

Table C

| TD Asset Management USA Funds Inc. California Municipal Portfolio (Tax-Exempt Income Earned by State)* | |
|--|----------------|
| California | 99.15% |
| Other Non-Taxable | 0.85% |
| TOTAL | 100.00% |

* For those states not shown, tax-exempt income is 0%.

Table D

| TD Asset Management USA Funds Inc. New York Municipal Portfolio (Tax-Exempt Income Earned by State)* | |
|--|---------|
| New York | 100.00% |

* For those states not shown, tax-exempt income is 0%.

Table E

| TD Asset Management USA Funds Inc. Institutional Municipal Money Market Fund (Tax-Exempt Income Earned by State)* | | | |
|---|--------|-------------------|----------------|
| Alaska | 0.65% | New York | 18.39% |
| California | 15.80% | Ohio | 3.08% |
| Connecticut | 0.98% | Oregon | 2.34% |
| Georgia | 1.77% | Pennsylvania | 6.03% |
| Idaho | 0.58% | Tennessee | 1.04% |
| Illinois | 6.98% | Texas | 10.29% |
| Indiana | 1.75% | Utah | 2.22% |
| Iowa | 1.16% | Vermont | 3.00% |
| Maryland | 3.19% | Virginia | 2.25% |
| Massachusetts | 1.30% | Washington | 2.92% |
| Michigan | 6.43% | Wisconsin | 0.37% |
| Minnesota | 0.37% | Wyoming | 1.68% |
| Missouri | 2.11% | Other Non-Taxable | 0.84% |
| New Mexico | 2.48% | TOTAL | 100.00% |

* For those states not shown, tax-exempt income is 0%.

NOTE

Most of the dividends paid by the four municipal portfolios during 2012 constituted federally tax-exempt interest. However, 29.01% of the Municipal Portfolio, 23.00% of the California Municipal Portfolio, 29.91% of the New York Municipal Portfolio and 16.91% of the Institutional Municipal Money Market Fund dividends paid during the 2012 calendar year represent a tax preference item for Alternative Minimum Tax (AMT) purposes.

Depending on your income level, you may be required by the IRS to complete Form 6251, AMT Computation—Individuals. Please consult with your tax advisor to determine whether you are subject to AMT.

NEED STATEMENTS, CONFIRMATIONS OR TAX INFORMATION?

If you are a TD Ameritrade client, you can log in to your account(s) at tdameritrade.com, click **Accounts** (or **My Account**), and visit **History & Statements**, where you can quickly get account information. Tax information is available by clicking **Accounts** (or **My Account**), then **Tax Center**. You may also request copies of statements and confirmations by calling Client Services, 24/7, at **800-669-3900**. Simply listen for the prompts.

If you are a TD Ameritrade Institutional client and would like to request duplicate statements or tax information, please contact your Advisor or call TD Ameritrade Institutional at 800-431-3500, option 2.

TD Bank, N.A. clients, please contact your Wealth Advisor.



2012

Concerning Your 2012 Fund(s) Dividends for TD Asset Management USA Funds Inc.



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TD TAX 0113

Shares of the Fund are distributed by SEI Investments Distribution Co., which is not affiliated with TD Asset Management USA Funds Inc.

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As you prepare your 2012 tax returns, please review the following information, which is intended to help you determine what portion, if any, of the dividend income you received from your TD Asset Management USA Funds Inc. ("TDAM") — TDAM Money Market Portfolio, TDAM U.S. Government Portfolio, TDAM Municipal Portfolio, TDAM California Municipal Money Market Portfolio ("TDAM California Municipal Portfolio"), TDAM New York Municipal Money Market Portfolio ("TDAM New York Municipal Portfolio"), TDAM Institutional Money Market Fund, TDAM Institutional Municipal Money Market Fund, TDAM Institutional U.S. Government Fund, TDAM Institutional Treasury Obligations Money Market Fund, TDAM Short-Term Investment Fund and/or TDAM Short-Term Bond Fund — may be exempt from taxes on a federal, state and/or local level. This information is only a guideline. For specific questions regarding your personal tax situation, please consult with your accountant or other tax professional.

As you may know, mutual fund dividends derived from certain U.S. government obligations may be exempt from state and local income taxes. A portion of the ordinary dividends paid in 2012 by the U.S. Government Portfolio, the Institutional U.S. Government Fund and the Institutional Treasury Obligations Money Market Fund was earned from investments in securities issued by agencies and/or instrumentalities of the U.S. government.

Since tax laws vary among different states, please consult your tax advisor about the specific rules in the state in which you pay taxes.

Tables A1 through A7 provide information that should be shared with your tax advisor to help determine whether you are eligible for any exemptions.

Table A1

| TD Asset Management USA Funds, Inc. Money Market Portfolio (Sources of Income & Net Asset Composition) | | |
|--|---------------------------|-----------------------------------|
| | 2012 Sources of Income | Composition of Assets 12/31/12 |
| U.S. Gov't Obligations | | |
| U.S. Treasury Bills | 0.15% | 1.82% |
| U.S. Treasury Instruments | 0.12% | 0.00% |
| Federal Farm Credit Banks | 0.65% | 0.00% |
| Federal Home Loan Banks | 0.70% | 1.38% |
| SUBTOTAL | 1.62% | 3.20% |
| Other Sources | | |
| Federal Home Loan Mortgage Corp. | 0.54% | 0.00% |
| Repurchase Agreements | 6.92% | 13.77% |
| Other | 90.92% | 83.03% |
| SUBTOTAL | 98.38% | 96.80% |
| FUND TOTAL | 100.00% | 100.00% |

Table A2

| TD Asset Management USA Funds, Inc. U.S. Government Portfolio (Sources of Income & Net Asset Composition) | | |
|---|---------------------------|-----------------------------------|
| | 2012 Sources of Income | Composition of Assets 12/31/12 |
| U.S. Gov't Obligations | | |
| U.S. Treasury Bills | 0.66% | 5.29% |
| U.S. Treasury Instruments | 1.19% | 0.00% |
| Federal Farm Credit Banks | 12.96% | 1.02% |
| Federal Home Loan Banks | 27.49% | 30.25% |
| SUBTOTAL | 42.30% | 36.56% |
| Other Sources | | |
| Federal Home Loan Mortgage Corp. | 17.75% | 9.94% |
| Federal National Mortgage Association | 9.71% | 11.67% |
| Repurchase Agreements | 30.24% | 41.83% |
| Other | 57.70% | 63.44% |
| SUBTOTAL | 100.00% | 100.00% |

Table A3

| TD Asset Management USA Funds, Inc. Institutional Money Market Fund (Sources of Income & Net Asset Composition) | | |
|---|---------------------------|-----------------------------------|
| | 2012 Sources of Income | Composition of Assets 12/31/12 |
| U.S. Gov't Obligations | | |
| U.S. Treasury Bills | 0.14% | 11.94% |
| Federal Farm Credit Banks | 0.13% | 0.00% |
| Federal Home Loan Banks | 0.67% | 1.14% |
| SUBTOTAL | 0.94% | 13.08% |
| Other Sources | | |
| Federal Home Loan Mortgage Corp. | 0.34% | 0.00% |
| Federal National Mortgage Association | 0.78% | 0.00% |
| Repurchase Agreements | 14.41% | 29.28% |
| Other | 83.53% | 57.64% |
| SUBTOTAL | 99.06% | 86.92% |
| FUND TOTAL | 100.00% | 100.00% |

Table A4

| TD Asset Management USA Funds, Inc. Institutional U.S. Government Fund (Sources of Income & Net Asset Composition) | | |
|--|---------------------------|-----------------------------------|
| | 2012 Sources of Income | Composition of Assets 12/31/12 |
| U.S. Gov't Obligations | | |
| U.S. Treasury Bills | 0.66% | 5.78% |
| U.S. Treasury Instruments | 0.51% | 0.00% |
| Federal Farm Credit Banks | 13.95% | 1.67% |
| Federal Home Loan Banks | 24.57% | 29.66% |
| SUBTOTAL | 39.69% | 37.11% |
| Other Sources | | |
| Federal Home Loan Mortgage Corp. | 18.37% | 9.33% |
| Federal National Mortgage Association | 11.92% | 10.61% |
| Repurchase Agreements | 30.02% | 42.95% |
| Other | 0.00% | 0.00% |
| SUBTOTAL | 60.31% | 62.89% |
| FUND TOTAL | 100.00% | 100.00% |

Table A5

| TD Asset Management USA Funds, Inc. Institutional Treasury Obligations Money Market Fund (Sources of Income & Net Asset Composition) | | |
|--|---------------------------|-----------------------------------|
| | 2012 Sources of Income | Composition of Assets 12/31/12 |
| U.S. Gov't Obligations | | |
| U.S. Treasury Bills | 29.05% | 52.96% |
| U.S. Treasury Instruments | 10.20% | 1.09% |
| SUBTOTAL | 39.25% | 54.05% |
| Other Sources | | |
| Repurchase Agreements | 60.75% | 45.95% |
| SUBTOTAL | 60.75% | 45.95% |
| FUND TOTAL | 100.00% | 100.00% |

Table A6

| TD Asset Management USA Funds, Inc. Short-Term Investment Fund (Sources of Income & Net Asset Composition) | | |
|--|---------------------------|-----------------------------------|
| | 2012 Sources of Income | Composition of Assets 12/31/12 |
| U.S. Gov't Obligations | | |
| U.S. Treasury Bills | 3.25% | 0.00% |
| Federal Farm Credit Banks | 2.99% | 0.00% |
| Federal Home Loan Banks | 1.48% | 0.00% |
| Tennessee Valley Authority | 0.29% | 0.00% |
| SUBTOTAL | 8.01% | 0.00% |
| Other Sources | | |
| Repurchase Agreements | 4.05% | 0.00% |
| Other | 87.94% | 0.00% |
| SUBTOTAL | 91.99% | 0.00% |
| FUND TOTAL | 100.00% | 0.00% |

Table A7

| TD Asset Management USA Funds, Inc. Short-Term Bond Fund (Sources of Income & Net Asset Composition) | | |
|--|---------------------------|-----------------------------------|
| | 2012 Sources of Income | Composition of Assets 12/31/12 |
| U.S. Gov't Obligations | | |
| U.S. Treasury Instruments | 4.69% | 11.91% |
| SUBTOTAL | 4.69% | 11.91% |
| Other Sources | | |
| Federal Home Loan Mortgage Corp. | 5.78% | 5.07% |
| Federal National Mortgage Association | 15.33% | 8.89% |
| Government National Mortgage Assoc. | 7.58% | 6.02% |
| Repurchase Agreements | 0.22% | 3.12% |
| Other | 66.40% | 64.99% |
| SUBTOTAL | 95.31% | 88.09% |
| FUND TOTAL | 100.00% | 100.00% |

**IMPORTANT STATE TAX INFORMATION
FOR THE MUNICIPAL PORTFOLIO,
CALIFORNIA MUNICIPAL PORTFOLIO,
NEW YORK MUNICIPAL PORTFOLIO,
AND INSTITUTIONAL MUNICIPAL MONEY
MARKET FUND INVESTOR**

Most states do not impose personal income tax on federally tax-exempt dividends derived from their own state, municipal or local obligations but tax other states' obligations. Tables B, C, D and E show the portion of federally tax-exempt dividends derived from interest, on a state-by-state basis.

Please note some states may tax such dividends in whole or in part. In addition, some states have threshold requirements that may restrict the pass-through of the exemption for such dividends.

For more information about how your state taxes such dividends, please consult with your tax advisor.

Table B

| TD Asset Management USA Funds Inc. Municipal Portfolio (Tax-Exempt Income Earned by State)* | | | |
|---|--------|-------------------|----------------|
| Alabama | 1.49% | Minnesota | 3.52% |
| Alaska | 0.46% | Missouri | 3.83% |
| Arizona | 1.61% | New Jersey | 0.12% |
| California | 10.75% | New Mexico | 1.99% |
| Colorado | 1.29% | New York | 4.61% |
| Connecticut | 0.86% | Ohio | 4.46% |
| Florida | 1.71% | Oregon | 1.48% |
| Georgia | 4.04% | Pennsylvania | 6.53% |
| Idaho | 1.50% | Texas | 11.38% |
| Illinois | 5.32% | Utah | 1.58% |
| Indiana | 0.98% | Vermont | 3.91% |
| Iowa | 1.75% | Virginia | 2.09% |
| Kentucky | 0.33% | Washington | 4.44% |
| Maryland | 2.81% | Wyoming | 1.66% |
| Massachusetts | 0.36% | Other Non-Taxable | 5.00% |
| Michigan | 8.13% | TOTAL | 100.00% |

* For those states not shown, tax-exempt income is 0%. Table will not total 100%.