

TD AMERITRADE HOLDING CORP  
Form DEF 14A  
January 04, 2017  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**SCHEDULE 14A**  
**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for use of the Commission only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

**TD Ameritrade Holding Corporation**

**(Name of Registrant as Specified In Its Charter)**

**(Name of Person(s) Filing Proxy Statement, if other than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

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3) Filing Party:

4) Date Filed:

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**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

February 17, 2017

The Annual Meeting of Stockholders of TD Ameritrade Holding Corporation (the Company) will be held at the Company's corporate headquarters, 200 South 108<sup>th</sup> Avenue in Omaha, Nebraska on Friday, February 17, 2017, at 9:00 a.m., Central Standard Time. You may also attend the meeting virtually via the Internet at [amtd.onlineshareholdermeeting.com](http://amtd.onlineshareholdermeeting.com), where you will be able to vote electronically and submit questions during the meeting.

At the annual meeting the following items of business will be considered:

- 1) The election of four nominees recommended by the board of directors to the board of directors;
- 2) Advisory vote on executive compensation;
- 3) Advisory vote on the frequency of holding an advisory vote on executive compensation; and
- 4) Ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending September 30, 2017.

Only stockholders of record at the close of business on December 20, 2016 will be entitled to notice of and to vote at the meeting.

We have adopted the U.S. Securities and Exchange Commission rule that allows companies to furnish their proxy materials over the Internet. As a result, we are mailing a Notice of Internet Availability of Proxy Materials (the Internet Availability Notice) to most of our stockholders instead of a paper copy of this Proxy Statement and our 2016 Annual Report. The Internet Availability Notice contains instructions on how to access and review those documents over the Internet. We believe that this process allows us to provide our stockholders with the information they need in a more timely manner, while reducing the environmental impact and lowering the costs of printing and distributing our proxy materials. If you received an Internet Availability Notice by mail and would like to receive a printed copy of our proxy materials, you should follow the instructions for requesting such materials included in the Internet Availability Notice.

**Your vote is very important.** Whether or not you plan to attend the Annual Meeting (in person or virtually via the Internet), please complete and return your proxy card or vote by telephone or via the Internet by following the instructions on your Internet Availability Notice. Returning a proxy card or otherwise submitting your proxy does not deprive you of your right to attend the Annual Meeting and vote in person or virtually via the Internet. Proxies are being solicited on behalf of the board of directors.

By Order of the Board of Directors

**Ellen L.S. Koplow,**

Secretary

Omaha, Nebraska

January 4, 2017



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**GENERAL INFORMATION ABOUT THE MEETING**

This Proxy Statement is furnished in connection with the solicitation of proxies to be voted at the 2017 Annual Meeting of Stockholders of TD Ameritrade Holding Corporation (the "Company"). The 2017 Annual Meeting will be held on Friday, February 17, 2017 at 9:00 a.m., Central Standard Time, at the Company's corporate headquarters, 200 South 108 Avenue in Omaha, Nebraska and via the Internet at [amtd.onlineshareholdermeeting.com](http://amtd.onlineshareholdermeeting.com), where you will be able to vote electronically and submit questions during the meeting. This Proxy Statement and the accompanying proxy card are first being sent to stockholders on or about January 4, 2017.

**Quorum and Voting Requirements**

The Company has one class of common stock. Each share of common stock is entitled to one vote upon each matter to be voted on at the Annual Meeting. Stockholders do not have the right to cumulate votes in the election of directors. Only stockholders of record at the close of business on December 20, 2016 (the "Record Date") will be entitled to vote at the Annual Meeting. As of the Record Date, there were 527,542,678 shares of common stock issued and outstanding.

This Proxy Statement relates only to the solicitation of proxies from the stockholders with respect to the election of four Class III directors recommended by the board of directors, an advisory vote on executive compensation, an advisory vote on the frequency of holding an advisory vote on executive compensation and ratification of the appointment of the Company's independent registered public accounting firm. All shares of the Company's common stock represented by properly executed and unrevoked proxies will be voted by the persons named as proxies in accordance with the directions given. Where no instructions are indicated on any such proxy, properly executed proxies will be voted FOR the proposals set forth in this Proxy Statement for consideration at the Annual Meeting. At this time, we are unaware of any matters, other than described above in the Notice of Annual Meeting of Stockholders, that may properly come before the Annual Meeting. If

any other matters come before the Annual Meeting, the proxies in the enclosed form will confer discretionary authority on the persons named as proxies to vote in their discretion with respect to such matters.

The accompanying proxy is solicited from the holders of the Company's common stock on behalf of the board of directors of the Company. A proxy is revocable at any time by giving written notice of revocation to the secretary of the Company prior to the Annual Meeting or by executing and delivering a later-dated proxy via the Internet, telephone or mail prior to the Annual Meeting. Furthermore, the stockholders who are present at the Annual Meeting (in person or via the Internet) may revoke their proxies and vote in person. Stockholders attending the Annual Meeting via the Internet should follow the instructions at [amtd.onlineshareholdermeeting.com](http://amtd.onlineshareholdermeeting.com) in order to vote at the meeting.

A quorum consisting of at least a majority of shares of common stock issued and outstanding must be present at the meeting for any business to be conducted. Shares of common stock entitled to vote and represented by properly executed, returned and unrevoked proxies, including shares with respect to which votes are withheld or abstentions are cast or shares that are broker non-votes, will be considered present at the Annual Meeting for purposes of determining a quorum. Broker non-votes are shares held by brokers or nominees for which voting instructions have not been received from the beneficial owners or the persons entitled to vote those shares and for which the broker or nominee does not have discretionary voting power under rules applicable to broker-dealers. If your broker holds your shares in its name and you do not instruct your broker how to vote, your broker will nevertheless have discretion to vote your shares on our sole routine matter the ratification of the appointment of the Company's independent registered public accounting firm. Your broker will not have discretion to vote on the following non-routine matters absent direction from you: the election of directors recommended by the board of directors, the advisory vote on executive compensation

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**GENERAL INFORMATION ABOUT THE MEETING**

and the advisory vote on the frequency of holding an advisory vote on executive compensation.

**Voting Electronically**

In order to vote online or via telephone before the Annual Meeting, go to the [www.proxyvote.com](http://www.proxyvote.com) website or call the toll-free number on the proxy card or Internet Availability Notice and follow the instructions. If you choose not to vote by telephone or electronically, please complete and return the proxy card in the

pre-addressed, postage-paid envelope provided. You may also vote while attending the meeting on the Internet. If you received an Internet Availability Notice by mail and would like to receive a printed copy of our proxy materials, you should follow the instructions for requesting such materials included in the Internet Availability Notice. If you would like to receive future stockholder materials electronically, please enroll at <http://enroll.icsdelivery.com/AMTD>. Please have the proxy card you received available when accessing the site.

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**PROPOSAL NO. 1 ELECTION OF DIRECTORS**

**RECOMMENDED BY THE BOARD OF DIRECTORS**

**Board of Directors**

The Company's certificate of incorporation divides the Company's board of directors into three classes, with four directors per class and with each class being elected to a staggered three-year term. The Toronto-Dominion Bank, a Canadian chartered bank, owned approximately 42% of our common stock as of the Record Date. References to TD or TD Bank Group in this Proxy Statement refer to The Toronto-Dominion Bank and its subsidiaries. In connection with the Company's January 24, 2006 acquisition of TD Waterhouse Group, Inc. (TD Waterhouse), J. Joe Ricketts, the Company's founder, certain members of his family and trusts established for their benefit (collectively, the Ricketts holders), TD and the Company entered into a stockholders agreement, as amended (the Stockholders Agreement). Under the amended Stockholders Agreement, the Ricketts holders ceased to be parties to the agreement effective January 24, 2016, at which time all of the provisions of the Stockholders Agreement ceased to apply to the Ricketts holders (the Ricketts Cessation).

Under the Stockholders Agreement, the Company's board of directors consists of twelve members, up to five of whom may be designated by TD, one of whom is the chief executive officer of the Company, and the remainder of whom are outside independent directors who are nominated by the Outside Independent Directors (OID) Committee and then approved by TD. The right of TD to designate directors is subject to its maintaining specified ownership thresholds of Company common stock, as set forth in the Stockholders Agreement. As of the Record Date, based on its ownership position in the Company, TD has the right to designate five members of the board of directors. On December 22, 2015, Todd M. Ricketts was elected as a member of the board of directors as an outside independent director, effective February 18, 2016, obviating the requirement under the Stockholders Agreement that he resign from the board of directors immediately prior to the 2016 Annual Meeting in connection with the Ricketts Cessation. In order to

accommodate the election of Tim Hockey as a member of the board of directors concurrent with his employment as president of the Company effective January 2, 2016, TD irrevocably waived its right to designate one of its directors. This waiver expired on September 30, 2016, the date Fredric J. Tomczyk retired as chief executive officer. On October 1, 2016, Brian M. Levitt, a designee of TD, was elected to the board of directors and Mr. Hockey filled the board seat reserved for the chief executive officer. See discussion under STOCK OWNERSHIP AND RELATED INFORMATION Stockholders Agreement for additional information regarding the terms of the Stockholders Agreement. The Company ceased to be a controlled company as of January 24, 2016, when the Ricketts holders were no longer a party to the Stockholders Agreement.

In accordance with the Agreement and Plan of Merger (the Merger Agreement), dated as of October 24, 2016, by and among Scottrade Financial Services, Inc. (Scottrade), Rodger O. Riney, as Voting Trustee of the Rodger O. Riney Family Voting Trust U/A/D 12/31/2012, created under the Voting Trust Agreement dated December 31, 2012, as amended on January 21, 2016, TD Ameritrade Holding Corporation and Alto Acquisition Corp., a Delaware corporation, and the transactions contemplated thereby, at or prior to the first meeting of the board of directors following the closing of the transactions contemplated by the Merger Agreement, the board of directors is required to appoint Mr. Riney (or, in certain limited circumstances, a replacement designee) to fill a vacancy on the board of directors that will result from the resignation of an outside independent director.

The board of directors has nominated the following persons as directors to be voted upon at the 2017 Annual Meeting: Lorenzo A. Bettino, V. Ann Hailey, Joseph H. Moglia and Wilbur J. Prezzano, as Class III directors to serve terms ending at the 2020 Annual Meeting. Messrs. Bettino and Moglia and Ms. Hailey are outside independent directors. Mr. Prezzano is a designee of TD. Tim Hockey, Karen E. Maidment, Brian M. Levitt and



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**PROPOSAL NO. 1 ELECTION OF DIRECTORS**  
**RECOMMENDED BY THE BOARD OF DIRECTORS**

Mark L. Mitchell are Class I directors serving terms ending at the 2018 Annual Meeting. Bharat B. Masrani, Irene R. Miller, Todd M. Ricketts and Allan R. Tessler are Class II directors serving terms ending at the 2019 Annual Meeting. The board of directors has determined that Mses. Hailey, Maidment and Miller and Messrs. Bettino, Mitchell, Moglia, Prezzano, Ricketts and Tessler are independent as defined in Nasdaq Rule 5605.

The board of directors knows of no reason why any of Messrs. Bettino, Moglia and Prezzano and Ms. Hailey might be unavailable to serve as directors, and each has expressed an intention to serve if elected. If any of Messrs. Bettino, Moglia and Prezzano and Ms. Hailey is unable to serve, the shares represented by all valid proxies will be voted for the election of such substitute nominee as the board of directors may recommend. With the exception of the Stockholders Agreement, there are no arrangements or understandings between any of the persons nominated to be a Class III director and any other person pursuant to which any of such nominees was selected.

The election of a director requires the affirmative vote of a plurality of the shares of common stock present in

person or represented by proxy at the meeting and voting, provided a quorum of at least a majority of the outstanding shares of common stock is represented at the meeting. If you abstain from voting on this matter, your abstention will have no effect on the vote. If you hold your shares through a broker and you do not instruct the broker how to vote on this non-routine proposal, your broker does not have authority to vote your shares. Abstentions and broker non-votes will each be counted as present for purposes of determining the presence of a quorum but will not have any other effect on the outcome of the election of directors. Where no instructions are indicated, properly executed and unrevoked proxies will be voted FOR the election of each of Messrs. Bettino, Moglia and Prezzano and Ms. Hailey as Class III directors.

**THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE FOR THE ELECTION OF LORENZO A. BETTINO, V. ANN HAILEY, JOSEPH H. MOGLIA AND WILBUR J. PREZZANO AS CLASS III DIRECTORS.**

The tables below set forth certain information regarding the directors of the Company.

**Nominees to Board of Directors**

Name	Age	Principal Occupation	Director Since	Class and Year in Which Term Expires
Lorenzo A. Bettino	56	Private Investor	2014	Class III 2020
V. Ann Hailey	65	Former Executive Vice President and Chief Financial Officer, L Brands, Inc.	2016	Class III 2020

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Joseph H. Moglia	67	Head Football Coach, Coastal Carolina University; Chairman of the Company	2006	Class III 2020
Wilbur J. Prezzano	76	Retired Vice Chairman, Eastman Kodak Company	2006	Class III 2020

*Lorenzo A. Bettino* has managed his personal investment portfolio since December 2014. Previously, Mr. Bettino served as a special advisor to StarVest Partners, L.P., a

New York-based venture capital firm focused on technology-enabled business services in the U.S., from 2006 to 2014. From 2001 to 2006, he served as a partner

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**PROPOSAL NO. 1 ELECTION OF DIRECTORS**

**RECOMMENDED BY THE BOARD OF DIRECTORS**

and managing director of Warburg Pincus LLC, where he was responsible for leading the firm's investment activities in telecommunications and information technology. Mr. Bettino was a founding partner at Baker Capital from 1996 to 2001, a partner with Dillon Read Venture Capital from 1989 to 1996, and he held various management and technical positions with IBM from 1982 to 1989. Mr. Bettino has served on several private equity and venture capital backed corporate boards. Mr. Bettino holds a B.S. degree in electrical engineering from Rensselaer Polytechnic Institute and an M.B.A. from Harvard Business School.

Mr. Bettino is one of the six outside independent directors. Mr. Bettino brings significant technological and financial expertise to the board of directors, having more than 25 years of technology-focused, venture capital and private equity investing experience.

*V. Ann Hailey* is the former president, chief executive officer and chief financial officer of Famous Yard Sale, Inc., serving in that position from July 2012 to March 2014. She served as chief financial officer of Gilt Groupe, Inc. from January 2009 to January 2010. Ms. Hailey spent ten years with L Brands, Inc. (formerly Limited Brands, Inc.), where she served as executive vice president and chief financial officer from 1997 to 2006, as executive vice president of corporate development from 2006 to 2007 and as a board member from 2001 to 2006. Previously, Ms. Hailey spent 13 years at PepsiCo, Inc. in various leadership positions, including vice president, headquarters finance, Pepsi-Cola Company and vice president, finance and chief financial officer of Pepsi-Cola Fountain Beverage and USA Divisions. She also held leadership roles at Pillsbury Company and RJR Nabisco Foods, Inc. Ms. Hailey serves as a director of Realogy Holdings Corp., where she is chair of the audit committee and a member of the nominating and corporate governance committee. She also serves as a director of W.W. Grainger, Inc., where she is a member of the audit committee and the board affairs and nominating committee. She was formerly a director of Avon Products, Inc. and the Federal Reserve Bank of

Cleveland where she served as the chair of its audit committee. Ms. Hailey received an M.B.A. from Harvard Graduate School of Business Administration and a B.B.A. (summa cum laude) from the University of Georgia.

Ms. Hailey is one of the six outside independent directors. Ms. Hailey brings leadership skills and financial and operations experience to the board of directors, having worked in the consumer products industry in senior roles for more than 30 years. Ms. Hailey's positions as chief financial officer, her current and prior service on the audit committees of other companies and as the audit chair of the Cleveland Federal Reserve Bank and her accounting and financial knowledge, also impart significant expertise to the board.

*Joseph H. Moglia* was elected chairman of the Company's board of directors effective October 1, 2008. Mr. Moglia has been head football coach of Coastal Carolina University since December 2011, and in March 2014 he was named chair of the athletics division, providing strategic oversight for the university's athletic program. He served as president and head coach of the Omaha Nighthawks of the United Football League during 2011. From March 2001 through September 2008 he served as the Company's chief executive officer. Mr. Moglia joined the Company from Merrill Lynch, where he served as senior vice president and head of the investment performance and product group for Merrill's private client division. He oversaw all investment products, as well as the firm's insurance and 401(k) businesses. Mr. Moglia joined Merrill Lynch in 1984 and, by 1988, was the company's top institutional sales person. In 1992 he became head of global fixed income institutional sales and in 1995 he ran the firm's municipal division before moving to its private client division in 1997. Prior to entering the financial services industry, Mr. Moglia was the defensive coordinator for Dartmouth College's football team. He coached various teams for 16 years, authored a book on football and wrote 11 articles that were published in national coaching journals. Mr. Moglia serves on the STRATCOM Consultation Committee and is a director for the National Italian

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## PROPOSAL NO. 1 ELECTION OF DIRECTORS

### RECOMMENDED BY THE BOARD OF DIRECTORS

American Foundation. Mr. Moglia received an M.S. in Economics from the University of Delaware and a B.A. in Economics from Fordham University.

Mr. Moglia is one of the six outside independent directors. Mr. Moglia has significant financial services and leadership experience, having served as the Company's chief executive officer from March 2001 through September 2008 and as head of the investment performance and product group for Merrill Lynch's private client division. His experience as our former chief executive officer provides him with insights that are useful in his current role as chairman of the board.

*Wilbur J. Prezzano* was employed with Eastman Kodak Company for over 30 years and served in various general management positions during that time, including as

vice chairman of Eastman Kodak Company and chairman and president of Kodak's greater China region, the positions that he held at the time of his retirement in 1996. Mr. Prezzano serves as a director of TD Bank, N.A. (wholly-owned subsidiary of TD) and Roper Industries, Inc. He was formerly a director of EnPro Industries, Inc., The Toronto-Dominion Bank and Snyder's-Lance, Inc. Mr. Prezzano received a Bachelor's degree and an M.B.A. from the University of Pennsylvania Wharton School.

Mr. Prezzano is one of the five directors currently designated by TD. He brings leadership skills and financial experience to the board of directors, having served as the vice chairman of Eastman Kodak Company. He brings insights to our board of directors through his service on other public company boards.

**Directors Not Standing For Election**

Name	Age	Principal Occupation	Director Since	Class and Year in Which Term Expires
Tim Hockey	53	President and Chief Executive Officer of the Company	2016	Class I 2018
Brian M. Levitt	69	Non-executive Vice-Chair, Osler, Hoskin & Harcourt LLP; Chairman of the Board, TD Bank Group	2016	Class I 2018

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Karen E. Maidment	58	Director, The Toronto-Dominion Bank	2010	Class I 2018
Bharat B. Masrani	60	Group President and Chief Executive Officer, TD Bank Group	2013	Class II 2019
Irene Miller	64	Chief Executive Officer, Akim, Inc.	2015	Class II 2019
Mark L. Mitchell	56	Principal, CNH Partners, LLC	1996 <sup>(1)</sup>	Class I 2018
Todd M. Ricketts	47	Director, Chicago Baseball Holdings, LLC	2011 <sup>(2)</sup>	Class II 2019
Allan R. Tessler	80	Chairman and Chief Executive Officer, International Financial Group, Inc.	2006	Class II 2019

(1) Mr. Mitchell previously served on the Company's board of directors from December 1996 to January 2006 and was reelected in November 2006.

(2) Mr. Todd M. Ricketts previously served on the Company's board of directors from October 2011 to February 2014 and was reelected effective January 2015.

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**RECOMMENDED BY THE BOARD OF DIRECTORS**

*Tim Hockey* joined the Company as president and was elected to the Company's board of directors in January 2016. He became chief executive officer of the Company on October 1, 2016. Prior to joining the Company, Mr. Hockey served as group head, Canadian Banking and Wealth Management, TD Bank Group since July 2013 and president and chief executive officer of TD Canada Trust since June 2008 and was primarily responsible for the leadership of Canadian banking, which included Canadian personal banking, business banking, auto finance, global direct investing, advisory and Canadian asset management businesses. In over 30 years with TD, Mr. Hockey held senior positions in a variety of areas including mutual funds, retail distribution, information technology, core and small business, credit cards and personal lending. Mr. Hockey serves on the advisory board of the Richard Ivey School of Business. He served as chairman of the Canadian Bankers Association's Executive Council and as a director of the SickKids Foundation. Mr. Hockey was previously named one of Canada's Top 40 Under 40, a program that celebrates Canadians who have reached significant success before the age of 40 in the private, public and not-for-profit sectors. Mr. Hockey received an M.B.A. from the University of Western Ontario.

Mr. Hockey is the chief executive officer of the Company. He has significant financial services and management experience, having worked in the financial services industry for over 30 years.

*Brian M. Levitt* was elected as a director of the Company on October 1, 2016. Mr. Levitt is currently vice-chair of Osler, Hoskin & Harcourt LLP which he first joined in 1976, becoming a partner in 1979. In 1991, Mr. Levitt left Osler, Hoskin & Harcourt LLP to become president and subsequently chief executive officer of Imasco Limited, a Canadian consumer products and services company. Imasco was sold in 2000, and Mr. Levitt returned to Osler, Hoskin & Harcourt LLP in 2001. Mr. Levitt currently serves as chairman of the board for TD, a position he has held since 2011. Mr. Levitt also serves as a director for Domtar Corporation, where he is

the chair of the finance committee. He was formerly a director of Tailsman Energy Inc. In 2014, Mr. Levitt was named as a recipient of the Institute of Corporate Directors Fellowship Awards, which annually recognizes individuals who have made outstanding contributions to corporate, not-for-profit and Crown corporation boards across Canada. He was appointed to the Order of Canada in 2015 for his work and support for the arts. Mr. Levitt holds a law degree from the University of Toronto, where he also completed his bachelor of applied science degree in civil engineering.

Mr. Levitt is one of five directors currently designated by TD. He brings leadership skills and financial and operational experience to the board of directors, having served as the president and chief executive officer of Imasco Limited and vice-chair of Osler, Hoskin & Harcourt LLP. He brings insights to our board of directors through his service on other public company boards.

*Karen E. Maidment* has served as a director of the Company since August 2010. Ms. Maidment was chief financial and administrative officer of Bank of Montreal ( BMO ) Financial Group, a financial services organization, from 2007 to 2009, and was responsible for all global finance operations, risk management, legal and compliance, tax, communications and mergers and acquisitions. From 2000 to 2007 she served as the chief financial officer of BMO Financial Group. Ms. Maidment held several executive positions with Clarica Life Insurance Company from 1988 to 2000, including chief financial officer. Ms. Maidment currently serves on the board of directors of TD. She was formerly a director of TransAlta Corporation. Ms. Maidment holds a Bachelor of Commerce degree from McMaster University and is a Chartered Accountant. In 2000, she was named a Fellow of the Institute of Chartered Accountants of Ontario.

Ms. Maidment is one of the five directors currently designated by TD. She brings leadership skills and significant financial services experience to the board of directors, having most recently served as chief financial



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**PROPOSAL NO. 1 ELECTION OF DIRECTORS**  
**RECOMMENDED BY THE BOARD OF DIRECTORS**

and administrative officer of BMO Financial Group. Her financial expertise and experience in risk management and compliance are important for her role as a member of the Audit Committee and Risk Committee.

*Bharat B. Masrani* is group president and chief executive officer of TD Bank Group. Mr. Masrani has served in this position since November 2014. From July 2013 until his current appointment, Mr. Masrani served as chief operating officer of TD Bank Group. Mr. Masrani served as group head, U.S. personal and commercial banking of TD Bank Group and president and chief executive officer of TD Bank US Holding Company and TD Bank, N.A. (a wholly-owned subsidiary of TD) from 2008 until 2013. From 2003 to 2008, he served as vice chairman and chief risk officer of TD Bank Group. Mr. Masrani joined TD Bank Group in 1987 as a commercial lending trainee and during his tenure with TD Bank Group he has served in various leadership positions, including senior vice president and chief executive officer of TD Waterhouse Investor Services in Europe, senior vice president of corporate finance and co-head in Europe, vice president and country head for India and vice president and head of corporate banking for Canada. Mr. Masrani is a director of TD and certain subsidiaries of TD, including TD Bank, N.A. and TD Bank USA, N.A. Mr. Masrani holds a Bachelor of Administrative Studies degree from York University and an M.B.A. from the Schulich School of Business, York University.

Mr. Masrani is one of the five directors currently designated by TD. He brings significant leadership skills and operational and financial services experience to the board of directors, having served in several leadership positions with TD Bank Group.

*Irene R. Miller* has served as the chief executive officer of Akim, Inc., an investment management and consulting firm, since 1997. Prior to joining Akim, Inc., Ms. Miller served as the vice chairman and chief financial officer of Barnes & Noble, Inc. She has also held senior investment banking and corporate finance positions with Morgan Stanley & Co. and Rothschild, Inc., respectively.

Ms. Miller currently serves as a director of TD. She was formerly a director of Coach, Inc., Barnes & Noble, Inc. and Inditex, S.A., where she was chair of the audit and control committee. Ms. Miller received an M.S. in chemistry and chemical engineering from Cornell University and a B.S. from the University of Toronto.

Ms. Miller is one of the five directors currently designated by TD. She brings leadership skills and operational and financial experience to the board of directors, based on her experience as chief executive officer of Akim, Inc. and chief financial officer of Barnes & Noble, Inc. She brings insights to our board of directors through her service on other public company boards, having served as audit committee chair of five prior boards and as lead director of Coach, Inc. for ten years.

*Mark L. Mitchell* served as a director of the Company from December 1996 until January 2006 and served as a member of the Company's board of advisors in 1993. He was reelected as a director in November 2006. Mr. Mitchell is a principal at CNH Partners, LLC, an investment management firm, which he co-founded in 2001. He was a finance professor at Harvard University from 1999 to 2003 and was a finance professor at the University of Chicago from 1990 to 1999. Mr. Mitchell was a senior financial economist for the Securities and Exchange Commission from 1987 to 1990. He was a member of the Nasdaq quality of markets committee from 2003 to 2005. He was a member of the economic advisory board of NASD from 1995 to 1998. Mr. Mitchell received a Ph.D. in Applied Economics and an M.A. in Economics from Clemson University and received a B.B.A. (summa cum laude) in Economics from the University of Louisiana at Monroe.

Mr. Mitchell is one of the six outside independent directors. He brings significant financial experience and extensive knowledge of the Company and the brokerage industry, serving as a principal and co-founder of an investment management firm and as a director of the Company since 1996.



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**PROPOSAL NO. 1 ELECTION OF DIRECTORS**

**RECOMMENDED BY THE BOARD OF DIRECTORS**

*Todd M. Ricketts* has served as a director of Chicago Baseball Holdings, LLC since October 2009. Mr. Ricketts has managed his personal investment portfolio since 2001 and has been a managing co-owner of JBE Riding Group LLC, a bicycle retailer and service provider, since 2009. Previously, Mr. Ricketts served as corporate secretary and director of business development for the Company. He also served as the special assistant to the president for Knight Capital Group, Inc. and assisted with its initial public offering. Mr. Ricketts received a B.A. in economics from Loyola University Chicago. On November 30, 2016, Mr. Ricketts was chosen to serve as the United States Deputy Secretary of Commerce by president-elect Donald J. Trump. Todd M. Ricketts is the son of J. Joe Ricketts, founder of the Company.

Mr. Ricketts is one of the six outside independent directors. He brings business management and financial experience to the board of directors through his entrepreneurial and financial services industry experience.

*Allan R. Tessler* has been chairman of the board and chief executive officer of International Financial Group, Inc., an international merchant banking firm, since 1987. He has previously served as chairman of the board of Epoch Holding Corporation (formerly J Net Enterprises), chief executive officer of J Net Enterprises, co-chairman and co-chief executive officer of Data Broadcasting Corporation (now known as Interactive Data Corporation), chairman of Enhance Financial Services Group, Inc. and chairman and principal stockholder of Great Dane Holdings. Mr. Tessler is the lead independent director and chair of both the finance and the nominating and governance committees of L Brands, Inc. Mr. Tessler also serves as a director of Steel Partners Holdings L.P. and Imperva, Inc. He is a member of the board of governors of the Boys & Girls Clubs of America. Mr. Tessler holds a B.A. from Cornell University and an L.L.B. from Cornell University Law School.

Mr. Tessler is one of the six outside independent directors. He brings leadership skills and operational and

financial services experience to the board of directors, having served as chief executive officer of J Net Enterprises and co-chief executive officer of Data Broadcasting Corporation. He brings insights to our board of directors through his service on other public company boards.

**Board Meetings and Committees**

The board of directors conducts its business through meetings of the board, actions taken by written consent in lieu of meetings and by the actions of its committees. The non-employee members and the independent members of our board of directors regularly meet in executive session without management present. These directors select a presiding director at these meetings on an ad-hoc basis. The board of directors has a policy requiring the separation of the roles of chief executive officer and chairman of the board because the board of directors believes it improves the ability of the board to exercise its oversight role. Mr. Hockey serves as the chief executive officer and Mr. Moglia serves as chairman of the board. The chairman is responsible for managing the affairs of the board, with the objective that it is properly organized, functions effectively and fulfills its responsibilities. The chairman also works with the chief executive officer and the corporate secretary to establish the agenda for each board meeting and receives input from other directors as necessary or desired for the coordination of board activities. The separation of the roles of chief executive officer and chairman of the board does not affect risk oversight, which is the responsibility of the board of directors, primarily overseen by the Risk Committee. Our management team is responsible for

managing risk, using risk management processes, policies and procedures to identify, measure and manage risks.

During the fiscal year ended September 30, 2016, the board of directors held eight meetings. During fiscal year 2016, each incumbent director attended at least 75% of the aggregate number of meetings of the board of directors and meetings of the committees of the board of directors on which he or she served during the period in



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**RECOMMENDED BY THE BOARD OF DIRECTORS**

which he or she served, if any. Although the Company does not have a formal policy regarding director attendance at our Annual Meeting of Stockholders, directors are encouraged to attend. All directors of the Company at the time of the 2016 Annual Meeting of Stockholders attended the 2016 Annual Meeting of Stockholders.

The board of directors has established six standing committees: Audit, H.R. and Compensation, Corporate Governance, Outside Independent Directors, Non-TD Directors and Risk. The committee members are identified in the following table:

<b>Director</b>	<b>Audit</b>	<b>H. R. and Compensation</b>	<b>Corporate Governance</b>	<b>Outside Independent Directors</b>	<b>Non-TD Directors</b>	<b>Risk</b>
Lorenzo A. Bettino	X			Chair	X	X
V. Ann Hailey	X			X	X	X
Tim Hockey					X	
Brian M. Levitt		X <sup>(1)</sup>				
Karen E. Maidment	Chair					