

TD AMERITRADE HOLDING CORP

Form S-4/A

May 06, 2009

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As filed with the Securities and Exchange Commission on May 6, 2009

Registration No. 333-157208

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**Amendment No. 3
to
Form S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

TD AMERITRADE HOLDING CORPORATION
(Exact name of Registrant as specified in its charter)

Delaware
*(State or other jurisdiction
of incorporation)*

6211
*(Primary Standard Industrial
Classification Code Number)*

82-0543156
*(I.R.S. Employer
Identification Number)*

**4211 South 102nd Street
Omaha, Nebraska 68127
(402) 331-7856**

*(Address, including Zip Code, and Telephone Number, including Area Code, of Registrant's Principal Executive
Offices)*

**David L. Lambert, Esq.
Deputy General Counsel Finance/Securities
6940 Columbia Gateway Dr.
Columbia, Maryland 21046
(443) 539-2124**

(Name, Address, including Zip Code, and Telephone Number, including Area Code, of Agent for Service)

With copies to:

Larry W. Sonsini, Esq.
Martin W. Korman, Esq.
Michael S. Ringler, Esq.
Wilson Sonsini Goodrich & Rosati
Professional
Corporation
650 Page Mill Road
Palo Alto, California 94304-1050
(650) 493-9300

Ida K. Kane
Senior Vice President and Chief
Financial Officer
thinkorswim Group Inc.
45 Rockefeller Plaza, Suite 2012
New York, New York 10111
(801) 816-6918

Ethan A. Klingsberg, Esq.
Benet J. O'Reilly, Esq.
Cleary Gottlieb Steen &
Hamilton LLP
One Liberty Plaza
New York, New York 10006
(212) 225-2000

Approximate date of commencement of the proposed sale of the securities to the public: As soon as practicable after this Registration Statement becomes effective and upon completion of the merger described in the enclosed document.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, as amended, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐
 (Do not check if a smaller reporting company)

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) ☐

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) ☐

CALCULATION OF REGISTRATION FEE

Amount of Each Class of	Proposed Maximum Offering	Proposed Maximum Aggregate	Amount
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Shares to be Registered(1)	Amount to be Registered(2)	Price per Unit	Offering Price(3)	Registration Fee(4)
Common Stock, par value \$0.01	27,927,074	N/A	\$314,004,154	\$12,340,000

- (1) This Registration Statement relates to shares of common stock, par value \$0.01 per share of the Registrant issuable to holders of shares of common stock, par value \$0.01 per share, of thinkorswim Group Inc., a Delaware corporation ("thinkorswim"), in the proposed acquisition of thinkorswim by the Registrant pursuant to the terms of the Agreement and Plan of Merger, dated as of January 8, 2009, by and among thinkorswim, the Registrant, Tango Acquisition Corporation One and Tango Acquisition Corporation Two.
- (2) Based on the maximum number of shares to be issued in connection with the merger, calculated as the product of (a) 70,168,526 shares, the maximum number of shares of thinkorswim common stock that may be cancelled and exchanged in the merger and (b) an exchange ratio of 0.3980 shares of the Registrant's common stock for each share of thinkorswim common stock.
- (3) Estimated solely for purposes of calculating the registration fee in accordance with Rules 457(c) and 457(f) of the Securities Act of 1933, as amended, based upon the product of (A) \$7.815, the average of the high and low prices per share of thinkorswim common stock on February 4, 2009, as quoted on the NASDAQ Global Market, multiplied by (B) 70,168,526, the maximum number of shares of thinkorswim common stock that may be cancelled and exchanged in the merger; less \$234,362,877, the aggregate amount of cash that would be payable to the holders of thinkorswim common stock in the merger assuming 70,168,526 shares of thinkorswim common stock were outstanding.
- (4) This fee has been previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such dates as the Commission, acting pursuant to said Section 8(a), may determine.

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Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This document shall not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY SUBJECT TO COMPLETION DATED MAY 6, 2009

MERGER PROPOSAL, OPTION EXCHANGE PROPOSAL AND PLAN AMENDMENT PROPOSAL

YOUR VOTE IS VERY IMPORTANT

Dear stockholder:

On January 8, 2009, thinkorswim Group Inc., referred to as thinkorswim, and TD AMERITRADE Holding Corporation, referred to as TD AMERITRADE, announced a business combination in which thinkorswim would merge with a subsidiary of TD AMERITRADE. If this merger is completed, you will have the right to receive \$3.34 in cash, without interest and less any applicable withholding, referred to as the cash consideration, and 0.3980 of a share of TD AMERITRADE common stock, referred to as the stock consideration, and together with the cash consideration, referred to as the merger consideration, for each outstanding share of common stock of thinkorswim that you hold immediately prior to the merger.

The value of the merger consideration will fluctuate with the market price of TD AMERITRADE common stock. The following table shows the closing sale prices of TD AMERITRADE common stock and thinkorswim common stock as reported on the NASDAQ Global Select Market and the NASDAQ Global Market, respectively, on January 7, 2009, the last trading day before the announcement of the potential merger, and on May 5, 2009, the last practicable trading day before the distribution of this document. This table also shows the implied value of the merger consideration proposed for each share of thinkorswim common stock, which we calculated by adding to the cash consideration the product obtained by multiplying the closing price of TD AMERITRADE common stock on those dates by 0.3980, the exchange ratio for the stock consideration.

	TD AMERITRADE Common Stock	thinkorswim Common Stock	Implied Value of One Share of thinkorswim Common Stock
At January 7, 2009	\$ 13.48	\$ 5.65	\$ 8.705
At May 5, 2009	\$ 16.53	\$ 9.83	\$ 9.919

The market prices of both TD AMERITRADE common stock and thinkorswim common stock will fluctuate before the merger. You should obtain current stock price quotations for TD AMERITRADE common stock and thinkorswim common stock. TD AMERITRADE common stock is quoted on the NASDAQ Global Select Market under the symbol AMTD. thinkorswim common stock is quoted on the NASDAQ Global Market under the symbol SWIM.

We cannot complete the merger unless thinkorswim's stockholders approve and adopt the merger agreement and the transactions contemplated thereby, referred to as the merger proposal. thinkorswim will hold a special meeting of its stockholders to vote on the merger proposal at the Hilton New York located at 1335 Avenue of the Americas, New York, New York 10019 at 9:00 A.M., local time, on June 9, 2009. **Your vote is important. The market price of TD AMERITRADE common stock will continue to fluctuate following the date of the stockholder vote on the approval and adoption of the merger agreement at the special meeting. Consequently, at the time of the stockholder vote, the value of the merger consideration will not yet be determined. Regardless of whether you plan to attend the special meeting, please take the time to vote your shares in accordance with the instructions contained in this proxy statement/prospectus. Failing to vote will have the same effect as voting against the merger proposal. You will also have an opportunity to vote to approve the adjournment of the special meeting, if necessary, to solicit additional proxies in favor of the approval of the merger proposal, referred to as the adjournment proposal.**

In connection with the proposed transaction, thinkorswim has agreed to implement, subject to stockholder approval, a stock option exchange program, referred to as the exchange program, that will permit thinkorswim's eligible employees and independent contractors, referred to as eligible individuals, to exchange certain thinkorswim options, which were issued under the thinkorswim Second Amended and Restated 2001 Stock Option Plan, the Telescan, Inc. Amended and Restated 1995 Stock Option Plan, the Telescan, Inc. 2000 Stock Option Plan and the Telescan, Inc. Amended and Restated Stock Option Plan, for thinkorswim restricted stock units, which will be assumed by TD AMERITRADE if the merger is completed. At the special meeting, thinkorswim stockholders will have an opportunity to vote to approve the exchange program and an amendment to thinkorswim's Second Amended and Restated 2001 Stock Option Plan to permit the grant of thinkorswim restricted stock units. The proposal relating to the option exchange program is referred to as the option exchange proposal. The proposal relating to the amendment of the Stock Option Plan is referred to as the plan amendment proposal. Approval of the option exchange proposal and the plan amendment proposal is not a condition to completion of the merger but the exchange of thinkorswim options for thinkorswim restricted stock units will occur only if the option exchange proposal and the plan amendment proposal are both approved and the merger is completed.

The thinkorswim board of directors unanimously recommends that thinkorswim stockholders vote FOR approval of the merger proposal, the option exchange proposal, the plan amendment proposal and the adjournment proposal.

This proxy statement/prospectus describes the special meeting, the merger proposal, the option exchange proposal, the plan amendment proposal and the adjournment proposal, the documents related to each proposal, and other related matters. **Please carefully read this entire proxy statement/prospectus, including Risk Factors beginning on page 12, for a discussion of the risks relating to the merger proposal.** You also can obtain information about our companies from documents that each of us has filed with the Securities and Exchange Commission.

By Order of the Board of Directors

LEE K. BARBA
Chairman of the Board

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the TD AMERITRADE common stock to be issued under this proxy statement/prospectus or

determined if this proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

The date of this proxy statement/prospectus is May 6, 2009, and it is first being mailed or otherwise delivered to thinkorswim stockholders on or about May 8, 2009.

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**THINKORSWIM GROUP INC.
45 Rockefeller Plaza, Suite 2012
New York, NY 10111**

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

May 6, 2009

To the stockholders of thinkorswim Group Inc.:

thinkorswim Group Inc. (thinkorswim) will hold a special meeting of stockholders at the Hilton New York located at 1335 Avenue of the Americas, New York, New York, 10019 at 9:00 A.M., local time, on June 9, 2009 to consider and vote upon the following proposals to:

approve and adopt the Agreement and Plan of Merger, dated as of January 8, 2009, by and among TD AMERITRADE Holding Corporation, Tango Acquisition Corporation One, Tango Acquisition Corporation Two and thinkorswim, as such agreement may be amended from time to time, and the transactions contemplated thereby (the Merger Proposal);

approve the adjournment of the special meeting, if necessary, to solicit additional proxies, in the event that there are not sufficient votes at the time of the special meeting to approve the Merger Proposal (the Adjournment Proposal);

approve a stock option exchange program that, conditioned upon completion of the merger, will permit thinkorswim s eligible employees and independent contractors to exchange underwater thinkorswim options, issued under the thinkorswim Second Amended and Restated 2001 Stock Option Plan, the Telescan, Inc. Amended and Restated 1995 Stock Option Plan, the Telescan, Inc. 2000 Stock Option Plan and the Telescan, Inc. Amended and Restated Stock Option Plan, for thinkorswim restricted stock units, which will be assumed by TD AMERITRADE Holding Corporation if the merger is completed (the Option Exchange Proposal); and

approve an amendment to thinkorswim s Second Amended and Restated 2001 Stock Option Plan to permit the grant of thinkorswim restricted stock units (the Plan Amendment Proposal).

The thinkorswim board of directors has fixed the close of business on April 24, 2009 as the record date for the special meeting. Only thinkorswim stockholders of record at that time are entitled to notice of, and to vote at, the special meeting, or any adjournment or postponement of the special meeting. In order for the Merger Proposal to be approved, the holders of at least a majority of the thinkorswim shares outstanding and entitled to vote thereon must vote in favor of approval of the Merger Proposal. In order for the Option Exchange Proposal, the Plan Amendment Proposal and the Adjournment Proposal to be approved, the holders of a majority of the shares entitled to vote and present in person or by proxy must vote in favor of approval of each of the Option Exchange Proposal, the Plan Amendment Proposal and the Adjournment Proposal.

Regardless of whether you plan to attend the special meeting, please submit your proxy with voting instructions. Please vote as soon as possible. If you hold stock in your name as a stockholder of record, please vote your shares by (i) completing, signing, dating and returning the enclosed proxy card, (ii) using the telephone number on your proxy card, or (iii) using the Internet voting instructions on your proxy card. If you hold your stock in street name through a bank or broker, please direct your bank or broker to vote in accordance with the instructions you have received from your bank or broker. This will not prevent you from

voting in person, but it will help to secure a quorum and avoid added solicitation costs. Any holder of thinkorswim common stock who is present at the special meeting may vote in person instead of by proxy, thereby canceling any previous proxy. In any event, a proxy may be revoked in writing at any time before the special meeting in the manner described in the accompanying document.

The thinkorswim board of directors has unanimously approved the Merger Proposal, the Option Exchange Proposal, and the Plan Amendment Proposal and unanimously recommends that thinkorswim stockholders vote FOR approval of the Merger Proposal, the Option Exchange Proposal, the Plan Amendment Proposal and the Adjournment Proposal.

BY ORDER OF THE BOARD OF DIRECTORS,

Paul A. Helbling
Secretary

May 6, 2009

**YOUR VOTE IS IMPORTANT. PLEASE VOTE YOUR SHARES PROMPTLY, REGARDLESS OF
WHETHER YOU PLAN TO ATTEND THE SPECIAL MEETING.**

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REFERENCES TO ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates important business and financial information about TD AMERITRADE and thinkorswim from documents that are not included in or delivered with this document. You can obtain documents incorporated by reference in this proxy statement/prospectus, other than certain exhibits to those documents, by requesting them in writing or by telephone from the appropriate company at the following addresses:

TD AMERITRADE Holding Corporation

4211 South 102nd Street
Omaha, Nebraska 68127
Attention: Investor Relations
Telephone: (402) 331-7856

thinkorswim Group Inc.

13947 South Minuteman Drive
Draper, Utah 84020
Attention: Investor Relations
Telephone: (801) 816-6918

You will not be charged for any of these documents that you request. thinkorswim stockholders requesting documents should do so by June 2, 2009 (which is five business days prior to the date of the special meeting) in order ensure that you to receive them before the special meeting.

See Where You Can Find More Information on page 88.

ABOUT THIS PROXY STATEMENT/PROSPECTUS

This proxy statement/prospectus, which forms a part of a registration statement on Form S-4 filed with the Securities and Exchange Commission, referred to as the SEC, by TD AMERITRADE, constitutes a prospectus of TD AMERITRADE under Section 5 of the Securities Act of 1933, as amended, referred to as the Securities Act, with respect to the shares of TD AMERITRADE common stock to be issued to thinkorswim stockholders in connection with the merger. This document also constitutes a proxy statement under Section 14(a) of the Securities Exchange Act of 1934, as amended, referred to as the Exchange Act, and the rules thereunder, and a notice of meeting with respect to the special meeting of thinkorswim stockholders to consider and vote upon the merger proposal, the adjournment proposal, the option exchange proposal and the plan amendment proposal.

Except as otherwise provided herein, all descriptions of and calculations made under the terms of the merger agreement and the transactions contemplated by the merger agreement, including the merger, assume that no thinkorswim stockholders exercise appraisal rights under Delaware law.

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QUESTIONS AND ANSWERS ABOUT VOTING PROCEDURES FOR THE SPECIAL MEETING

Q: Why am I receiving this proxy statement/prospectus?

A: TD AMERITRADE Holding Corporation, referred to as TD AMERITRADE, has agreed to acquire thinkorswim Group Inc., referred to as thinkorswim, by means of a merger with a subsidiary of TD AMERITRADE. Please see The Merger beginning on page 22 and The Merger Agreement beginning on page 48 for a description of the merger and the merger agreement. A copy of the merger agreement is attached to this proxy statement/prospectus as Appendix A.

In connection with the proposed transaction, thinkorswim has agreed to implement, subject to stockholder approval, a stock option exchange program that permits thinkorswim's eligible employees and independent contractors to exchange certain underwater thinkorswim options for thinkorswim restricted stock units, referred to as the option exchange proposal. Please see thinkorswim Proposal 3 Option Exchange beginning on page 77 for a description of the option exchange proposal.

To complete the merger, thinkorswim stockholders must vote to approve the merger proposal. thinkorswim will hold a special meeting of stockholders to obtain this approval. You will also be given an opportunity to vote to approve the adjournment of the special meeting, if necessary, to solicit additional proxies in favor of the merger proposal, referred to as the adjournment proposal.

At the special meeting, you will also have an opportunity to vote to approve the option exchange proposal and an amendment to thinkorswim's Second Amended and Restated 2001 Stock Option Plan to permit the grant of thinkorswim restricted stock units, referred to as the plan amendment proposal. Please see thinkorswim Proposal 4 Amendment of the Second Amended and Restated 2001 Stock Plan beginning on page 83 for a description of the plan amendment proposal.

Q: What do I need to do now?

A: After you have carefully read this proxy statement/prospectus and have decided how you wish to vote your shares, please vote your shares promptly. If you hold stock in your name as a stockholder of record, please vote your shares by (i) completing, signing, dating and returning the enclosed proxy card, (ii) using the telephone number on your proxy card or (iii) using the Internet voting instructions on your proxy card. If you have Internet access, we encourage you to record your vote via the Internet.

If you hold your stock in street name through a bank or broker, you must direct your bank or broker to vote in accordance with the instructions you have received from your bank or broker. Submitting your proxy card or directing your bank or broker to vote your shares will ensure that your shares are represented and voted at the special meeting.

Q: Why is my vote important?

A: If you do not vote by proxy or vote in person at the special meeting, it will be more difficult for us to obtain the necessary quorum to hold our special meeting. In addition, your failure to vote, by proxy or in person, or failure to instruct your broker, will have the same effect as a vote against approval of the merger proposal. The merger proposal must be approved by the holders of a majority of the outstanding shares of thinkorswim common stock entitled to vote at the special meeting. In order for the option exchange proposal, the plan amendment proposal or

the adjournment proposal to be approved, the holders of a majority of the shares entitled to vote and present in person or by proxy must vote in favor of approval of such proposal. The thinkorswim board of directors unanimously recommends that you vote to approve the merger proposal, the option exchange proposal, the plan amendment proposal and the adjournment proposal.

Q: If my shares of common stock are held in street name by my broker, will my broker automatically vote my shares for me?

A: No. Your broker cannot vote your shares without instructions from you. You should instruct your broker as to how to vote your shares, following the directions your broker provides to you. Please check the voting form used by your broker.

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Q: What if I abstain from voting or fail to instruct my broker?

A: If you abstain from voting, the abstention will be counted toward a quorum at the special meeting, but it will have the same effect as a vote against approval of the merger proposal, the option exchange proposal, the plan amendment proposal and the adjournment proposal. If you fail to instruct your broker, it will have the same effect as a vote against approval of the merger proposal, the option exchange proposal, the plan amendment proposal and the adjournment proposal.

Q: Can I attend the special meeting and vote my shares in person?

A: Yes. All stockholders, including stockholders of record and stockholders who hold their shares through banks, brokers, nominees or any other holder of record, are invited to attend the special meeting. Holders of record of thinkorswim common stock can vote in person at the special meeting. If you are not a stockholder of record, you must obtain a proxy, executed in your favor, from the record holder of your shares, such as a broker, bank or other nominee, to be able to vote in person at the special meeting. If you plan to attend the special meeting, you must hold your shares in your own name or have a letter from the record holder of your shares confirming your ownership and you must bring a form of personal photo identification with you in order to be admitted. We reserve the right to refuse admittance to anyone without proper proof of share ownership or without proper photo identification.

Q: Can I change my vote?

A: Yes. You may revoke any proxy at any time before it is voted by signing and returning a proxy card with a later date, delivering a written revocation letter to the Secretary of thinkorswim, or by attending the special meeting in person, notifying the Secretary and voting by ballot at the special meeting. The thinkorswim Secretary's mailing address is 13947 South Minuteman Drive, Draper, Utah 84020.

Any stockholder entitled to vote in person at the special meeting may vote in person regardless of whether a proxy has been previously given, but the mere presence (without notifying the Secretary of thinkorswim) of a stockholder at the special meeting will not constitute revocation of a previously given proxy.

Q: If I am a thinkorswim stockholder, should I send in my thinkorswim stock certificates now?

A: No. You should not send in your thinkorswim stock certificates at this time. After the merger is consummated, TD AMERITRADE will send you instructions for exchanging thinkorswim stock certificates for the merger consideration. Unless thinkorswim stockholders specifically request to receive TD AMERITRADE stock certificates, the shares of TD AMERITRADE stock they receive in the merger will be issued in book-entry form.

Q: When do you expect to complete the merger?

A: We currently expect to complete the merger within the next six months. However, we cannot assure you when or if the merger will occur. We must first obtain the approval of thinkorswim stockholders at the special meeting and the necessary regulatory approvals.

Q: Whom should I call with questions?

A: thinkorswim stockholders should call Georgeson Inc., thinkorswim's proxy solicitor, at (866) 741-9560 with any questions about the merger.

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SUMMARY

This summary highlights material information from this proxy statement/prospectus. It may not contain all of the information that is important to you. We urge you to read carefully the entire proxy statement/prospectus and the other documents to which we refer in order to fully understand the merger and the related transactions. See **Where You Can Find More Information on page 88. Each item in this summary refers to the page of this proxy statement/prospectus on which that subject is discussed in more detail.**

In the merger, thinkorswim stockholders will have a right to receive a cash amount of \$3.34, without interest and less any required withholding under United States federal, state, local or foreign law, and 0.3980 of a share of TD AMERITRADE common stock for each outstanding share of thinkorswim common stock. (page 48)

On January 8, 2009, TD AMERITRADE entered into an Agreement and Plan of Merger, referred to as the merger agreement, by and among TD AMERITRADE, Tango Acquisition Corporation One, a wholly-owned subsidiary of TD AMERITRADE, referred to as Merger Sub One, Tango Acquisition Corporation Two, a wholly-owned subsidiary of TD AMERITRADE, referred to as Merger Sub Two, and thinkorswim. The merger agreement provides for the acquisition of thinkorswim by TD AMERITRADE by means of a merger of Merger Sub One with and into thinkorswim, referred to as the first-step merger, with thinkorswim as the interim surviving corporation, immediately followed by a merger of thinkorswim, as the interim surviving corporation, with and into Merger Sub Two, referred to as the second-step merger, with Merger Sub Two as the final surviving corporation. Unless otherwise specified herein, the second-step merger, taken together with the first-step merger, is referred to in this proxy statement/prospectus as the merger. As a result of the merger, thinkorswim will become a wholly-owned subsidiary of TD AMERITRADE. See **Material United States Federal Income Tax Consequences of the Merger Two-Step Merger** for an explanation of the two-step merger structure.

Each share of thinkorswim common stock issued and outstanding immediately prior to the effective time of the merger will be converted into the right to receive a cash amount of \$3.34, without interest and less any required withholding under United States federal, state, local or foreign law, plus 0.3980 of a share of TD AMERITRADE common stock, referred to as the per share merger consideration. The total cash consideration to be paid in the merger is approximately \$225 million, and the total number of shares of TD AMERITRADE common stock to be issued is approximately 28 million. TD AMERITRADE plans to utilize cash dividends from its subsidiaries and, if necessary, borrow on its \$300 million revolving line of credit, to finance the payment of the cash consideration.

The merger agreement is included as Appendix A to this proxy statement/prospectus.

What Holders of thinkorswim Stock Options and Other Equity-Based Awards Will Receive (page 48)

Each of the vested and unvested options to purchase shares of thinkorswim common stock that are outstanding at the effective time of the merger and that are not cancelled and not exchanged for restricted stock units pursuant to the exchange program described below will be assumed by TD AMERITRADE, and, at the effective time of the merger, converted into the right to receive options to purchase shares of TD AMERITRADE common stock, and will otherwise be subject to the terms and conditions of such awards prior to the completion of the merger.

Each of thinkorswim's unvested restricted stock units (including restricted stock units issued in exchange for thinkorswim options pursuant to the exchange program) and shares of restricted stock outstanding at the effective time of the merger (and, in the case of shares of restricted stock, that have not become vested either immediately prior to, or as a result of, completion of the merger) will be assumed by TD AMERITRADE, and, at the effective time of the

merger, converted into the right to receive TD AMERITRADE restricted stock units or shares of restricted stock, as the case may be, and will otherwise be subject to the terms and conditions of such awards prior to the completion of the merger. Shares of thinkorswim restricted stock that have become vested either immediately prior to or as a result of completion of the merger will be treated as outstanding shares and will be cancelled and exchanged for the merger consideration.

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Exchange Program (pages 77 and 83)

In connection with the proposed transaction, thinkorswim has agreed to implement, subject to stockholder approval, an exchange program that permits thinkorswim's eligible employees and independent contractors to exchange outstanding thinkorswim options with an exercise price equal to or greater than the total value of the per share merger consideration (based on the volume-weighted average price of a share of TD AMERITRADE common stock on the trading day immediately prior to the effective time of the merger) for a number of restricted stock units to be granted under thinkorswim's Second Amended and Restated 2001 Stock Option Plan. The exchange of thinkorswim options for thinkorswim restricted stock units will occur only if the merger is completed.

thinkorswim is asking its stockholders to approve the option exchange proposal and an amendment to thinkorswim's Second Amended and Restated 2001 Stock Option Plan to permit the grant of restricted stock units.

United States Federal Income Tax Consequences to thinkorswim Stockholders if the Merger is a Reorganization (page 66)

The merger is intended to qualify as a reorganization for United States federal income tax purposes, and it is a condition to the obligations of TD AMERITRADE and thinkorswim to complete the merger that each of TD AMERITRADE and thinkorswim receive a legal opinion to that effect. If the merger qualifies as a reorganization, a U.S. holder of thinkorswim common stock receiving TD AMERITRADE common stock and cash in exchange for such thinkorswim common stock in the merger generally will recognize gain only to the extent of such cash consideration, and will not be subject to current taxation on the amount of any gain in excess of that cash. More precisely, a U.S. holder will recognize gain equal to the lesser of (i) the amount of cash received by the U.S. holder (excluding any cash received in lieu of fractional shares) and (ii) the excess of the amount realized by the U.S. holder over the U.S. holder's tax basis in the thinkorswim common stock. The amount realized by the U.S. holder will equal the sum of the fair market value of the TD AMERITRADE common stock and the amount of cash (including any cash received in lieu of fractional shares) received by the U.S. holder. Losses will not be permitted to be recognized. Realized gain or loss must be calculated separately for each identifiable block of shares (*i.e.*, shares acquired at different times and prices) exchanged in the merger, and a loss realized on the exchange of one block cannot be used to offset a gain realized on the exchange of another block.

The United States federal income tax consequences described above may not apply to all holders of thinkorswim common stock. Your tax consequences will depend on your individual situation. Accordingly, TD AMERITRADE and thinkorswim strongly urge you to consult with your tax advisor for a full understanding of the particular tax consequences of the merger to you.

Comparative Market Prices and Share Information (page 75)

TD AMERITRADE common stock trades on the NASDAQ Global Select Market under the symbol AMTD and thinkorswim common stock trades on the NASDAQ Global Market under the symbol SWIM. The following table shows the closing sale prices of TD AMERITRADE common stock and thinkorswim common stock as reported on the NASDAQ Global Select Market and the NASDAQ Global Market, respectively, on January 7, 2009, the last trading day before we announced the signing of the merger agreement, and on May 5, 2009, the last practicable trading day before the distribution of this proxy statement/prospectus. This table also shows the implied value of the merger consideration proposed for each share of thinkorswim common stock, which we calculated by adding \$3.34 to the product obtained by multiplying the closing price of a share of TD AMERITRADE common stock on those dates by 0.3980, the exchange ratio for the stock consideration.

	TD AMERITRADE Common Stock	thinkorswim Common Stock	Implied Value of One Share of thinkorswim Common Stock
At January 7, 2009	\$ 13.48	\$ 5.65	\$ 8.705
At May 5, 2009	\$ 16.53	\$ 9.83	\$ 9.919

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The market price of TD AMERITRADE common stock and thinkorswim common stock will fluctuate prior to the merger. You should obtain current market quotations for the shares.

The thinkorswim Board of Directors Unanimously Recommends that thinkorswim Stockholders Vote FOR the Proposals (pages 30, 76, 82 and 87)

The thinkorswim board of directors believes that the merger is in the best interests of thinkorswim and its stockholders and has unanimously approved the merger and the merger agreement. The thinkorswim board of directors unanimously recommends that thinkorswim stockholders vote FOR the merger proposal, FOR the option exchange proposal, FOR the plan amendment proposal and FOR the adjournment proposal.

UBS Securities LLC Provided an Opinion to the thinkorswim Board of Directors (page 30)

In connection with the proposed transaction, thinkorswim's board of directors received a written opinion, dated January 7, 2009, from UBS Securities LLC, referred to as UBS, as to the fairness, from a financial point of view and as of the date of such opinion, of the per share consideration to be received in the transaction by holders of thinkorswim common stock (other than thinkorswim stockholders who have entered into voting agreements with TD AMERITRADE and their respective affiliates, collectively referred to as excluded holders). The full text of UBS written opinion, dated January 7, 2009, is attached to this proxy statement/prospectus as Appendix C. Holders of thinkorswim common stock are encouraged to read UBS' opinion carefully in its entirety. **UBS' opinion was provided for the benefit of thinkorswim's board of directors in connection with, and for the purpose of, its evaluation of the per share merger consideration from a financial point of view and does not address any other aspect of the transaction. The opinion does not address the relative merits of the transaction as compared to other business strategies or transactions that might be available with respect to thinkorswim or thinkorswim's underlying business decision to effect the transaction. The opinion does not constitute a recommendation to any stockholder as to how such stockholder should vote or act with respect to the transaction. Although subsequent developments may affect its opinion, UBS does**