

Merger Update #4

Building a better bank for you.

An Important Message To Our Customers:
Today marks the fourth time I have reported to you on our progress in integrating the retail operations of TD Bank and Canada Trust.

The Real Integration Has Begun

Until now, it's been pretty much **business as usual** for our customers. The benefits of the integration we announced in February have already begun: many TD Bank branches across the country are now open longer, and **Interac* withdrawal fees for our customers at our combined 2,800 ABMs have been eliminated**. Our customers have also benefitted from the recent integration of our discount brokerage operations into TD Waterhouse Investor Services, and our mutual fund arms into TD Asset Management Inc.

Now the time has come to take the next, more extensive steps in our coming together. We will do this by merging all our retail products and services, including our telephone banking and web services, as well as our retail branch network.

It's Important To Understand How This Will Happen

Starting next year, you will see the first signs that our retail products, operations and branches are becoming one. **Effective March 1st, both TD Bank and Canada Trust will start offering a common line of chequing, savings, and small business accounts, featuring a simple pricing structure.** Also, by next Fall, all TD Bank customers will enjoy the "paperless banking" that Canada Trust customers do today, with deposit and withdrawal slips a thing of the past.

The integration of our remaining products and the branch network will take place in a series of four waves and, **by next Fall, the process of creating a single retail operation, TD Canada Trust, should be complete.** This changeover will happen on the weekends of March 24th in the Atlantic Provinces; May 19th in Alberta, British Columbia, Yukon, Northwest Territories and Nunavut; and June 23rd in Manitoba, Saskatchewan, Quebec and northwestern Ontario, including Thunder Bay. The remainder of Ontario will be converted on the August 4th weekend.

Our Two Branch Networks Will Also Come Together

Once our branches, products and services, including telephone and web banking, are united under the TD Canada Trust banner, we will begin a second process – consolidating our branch network in order to serve you more efficiently. We're going to have to make some tough decisions, because not all of our existing premises will meet the future needs of our customers. **Most of our over 1,300 branches will remain open, but some will have to be merged or relocated.** In order to determine which branches may be affected, we are reviewing all kinds of factors – ranging from the size of the branch and the market, to parking and wheelchair accessibility. **We will also open some new branches during this transition period, to better serve our customers.** And, when we do have to consolidate branches, it will be done with as little impact on our customers and staff as possible. To ensure we make the right decisions, this consolidation process will take up to three years to complete.

Our Commitment To You

However these changes may affect you, I want to assure you of three things:

1. **We will let you know well in advance.** For example, all TD Bank retail customers who experience a change to their savings or chequing accounts after March 1st, 2001, will be sent a letter by January 31st providing specific information about the new account line-up. In addition, notices will be posted in branches and enclosed in monthly statements.
2. **For customers travelling outside Canada during the winter months, it will be important to ensure your mail is forwarded so that you can receive this and other notices, and ensure your service is uninterrupted.**
3. **The quality of your banking experience will improve.** To help us build a better bank, all branch employees will take part in one of the most intensive training programs in Canadian banking. What's more, our systems and technology will enable you to bank more comfortably in more ways than ever before.

We will respond quickly to any mistakes. Bringing together two of Canada's largest financial institutions is anything but simple – and we will occasionally stumble. But we will move to correct our errors quickly, completely – and cheerfully.

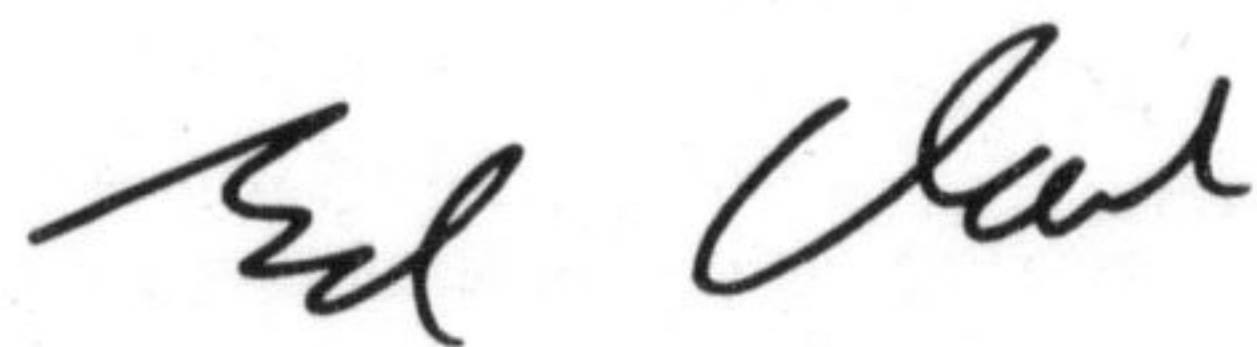
We Will Give Back To The Communities We Serve

In addition to supporting our major educational and environmental causes, we are also donating a book to more than 400,000 children in Grade One across Canada through our support of TD Canadian Children's Book Week. Through this gift, we hope to encourage children to discover the joy that a lifetime of reading can bring.

I'd like to close by repeating that we will do our utmost to keep you updated on the steps we are taking to build a better bank as our two organizations come together. Thousands of us are working to make this a success. **Our single goal is to offer all our customers the same comfortable and friendly banking experience – at the branch, by phone or on the web.**

You can access our regular merger reports on the web, or pick one up at any of our branches. In addition, I will continue to report to you personally via updates such as this in Canada's newspapers. If you have any questions, or if you feel we are not meeting your expectations, I urge you to call our TD Canada Trust Customer Information Line at 1-888-572-8924.

Sincerely,



Ed Clark
TD Canada Trust

