

The Toronto-Dominion Bank, London Branch

Systematic Internaliser Commercial Policy

October 2023

1. Purpose

The Toronto-Dominion Bank, London Branch (“**TDS**” or “**we**”/“**our**”) will be a systematic internaliser (“**SI**”) in certain non-equity financial instruments or specified classes of financial instruments from time-to-time, in accordance with Regulation (EU) No 60/2014 (“**MiFIR**”) and associated applicable law and regulation (including Commission Delegated Regulation (EU) 2017/567) (the “**Applicable Regulation**”). Where we are an SI in a financial instrument or class of financial instrument, we will make public firm quotes in respect of such instruments or any relevant class (“**SI Quote**”), as and where required by Applicable Regulation and, in accordance with this commercial policy (the “**Commercial Policy**”)

The purpose of this Commercial Policy is to outline the following:

- the type and nature of products that we may be an SI in, from time to time;
- when we will make SI Quotes available;
- how clients can access our SI Quotes; and
- our quoting hours, identifiers and related matters.

For the avoidance of doubt, this commercial policy and the pre-trade transparency requirements described herein apply to The Toronto-Dominion Bank, London Branch only, and do not apply to any of our branches or affiliates located outside the EEA or their respective clients.

2. Categories of Financial Instrument

This Commercial Policy relates to the following categories of financial instruments, set out in Commission Delegated Regulation EU 2017/583 (“**RTS 2**”):

- Bonds;
- Interest rate derivatives;
- Foreign exchange derivatives; and

We will be an SI in specific classes or issuers (“SI Instrument”) in relation to the above financial instruments, from time to time. For the avoidance of doubt, this Commercial Policy is not intended to specify the precise instruments or classes (within the above categories) that we are an SI in, as this will vary according to

thresholds set out in Applicable Regulation or our decision to opt into the SI regime for any given issuer or class of instrument.

3. Publication of Quotes

TDS will be registered as an SI for products specified in Section 2 where:

- The tests outlined in the Applicable Regulation are being met; or
- We voluntarily opt in under the SI regime

For each client quote that TDS provides in its capacity as SI, we will have to confirm whether a waiver applies. If a waiver does apply, we will not make such quote public or provide access to such quote to any other client. A waiver is applicable in the following circumstances:

- The SI Quote is in relation to a financial instrument that is considered illiquid, pursuant to Applicable Regulation;
- The SI Quote is above the size specific to the financial instrument pursuant to Applicable Regulation; or
- The instrument is not being classified as traded on a trading venue.

Where acting in the capacity of an SI, we will make firm quotes public, in any SI Instrument, where we:

- are prompted for a quote in relation to such SI Instrument; and
- agree to provide such a quote, subject to any available waivers (as specified above).

In relation to any SI Quote that is not subject to a waiver, the quote will be published via our appointed Approved Publication Arrangement (“**APA**”), including publication in machine readable format.

4. Making Firm Quotes Available to Clients

TDS will make published firm quotes available to its clients in line with the Applicable Regulation and according to the following considerations.

4.1 Risk Considerations

TDS will consider its restrictions for each quote in relation to the risk it is willing to take in line with its general risk policies and reserves the right to refuse to provide an SI Quote for any of the following reasons:

- a. **Credit Status:** where we consider, based on internal or external benchmarks, that there is a change to a client's credit profile. We will therefore take into account any credit status, history or position of a client in accordance with our risk management framework before permitting such client access to our SI Quotes;
- b. **Counterparty Risk:** where we consider, based on internal or external benchmarks, that there is a change to a client's "counterparty risk" profile. We will make this determination with reference to internal risk management factors such as our exposure to such client and external benchmarks used to calculate counterparty risk; or
- c. **Settlement Risk:** where we consider there is a change in settlement risk in relation to a client. Additionally, where the client does not provide adequate details or agreements in relation to the settlement procedures that would govern a transaction, we may not provide such client with access to our SI quotes.

4.2 Validity of Quotes

TDS will keep open quotes provided to its clients for a limited time that is reasonable to allow clients to execute against them, owing to the dynamic nature of the underlying products. Within this period TDS might at any time refresh its quotes to account for movements in the market, risk management or credit exposures.

Quotes might be withdrawn under exceptional market conditions as defined by Applicable Regulation:

- The trading venue where the financial instrument was first admitted to trading or the most relevant market in terms of liquidity halts trading for that financial instrument;

- The trading venue where the financial instrument was first admitted to trading or the most relevant market in terms of liquidity allows market making obligations to be suspended;
- A competent authority prohibits short sales in that financial instrument.

We may also withdraw our quotes where such quotes have been made in error, either due to technological failure or human error, such as erroneous input values.

4.3 Number of Quotes Accepted

TDS reserves the right to limit the number of transactions we enter into with clients to only that for which we provided the initial quote. Where a requesting client has decided not to trade against the quote (or execute only part of it), we may allow other clients to trade on this quote, subject to the other factors governing access to our quotes as commercially determined by us. The ability to trade on this quote will also be restricted to the notional size of the original quote or that which remains where it has been partially executed.

4.4 Trading Hours

TDS will provide quotes in line with its pre-trade transparency obligation during the following hours of London business days: 8 am to 4:30 pm (BST)

5. Policy Review

This Policy will be reviewed annually and when a material change occurs, to consider the effectiveness of this Policy to identify and correct any deficiencies. Should you have any queries in relation to this policy please contact your business contact.