

TD Mutual Funds Fund Profiles

July 23, 2008

Balanced Funds

TD Monthly Income Fund

TD Balanced Income Fund

TD Diversified Monthly Income Fund

TD Balanced Growth Fund

TD Dividend Income Fund

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TD Monthly Income Fund

Fund details

Fund type	Canadian Income Balanced
Securities offered	Investor Series units Institutional Series units O-Series units H-Series units
Start date	Investor Series – June 29, 1998 Institutional Series – Not available to the public prior to the date of this prospectus O-Series – Not issued to the public prior to the date of this prospectus H-Series – January 9, 2006 The Fund was formed on June 8, 1998.
Portfolio adviser	TD Asset Management Inc. (TDAM)
Management fee	Investor Series – Up to 1.25% (excluding GST) Institutional Series – Up to 0.75% (excluding GST) O-Series – Negotiated with, and paid by unitholders directly to, the Manager H-Series – Up to 1.25% (excluding GST)
Administration fee	Investor Series – 0.08% (excluding GST) H-Series – 0.08% (excluding GST)

What does the Fund invest in?

Investment objectives

The fundamental investment objective is to seek to provide a consistent level of monthly income with capital appreciation as a secondary objective, by investing primarily in income-producing securities.

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

Investment strategies

The portfolio adviser believes that a bottom-up strategy emphasizing analysis of individual corporations in the context of a global macroeconomic environment should add value and enhance long-term performance. The portfolio adviser selects securities based on methodical risk/return analysis with the objective of maximizing risk-adjusted returns for the Fund. The Fund will invest primarily in a diversified portfolio of Canadian securities, which may include government and

corporate debt obligations, dividend-paying common shares and preferred shares as well as income trusts, real estate investment trusts, royalty trusts and other similar high-yielding instruments. Currently, the Fund may also invest up to 30% of its assets in income-producing securities of foreign issuers. Generally, the Fund employs a “buy-and-hold” strategy.

In addition, the Fund may also invest up to 10% of its net assets in guaranteed mortgages, as defined in National Instrument 81-102 – Mutual Funds, including guaranteed mortgages administered by TD Bank Financial Group (being TD Bank or an affiliate of TD Bank).

The Canadian securities regulatory authorities require that where a mutual fund acquires mortgages from a lending institution with which the Fund, its management company and/or insiders of either of them are dealing at arm’s length, such mortgages shall be acquired at the dollar amount which produces at least the yield prevailing for the sale of comparable unserviced mortgages by major mortgage lenders under similar conditions. In all other cases, mortgages shall be acquired by the Fund according to only one of the following three methods:

- (a) at that principal amount which will produce a yield to the Fund equal to the interest rate at which the lending institution is making commitments to loan on the security of comparable mortgages at the time of purchase by the Fund; or
- (b) at that principal amount which will produce the same yield to the Fund as the interest rate charged by the lending institution to the mortgagor on the date of commitment, provided that the date of commitment is not more than 120 days prior to the date of purchase of the mortgage by the Fund, and the interest rate is equal to the rate at which the lending institution made commitments to loan on the security of comparable mortgages on the date of commitment; or
- (c) at that principal amount which will produce a yield to the Fund of not more than a quarter of one percent less than the interest rate at which the lending institution is making commitments, at the time of purchase, to loan on the security of comparable mortgages, provided that the lending institution which sells mortgages to the Fund has entered into an agreement to repurchase the mortgages from the Fund in circumstances benefiting the Fund and that such an agreement is considered by the administrator to justify the difference in yield to the Fund.

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The choice of valuation method affects yield as follows: method (a) and method (b) will result in identical yields, provided that no change in the interest rate charged occurs within the 120-day period. Method (a) will result in a greater yield than method (b) where the interest rate has increased during the 120-day period. Method (a) will result in a lesser yield than method (b) where the interest rate has decreased during the 120-day period. Method (a) will always result in a yield greater than that of method (c).

Regarding mortgages purchased from TD Bank Financial Group, the method used by the Fund is method (c) referred to above, on the basis that mortgages are offered for sale to the Fund by TD Bank Financial Group for a price determined as being that principal amount which will produce a yield to the Fund of not more than one quarter of one percent (0.25%) less than the interest rate at which TD Bank Financial Group is making commitments, at that time, to loan on the security of comparable mortgages. As required by method (c), TD Bank Financial Group has agreed to repurchase from the Fund any mortgage purchased from TD Bank Financial Group if such mortgage has been in default for ninety days or more. Such mortgages must be purchased by TD Bank Financial Group for an amount equal to the outstanding principal balance owing on the mortgage on the date of purchase, plus accrued interest thereon at the rate of interest specified in such mortgage loan to the date of purchase.

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

- hedge against losses associated with rising interest rates
- 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
- enhance income
- provide downside risk protection for one or more stocks

The Fund holds money market instruments or cash to meet its obligations under the derivatives instruments.

The Fund may engage in securities lending, repurchase or reverse repurchase transactions in a manner consistent with its investment objectives and as permitted by Canadian securities regulatory authorities. For more information, see *Securities lending, repurchase and reverse repurchase transactions* in *Your guide to understanding the Fund Profile* in the first part of this document.

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

What are the risks of investing in the Fund?

Risks of investing in the Fund may include:

- capital depreciation risk
- commodity risk
- credit risk
- derivatives risk
- equity risk
- foreign currency risk
- income trust risk
- interest rate risk
- large investor risk
- repurchase and reverse repurchase agreements risk
- securities lending risk
- series 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 are:

- seeking a consistent level of monthly income with a moderate degree of capital growth
- willing to accept a low to moderate level of risk

Distribution policy

The Fund intends to make a distribution monthly that in the case of Investor Series, Institutional Series and O-Series units, consists of net income and in the case of H-Series units, may consist of net income, net realized capital gains and/or return of capital. If the distributions in a year are less than the Fund's net income and net realized capital gains for the year, the Fund will make an additional distribution in December.

Fund expenses indirectly borne by investors

Mutual funds pay for some expenses out of the Fund's 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

This document provides specific information about the TD Monthly Income Fund. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 23, 2008. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

TD Monthly Income Fund

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	\$14.45	\$45.56	\$79.86	\$181.78
Institutional Series ¹	—	—	—	—
H-Series	\$14.45	\$45.56	\$79.86	\$181.78

¹ No units have been issued as at the date of this simplified prospectus.

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.



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Fund details

Fund type	Canadian Income Balanced
Securities offered	Investor Series units Institutional Series units D-Series units
Start date	Investor Series – June 29, 1988 Institutional Series – Not issued to the public prior to the date of this prospectus D-Series – October 6, 2004* The Fund was formed on February 5, 1988.
Portfolio adviser	Jarislowky Fraser Limited (Toronto, Canada)
Management fees	Investor Series – Up to 2.00% (excluding GST) Institutional Series – Up to 1.25% (excluding GST) D-Series – Up to 1.00% (excluding GST)
Administration fee	Investor Series – 0.08% (excluding GST)

* D-Series units were offered by way of a prospectus exemption prior to July 23, 2008.

What does the Fund invest in?

Investment objectives

The fundamental investment objective is to seek to provide income and moderate capital growth by investing primarily in fixed income and equity securities of issuers in Canada.

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

Investment strategies

The Fund seeks to achieve its objective through investing in high-quality fixed income securities and in high-quality equity securities of Canadian issuers. The portfolio adviser uses a conservative approach to making portfolio investments. The Fund may also, from time to time, invest in foreign issuers. Growth is pursued in a low-risk manner in order to enhance the preservation of capital. Asset mix is set to seek a reasonable level of income, with incremental asset mix shifts. The asset mix will typically be in a range of 35% to 65% in equities and 35% to 65% in fixed income.

The portfolio adviser will invest in bonds that are high-quality and non-cyclical to reduce risk. The equity portfolio primarily consists of a diversified holding of large-capitalization companies that are industry leaders, with above-average earnings prospects, below-average financial leverage and strong management.

This document provides specific information about the TD Balanced Income Fund. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 23, 2008. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

The Fund considers issuers to be in Canada if (a) the issuer derives significant revenue from goods produced, sales made or services rendered in Canada, (b) the principal trading market for the securities of the issuer is in Canada, (c) the issuer is organized under the laws of Canada or a jurisdiction in Canada, or (d) the issuer has significant assets or a principal office in Canada.

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

- hedge against losses associated with rising interest rates
- 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)
- obtain the desired foreign currency exposure
- enhance income
- provide downside risk protection for one or more stocks

The Fund holds money market instruments or cash to meet its obligations under the derivatives instruments.

The Fund may invest in foreign securities to an extent that will vary from time to time but is not typically expected to exceed 30% of the net assets of the Fund at the time that foreign securities are purchased.

The Fund may engage in securities lending, repurchase or reverse repurchase transactions in a manner consistent with its investment objectives and as permitted by Canadian securities regulatory authorities. For more information, see *Securities lending, repurchase and reverse repurchase transactions* in *Your guide to understanding the Fund Profile* in the first part of this document.

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

What are the risks of investing in the Fund?

Risks of investing in the Fund may include:

- commodity risk
- credit risk
- derivatives risk
- equity risk
- foreign currency risk
- foreign market risk
- income trust risk
- interest rate risk
- large investor risk (as at June 25, 2008, one unitholder held 16.66% of the units of the Fund)

TD Balanced Income Fund

- repurchase and reverse repurchase agreements risk
- securities lending risk
- series 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 the simplicity of investing in a single fund that incorporates both bonds and equities
- are willing to accept a low to moderate level 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 the Fund's 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	\$21.94	\$69.15	\$121.20	\$275.90
Institutional Series ¹	—	—	—	—
D-Series	\$10.87	\$34.25	\$ 60.04	\$136.66

¹ No units have been issued as at the date of this simplified prospectus.

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.



This document provides specific information about the TD Balanced Income Fund. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 23, 2008. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

Fund details

Fund type	Canadian Balanced
Securities offered	Investor Series units O-Series units H-Series units
Start date	Investor Series – November 30, 1987 O-Series – May 8, 2008* H-Series – September 4, 2007 The Fund was formed on August 24, 1987.
Portfolio adviser	TD Asset Management Inc. (TDAM)
Management fee	Investor Series – Up to 2.00% (excluding GST) O-Series – Negotiated with, and paid by unitholders directly to, the Manager H-Series – Up to 2.00% (excluding GST)
Administration fee	Investor Series – 0.08% (excluding GST) H-Series – 0.08% (excluding GST)

* O-Series units were offered by way of a prospectus exemption prior to July 23, 2008.

What does the Fund invest in?

Investment objectives

The fundamental investment objective is to seek to provide monthly income with capital appreciation as a secondary objective, by investing primarily in income-producing securities.

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

Investment strategies

In order to generate a consistent level of monthly income, the Fund will invest primarily in a diversified portfolio of Canadian securities, which may include government and corporate debt obligations, dividend-paying common shares and preferred shares as well as income trusts, real estate investment trusts, royalty trusts and other similar income-producing instruments. Currently, the Fund may also invest up to 30% of its assets in income-producing securities of foreign issuers. Generally, the Fund employs a “buy-and-hold” strategy. The portfolio adviser may invest in non-investment grade corporate debt obligations (high yield) rated below BBB(-) by Standard & Poor’s (or another rating agency).

The portfolio adviser uses a bottom-up strategy that emphasizes the analysis of individual companies to determine if they can maintain and increase their income distributions over time. This analysis also focuses on selecting securities and allocating investments among asset classes with the objective of maximizing the risk-adjusted returns for the Fund.

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

- hedge against losses associated with rising interest rates
- 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)
- obtain the desired exposure to foreign currencies
- enhance income
- provide downside risk protection for one or more stocks

The Fund holds money market instruments or cash to meet its obligations under the derivatives instruments.

The Fund may engage in securities lending, repurchase or reverse repurchase transactions in a manner consistent with its investment objectives and as permitted by Canadian securities regulatory authorities. For more information, see *Securities lending, repurchase and reverse repurchase transactions* in *Your guide to understanding the Fund Profile* in the first part of this document.

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

What are the risks of investing in the Fund?

Risks of investing in the Fund may include:

- capital depreciation risk
- commodity risk
- credit risk
- derivatives risk
- equity risk
- foreign currency risk
- foreign market risk
- income trust risk
- interest rate risk
- large investor risk
- liquidity risk

This document provides specific information about the TD Diversified Monthly Income Fund. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 23, 2008. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

TD Diversified Monthly Income Fund

- repurchase and reverse repurchase agreements risk
- securities lending risk
- series 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 are:

- seeking income with a moderate degree of capital growth
- willing to accept a low to moderate level of risk

Distribution policy

The Fund intends to make a distribution monthly that in the case of Investor Series and O-Series units, consists of net income and in the case of H-Series units, may consist of net income, net realized capital gains and/or return of capital. If the distributions in a year are less than the Fund's net income and net realized capital gains for the year, the Fund will make an additional distribution in December.

Fund expenses indirectly borne by investors

Mutual funds pay for some expenses out of the Fund's 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	\$22.65	\$71.41	\$125.17	\$284.92
H-Series	\$22.55	\$71.09	\$124.60	\$283.63

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.



This document provides specific information about the TD Diversified Monthly Income Fund. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 23, 2008. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

Fund details

Fund type	Canadian Balanced
Securities offered	Investor Series units Institutional Series units
Start date	Investor Series – September 4, 1987 Institutional Series – Not issued to the public prior to the date of this prospectus The Fund was formed on August 11, 1987.
Portfolio adviser	McLean Budden Limited (Toronto, Canada)
Management fee	Investor Series – Up to 2.00% (excluding GST) Institutional Series – Up to 1.25% (excluding GST)
Administration fee	Investor Series – 0.08% (excluding GST)

What does the Fund invest in?

Investment objectives

The fundamental investment objective is to seek to provide capital growth and income by investing primarily in equity and fixed income securities of issuers in Canada.

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

Investment strategies

The portfolio adviser seeks to achieve the fundamental investment objective of the Fund by balancing the major asset classes of the Fund based on relative valuation parameters between such asset classes. The asset mix of the Fund is typically expected to be 20% to 50% in fixed income and 50% to 80% in equities. The portfolio maintains high-quality investments. Common stock investments concentrate on those companies, which are expected to have above average earnings growth over the course of a cycle. No more than 10% of the equity investments fall within the small-capitalization classification. The Fund may invest in exchange-traded funds.

The Fund considers issuers to be in Canada if (a) the issuer derives significant revenue from goods produced, sales made or services rendered in Canada, (b) the principal trading market for the securities of the issuer is in Canada, (c) the issuer is organized under the laws of Canada or a jurisdiction in Canada, or (d) the issuer has significant assets or a principal office in Canada.

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

- hedge against losses associated with rising interest rates
- 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)
- obtain the desired foreign currency exposure
- enhance income
- provide downside risk protection for one or more stocks

The Fund holds money market instruments or cash to meet its obligations under the derivatives instruments.

The Fund may invest in foreign securities to an extent that will vary from time to time but is not typically expected to exceed 30% of the net assets of the Fund at the time that foreign securities are purchased.

The Fund may engage in securities lending, repurchase or reverse repurchase transactions in a manner consistent with its investment objectives and as permitted by Canadian securities regulatory authorities. For more information, see *Securities lending, repurchase and reverse repurchase transactions* in *Your guide to understanding the Fund Profile* in the first part of this document.

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

What are the risks of investing in the Fund?

Risks of investing in the Fund may include:

- commodity risk
- credit risk
- derivatives risk
- equity risk
- foreign currency risk
- foreign market risk
- income trust risk
- interest rate risk
- large investor risk
- repurchase and reverse repurchase agreements risk
- securities lending risk
- series 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.

This document provides specific information about the TD Balanced Growth Fund. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 23, 2008. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

TD Balanced Growth Fund

Who should invest in the Fund?

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

- prefer the simplicity of investing in a single fund that incorporates both bonds and equities with an emphasis on equities
- are willing to accept a low to moderate level 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 the Fund's 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	\$21.83	\$68.83	\$120.64	\$274.61
Institutional Series ¹	—	—	—	—

¹ No units have been issued as at the date of this simplified prospectus.

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.



This document provides specific information about the TD Balanced Growth Fund. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 23, 2008. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

Fund details

Fund type	Canadian Balanced
Securities offered	Investor Series units Institutional Series units O-Series units H-Series units
Start date	Investor Series – October 31, 1994 Institutional Series – September 26, 2001 O-Series – December 12, 2005 H-Series – September 6, 2006 The Fund was formed on October 3, 1994.
Portfolio adviser	TD Asset Management Inc. (TDAM)
Management fee	Investor Series – Up to 1.75% (excluding GST) Institutional Series – Up to 1.00% (excluding GST) O-Series – Negotiated with, and paid by unitholders directly to, the Manager H-Series – Up to 1.75% (excluding GST)
Administration fee	Investor Series – 0.08% (excluding GST) H-Series – 0.08% (excluding GST)

What does the Fund invest in?

Investment objectives

The fundamental investment objective is to seek to provide income with capital appreciation as a secondary objective, by investing primarily in income-producing securities.

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

Investment strategies

The portfolio adviser seeks to achieve the fundamental investment objective by holding a diversified portfolio of income-producing securities which may include, but is not limited to, dividend-paying equity securities, government and corporate bonds, and income trusts and other securities primarily of Canadian issuers. Equity investments will be concentrated in dividend-paying larger capitalization companies. Bond investments will be concentrated in short-to-medium term bonds of highly rated corporate or government issuers, but holdings may also include asset-backed, longer-maturity and other investment-grade bonds. The Fund may also hold investments in income trusts and other income-producing securities as well as exchange-traded funds.

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

- hedge against losses associated with rising interest rates
- 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
- enhance income
- provide downside risk protection for one or more stocks

The Fund holds money market instruments or cash to meet its obligations under the derivatives instruments.

The Fund may invest in foreign securities to an extent that will vary from time to time but is not typically expected to exceed 30% of the net assets of the Fund at the time that foreign securities are purchased.

The Fund may engage in securities lending, repurchase or reverse repurchase transactions in a manner consistent with its investment objectives and as permitted by Canadian securities regulatory authorities. For more information, see *Securities lending, repurchase and reverse repurchase transactions* in *Your guide to understanding the Fund Profile* in the first part of this document.

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

What are the risks of investing in the Fund?

Risks of investing in the Fund may include:

- capital depreciation risk
- commodity risk
- credit risk
- derivatives risk
- equity risk
- foreign currency risk
- income trust risk
- interest rate risk
- large investor risk (as at June 25, 2008, one unitholder held 21.83% of the units of the Fund)
- repurchase and reverse repurchase agreements risk
- securities lending risk
- series 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.

This document provides specific information about the TD Dividend Income Fund. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 23, 2008. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

TD Dividend Income Fund

Who should invest in the Fund?

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

- are more interested in income than growth
- want to maximize after-tax income
- are contributing to the income component of a diversified portfolio
- are willing to accept a low to moderate level of risk

Distribution policy

The Fund intends to make a distribution monthly that in the case of Investor Series, Institutional Series and O-Series units, consists of net income and in the case of H-Series units, may consist of net income, net realized capital gains and/or return of capital. If the distributions in a year are less than the Fund's net income and net realized capital gains for the year, the Fund will make an additional distribution in December.

Fund expenses indirectly borne by investors

Mutual funds pay for some expenses out of the Fund's 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	\$19.89	\$62.69	\$109.88	\$250.11
Institutional Series	\$ 5.33	\$16.80	\$ 29.45	\$ 67.04
H-Series	\$19.89	\$62.69	\$109.88	\$250.11

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.



This document provides specific information about the TD Dividend Income Fund. It should be read in conjunction with the rest of the simplified prospectus of the TD Mutual Funds dated July 23, 2008. This document and the document that provides general information about the TD Mutual Funds together constitute the simplified prospectus.

MANAGER

TD Asset Management Inc.

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IN PERSON

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