



Insight beyond the rating.

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DBRS Confirms Merit Trust at R-1 (high)

Industry: Sec.--ABCP

DBRS has confirmed the ratings for the Senior Short-Term Asset-Backed Notes of Merit Trust (the "Trust") at R-1 (high) and the First Subordinated Short-Term Asset-Backed Notes at R-1 (middle).

The Trust is a multi-seller, multi-asset securitization conduit administered by TD Securities Inc. (TD). There are no restrictions concerning asset types but each asset purchase supporting the Notes is subject to the approval of DBRS and TD.

The rating confirmation is based on the following considerations:

- (1) Credit enhancement levels are consistent with similarly rated programs in Canada.
- (2) Liquidity facilities are available for the Notes in the event of a general market disruption subject to other preconditions for funding.
- (3) A minimum credit rating of R-1 (middle) or its equivalent is required for Liquidity Providers, Credit Enhancers, and Hedge Counterparties unless otherwise approved by DBRS.
- (4) All transactions are reviewed by DBRS prior to initial funding by the Trust.
- (5) TD has significant experience in the structuring of securitization transactions and administration of securitization vehicles.

As of November 30, 2006, the program amount of the Trust was Cdn\$3,618 million with assets consisting of 24% trade receivables, 45% auto loans/leases, and 15% credit card receivables.

Merit Trust is one of six commercial paper conduits administered by TD and had aggregate outstanding amounts of Cdn\$14,971 million as of November 30, 2006.

Issuer	Debt Rated	Rating Action	Rating	Trend	Latest Event
Merit Trust	Senior Short-Term Asset-Backed Notes	Confirmed	R-1 (high)	--	Feb 16, 2007
Merit Trust	First Subordinated Short-Term Asset-Backed Notes	Confirmed	R-1 (middle)	--	Feb 16, 2007



The full report providing additional analytical detail is available by clicking on the link below or by contacting us at info@dbrs.com.

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