rate risk is concentrated in its investments in debt instruments (such as bonds, debentures and mortgages) and interest rate derivative instruments, if any. Short-term investments, currencies and other assets and liabilities are short-term in nature and/or non-interest bearing and not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.



If the Fund invests in underlying funds, it is exposed to indirect interest rate risk to the extent of the interest-bearing financial instruments held by the underlying funds. The Fund's exposure to interest rate risk, where significant, is disclosed in the Interim Fund-Specific Notes to the Financial Report.

**(ii) Currency Risk**

The Fund may hold assets denominated in currencies other than its functional currency. The Fund is therefore exposed to currency risk, as the value of the securities denominated in other currencies will fluctuate due to changes in the foreign exchange rates of those currencies in relation to the Fund's functional currency. Where the Fund invests in any underlying funds, it is exposed to indirect currency risk in the event that the underlying funds invest in financial instruments that are denominated in a currency other than the underlying funds' functional currency.

The Fund may also enter into foreign exchange forward contracts for hedging purposes to reduce its foreign currency exposure or to establish exposure to foreign currencies.

The Fund's exposure to currency risk, where significant, is disclosed in the Interim Fund-Specific Notes to the Financial Report.

**(iii) Other Price Risk**

Other price risk is the risk that securities will fluctuate in value because of changes in market prices (other than those arising from interest rate risk or currency risk). TDAM seeks to reduce this risk through its Investment Restrictions.

In determining the Fund's impact from exposure to other price risk, a historical beta may be used when applicable. Historical beta, a measure of the sensitivity of the Fund's returns to market returns, is generally derived from comparing 36 months of returns between the benchmark and the Fund. As such, beta inherently includes effects previously reflected in the interest rate and currency risk disclosures. Historical beta may not be representative of future beta.

Where the Fund invests in a single underlying fund, it is exposed to indirect other price risk in the event that the underlying fund invests in equity securities that trade on a market. Where the Fund invests in several underlying funds, the exposure to other price risk includes all investments in underlying funds. The Fund's direct exposure or indirect exposure, where applicable, is disclosed in the Fund-Specific Notes to the Interim Financial Report.

For the TD Mutual Fund Trusts, except for written options and equities sold short, the maximum risk resulting from financial instruments is the fair value of the financial instruments as presented on the Statements of Financial Position. Possible losses from written options and equities sold short can be unlimited.

**(b) Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. Where applicable, the Fund's main credit risk concentration is in debt instruments and derivative instruments it holds. The Fund's exposure to credit risk is the risk that an issuer of investments or a counterparty to derivative instruments will be unable to pay amounts in full when due. All transactions in listed securities are settled or paid for upon delivery using approved brokers. The risk of default with a broker is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Fund may also be exposed indirectly to credit risk if it invests in underlying funds in the event that the underlying funds invest in debt instruments and derivatives. Where applicable, detailed information is disclosed in the Interim Fund-Specific Notes to the Financial Report.

The Fund and the underlying funds only buy and hold short-term notes with a minimum R1- Low credit rating by DBRS or an equivalent rating from another recognized credit rating agency. The credit risk from the use of counterparties for foreign exchange forward contracts is, where applicable, minimized by:

- (i) using counterparties with a minimum credit rating of A by Standard & Poor's ("S&P") or an equivalent rating from another recognized credit rating agency;
- (ii) limiting the term of the foreign exchange forward contracts to a maximum of 365 days; and,
- (iii) limiting the mark-to-market exposure to any one counterparty to 10 percent of the portfolio value.

The Fund's investments in short term and/or debt instruments, by ratings categories, where applicable, are disclosed in the Interim Fund-Specific Notes to the Financial Report.

The TD Mutual Fund Trusts may also engage in securities lending transactions with counterparties that have a minimum credit rating of A by S&P or an equivalent rating from another credit agency. The value of cash or securities held as collateral by the Fund in connection with these transactions is at least 102 percent of the fair value of the securities loaned. The collateral and loaned securities are marked to market on each business day. Information about the fair values of securities lent and collateral held by the Fund, where applicable, is disclosed in the Interim Fund-Specific Notes to the Financial Report.

In the TD Managed Assets Program Portfolios and TD Managed ETF Portfolios, where applicable, the portfolio adviser reviews the Fund's credit positions as part of the investment management process.

**(c) Liquidity Risk**

Liquidity risk is defined as the risk that a fund may not be able to settle or meet its obligations on time or at a reasonable price. The Fund’s exposure to this risk is concentrated in the daily cash redemptions of redeemable units. The Fund primarily invests in securities that are traded in active markets and can be readily disposed. In addition, the Fund retains sufficient cash and cash equivalents to maintain liquidity, and has the ability to borrow up to 5 percent of its NAV for the purpose of funding redemptions.

The contractual maturities analysis for the Fund’s financial liabilities, where applicable, is disclosed in the Interim Fund-Specific Notes to the Financial Report.

**(d) Concentration Risk**

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type or industry sector. The Fund’s concentration risk is disclosed in the Interim Fund-Specific Notes to the Financial Report.

**9. Capital Risk Management**

Units issued and outstanding represent the capital of the Fund. The Fund does not have any specific capital requirements on the subscription and redemption of units, other than certain minimum subscription requirements. Changes in the Fund’s capital during the periods are reflected on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units. TDAM is responsible for managing the capital of the Fund in accordance with the Fund’s investment objectives and for managing liquidity in order to meet redemption requests.

If applicable, the most recent financial statements of the underlying funds managed by TDAM are available, without charge, by writing to:

TD Asset Management Inc.  
P.O. Box 100  
66 Wellington Street West  
TD Bank Tower  
Toronto-Dominion Centre  
Toronto, Ontario  
M5K 1G8

**Currency codes used throughout the report:**

Currency Code	Description
AUD	Australian Dollar
BRL	Brazilian Real
CAD/C\$	Canadian Dollar
CHF	Swiss Franc
DKK	Danish Krone
EUR	Euro
GBP	British Pound
HKD	Hong Kong Dollar
ILS	Israeli Shekel
JPY	Japanese Yen
KRW	South Korean Won
MXN	Mexican Peso
MYR	Malaysian Ringgit
NOK	Norwegian Krone
NZD	New Zealand Dollar
SEK	Swedish Krona
SGD	Singapore Dollar
THB	Thai Baht
USD	United States Dollar
ZAR	South African Rand

**For Funds with references to FTSE TMX Canada indices:**

FTSE TMX Global Debt Capital Markets Inc © 2017 "FTSE®" is a trade mark of FTSE International Ltd and is used under licence. "TMX" is a trade mark of TSX Inc. and is used under licence. All rights in the FTSE TMX Global Debt Capital Markets Inc's indices and/or FTSE TMX Global Debt Capital Markets Inc's ratings vest in FTSE TMX Global Debt Capital Markets Inc and/or its licensors. Neither FTSE TMX Global Debt Capital Markets Inc nor its licensors accept any liability for any errors or omissions in such indices and/or ratings or underlying data. No further distribution of FTSE TMX Global Debt Capital Markets Inc's data is permitted without FTSE TMX Global Debt Capital Markets Inc's express written consent.

TD Mutual Funds, TD Pools and the TD Managed Assets Program portfolios are managed by TD Asset Management Inc., a wholly-owned subsidiary of The Toronto-Dominion Bank and are available through authorized dealers.

Epoch Investment Partners, Inc. ("Epoch") is a wholly-owned subsidiary of The Toronto-Dominion Bank and an affiliate of TD Asset Management. TD Asset Management operates in Canada through TD Asset Management, Inc. and in the U.S. through TDAM USA Inc.

All trademarks are the property of their respective owners.

® The TD logo and other trade-marks are the property of The Toronto-Dominion Bank.