

Table C

| TDAM California Municipal Portfolio (Tax-Exempt Income Earned by State/Commonwealth)* | |
|--|--------|
| California | 99.82% |
| Other Non-Taxable | 0.18% |

Table D

| TDAM New York Municipal Portfolio (Tax-Exempt Income Earned by State/Commonwealth)* | |
|--|------|
| New York | 100% |

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

Table E

| TDAM Institutional Municipal Fund (Tax-Exempt Income Earned by State)* | | | |
|---|--------|-------------------|--------|
| Alabama | 0.52% | Missouri | 0.55% |
| Alaska | 1.24% | Montana | 0.31% |
| Arizona | 0.91% | Nevada | 0.73% |
| California | 19.58% | New Jersey | 1.62% |
| Colorado | 0.51% | New Mexico | 0.84% |
| Connecticut | 0.29% | New York | 15.94% |
| Florida | 1.75% | Oklahoma | 0.29% |
| Georgia | 2.42% | Oregon | 4.05% |
| Idaho | 0.74% | Pennsylvania | 5.90% |
| Illinois | 6.59% | Rhode Island | 0.16% |
| Indiana | 1.30% | Texas | 5.83% |
| Iowa | 0.89% | Utah | 4.48% |
| Kentucky | 0.11% | Vermont | 1.79% |
| Louisiana | 0.65% | Virginia | 5.17% |
| Maryland | 0.80% | Washington | 1.81% |
| Massachusetts | 0.04% | Wisconsin | 1.94% |
| Michigan | 7.16% | Wyoming | 2.41% |
| Minnesota | 0.55% | Other Non-Taxable | 0.13% |

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

NOTE

Most of the dividends paid by the four municipal portfolios during 2011 constituted federally tax-exempt interest. However, 27.51% of the Municipal Portfolio, 21.14% of the California Municipal Portfolio, 29.90% of the New York Municipal Portfolio and 15.16% of the Institutional Municipal Fund dividends paid during the 2011 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 on to your account(s) at tdameritrade.com, click **Accounts** and visit **History & Statements**, where you can quickly get account information. Tax information is available by clicking **Planning & Retirement**, then **Taxes**. 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 TD Ameritrade Institutional at 800-431-3500, option 2.

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



2011

Concerning Your 2011 Fund(s) Dividends for TD Asset Management USA Funds Inc.



TDAM USA Inc. "TDAM USA" is a subsidiary of The Toronto-Dominion Bank. TD Bank, N.A. is a subsidiary of The Toronto-Dominion Bank. TD Ameritrade, Inc. is a subsidiary of TD Ameritrade Holding Corporation. The Toronto-Dominion Bank has an investment in TD Ameritrade Holding Corporation, a publicly traded stock. Access to services and your account may be affected by market conditions, system performance, or for other reasons. TDAM USA does not provide tax advice. We suggest that you seek the advice of a tax-planning professional with regard to your personal circumstances. The statistics provided herein have been obtained from sources believed to be reliable, but the accuracy and completeness of this information cannot be guaranteed.
TD TAX 0112

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 2011 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 U.S. Government Fund, TDAM Institutional Treasury Obligations Money Market Fund, TDAM Institutional Municipal 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. All income from the TDAM Global Sustainability Fund is taxable. 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 2011 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

| TDAM Money Market Portfolio (Sources of Income & Net Asset Composition) | | |
|--|---------------------------|-----------------------------------|
| | 2011 Sources of Income | Composition of Assets 12/31/11 |
| U.S. Gov't Obligations | | |
| U.S. Treasury Bills | 0.37% | 0.00% |
| U.S. Treasury Instruments | 3.29% | 0.58% |
| Federal Farm Credit Banks | 1.34% | 2.24% |
| Federal Home Loan Banks | 2.37% | 0.00% |
| SUBTOTAL | 7.37% | 2.82% |
| Other Sources | | |
| Federal Home Loan Mortgage Corp. | 1.35% | 3.17% |
| FNMA | 1.03% | 0.00% |
| Repurchase Agreements | 3.31% | 0.53% |
| Other | 86.94% | 93.48% |
| SUBTOTAL | 92.63% | 97.18% |
| FUND TOTAL | 100.00% | 100.00% |

Table A2

| TDAM U.S. Government Portfolio (Sources of Income & Net Asset Composition) | | |
|---|---------------------------|-----------------------------------|
| | 2011 Sources of Income | Composition of Assets 12/31/11 |
| U.S. Gov't Obligations | | |
| U.S. Treasury Bills | 0.14% | 1.79% |
| U.S. Treasury Instruments | 6.79% | 8.24% |
| Federal Farm Credit Banks | 20.26% | 17.03% |
| Federal Home Loan Banks | 31.91% | 25.27% |
| SUBTOTAL | 59.10% | 52.33% |
| Other Sources | | |
| Federal Home Loan Mortgage Corp. | 19.62% | 18.55% |
| FNMA | 8.04% | 9.38% |
| Repurchase Agreements | 12.15% | 19.74% |
| Other | 1.09% | 0.00% |
| SUBTOTAL | 40.90% | 47.67% |
| FUND TOTAL | 100.00% | 100.00% |

Table A3

| TDAM Institutional Money Market Fund (Sources of Income & Net Asset Composition) | | |
|---|---------------------------|-----------------------------------|
| | 2011 Sources of Income | Composition of Assets 12/31/11 |
| U.S. Gov't Obligations | | |
| U.S. Treasury Bills | 0.32% | 0.00% |
| U.S. Treasury Instruments | 5.03% | 0.00% |
| Federal Farm Credit Banks | 1.46% | 0.39% |
| Federal Home Loan Banks | 2.96% | 0.00% |
| SUBTOTAL | 9.77% | 0.39% |
| Other Sources | | |
| Federal Home Loan Mortgage Corp. | 1.22% | 1.58% |
| FNMA | 1.81% | 1.13% |
| Repurchase Agreements | 8.77% | 33.89% |
| Other | 78.43% | 63.01% |
| SUBTOTAL | 90.23% | 99.61% |
| FUND TOTAL | 100.00% | 100.00% |

Table A4

| TDAM Institutional U.S. Government Fund (Sources of Income & Net Asset Composition) | | |
|--|---------------------------|-----------------------------------|
| | 2011 Sources of Income | Composition of Assets 12/31/11 |
| U.S. Gov't Obligations | | |
| U.S. Treasury Bills | 0.13% | 1.83% |
| U.S. Treasury Instruments | 4.50% | 3.67% |
| Federal Farm Credit Banks | 18.90% | 15.98% |
| Federal Home Loan Banks | 32.52% | 21.73% |
| SUBTOTAL | 56.05% | 43.21% |
| Other Sources | | |
| Federal Home Loan Mortgage Corp. | 21.11% | 24.64% |
| FNMA | 10.59% | 17.14% |
| Repurchase Agreements | 12.25% | 15.01% |
| SUBTOTAL | 43.95% | 56.79% |
| FUND TOTAL | 100.00% | 100.00% |

Table A5

| TDAM Institutional Treasury Obligations Money Market Fund (Sources of Income & Net Asset Composition) | | |
|--|---------------------------|-----------------------------------|
| | 2011 Sources of Income | Composition of Assets 12/31/11 |
| U.S. Gov't Obligations | | |
| U.S. Treasury Bills | 35.13% | 24.36% |
| U.S. Treasury Instruments | 12.96% | 24.47% |
| SUBTOTAL | 48.09% | 48.83% |
| Other Sources | | |
| Repurchase Agreements | 34.28% | 51.17% |
| Other | 17.63% | 0.00% |
| SUBTOTAL | 51.91% | 51.17% |
| FUND TOTAL | 100.00% | 100.00% |

Table A6

| TDAM Short-Term Investment Fund (Sources of Income & Net Asset Composition) | | |
|--|---------------------------|-----------------------------------|
| | 2011 Sources of Income | Composition of Assets 12/31/11 |
| U.S. Gov't Obligations | | |
| U.S. Treasury Bills | 1.28% | 12.28% |
| U.S. Treasury Instruments | 11.60% | 0.00% |
| Federal Farm Credit Banks | 3.66% | 3.41% |
| Federal Home Loan Banks | 2.99% | 2.07% |
| Tennessee Valley Authority | 0.25% | 0.50% |
| SUBTOTAL | 19.78% | 18.26% |
| Other Sources | | |
| Federal Home Loan Mortgage Corp. | 0.36% | 0.00% |
| FNMA | 0.35% | 0.00% |
| Repurchase Agreements | 1.77% | 12.59% |
| Other | 77.74% | 69.15% |
| SUBTOTAL | 80.22% | 81.74% |
| FUND TOTAL | 100.00% | 100.00% |

Table A7

| TDAM Short-Term Bond Fund (Sources of Income & Net Asset Composition) | | |
|--|---------------------------|-----------------------------------|
| | 2011 Sources of Income | Composition of Assets 12/31/11 |
| U.S. Gov't Obligations | | |
| U.S. Treasury Instruments | 12.25% | 8.52% |
| SUBTOTAL | 12.25% | 8.52% |
| Other Sources | | |
| Federal Home Loan Mortgage Corp. | 2.65% | 2.66% |
| FNMA | 9.80% | 8.47% |
| Government National Mortgage Assoc. | 5.72% | 4.21% |
| Repurchase Agreements | 0.14% | 5.15% |
| Other | 69.44% | 70.99% |
| SUBTOTAL | 87.75% | 91.48% |
| FUND TOTAL | 100.00% | 100.00% |

IMPORTANT STATE TAX INFORMATION FOR THE MUNICIPAL PORTFOLIO, CALIFORNIA MUNICIPAL PORTFOLIO, NEW YORK MUNICIPAL PORTFOLIO, AND INSTITUTIONAL MUNICIPAL 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

| TDAM Municipal Portfolio (Tax-Exempt Income Earned by State/District/Commonwealth)* | | | |
|--|--------|-------------------|--------|
| Alabama | 1.25% | Montana | 0.08% |
| Alaska | 1.20% | Nevada | 0.23% |
| Arizona | 1.16% | New Jersey | 1.57% |
| California | 14.93% | New Mexico | 0.81% |
| Colorado | 1.25% | New York | 8.35% |
| Connecticut | 0.60% | Ohio | 1.22% |
| Florida | 2.15% | Oklahoma | 0.28% |
| Georgia | 2.40% | Oregon | 3.63% |
| Idaho | 1.45% | Pennsylvania | 6.57% |
| Illinois | 4.26% | Texas | 11.27% |
| Indiana | 0.63% | Utah | 1.48% |
| Iowa | 1.73% | Vermont | 2.62% |
| Kentucky | 0.44% | Virginia | 4.39% |
| Louisiana | 0.33% | Washington | 4.49% |
| Maryland | 0.59% | Wisconsin | 3.30% |
| Michigan | 5.39% | Wyoming | 2.23% |
| Minnesota | 1.69% | Other Non-Taxable | 4.45% |
| Missouri | 1.51% | | |

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