

# TD Mutual Funds

## Fund Profiles

July 22, 2009

### Comfort Portfolios

TD Comfort Conservative Portfolio

TD Comfort Moderate Portfolio

TD Comfort Balanced Portfolio

TD Comfort Growth Portfolio

TD Comfort Equity Portfolio

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# TD Comfort Conservative Portfolio

## Fund details

|                           |   |
|---------------------------|---|
| <b>Fund type</b>          | Canadian Balanced   |
| <b>Securities offered</b> | Investor Series units   |
| <b>Start date</b>         | Investor Series – December 8, 2008<br>The Fund was formed on July 21, 2008. |
| <b>Portfolio adviser</b>  | TD Asset Management Inc. (TDAM)   |
| <b>Management fee</b>     | Investor Series – Up to 1.45%* (excluding gst)                              |
| <b>Administration fee</b> | Investor Series – 0.12% (excluding gst)                                     |

\* The Fund invests in underlying funds which may pay a management fee. However, no management fees are payable by the Fund that, to a reasonable person, would duplicate a fee payable by the underlying funds for the same service.

## What does the Fund invest in?

### Investment objectives

The fundamental investment objective is to seek to provide income with some potential for long-term capital growth.

The Fund invests the majority of its assets in securities of other mutual funds, with an emphasis on mutual funds with income-generating potential.

The fundamental investment objective may only be changed with the approval of a majority of unitholders at a meeting called for that purpose.

### Investment strategies

The portfolio adviser uses strategic asset allocation to seek to achieve the fundamental investment objective. The Fund invests the majority of its assets in units of TD Mutual Funds, with an emphasis on mutual funds with income-generating potential. The Fund may also invest in exchange-traded funds, guaranteed investment certificates, money market instruments, bonds issued by the Canadian or provincial governments, corporate bonds, strip bonds and other income-generating securities.

The Fund's neutral asset mix will generally provide exposure to 70% fixed income and 30% equities. The asset allocation will generally be maintained within a range of 10% above or below the neutral weighting for the asset class. In calculating the Fund's asset mix, benchmarks of the underlying funds, as published by such funds, may be used by TDAM.

The portfolio adviser:

- establishes target asset mix allocations and monitors allocations to the underlying funds; and

- considers, when determining the Fund's asset allocation among mutual funds, factors which include its own market expectations, the underlying funds' investment objectives and strategies, past performance and historical volatility in the context of a diversified holding of mutual funds suitable for the Fund.

The Fund may have exposure to foreign securities to an extent that will vary from time to time and may be up to 35% of the net assets of the Fund at the time that such exposure to foreign securities is obtained. In calculating the Fund's exposure to foreign securities, benchmarks of the underlying funds, as published by such funds, may be used by TDAM.

The Fund may use specified derivatives, such as options, futures and forward contracts, to:

- gain exposure to fixed income and equity instruments without actually investing in them directly (including when owning the derivative investment is more efficient or less costly than owning the fixed income or equity instrument itself)
- reduce the risk associated with currency fluctuations
- provide downside risk protection for one or more securities to which the Fund has exposure

TDAM may vary the percentage of the Fund's holdings in any mutual fund or change the mutual funds in which the Fund invests, in each case, without notice to unitholders.

A unitholder of the Fund does not have ownership rights in securities of any underlying fund held by the Fund. Where TDAM is the manager of both the Fund and the underlying fund in which the Fund has invested, TDAM will not exercise the right to vote that is attributable to the securities of the underlying fund. TDAM may arrange for these securities to be voted by unitholders of the Fund. However, given the costs and complexity of doing so, TDAM may not arrange for a flow through of voting rights.

We may change the Fund's investment strategies at our discretion without notice or approval.

## What are the risks of investing in the Fund?

This Fund invests in a mix of different mutual funds with a view to reducing volatility. The Fund's performance depends directly on the performance of the funds in which it invests. The risks of investing in this Fund are similar to the risks of investing in the underlying funds it holds, modified by the Fund's use of any derivatives for currency or other hedging purposes. The Fund takes on the risks of an underlying fund in proportion to its investment in that fund.

This document provides specific information about the TD Comfort Conservative Portfolio. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 22, 2009. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

Accordingly, risks of investing in the Fund may include:

- commodity risk
- credit risk
- derivatives risk
- equity risk
- foreign currency risk
- income trust risk
- interest rate risk
- international market risk
- large investor risk
- liquidity risk
- repurchase and reverse repurchase agreements risk
- securities lending risk
- small company risk

These and other risks, which may also apply to the Fund, are described under the heading *Fund-specific risks* in the first part of this document.

## Who should invest in the Fund?

The Fund may be suitable for medium-term investors who:

- prefer to have professional managers determine the selection and composition of their investments, as well as provide ongoing monitoring services
- want mostly income combined with a moderate amount of capital growth
- are willing to accept a low to moderate degree of risk

## Distribution policy

The Fund may distribute net income quarterly or at other times and distributes net income and net realized capital gains annually in December.

## Fund expenses indirectly borne by investors

Mutual funds pay for some expenses out of fund assets. That means investors in a mutual fund indirectly pay for these expenses through lower returns.

The table below is intended to help you compare the cumulative cost of investing in this Fund with the cost of investing in other mutual funds. This example assumes that: (i) you invest \$1,000 in units of the Fund for the time periods indicated; (ii) your investment has an annual 5% return; and (iii) the Fund's MER for the Series units during the 10-year period remains the same as that incurred in its last financial year.

Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

|                 | 1 year  | 3 years | 5 years | 10 years |
|-----------------|---------|---------|---------|----------|
| Investor Series | \$16.91 | \$53.32 | \$93.45 | \$212.72 |

See *Fees and expenses* in the first part of this document for more information on the costs of investing in the Fund that are not included in the calculation of the MER.

TDAM has agreed to waive or absorb expenses such that the MER (including gst but excluding brokerage commissions) in respect of Investor Series units of the Fund for the financial year ending on December 31, 2009 will not exceed 1.65%. Thereafter, TDAM may, from time to time, agree to waive or absorb expenses at its discretion. Any such waiver or absorption, if implemented, may be suspended or terminated by TDAM at any time without notice to unitholders.



This document provides specific information about the TD Comfort Conservative Portfolio. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 22, 2009. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

# TD Comfort Moderate Portfolio

## Fund details

|                           |   |
|---------------------------|---|
| <b>Fund type</b>          | Balanced  |
| <b>Securities offered</b> | Investor Series units   |
| <b>Start date</b>         | Investor Series – December 8, 2008<br>The Fund was formed on July 21, 2008. |
| <b>Portfolio adviser</b>  | TD Asset Management Inc. (TDAM)   |
| <b>Management fee</b>     | Investor Series – Up to 1.60%* (excluding gst)                              |
| <b>Administration fee</b> | Investor Series – 0.12% (excluding gst)                                     |

\* The Fund invests in underlying funds which may pay a management fee. However, no management fees are payable by the Fund that, to a reasonable person, would duplicate a fee payable by the underlying funds for the same service.

## What does the Fund invest in?

### Investment objectives

The fundamental investment objective is to seek to generate interest and/or dividend income while also providing the opportunity for moderate long-term capital growth.

The Fund invests the majority of its assets in securities of other mutual funds, typically with a greater emphasis on mutual funds with income-generating potential.

The fundamental investment objective may only be changed with the approval of a majority of unitholders at a meeting called for that purpose.

### Investment strategies

The portfolio adviser uses strategic asset allocation to seek to achieve the fundamental investment objective. The Fund invests the majority of its assets in units of TD Mutual Funds, typically with a greater emphasis on mutual funds with income-generating potential. The Fund may also invest in exchange-traded funds, guaranteed investment certificates, money market instruments, bonds issued by the Canadian or provincial governments, corporate bonds, strip bonds and other income-generating securities.

The Fund's neutral asset mix will generally provide exposure to 55% fixed income and 45% equities. The asset allocation will generally be maintained within a range of 10% above or below the neutral weighting for the asset class. In calculating the Fund's asset mix, benchmarks of the underlying funds, as published by such funds, may be used by TDAM.

The portfolio adviser:

- establishes target asset mix allocations and monitors allocations to the underlying funds; and

- considers, when determining the Fund's asset allocation among mutual funds, factors which include its own market expectations, the underlying funds' investment objectives and strategies, past performance and historical volatility in the context of a diversified holding of mutual funds suitable for the Fund.

The Fund may have exposure to foreign securities to an extent that will vary from time to time and may be up to 45% of the net assets of the Fund at the time that such exposure to foreign securities is obtained. In calculating the Fund's exposure to foreign securities, benchmarks of the underlying funds, as published by such funds, may be used by TDAM.

The Fund may use specified derivatives, such as options, futures and forward contracts, to:

- gain exposure to fixed income and equity instruments without actually investing in them directly (including when owning the derivative investment is more efficient or less costly than owning the fixed income or equity instrument itself)
- reduce the risk associated with currency fluctuations
- provide downside risk protection for one or more securities to which the Fund has exposure

TDAM may vary the percentage of the Fund's holdings in any mutual fund or change the mutual funds in which the Fund invests, in each case, without notice to unitholders.

A unitholder of the Fund does not have ownership rights in securities of any underlying fund held by the Fund. Where TDAM is the manager of both the Fund and the underlying fund in which the Fund has invested, TDAM will not exercise the right to vote that is attributable to the securities of the underlying fund. TDAM may arrange for these securities to be voted by unitholders of the Fund. However, given the costs and complexity of doing so, TDAM may not arrange for a flow through of voting rights.

We may change the Fund's investment strategies at our discretion without notice or approval.

## What are the risks of investing in the Fund?

This Fund invests in a mix of different mutual funds with a view to reducing volatility. The Fund's performance depends directly on the performance of the funds in which it invests. The risks of investing in this Fund are similar to the risks of investing in the underlying funds it holds, modified by the Fund's use of any derivatives for currency or other hedging purposes. The Fund takes on the risks of an underlying fund in proportion to its investment in that fund.

This document provides specific information about the TD Comfort Moderate Portfolio. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 22, 2009. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

Accordingly, risks of investing in the Fund may include:

- commodity risk
- credit risk
- derivatives risk
- equity risk
- foreign currency risk
- income trust risk
- interest rate risk
- international market risk
- large investor risk
- liquidity risk
- repurchase and reverse repurchase agreements risk
- securities lending risk
- small company risk

These and other risks, which may also apply to the Fund, are described under the heading *Fund-specific risks* in the first part of this document.

## Who should invest in the Fund?

The Fund may be suitable for medium-term investors who:

- prefer to have professional managers determine the selection and composition of their investments, as well as provide ongoing monitoring services
- want moderate growth of capital combined with some income
- are willing to accept a low to moderate degree of risk

## Distribution policy

The Fund may distribute net income quarterly or at other times and distributes net income and net realized capital gains annually in December.

## Fund expenses indirectly borne by investors

Mutual funds pay for some expenses out of fund assets. That means investors in a mutual fund indirectly pay for these expenses through lower returns.

The table below is intended to help you compare the cumulative cost of investing in this Fund with the cost of investing in other mutual funds. This example assumes that: (i) you invest \$1,000 in units of the Fund for the time periods indicated; (ii) your investment has an annual 5% return; and (iii) the Fund's MER for the Series units during the 10-year period remains the same as that incurred in its last financial year.

Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

|                 | 1 year  | 3 years | 5 years  | 10 years |
|-----------------|---------|---------|----------|----------|
| Investor Series | \$18.14 | \$57.19 | \$100.25 | \$228.19 |

See *Fees and expenses* in the first part of this document for more information on the costs of investing in the Fund that are not included in the calculation of the MER.

TDAM has agreed to waive or absorb expenses such that the MER (including gst but excluding brokerage commissions) in respect of Investor Series units of the Fund for the financial year ending on December 31, 2009 will not exceed 1.77%. Thereafter, TDAM may, from time to time, agree to waive or absorb expenses at its discretion. Any such waiver or absorption, if implemented, may be suspended or terminated by TDAM at any time without notice to unitholders.



This document provides specific information about the TD Comfort Moderate Portfolio. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 22, 2009. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

# TD Comfort Balanced Portfolio

## Fund details

|                           |   |
|---------------------------|---|
| <b>Fund type</b>          | Balanced  |
| <b>Securities offered</b> | Investor Series units   |
| <b>Start date</b>         | Investor Series – December 8, 2008<br>The Fund was formed on July 21, 2008. |
| <b>Portfolio adviser</b>  | TD Asset Management Inc. (TDAM)   |
| <b>Management fee</b>     | Investor Series – Up to 1.70%* (excluding gst)                              |
| <b>Administration fee</b> | Investor Series – 0.12% (excluding gst)                                     |

\* The Fund invests in underlying funds which may pay a management fee. However, no management fees are payable by the Fund that, to a reasonable person, would duplicate a fee payable by the underlying funds for the same service.

## What does the Fund invest in?

### Investment objectives

The fundamental investment objective is to seek to generate long-term capital growth while also providing the opportunity to earn some interest and/or dividend income.

The Fund invests the majority of its assets in securities of other mutual funds, with an emphasis on mutual funds investing in equities for potential long-term capital growth.

The fundamental investment objective may only be changed with the approval of a majority of unitholders at a meeting called for that purpose.

### Investment strategies

The portfolio adviser uses strategic asset allocation to seek to achieve the fundamental investment objective. The Fund invests the majority of its assets in units of TD Mutual Funds, with an emphasis on mutual funds investing in equities for potential long-term capital growth. The Fund may also invest in exchange-traded funds, guaranteed investment certificates, money market instruments, bonds issued by the Canadian or provincial governments, corporate bonds, strip bonds and other income-generating securities.

The Fund's neutral asset mix will generally provide exposure to 40% fixed income and 60% equities. The asset allocation will generally be maintained within a range of 10% above or below the neutral weighting for the asset class. In calculating the Fund's asset mix, benchmarks of the underlying funds, as published by such funds, may be used by TDAM.

The portfolio adviser:

- establishes target asset mix allocations and monitors allocations to the underlying funds; and

- considers, when determining the Fund's asset allocation among mutual funds, factors which include its own market expectations, the underlying funds' investment objectives and strategies, past performance and historical volatility in the context of a diversified holding of mutual funds suitable for the Fund.

The Fund may have exposure to foreign securities to an extent that will vary from time to time and may be up to 60% of the net assets of the Fund at the time that such exposure to foreign securities is obtained. In calculating the Fund's exposure to foreign securities, benchmarks of the underlying funds, as published by such funds, may be used by TDAM.

The Fund may use specified derivatives, such as options, futures and forward contracts, to:

- gain exposure to fixed income and equity instruments without actually investing in them directly (including when owning the derivative investment is more efficient or less costly than owning the fixed income or equity instrument itself)
- reduce the risk associated with currency fluctuations
- provide downside risk protection for one or more securities to which the Fund has exposure

TDAM may vary the percentage of the Fund's holdings in any mutual fund or change the mutual funds in which the Fund invests, in each case, without notice to unitholders.

A unitholder of the Fund does not have ownership rights in securities of any underlying fund held by the Fund. Where TDAM is the manager of both the Fund and the underlying fund in which the Fund has invested, TDAM will not exercise the right to vote that is attributable to the securities of the underlying fund. TDAM may arrange for these securities to be voted by unitholders of the Fund. However, given the costs and complexity of doing so, TDAM may not arrange for a flow through of voting rights.

We may change the Fund's investment strategies at our discretion without notice or approval.

## What are the risks of investing in the Fund?

This Fund invests in a mix of different mutual funds with a view to reducing volatility. The Fund's performance depends directly on the performance of the funds in which it invests. The risks of investing in this Fund are similar to the risks of investing in the underlying funds it holds, modified by the Fund's use of any derivatives for currency or other hedging purposes. The Fund takes on the risks of an underlying fund in proportion to its investment in that fund.

This document provides specific information about the TD Comfort Balanced Portfolio. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 22, 2009. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

Accordingly, risks of investing in the Fund may include:

- commodity risk
- credit risk
- derivatives risk
- equity risk
- foreign currency risk
- income trust risk
- interest rate risk
- international market risk
- large investor risk
- liquidity risk
- repurchase and reverse repurchase agreements risk
- securities lending risk
- small company risk

These and other risks, which may also apply to the Fund, are described under the heading *Fund-specific risks* in the first part of this document.

## Who should invest in the Fund?

The Fund may be suitable for medium to long-term investors who:

- prefer to have professional managers determine the selection and composition of their investments, as well as provide ongoing monitoring services
- want long-term growth of capital, and income
- are willing to accept a low to moderate degree of risk

## Distribution policy

The Fund may distribute net income quarterly or at other times and distributes net income and net realized capital gains annually in December.

## Fund expenses indirectly borne by investors

Mutual funds pay for some expenses out of fund assets. That means investors in a mutual fund indirectly pay for these expenses through lower returns.

The table below is intended to help you compare the cumulative cost of investing in this Fund with the cost of investing in other mutual funds. This example assumes that: (i) you invest \$1,000 in units of the Fund for the time periods indicated; (ii) your investment has an annual 5% return; and (iii) the Fund's MER for the Series units during the 10-year period remains the same as that incurred in its last financial year.

Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

|                 | 1 year  | 3 years | 5 years  | 10 years |
|-----------------|---------|---------|----------|----------|
| Investor Series | \$19.48 | \$61.39 | \$107.61 | \$244.95 |

See *Fees and expenses* in the first part of this document for more information on the costs of investing in the Fund that are not included in the calculation of the MER.

TDAM has agreed to waive or absorb expenses such that the MER (including gst but excluding brokerage commissions) in respect of Investor Series units of the Fund for the financial year ending on December 31, 2009 will not exceed 1.90%. Thereafter, TDAM may, from time to time, agree to waive or absorb expenses at its discretion. Any such waiver or absorption, if implemented, may be suspended or terminated by TDAM at any time without notice to unitholders.



This document provides specific information about the TD Comfort Balanced Portfolio. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 22, 2009. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

# TD Comfort Growth Portfolio

## Fund details

|                           |   |
|---------------------------|---|
| <b>Fund type</b>          | Global Balanced   |
| <b>Securities offered</b> | Investor Series units   |
| <b>Start date</b>         | Investor Series – December 8, 2008<br>The Fund was formed on July 21, 2008. |
| <b>Portfolio adviser</b>  | TD Asset Management Inc. (TDAM)   |
| <b>Management fee</b>     | Investor Series – Up to 1.80%* (excluding gst)                              |
| <b>Administration fee</b> | Investor Series – 0.12% (excluding gst)                                     |

\* The Fund invests in underlying funds which may pay a management fee. However, no management fees are payable by the Fund that, to a reasonable person, would duplicate a fee payable by the underlying funds for the same service.

## What does the Fund invest in?

### Investment objectives

The fundamental investment objective is to seek to generate long-term capital growth with the potential for earning some dividend and/or interest income.

The Fund invests the majority of its assets in securities of other mutual funds, with an emphasis on mutual funds investing in equities for potential long-term capital growth.

The fundamental investment objective may only be changed with the approval of a majority of unitholders at a meeting called for that purpose.

### Investment strategies

The portfolio adviser uses strategic asset allocation to seek to achieve the fundamental investment objective. The Fund invests the majority of its assets in units of TD Mutual Funds, with an emphasis on mutual funds investing in equities for potential long-term capital growth. The Fund may also invest in exchange-traded funds, guaranteed investment certificates, money market instruments, bonds issued by the Canadian or provincial governments, corporate bonds, strip bonds and other income-generating securities.

The Fund's neutral asset mix will generally provide exposure to 20% fixed income and 80% equities. The asset allocation will generally be maintained within a range of 10% above or below the neutral weighting for the asset class. In calculating the Fund's asset mix, benchmarks of the underlying funds, as published by such funds, may be used by TDAM.

The portfolio adviser:

- establishes target asset mix allocations and monitors allocations to the underlying funds; and

- considers, when determining the Fund's asset allocation among mutual funds, factors which include its own market expectations, the underlying funds' investment objectives and strategies, past performance and historical volatility in the context of a diversified holding of mutual funds suitable for the Fund.

The Fund may have exposure to foreign securities to an extent that will vary from time to time and may be up to 70% of the net assets of the Fund at the time that such exposure to foreign securities is obtained. In calculating the Fund's exposure to foreign securities, benchmarks of the underlying funds, as published by such funds, may be used by TDAM.

The Fund may use specified derivatives, such as options, futures and forward contracts, to:

- gain exposure to fixed income and equity instruments without actually investing in them directly (including when owning the derivative investment is more efficient or less costly than owning the fixed income or equity instrument itself)
- reduce the risk associated with currency fluctuations
- provide downside risk protection for one or more securities to which the Fund has exposure

TDAM may vary the percentage of the Fund's holdings in any mutual fund or change the mutual funds in which the Fund invests, in each case, without notice to unitholders.

A unitholder of the Fund does not have ownership rights in securities of any underlying fund held by the Fund. Where TDAM is the manager of both the Fund and the underlying fund in which the Fund has invested, TDAM will not exercise the right to vote that is attributable to the securities of the underlying fund. TDAM may arrange for these securities to be voted by unitholders of the Fund. However, given the costs and complexity of doing so, TDAM may not arrange for a flow through of voting rights.

We may change the Fund's investment strategies at our discretion without notice or approval.

## What are the risks of investing in the Fund?

This Fund invests in a mix of different mutual funds with a view to reducing volatility. The Fund's performance depends directly on the performance of the funds in which it invests. The risks of investing in this Fund are similar to the risks of investing in the underlying funds it holds, modified by the Fund's use of any derivatives for currency or other hedging purposes. The Fund takes on the risks of an underlying fund in proportion to its investment in that fund.

This document provides specific information about the TD Comfort Growth Portfolio. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 22, 2009. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

Accordingly, risks of investing in the Fund may include:

- commodity risk
- credit risk
- derivatives risk
- equity risk
- foreign currency risk
- income trust risk
- interest rate risk
- international market risk
- large investor risk
- liquidity risk
- repurchase and reverse repurchase agreements risk
- securities lending risk
- small company risk

These and other risks, which may also apply to the Fund, are described under the heading *Fund-specific risks* in the first part of this document.

## Who should invest in the Fund?

The Fund may be suitable for medium to long-term investors who:

- prefer to have professional managers determine the selection and composition of their investments, as well as provide ongoing monitoring services
- want long-term growth of capital with only a modest level of income
- are willing to accept a moderate degree of risk

## Distribution policy

The Fund may distribute net income quarterly or at other times and distributes net income and net realized capital gains annually in December.

## Fund expenses indirectly borne by investors

Mutual funds pay for some expenses out of fund assets. That means investors in a mutual fund indirectly pay for these expenses through lower returns.

The table below is intended to help you compare the cumulative cost of investing in this Fund with the cost of investing in other mutual funds. This example assumes that: (i) you invest \$1,000 in units of the Fund for the time periods indicated; (ii) your investment has an annual 5% return; and (iii) the Fund's MER for the Series units during the 10-year period remains the same as that incurred in its last financial year.

Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

|                 | 1 year  | 3 years | 5 years  | 10 years |
|-----------------|---------|---------|----------|----------|
| Investor Series | \$20.30 | \$63.98 | \$112.14 | \$255.27 |

See *Fees and expenses* in the first part of this document for more information on the costs of investing in the Fund that are not included in the calculation of the MER.

TDAM has agreed to waive or absorb expenses such that the MER (including gst but excluding brokerage commissions) in respect of Investor Series units of the Fund for the financial year ending on December 31, 2009 will not exceed 1.98%. Thereafter, TDAM may, from time to time, agree to waive or absorb expenses at its discretion. Any such waiver or absorption, if implemented, may be suspended or terminated by TDAM at any time without notice to unitholders.



This document provides specific information about the TD Comfort Growth Portfolio. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 22, 2009. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

# TD Comfort Equity Portfolio

## Fund details

|                           |   |
|---------------------------|---|
| <b>Fund type</b>          | Global Equity   |
| <b>Securities offered</b> | Investor Series units   |
| <b>Start date</b>         | Investor Series – December 8, 2008<br>The Fund was formed on July 21, 2008. |
| <b>Portfolio adviser</b>  | TD Asset Management Inc. (TDAM)   |
| <b>Management fee</b>     | Investor Series – Up to 1.95%* (excluding gst)                              |
| <b>Administration fee</b> | Investor Series – 0.12% (excluding gst)                                     |

\* The Fund invests in underlying funds which may pay a management fee. However, no management fees are payable by the Fund that, to a reasonable person, would duplicate a fee payable by the underlying funds for the same service.

## What does the Fund invest in?

### *Investment objectives*

The fundamental investment objective is to seek to generate long-term capital growth.

The Fund invests the majority of its assets in securities of other mutual funds, with an emphasis on mutual funds investing in equities for potential long-term capital growth.

The fundamental investment objective may only be changed with the approval of a majority of unitholders at a meeting called for that purpose.

### *Investment strategies*

The portfolio adviser uses strategic asset allocation to seek to achieve the fundamental investment objective. The Fund invests the majority of its assets in units of TD Mutual Funds, with an emphasis on mutual funds investing in equities for potential long-term capital growth. The Fund may also invest in exchange-traded funds, guaranteed investment certificates, money market instruments, bonds issued by the Canadian or provincial governments, corporate bonds, strip bonds and other income-generating securities.

The Fund's neutral asset mix will generally provide exposure to 100% equities. However, the Fund may, from time to time, for up to 10% of its net assets, invest in or have exposure to fixed income and/or money market securities. In calculating the Fund's asset mix, benchmarks of the underlying funds, as published by such funds, may be used by TDAM.

The portfolio adviser:

- establishes target asset mix allocations and monitors allocations to the underlying funds; and

- considers, when determining the Fund's asset allocation among mutual funds, factors which include its own market expectations, the underlying funds' investment objectives and strategies, past performance and historical volatility in the context of a diversified holding of mutual funds suitable for the Fund.

The Fund may have exposure to foreign securities to an extent that will vary from time to time and may be up to 80% of the net assets of the Fund at the time that such exposure to foreign securities is obtained. In calculating the Fund's exposure to foreign securities, benchmarks of the underlying funds, as published by such funds, may be used by TDAM.

The Fund may use specified derivatives, such as options, futures and forward contracts, to:

- gain exposure to fixed income and equity instruments without actually investing in them directly (including when owning the derivative investment is more efficient or less costly than owning the fixed income or equity instrument itself)
- reduce the risk associated with currency fluctuations
- provide downside risk protection for one or more securities to which the Fund has exposure

TDAM may vary the percentage of the Fund's holdings in any mutual fund or change the mutual funds in which the Fund invests, in each case, without notice to unitholders.

A unitholder of the Fund does not have ownership rights in securities of any underlying fund held by the Fund. Where TDAM is the manager of both the Fund and the underlying fund in which the Fund has invested, TDAM will not exercise the right to vote that is attributable to the securities of the underlying fund. TDAM may arrange for these securities to be voted by unitholders of the Fund. However, given the costs and complexity of doing so, TDAM may not arrange for a flow through of voting rights.

We may change the Fund's investment strategies at our discretion without notice or approval.

## What are the risks of investing in the Fund?

This Fund invests in a mix of different mutual funds with a view to reducing volatility. The Fund's performance depends directly on the performance of the funds in which it invests. The risks of investing in this Fund are similar to the risks of investing in the underlying funds it holds, modified by the Fund's use of any derivatives for currency or other hedging purposes. The Fund takes on the risks of an underlying fund in proportion to its investment in that fund.

This document provides specific information about the TD Comfort Equity Portfolio. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 22, 2009. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

Accordingly, risks of investing in the Fund may include:

- commodity risk
- credit risk
- derivatives risk
- equity risk
- foreign currency risk
- income trust risk
- interest rate risk
- international market risk
- large investor risk
- liquidity risk
- repurchase and reverse repurchase agreements risk
- securities lending risk
- small company risk

These and other risks, which may also apply to the Fund, are described under the heading *Fund-specific risks* in the first part of this document.

## Who should invest in the Fund?

The Fund may be suitable for medium to long-term investors who:

- prefer to have professional managers determine the selection and composition of their investments, as well as provide ongoing monitoring services
- want long-term growth of capital
- are willing to accept a moderate degree of risk

## Distribution policy

The Fund may distribute net income quarterly or at other times and distributes net income and net realized capital gains annually in December.

## Fund expenses indirectly borne by investors

Mutual funds pay for some expenses out of fund assets. That means investors in a mutual fund indirectly pay for these expenses through lower returns.

The table below is intended to help you compare the cumulative cost of investing in this Fund with the cost of investing in other mutual funds. This example assumes that: (i) you invest \$1,000 in units of the Fund for the time periods indicated; (ii) your investment has an annual 5% return; and (iii) the Fund's MER for the Series units during the 10-year period remains the same as that incurred in its last financial year.

Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

|                 | 1 year  | 3 years | 5 years  | 10 years |
|-----------------|---------|---------|----------|----------|
| Investor Series | \$20.30 | \$63.98 | \$112.14 | \$255.27 |

See *Fees and expenses* in the first part of this document for more information on the costs of investing in the Fund that are not included in the calculation of the MER.

TDAM has agreed to waive or absorb expenses such that the MER (including gst but excluding brokerage commissions) in respect of Investor Series units of the Fund for the financial year ending on December 31, 2009 will not exceed 1.98%. Thereafter, TDAM may, from time to time, agree to waive or absorb expenses at its discretion. Any such waiver or absorption, if implemented, may be suspended or terminated by TDAM at any time without notice to unitholders.



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