

THE SECURITIES ACT

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Order No. 4674

)

Section 20

)

February 9, 2005

THE TORONTO DOMINION BANK

(A) Application has been made by the Toronto-Dominion Bank ("TD") to The Manitoba Securities Commission (the "Commission") for an order pursuant to subsection 20(1) of The Securities Act, R.S.M. 1988, c. S50 (as amended) (the "Act") that certain trades in securities of TD shall be exempt from sections 6 and 37 of the Act.

(B) It has been represented to the Commission by TD that:

1. On August 26, 2004 TD and Banknorth Group Inc. ("Banknorth") jointly announced the execution of an agreement dated August 25, 2004 (the "Agreement and Plan of Merger") pursuant to which TD will acquire approximately 51% of the outstanding shares in the common stock of Banknorth ("Banknorth Common Shares") for approximately US\$3.8 billion in cash and common shares in the capital of TD ("TD Common Shares").

TD

2. TD is a chartered bank organized and existing under the Bank Act (Canada). Its registered and head offices are located at Toronto-Dominion Centre, P.O. Box 1, Toronto, Ontario, Canada M5K 1A2.

3. TD is a reporting issuer in all of the provinces and territories of Canada and is not on the list of reporting issuers in default.

4. The authorized capital of TD consists of an unlimited number of TD Common Shares and an unlimited number of Class A First Preferred Shares issuable in series ("TD Preferred Shares"). As of October 31, 2004, there were 656,954,072 TD Common Shares outstanding and a total of 38,400,000 TD Preferred Shares (Series I, J, M and N) outstanding. No other TD Common Shares or TD Preferred Shares were issued or outstanding.

5. The TD Common Shares are listed and posted for trading on the Toronto Stock Exchange (the "TSX"), the New York Stock Exchange (the "NYSE") and the Tokyo Stock Exchange.

Berlin Merger Co. ("TD Subco")

6. TD Subco is a corporation organized and existing under the laws of Delaware and is a direct wholly-owned subsidiary of TD. It was formed exclusively for the

purpose of participating in, and giving effect to, the Acquisition Merger (as defined below).

7. The authorized capital of TD Subco consists of 1,000 common shares ("TD Subco Common Shares"), all of which were issued, outstanding and owned beneficially and of record by TD as of August 25, 2004.

Banknorth

8. Banknorth is a corporation organized and existing under the laws of Maine. Banknorth is a bank holding company and a financial holding company registered under the United States Bank Holding Company Act of 1956, as amended. Its principal asset is all of the capital stock of Banknorth, N.A., a U.S. national bank with operations in Connecticut, Maine, Massachusetts, New Hampshire, New York and Vermont. Banknorth's head office is located at Two Portland Square, P.O. Box 9540, Portland, Maine, 04112-9540.

9. The Banknorth Common Shares are listed and posted for trading on the NYSE and are registered with the United States Securities and Exchange Commission (the "SEC").

10. The authorized capital of Banknorth consists of 400,000,000 Banknorth Common Shares and 5,000,000 shares of preferred stock, par value \$0.01 per share ("Banknorth Preferred Shares"). To the best of TD's knowledge, as of August 25, 2004 there were 173,538,386 Banknorth Common Shares outstanding, no Banknorth Preferred Shares outstanding and 18,735,160 Banknorth Common Shares held in Banknorth's treasury.

Banknorth Delaware Inc. ("Banknorth Delaware")

11. Banknorth Delaware is a corporation organized and existing under the laws of Delaware and is a direct wholly-owned subsidiary of Banknorth. It was formed exclusively for the purpose of participating in, and giving effect to, the Migratory and Acquisition Mergers (as defined below).

12. The authorized capital stock of Banknorth Delaware consists of 1,000 shares in the common stock of Banknorth Delaware ("Banknorth Delaware Common Shares"), all of which were issued, outstanding and owned beneficially and of record by Banknorth as of August 25, 2004.

The Mergers

13. The acquisition by TD of an interest of approximately 51% in Banknorth will be completed in two steps (the "Mergers").

14. First, Banknorth will effect a migratory merger by merging with and into Banknorth Delaware (the "Migratory Merger"). Banknorth Delaware will be the surviving corporation. Upon completion of the Migratory Merger, each share in the stock of Banknorth and each option to purchase such a share will be converted into a share in the stock of Banknorth Delaware and an option to purchase a share of Banknorth Delaware, respectively. There will be no physical exchange of shares or share certificates in connection with the Migratory Merger.

15. Second, immediately after the Migratory Merger, TD will effect a three-cornered merger (the "Acquisition Merger") pursuant to which TD Subco will merge with and into Banknorth Delaware. Banknorth Delaware will be the surviving corporation and will continue its corporate existence under the laws of Delaware under the name TD Banknorth Inc. ("Amalco").

16. Upon completion of the Acquisition Merger, each holder of Banknorth Delaware Common Shares will be entitled to receive, in exchange for the Banknorth Delaware Common Shares held by such shareholder (the "Share Exchange"), the following:

(a) a number of TD Common Shares equal to 0.2351 multiplied by the number of Banknorth Delaware Common Shares owned by such shareholder (the "Exchange Ratio");

(b) an amount in cash equal to US\$12.24 multiplied by the number of Banknorth Delaware Common Shares owned by such shareholder; and

(c) a number of Banknorth Delaware Common Shares equal to 0.49 multiplied by the number of Banknorth Delaware Common Shares owned by such shareholder.

17. All Banknorth Delaware Common Shares owned by Banknorth Delaware or TD (other than, in each case, shares in trust accounts, managed accounts and the like for the benefit of customers) immediately prior to the effective time of the Acquisition Merger will be cancelled and retired and will cease to exist, and no merger consideration will be delivered in exchange for these shares.

18. Upon completion of the Acquisition Merger, all TD Subco Common Shares outstanding immediately prior to the effective time of the Acquisition Merger will be converted into one Banknorth Delaware Common Share.

19. In consideration of the deposit by TD with the exchange agent of the cash consideration and the TD Common Shares payable as merger consideration, upon completion of the Acquisition Merger, Banknorth Delaware will issue to TD:

(a) the number of Banknorth Delaware Common Shares (taking into account the one Banknorth Delaware Common Share already issued in connection with the conversion of the TD Subco Common Shares) equal to 51% of the total number of Banknorth Delaware Common Shares outstanding after the effective time of the Migratory Merger; and

(b) one share of Class B common stock of Banknorth Delaware.

20. Neither Banknorth Delaware nor TD will issue any fractional Banknorth Delaware Common Shares or TD Common Shares, as the case may be, in the Acquisition Merger. Banknorth Delaware shareholders will receive:

(a) instead of a fraction of a Banknorth Delaware Common Share, cash equal to:

(i) the fractional part of a Banknorth Delaware Common Share the shareholder would otherwise be entitled to receive; multiplied by

(ii) the average of the closing sale prices of Banknorth Delaware Common Shares on the NYSE for the five trading days immediately following the date the Mergers are completed; and

(b) instead of a fraction of a TD Common Share, cash equal to:

(i) the fractional part of a TD Common Share the shareholder would otherwise be entitled to receive; multiplied by

(ii) the average of the daily weighted average prices for the TD Common Shares on the TSX for the five trading days ending on the second trading day prior to the date the Mergers are completed, converted into U.S. dollars using the spot exchange rate for each day as reported by The Wall Street Journal on the following business day.

21. If, between the date of the Agreement and Plan of Merger and the completion of the Mergers, TD pays a dividend in, subdivides, combines into a smaller number of shares or issues by reclassification any TD Common Shares, the Exchange Ratio will be appropriately adjusted to provide the holders of Banknorth Delaware Common Shares the same economic effect as contemplated by the Agreement and Plan of Merger prior to the relevant event.

22. The Acquisition Merger will be effected pursuant to the Delaware General Corporation Law and will become effective on the date on which the certificate of merger is issued following the endorsement and filing of the certificate of merger of Amalco. The requirements of the securities legislation, regulations made thereunder and the rules of the securities commissions and registrars of all Canadian provinces and territories will be complied with to the extent that they apply to the trades to be effected in connection with the Acquisition Merger.

23. The Mergers are subject to pre-approval by holders of a majority of the outstanding Banknorth Common Shares voting in person or by proxy at a special meeting of Banknorth shareholders (the "Banknorth Meeting"). The Banknorth Meeting will be held on February 18, 2005.

24. In connection with the Banknorth Meeting, Banknorth will mail to each Banknorth shareholder a notice of special meeting, a form of proxy and a proxy statement (collectively, the "Proxy Materials"). The Proxy Materials will be prepared, and will contain prescribed disclosure, in accordance with the rules of the SEC and applicable U.S. laws.

25. The Banknorth Delaware Common Shares issued in connection with the Mergers will be listed and posted for trading on the NYSE. The TD Common Shares issued in connection with the Acquisition Merger will be listed and posted for trading on the TSX and the NYSE.

(C) The Commission is of the opinion that it would not be prejudicial to the public interest to grant the order requested.

IT IS ORDERED:

1. **THAT**, pursuant to subsection 20(1) of the Act, the Share Exchange is not subject to sections 6 or 37 of the Act.
2. **THAT** the fee for this order shall be \$1,000.

BY ORDER OF THE COMMISSION

Deputy Director - Legal