



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM  
WASHINGTON, DC 20551

DECEMBER 11, 2014

Mr. Ajai Bambawale  
Executive Vice President and  
Chief Risk Officer  
TD Bank US Holding Company  
1701 Route 70 East  
Cherry Hill, New Jersey 08034

Dear Mr. Bambawale:

This is in response to your request for the Board's approval, under section 217.153(e)(2)(i)(C) of the Board's Regulation YY,<sup>1</sup> of the election by TD Bank US Holding Company (TDBUSH), Cherry Hill, New Jersey, not to comply with the requirements of subpart E to 12 CFR part 217 of the Board's capital adequacy standards (the advanced approaches rule).<sup>2</sup>

Under the Board's Regulation YY, a foreign banking organization with U.S. non-branch assets of \$50 billion or more as of June 30, 2015, is required to form or designate a U.S. intermediate holding company by July 1, 2016, to hold its interests in its U.S. subsidiaries. The U.S. intermediate holding company is generally subject to the same risk-based and leverage capital rules that apply to a bank holding company, provided, however, that a U.S. intermediate holding company formed under Regulation YY is not required to comply with the Board's advanced approaches rule.<sup>3</sup> Regulation YY permits an existing bank holding company subsidiary of a foreign banking organization to elect not to comply with the advanced approaches rule, with the Board's prior written approval.<sup>4</sup>

TDBUSH is a subsidiary of The Toronto-Dominion Bank (TD), Toronto, Canada. TD is a foreign banking organization with approximately \$[REDACTED] billion in total U.S. assets as of June 30, 2014. Because TD expects that its U.S. non-branch assets will exceed

<sup>1</sup> 12 CFR 252.153(e)(2)(i)(C).

<sup>2</sup> Subpart E to 12 CFR part 217.

<sup>3</sup> 12 CFR 225.153(e)(2)(i)(A).


<sup>4</sup> 12 CFR 225.153(e)(2)(i)(C).

\$50 billion on June 30, 2015, it will be required to form or designate a U.S. intermediate holding company under Regulation YY.<sup>5</sup> [REDACTED]

TDBUSH, a bank holding company that is currently subject to the Board's advanced approaches rule, is requesting, pursuant to section 217.153(e)(2)(i)(C) of the Board's Regulation YY, that the Board approve its election to opt out of the advanced approaches rule. TDBUSH will continue to be subject to standardized risk-based capital rules, leverage capital rules, and capital planning and supervisory stress testing requirements.<sup>6</sup>

After consideration of all relevant facts, the Board has approved TDBUSH's election not to comply with the requirements of subpart E to 12 CFR part 217. This action is based on all the facts of record and on all the representations and commitments made by you in the submissions to the Board in connection with the request. These representations and commitments constitute conditions imposed in writing in connection with the findings and decisions herein and, as such, may be enforced in proceedings under applicable law. Any material change in those facts or representations could affect this approval and should be communicated promptly to Board staff.

Very truly yours,



Margaret McCloskey Shanks  
Deputy Secretary of the Board

cc: Mr. James W. Corkery, Supervising Examiner  
Federal Reserve Bank of Philadelphia

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<sup>5</sup> 12 CFR 252.152.

<sup>6</sup> TDBUSH will remain subject to the other requirements that apply to advanced approaches banking organizations, including restrictions on distributions and discretionary bonus payments associated with the countercyclical capital buffer, the supplementary leverage ratio provided for in subpart B of the revised capital framework, and the requirement to include nearly all components of accumulated other comprehensive income in regulatory capital.