
VIA ELECTRONIC AND REGULAR MAIL

December 11, 2008

Mr. Michael Cahill
President and Chief Operating Officer
Options Clearing Corporation
One N. Wacker Drive, Suite 500
Chicago, Illinois 60606

Dear Mr. Cahill,

TD AMERITRADE, Inc.¹ applauds the Options Clearing Corporation effort to initiate standardization of options symbology through the Options Symbology Initiative “OSI”. While our organization has been and will continue to work through the various committee’s working on the OSI initiative, we feel that there will be significant opportunity lost as the initiative does not address the needs of the retail investor, nor will the OSI plan serve to create a uniform approach for the retail investor to ascertain uniform quotations.

As you are aware, the OSI plan calls for the increase from the current 5 character format to a 21 character format. Further, while the plan calls for an open-ended identifier, the OSI appears unable or unwilling to provide a uniform standard despite significant industry outcry of the confusion that will be created by the lack of such standards². By way of example and as currently prescribed by the OSI, the average investor will be faced with confusing nomenclature when seeking quotations on options securities. Imagine the confusion created in the following example for a client wishing to ascertain a quotation on a Nasdaq 100 Index 30 call option:

On a popular Search quotation engine such as Google the client may need to impute the following:

QQQQ LD

Or on another quotation platform such as Yahoo client may need to impute the following:

QQQQ DEC 30 CALL

Or to ascertain a phone quotation from a Broker/Dealer like TDAMERITRADE the client may need to impute the following:

777708332302255

¹ TD Ameritrade is a wholly owned broker-dealer subsidiary of TD AMERITRADE Holding Corporation (“TD Ameritrade Holding”). TD Ameritrade Holding has a 33-year history of providing financial services to self-directed investors. TD Ameritrade Holding’s wholly owned broker-dealer subsidiary, TD Ameritrade serves an investor base comprised of over 4.9 million funded client accounts with approximately \$241 billion in assets.

² October 31, 2008 Financial Information Forum letter to the OCC Board of Directors.

Or on the same Option the client wishing to pull a quotation from their TDAMERITRADE account may need to enter the quotation as:

QQQQ 08 12 19 C 30

As you can see and despite repeated requests to the OSI committee, the lack of a standard will create a great deal of retail investor confusion in the options market-place as retail investors typically utilize many venues to access quotations today. The OSI Committee continues to cite that the lack of a standard will create a competitive advantage for firms as they determine their own nomenclature. TDAMERITRADE finds this reasoning questionable as quotations in virtually all other markets are uniform and standardized. Imagine if a client wishing to pull a quotation on an underlying equity security faced the same standard. Why should Options lack such a standard and how exactly does the lack of a standard serve to diminish investor confusion as the OSI claims?

Of particular concern to TDAMERITRADE is the timing by which the current Symbology plan was approved³ as it did not nor could not serve to fully address the numerous consequences of such a large scale change. Further the plan fails to address the very reason it was created to address new and different product types such as Binary Options which will not conform to the plan.

At a time when the financial industry is rife with historic change, the introduction of Symbology can only serve to increase firm costs, increase retail confusion and harm the tremendous growth options have enjoyed. The firm urges OCC to strongly consider the creation of a unified and coordinated approach to address the issues with the proposed Symbology plan. Accordingly, we welcome and encourage coordinated discussions with the OCC and our industry counterparts to develop a plan that will limit confusion in the retail arena.

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We would be pleased to discuss our concerns in greater detail with you and your staff. Please feel free to contact me or Chris Nagy at (402) 970-5656.

Sincerely,

/S/

David Kelley
Chief Operating Officer
TD AMERITRADE

CC: Financial Information Forum
Boston Options Exchange
Chicago Board Options Exchange
International Securities Exchange
Nasdaq OMX / PHLX
NYSE / AMEX

³ According to a presentation by Geri Love First Vice President of Business Operations for the OCC dated November 10, 2008, the Symbology committee was formed in September 2005 and recommended the new and current key in November 2005.