



November 22, 2011

FINRA Dispute Resolution
Attn: Lisa D. Lasher
Boca Center Tower 1
5200 Town Center Circle
Suite 200
Boca Raton, FL 33486

RE: FINRA Dispute Resolution Arbitration Number 11-03725
Laurent J. La Brie vs. TD Ameritrade and Scott Allan Cornett

Dear Ms. Lasher:

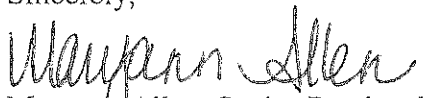
Please find enclosed an original plus one copy of Respondent's Answer to Statement of Claim, with supporting exhibits, and Uniform Submission Agreement on behalf of TD Ameritrade and Scott Allen Cornett in the above referenced matter. As directed, one copy of the Respondent's Answer, with supporting exhibits, along with the Uniform Submission Agreements, has been mailed to Counsel for the Claimant.

Ms. Mason will be representing TD Ameritrade, Inc. in this matter. Please note Ms. Mason's contact information listed below:

TD Ameritrade
4211 South 102nd Street
Omaha, NE 68127
Hollie.Mason@tdameritrade.com
Telephone: (402) 574-6041
Facsimile: (402) 970-3440

Thank you for your attention.

Sincerely,


Maryann Allen, Senior Paralegal
On Behalf of Hollie M. Mason
TD Ameritrade, Inc.
(402) 574-6031

cc: Andrew Jiranek, Esq.
16 Willow Avenue
Baltimore, MD 21286

FINRA DISPUTE RESOLUTION

In the Matter of the Arbitration between) FINRA-DR Case Number 11-03725
Laurent J. LaBrie,)
)
Claimant,) ANSWER TO STATEMENT
) OF CLAIM
)
vs.)
)
TD Ameritrade, Inc. and Scott Cornett,)
)
Respondents.)
_____)

ANSWER OF RESPONDENT TD AMERITRADE
TO STATEMENT OF CLAIM

Respondent, TD Ameritrade, Inc. (“TD Ameritrade”) respectfully submits the following on behalf of Scott Allan Cornett and TD Ameritrade Inc., as its Answer to the Statement of Claim filed by the Claimant, Laurent J. LaBrie, (“Claimant” or “Mr. LaBrie”) collectively referred to as the “parties”.

INTRODUCTION

TD Ameritrade is a New York corporation which provides discount securities brokerage services and financial services to retail investors; in addition, it provides a national branch network and offers its services to independent registered investment advisors. As a discount brokerage, TD Ameritrade does not solicit orders to trade securities, make discretionary investments on behalf of its customers, or provide securities recommendations or advice to its clients (with limited exceptions not relevant here). Rather, TD Ameritrade accepts securities orders as placed by its account holders or their advisors, and delivers those orders to the appropriate market for execution. Customers access their accounts primarily through the internet, and trades are routed to independent exchanges or market centers. Our services appeal to a broad array of

independent, value-conscious retail investors, traders, financial planners, and institutions. TD Ameritrade offers a low-cost platform and charges modest trade commissions.

Scott Allan Cornett (“Mr. Cornett”) is currently employed, at TD Ameritrade, as a Senior Options Analyst. In his capacity as an options analyst, Mr. Cornett gathered and provided information regarding certain aspects of the events at issue.

In March of 1992, Claimant opened an individual brokerage account (“Account”) with Waterhouse Securities Inc., which is now known as TD Ameritrade. In October of 2006 Claimant upgraded his account and was approved for margin and option trading. The Account has been assigned account number 881-625499 (formerly 346-21116). On the Account application Claimant noted he had ten plus years of investment experience trading stocks and options. Claimant listed himself as a resident of Maryland on the account application (Exhibit 1-New Account Documents).

SUMMARY

Claimant alleges that Respondent had a duty to communicate changes made by the Option Clearing Corporation (“OCC”) to automatic exercise thresholds for certain option positions held in his Account. Claimant also alleges that the parties’ contractual agreement somehow prohibited TD Ameritrade from correcting a book entry execution error in his account. Claimant seeks to recover \$15,173.94 in alleged trading losses and costs (*see Statement of Claim*).

Respondent asserts Claimant’s allegations are without merit. The parties’ relationship is contractual. All duties owed arise out of the terms and conditions set forth in the parties’ agreement (Exhibit 1-New Account Documents). As such, Claimant had a self-direct brokerage account and responsible for knowing about events which may affect securities held in his account (Exhibit 2-Client Agreement). Beyond that, TD Ameritrade went above and beyond in an attempt to notify Claimant that the OCC made the decision

to exclude his securities from automatic exercise thresholds and that he would need to provide specific instructions to TD Ameritrade if he wanted to exercise his option positions. TD Ameritrade did not receive timely exercise instructions and therefore Claimant's option contracts were not to be exercised (Exhibit 3- Call Notes). However, due to a processing error, Claimant's Account showed that his options had automatically exercised, which resulted in his Account being credited with securities that the OCC never delivered and he did not actually own (Exhibit 4-Account Statements). After which, TD Ameritrade corrected the exercise in accordance with the parties' contractual agreement (Exhibit 5-Trade Confirmations). Further Respondent asserts that this case is similar to that of a banking error, in that, if a bank were to credit a customer's account with funds in error and subsequently discovered the error, the bank would remove the funds from the account. Here, securities were incorrectly posted to Claimant's Account and TD Ameritrade subsequently removed them. Claimant asserts that because his Account was credited in error that he is somehow entitled to the securities and the benefit gained from the use of something that did not belong to him. As compared to our banking example, Claimant is asking to keep funds that were credited to his account in error and any proceeds, interest or otherwise that he received as a result.

The fact Claimant was not entitled to the securities in the first place is due to his own inaction not any actions taken by TD Ameritrade. The fact that his account reflected securities that he did not own was subsequently corrected by TD Ameritrade, in accordance with the parties' contractual agreement, the same as any financial institution would do if funds had been deposited or credited to a customer's account in error. For these and the reasons stated below, Claimant is not entitled to recover¹.

¹ Unless specifically admitted in this Answer, all allegations made in the Statement of Claim are expressly denied.

STATEMENT OF FACTS

On October 27, 2008 Claimant purchased 8 United Dominion Realty Trust (UDR) 25 January put option contracts for a total purchase price of \$7,615.95 (Exhibit 5-Trade Confirmations). This option position gave Claimant the right to sell 800 shares of UDR stock at \$25 per share, up until the option's expiration. Claimant had until January 16, 2009 (the options expiration date) to elect to "exercise" [the option] his right to sell 800 shares of UDR stock under the terms of the option contracts. On December 5, 2008 Claimant contacted TD Ameritrade after noticing that his UDR options were showing as having no value. At which time, a TD Ameritrade representative explained to Claimant that "options" display no value if there is no trading volume for that particular option. Claimant asked if the issuer went bankrupt and the representative said no and that the option could still be traded (this information is undisputed and has been confirmed as historically accurate). There was no discussion about exercising UDR options during the call (Exhibit 3-Call Notes). On January 16, 2009 the OCC announced that UDR options would not be subject to automatic exercise thresholds during options expiration processing² and that any customer who held UDR options would have to provide specific instructions in order to exercise their options (Exhibit 6-OCC Infomemo #25370). These instructions were replacing the automated process that normally occurs (Exhibit 7-Margin Account Handbook). On January 16, 2009 TD Ameritrade attempted to contact Claimant to inform him of the OCC's change to their exercise processing requirements and that if he wanted to exercise his "in the money" UDR options Claimant would have to specifically instruct TD Ameritrade to do so (Exhibit 3-Call Notes). Claimant could not be reached, no exercise instructions were received on or before options expiration and on January 17, 2009 Claimant's options expired worthless. On January 20, 2009

² OCC and TD Ameritrade automatic exercise thresholds for options occur when it is determined that an option position is "in the money" or profitable to exercise by .01 cent or more.

Claimant's account was credited UDR securities as if he had chosen to exercise his options, when no exercise instructions were actually received (Exhibit 4-Account Statements). After which, Claimant's Account showed a sale of 800 shares of UDR short at \$25 per share (Claimant's Account was credited \$19,979.89) (Exhibit 4-Account Statements). On March 17, 2009 Claimant purchased 800 shares of UDR to cover³ the short position at \$7.40 per share, for a total purchase price of \$5,929.95 (Exhibit 5-Trade Confirmations). On March 20, 2009 TD Ameritrade realized that the exercise was posted to Claimant's Account incorrectly and subsequently corrected the exercise (Exhibit 4-Account Statements and Exhibit 5-Trade Confirmations). On March 27, 2009 TD Ameritrade sold the 800 shares of UDR Claimant purchased to cover the fictitious short position for \$7.96 per share, in its error account. This resulted in a profit of \$448 (the difference between the purchase price \$7.40 and the sale price of \$7.96 x 800 shares) which was then credited to Claimant's Account (Exhibit 4-Account Statements).

LEGAL ANALYSIS

Claimant's claim stems from the following issues addressed below; 1) Is TD Ameritrade responsible for making sure Claimant is aware of changes to OCC automatic exercise thresholds; 2) Was Claimant required to provide specific instructions to TD

³ The investor who purchases an option contract is known as the options "owner" or "holder." By purchasing an option, the owner is granted the right to buy or sell a specific security at the strike price by the expiration date. A put option grants the right to sell an asset. Depending upon the options owner's strategy and the price of the underlying security, the options owner may sell and close the option position, exercise the options contract before the expiration date, or let the options expire worthless. In this case Claimant had the right, not obligation, to sell 800 shares of UDR stock at \$25 per share. If Claimant were to "exercise" his option to sell 800 shares of UDR stock at \$25 per share, prior to expiration, the seller of the option is then obligated to purchase those shares from Claimant at the agreed upon price. As Claimant did not own 800 shares of UDR, upon exercising the option, the shares were borrowed or short in his Account enabling him to then turn around and sell them under the terms of the option. Following the exercise, since Claimant borrowed the shares of UDR in order to then sell them at the \$25 per share, he must return the borrowed/short shares to the owner at a later date. In order to return and/or "cover his short position" Claimant would have to go out and purchase UDR shares at some future date. Claimant bought UDR shares at \$7.40 per share in order to "cover" the shares he borrowed. The act of purchasing shares at market price to return/replace previously borrowed shares is considered covering a short position.

Ameritrade in order to exercise his UDR options; and 3) Is Claimant entitled to securities that were credited to his Account in error.

1. TD Ameritrade does not have a duty to inform account holders regarding terms and conditions of securities being traded in self-directed accounts.

Claimant claims that TD Ameritrade is responsible for informing him of OCC exercise adjustments regarding option positions held in his Account (*see Statement of Claim*). However, to the contrary, the “terms and conditions” contained in the Client Agreement, Claimant agreed would govern his Account,⁴ plainly describes the nature of a self-directed account (Exhibit 2-Client Agreement):

3(a) Self-Directed Account- My Account with you is self-directed. I am responsible for orders and instructions placed in my Account. Unless you provide advice to me that is clearly identified by you as an individualized recommendation for me, any investment decision that I make or investment strategy that I utilize is based on my own investment decisions or those of my agent and is at my own risk.

4(e) Rights, Terms and Obligations of Securities in Account- Except as required by Applicable rules, you are not obligated to notify me of any events involving my securities positions, nor do you have the responsibility to take any actions on my behalf with respect to such events without specific instructions from me. **I am responsible for knowing the rights, and terms and obligations of securities in my Account and for monitoring the occurrence of any events involving my securities positions or securities for which I intend to place an order.**

As indicated above, Claimant is clearly responsible for knowing about events which may affect the securities in his account and had every opportunity to research and/or request information.

The Client Agreement further outlines the parties’ rights, duties and responsibilities regarding options transactions in Claimant’s Account (Exhibit 2-Client Agreement). Relevant sections of the Client Agreement are listed below:

⁴ See Exhibits 1: “I have received and read the ‘Client Agreement,’ which is incorporated by reference and will govern my account. I agree to be bound by this client agreement, as amended from time to time, and request a cash and margin account to be open in the name(s) set forth below.”

3(d) Instructions...you may refuse any order, or delay placing any order, if you determine that an order requires clarification from me. I will not hold you responsible for any losses caused by the rejection or delay.

10. Options Trading. If I elect to engage in options transactions, I will be bound by the following additional terms:

(b). General Terms.

-I am responsible for instructing you as to my intentions to exercise options contracts before the expiration date.

Beyond that, according to its website, in January of 2009 alone, the OCC issued over one hundred "Infomemos" detailing option contract adjustments similar to the one issued in this case (<http://www.theocc.com>)(Exhibit 6-OCC Infomemo #25370). As such, it would be literally impossible for a discount brokerage firm to ensure that all of its option owners are informed of all OCC "Infomemos" or adjustments that may affect securities held in self-directed accounts. However, as in this case, TD Ameritrade makes every effort to communicate OCC adjustments to option owners whenever possible. Therefore, Respondent should not be held liable.

2. Claimant failed to provide the requisite instructions to exercise his option contracts.

Claimant claims that the exercise of this "in-the-money" UDR options was not an error and that additional instructions were not required to exercise his options. Further, Claimant claims that TD Ameritrade was required to exercise his "in-the-money" UDR options without further instructions. However, these assertions are contrary to the parties' agreement and OCC rules and regulations (Exhibit 6-OCC Infomemo #25370). Relevant sections of the parties' agreement are as follows (Exhibit 2-Client Agreement):

3(d) Instructions...you may refuse any order, or delay placing any order, if you determine that an order requires clarification from me. I will not hold you responsible for any losses caused by the rejection or delay.

9(b) Initial Margin and Margin Maintenance Requirements...I agree to read carefully the TD Ameritrade Margin Handbook before purchasing securities on margin.

10. Options Trading. If I elect to engage in options transactions, I will be bound by the following additional terms:

(b). General Terms.

-I am responsible for knowing the rights and terms of all options in my Account. **I agree to be bound by FINRA, OCC and exchange rules applicable to the trading of options contracts.**

As stated above, Claimant agreed to be bound by OCC rules, including Infomemo #25370, which specifically required Claimant to provide exercise instructions despite any previously established exercise thresholds. As such, without specific instructions Claimant's options were not to be exercised and therefore TD Ameritrade had to correct any indications or transactions to the contrary.

Further, Claimant has presented the following section of the Margin Account Handbook ("handbook") in support of his claim that his option contracts should have been [remained] exercised without any additional instructions (*see Statement of Claim*):

On options expiration day (the Saturday immediately following the third Friday of each month), it is our firm's policy to automatically exercise all long equity options contracts that are at least \$0.01 in-the-money, and all long index options contracts that are at least \$0.01 in-the-money.

However, the applicable footnote, referenced in said paragraph, states that if trading in an underlying security has been halted the option may not be automatically exercised, which is directly contrary to Claimant's assertion that this paragraph obligated TD Ameritrade to exercise his "in-the-money" options under said circumstances (Exhibit 7- Margin Account Handbook). Both the handbook and OCC rules, which Claimant agreed would govern his Account, outline that under certain circumstances, including those involving UDR, options may not be automatically exercised in accordance with previously

established “in-the-money” thresholds (Exhibit 7-Margin Account Handbook and Exhibit 8-OCC “characteristics and risks of standardized options” rules)

3. TD Ameritrade met its contractual and industry obligations in correcting the exercise transactions in Claimant’s Account.

Claimant claims that his options should have remained exercised without the need for additional instructions and/or corrections to his Account. Respondent asserts that option owners choose to exercise or not exercise options for various reasons. TD Ameritrade is a discount brokerage firm and due to the nature of the self-directed platform, TD Ameritrade does not always know its account holders investment strategies. Therefore, TD Ameritrade corrects trade and processing errors in accordance with its’ contractual agreement and applicable industry rules, independent of whether the account holder may view a correction as favorable or unfavorable.

In this case, TD Ameritrade did not receive exercise instructions from Claimant, as required by the OCC, and subsequently cancelled an exercise and a trade executed to “cover” a short position created by the exercise that only existed as a book entry (Exhibit 5-Trade Confirmations). The parties’ agreement clearly allows for such corrections. Relevant sections of the parties’ agreement are as follows: (Exhibit 2-Client Agreement)

3(d) Instructions...you may refuse any order, or delay placing any order, if you determine that an order requires clarification from me. I will not hold you responsible for any losses caused by the rejection or delay.

8(b) Order Refusal. You may refuse any of my orders. I will not hold you liable for any loss I may incur due to your refusal to permit any transaction.

10. Options Trading. If I elect to engage in options transactions, I will be bound by the following additional terms:

(b) General Terms.

-You and Clearing are authorized to take steps to protect their position and any obligation they have assumed at my request without notifying me.

As indicated above, TD Ameritrade has the right to refuse Claimant's orders, or wait to execute a transaction when clarification may be necessary. Once TD Ameritrade discovered that Claimant's options showed as having been exercised and that it did not receive the required instructions from Claimant, it took steps to protect itself and Claimant, per the parties' contractual agreement and applicable OCC rules. For the reasons articulated above, the Respondent is not liable for the alleged damages.

AFFIRMATIVE DEFENSES

Respondents, TD Ameritrade, Inc. ("TD Ameritrade"), and Scott Allan Cornett ("Mr. Cornett") (hereinafter collectively referred to as "Respondents"), by and through their undersigned counsel, hereby file this Answer and Affirmative Defenses, and state that while Mr. Cornett is named as a Respondent by Claimant, it is important to note that they are not identified as having any role in the allegations which purportedly give rise to the Statement of Claim. Rather, Mr. Cornett is named for his involvement in helping Claimant research and initiate changes regarding the expiration of UDR options. Accordingly, Mr. Cornett should be dismissed from this case and all references to this matter should be expunged from his respective securities licenses maintained by CRD in accordance with FINRA Code of Arbitration Procedure Section 12504(a)(6)(b) and 12805

WHEREFORE, Respondents, TD Ameritrade, Inc., and Scott Allan Cornett, respectfully requests the following:

- a. dismissal of this action in its entirety;
- b. an express directive from the Panel providing for the expungement of this matter from Mr. Cornett's securities license;
- c. costs incurred in connection with its defense of this matter; and
- d. such further relief as the Panel deems just and proper.

Accordingly, the Respondent respectfully requests that the Statement of Claim be dismissed, that all costs be assessed to Claimant, that the registration records of Mr. Cornett be expunged of this totally meritless claim and that Respondent be awarded any attorneys' fees and expenses incurred to have such records be so expunged, if expungement is necessary⁵.

CONCLUSION


The Claimant is not entitled to an award for damages against the Respondent. Claimant's Account was self-directed and governed by the terms and conditions outlined in the parties' contractual agreement. Claimant agreed to be bound by these terms and conditions which clearly state he is accountable for knowing about the events which may affect the securities held in his account. The parties' agreement also outlines that the automatic exercise thresholds are subject to change and applicable OCC rules and regulations (Exhibit 2-Client Agreement and Exhibit 7-Margin Account Handbook).

For these reasons, the Respondent respectfully request that the Statement of Claim be dismissed, and that all costs be assessed against Claimant.

⁵ Under NASD Rule 2130, members and associated persons seeking to expunge information arising from customer disputes must obtain an order from a court of competent jurisdiction directing such expungement or confirming an arbitration award containing expungement relief.

Dated this 22nd day of November, 2011

TD Ameritrade, Inc.,

By: _____

Hollie M. Mason

Attorney for Respondent

TD Ameritrade

4211 South 102nd Street

Omaha, Nebraska 6812

EXHIBIT LIST

1. New Account Documents
2. Client Agreement
3. Call Notes
4. Account Statements
5. Trade Confirmations
6. OCC Infomemo #25370
7. Margin Account Handbook
8. OCC “characteristics and risks of standardized options” rules

FINRA ARBITRATION Submission Agreement

In the Matter of the Arbitration Between

Name(s) of Claimant(s)

Laurent J. La Brie


11-03725

Name(s) of Respondent(s)

Scott Allan Cornett
TD Ameritrade, Inc.

1. The undersigned parties ("parties") hereby submit the present matter in controversy, as set forth in the attached statement of claim, answers, and all related cross claims, counterclaims and/or third-party claims which may be asserted, to arbitration in accordance with the FINRA By-Laws, Rules, and Code of Arbitration Procedure.
2. The parties hereby state that they or their representative(s) have read the procedures and rules of FINRA relating to arbitration, and the parties agree to be bound by these procedures and rules.
3. The parties agree that in the event a hearing is necessary, such hearing shall be held at a time and place as may be designated by the Director of Arbitration or the arbitrator(s). The parties further agree and understand that the arbitration will be conducted in accordance with the FINRA Code of Arbitration Procedure.
4. The parties agree to abide by and perform any award(s) rendered pursuant to this Submission Agreement. The parties further agree that a judgment and any interest due thereon, may be entered upon such award(s) and, for these purposes, the parties hereby voluntarily consent to submit to the jurisdiction of any court of competent jurisdiction which may properly enter such judgment.

5. The parties hereto have signed and acknowledged the foregoing Submission Agreement.

 Associate Counsel 11-22-11

TD Ameritrade, Inc. Date
State Capacity if other than individual (e.g., executor, trustee, corporate officer)

LC43A: SUBMISSION AGREEMENT
idr: 02/09/2009

RECIPIENTS:

Scott Allan Cornett
811 North 4th Street, Bellevue, NE 68005

James J. Vihstadt, TD Ameritrade, Inc.
TD Ameritrade, Inc., 4211 South 102nd Street, Omaha, NE 68127

FINRA ARBITRATION Submission Agreement

In the Matter of the Arbitration Between

Name(s) of Claimant(s)

Laurent J. La Brie

11-03725

Name(s) of Respondent(s)

Scott Allan Cornett
TD Ameritrade, Inc.

1. The undersigned parties ("parties") hereby submit the present matter in controversy, as set forth in the attached statement of claim, answers, and all related cross claims, counterclaims and/or third-party claims which may be asserted, to arbitration in accordance with the FINRA By-Laws, Rules, and Code of Arbitration Procedure.
2. The parties hereby state that they or their representative(s) have read the procedures and rules of FINRA relating to arbitration, and the parties agree to be bound by these procedures and rules.
3. The parties agree that in the event a hearing is necessary, such hearing shall be held at a time and place as may be designated by the Director of Arbitration or the arbitrator(s). The parties further agree and understand that the arbitration will be conducted in accordance with the FINRA Code of Arbitration Procedure.
4. The parties agree to abide by and perform any award(s) rendered pursuant to this Submission Agreement. The parties further agree that a judgment and any interest due thereon, may be entered upon such award(s) and, for these purposes, the parties hereby voluntarily consent to submit to the jurisdiction of any court of competent jurisdiction which may properly enter such judgment.

5. The parties hereto have signed and acknowledged the foregoing Submission Agreement.

Scott O. Cornett 11-22-2011
Scott Allan Cornett Date
State Capacity if other than individual (e.g., executor, trustee, corporate officer)

LC43A: SUBMISSION AGREEMENT

idr: 02/09/2009

RECIPIENTS:

Scott Allan Cornett
811 North 4th Street, Bellevue, NE 68005

James J. Vihstadt, TD Ameritrade, Inc.
TD Ameritrade, Inc., 4211 South 102nd Street, Omaha, NE 68127

WATERHOUSE SECURITIES, INC.

Member New York Stock Exchange - American Stock Exchange (Assoc.)
Midwest Stock Exchange - NASD - Municipal Securities Regulating Board - SIPC

364-20760-16

NEW ACCOUNT INFORMATION

372/52

673 (A)

1. Account Name LAURENT J. LABRIE
Please Print

2. Mailing Address Home PO. Box Business

Home Address 22 OVERBROOK RD
Must complete even if you use PO. Box

WEST HARTFORD CT 06107
City State Zip

PO. Box Number _____ City _____ State/Zip _____

3. Employer/Business TRINITY COLLEGE

Address _____

City/State/Zip HARTFORD CT 06106

4. Telephone Number Primary Number: Home Business

Home 203 561 4433 Business 203 674 9585

5. Social Security Number 095 40 3579
Joint Accounts - Please Indicate whose Tax I.D. number it is _____

6. Date of Birth 9 JULY 1963 Citizen of USA

7. Bank Reference FIRST FEDERAL BANK

Broker Reference FIDELITY

RT 385411
L. LABRIE
22 OVERBROOK RD
W. HARTFORD, CT 06107

Please Do Not Remove This Material

- By signing this Agreement I acknowledge that
1. I have read, understand and agree to the terms of the enclosed Customer Agreement and that
 2. Waterhouse Securities, Inc. does not give legal or tax advice, and will not advise me concerning the nature, potential value, or suitability for me of any particular security transaction or investment strategy.
 3. The enclosed Customer Agreement

- contains a pre-dispute Arbitration clause. Please see paragraph # 9 of the Customer Agreement for full details.
4. Under the penalties of perjury, I certify that the Social Security Number/Taxpayer Identification Number shown on this form is correct and that I am not subject to backup withholding under the provisions of the Internal Revenue Code. (This certification is required by U.S. Government regulation.)

[Signature]
Signature

21 MARCH 1992
Date

Signature for Joint Account

Date

Branch Offices: Atlanta - Boston - Charlotte - Chicago - Cleveland - Dallas - Denver - Detroit - Houston
Kansas City - Los Angeles - Miami - Milwaukee - Minneapolis - New York - Wall St. & Park Ave. - Northbrook - Philadelphia - Phoenix
Pittsburgh - St. Louis - San Diego - San Francisco - Salt Lake - Seattle - Short Hills - Stamford - Tampa - Washington, D.C.

PLEASE BRING OVER TO COMPLETE ACCOUNT DATA.

Blumberg No. 516
RESPONDENT EXHIBIT
1



NO AMERITRADE Account #: 346-21116

PO Box 2760 - Omaha, NE 68103-2760
 Fax: 816-243-3769

Margin/Options Account Upgrade Form

If you have the following type of accounts, additional paperwork may be necessary to reauthorize your account for margin or options privileges. Please contact a Client Services representative at ~~888-643-3333~~ for more information.

- Corporate (Profit or Nonprofit)
- Investment Club
- Limited Liability Company
- Limited Partnership
- Non-Incorporated Organization
- Partnership
- Pension or Profit Plan for Small Business
- Trust

If you need additional forms, please visit our Web site at www.iameritrade.com. Fax number: 816-243-3769.

1. Please tell us how you wish to change your account.

Please check all that apply.

- Add Margin Feature** — You must complete sections 1 through 6.*
 For faster service, you may submit your margin request online. Just log on at www.iameritrade.com and go to "Profile & Preferences" under Account.
- Add Options Feature** — You must complete all sections of this form.
- Upgrade Options Feature** — You must complete all sections of this form.

*Duplicate, like-titled margin accounts are not permitted.

Please Note: Individual Retirement Accounts (IRAs) and custodial accounts are not eligible for margin or advanced options privileges.

2. Please provide all of the following Account Owner Information.

Name of Account Owner (First, Middle Initial, Last, Suffix): LAURENT J. LA BRIE

Date of Birth (MM/DD/YYYY): 7/9/63

Marital Status: Single Married Divorced Widowed Spouse's Maiden Name:

Street Address (No PO boxes): 3441 CARRIAGE HILL CR

City: RANDALLSTOWN State/Province: MD Zip/Postal Code: 21133 Country: USA

Work Number: (410) 532-3131 Home Number: (443) 426-6870 Fax Number:

E-mail Address (Required for electronic delivery of your account statement and trade confirmations):

Check here if you, any member of your immediate family, personal or business associate is a senior public figure. Specify the name of the public figure, public title, relationship to account owner and country of origin.

Check here if you are a director, 10% shareholder, or policy-making officer of a publicly traded company. Specify the company name, address, city and state/province.

Check here if you are licensed or employed by a registered broker/dealer. We must receive a compliance letter along with this application.

Please specify if you are: Unemployed Retired Homemaker Student Source of income (if retired or unemployed):

Employer Name: MARSHALL CRAFT ASSOCIATES Occupation: EQUIPMENT PLANNER

Type of Business: ARCHITECTURE

Employer Street Address: 5A 6112 YORK ROAD

City: BALTIMORE State/Province: MD Zip/Postal Code: 21212 Country: BALTIMORE

POOR COPY

TED AMERICA Account # _____

3. Account Co-Owner Information

Name of Account Co-Owner (First, Middle Initial, Last, Suffix): _____
 Are you the Account Owner's spouse? Yes No
 Date of Birth (MM/DD/YYYY): _____
 Marital Status: Single Married Divorced Widowed Spouse's Maiden Name: _____
 Street Address (No PO Boxes): _____
 City: _____ State/Province: _____ Zip/Postal Code: _____ Country: _____
 Mailing Address (if different than address above): _____
 City: _____ State/Province: _____ Zip/Postal Code: _____ Country: _____
 Work Number: _____ Home Number: _____ Fax Number: _____
 E-mail Address (Required for electronic delivery of your account statements and trade confirmations): _____
 Check here if you, any member of your immediate family, yourself or the address associated is a senior political figure. Specify the name of the political figure, political title, relationship to the account owner and country of office.
 Check here if you are a director, 10% shareholder, or policy-making officer of a publicly traded company. Specify the company name, address, city and state/province.
 Check here if you are licensed or employed by a registered broker/dealer. We must receive a completed letter along with this application.
 Please specify if you are: Unemployed Retired Homebased Student Source of Income (if retired or unemployed): _____
 Employer Name: _____ Occupation: _____
 Type of Business: _____
 Employer Street Address: _____
 City: _____ State/Province: _____ Zip/Postal Code: _____ Country: _____

4. Trade Confirmations and Account Statements

You will receive monthly account statements and trade confirmations electronically, unless you choose a different selection below. Not all statement and confirmation delivery choices are available for all accounts, and paper documents may incur additional fees. With electronic delivery, an e-mail will be sent to the account owner's e-mail address when your statement or confirmation is available. Just log on to your account from any computer to view, print, or save your documents.

If a valid e-mail address is not provided, you will receive a quarterly paper statement, unless your account type requires statements to be delivered monthly. You will be responsible for any fees that may apply.

Select only one choice for each. Please Note: If you select to receive either electronic statements or electronic confirmations, you will receive structured information electronically when available.

| | |
|--|--|
| Account Statement | Trade Confirmation |
| <input checked="" type="checkbox"/> Electronic Monthly | <input checked="" type="checkbox"/> Electronic |
| <input type="checkbox"/> Paper Monthly (\$2 fee may apply each month) | <input type="checkbox"/> Paper (\$2 fee for each confirmation may apply) |
| <input type="checkbox"/> Paper Quarterly (certain account types, including options accounts, are not eligible) | |
| <input type="checkbox"/> Unless I have checked this box, TED AMERICA will provide my name to companies whose securities it holds in my account for the purpose of additional corporate communications. | |

TDAWBERTRADE Account # _____

5. Please provide all of the following financial information.

Joint Tenants with Rights of Survivorship (JTWROS), Community Property and Tenants by the Entireties accounts should indicate combined amounts for both co-owners below.

If applying for margin or options on a Tenants in Common account, primary Owner and Co-Owner must complete separate financial sheets below.

| <u>Annual Income</u> | <u>Approximate Liquid Net Worth (Cash, stocks, etc.)</u> | <u>Approximate Net Worth (Not including residence)</u> |
|--|--|--|
| <input type="checkbox"/> \$0 - \$19,999 | <input type="checkbox"/> \$0 - \$14,999 | <input type="checkbox"/> \$0 - \$14,999 |
| <input type="checkbox"/> \$20,000 - \$49,999 | <input type="checkbox"/> \$15,000 - \$49,999 | <input type="checkbox"/> \$15,000 - \$49,999 |
| <input type="checkbox"/> \$50,000 - \$99,999 | <input type="checkbox"/> \$50,000 - \$99,999 | <input type="checkbox"/> \$50,000 - \$99,999 |
| <input type="checkbox"/> \$100,000+ | <input type="checkbox"/> \$100,000 - \$499,999 | <input type="checkbox"/> \$100,000 - \$499,999 |
| | <input type="checkbox"/> \$500,000+ | <input checked="" type="checkbox"/> \$500,000+ |

Tenants in Common Co-Owner information:

| <u>Annual Income</u> | <u>Approximate Liquid Net Worth (Cash, stocks, etc.)</u> | <u>Approximate Net Worth (Not including residence)</u> |
|--|--|--|
| <input type="checkbox"/> \$0 - \$19,999 | <input type="checkbox"/> \$0 - \$14,999 | <input type="checkbox"/> \$0 - \$14,999 |
| <input type="checkbox"/> \$20,000 - \$49,999 | <input type="checkbox"/> \$15,000 - \$49,999 | <input type="checkbox"/> \$15,000 - \$49,999 |
| <input type="checkbox"/> \$50,000 - \$99,999 | <input type="checkbox"/> \$50,000 - \$99,999 | <input type="checkbox"/> \$50,000 - \$99,999 |
| <input type="checkbox"/> \$100,000+ | <input type="checkbox"/> \$100,000 - \$499,999 | <input type="checkbox"/> \$100,000 - \$499,999 |
| | <input type="checkbox"/> \$500,000+ | <input type="checkbox"/> \$500,000+ |

6. Account Agreement

I have received and read the "Terms and Conditions," which are incorporated by this reference, that will govern my account. I agree to be bound by these terms and conditions, as amended from time to time, and request a cash and margin account to be opened in the name(s) set forth below.

The Terms and Conditions applicable to this brokerage account agreement contain specific arbitration clauses. By signing this agreement the parties agree to be bound by the terms of the agreement including the arbitration agreement located at paragraph 22.04 of the Terms and Conditions.

All securities, dividends and proceeds will be held at Ameritrade Clearing, Division of Ameritrade, Inc. unless otherwise instructed.

I understand that TDAWBERTRADE may obtain a current consumer or credit report to determine my eligibility, or continuing eligibility, for credit, or for other regulatory business purposes. Any check-in by TDAWBERTRADE to external credit may be based on information contained in a consumer or credit report, as well as the policies of TDAWBERTRADE and Ameritrade Clearing.

I understand that non-deposit investments purchased through TDAWBERTRADE are not insured by the FDIC, (Federal Deposit Insurance Corporation) and not obligations of or guaranteed by any financial institution and are subject to investment risk and loss that may exceed the principal invested.

Investment decisions about your assets for investing in existing accounts. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

Without this process for your business you may not be able to open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also utilize a third-party information provider for verification purposes and/or ask for a copy of your driver's license or other identifying documents.

I understand that TDAWBERTRADE may relate information regarding this account, including account delinquency and voluntary closures, to consumer or credit reporting agencies. Upon my request, TDAWBERTRADE shall inform me of each consumer or credit reporting agency from which they have obtained and/or reported my consumer or credit report. TDAWBERTRADE agrees to notify the consumer or credit reporting agencies if I dispute the accuracy or accuracy of the information furnished by TDAWBERTRADE. By my signature below, I authorize TDAWBERTRADE to obtain consumer or credit reports for the name(s) set forth below.

For Co-Owners who have been added to an existing options account: I have received and read the "Terms and Conditions" that will govern my account, and agree to be bound by them as currently in effect and as amended from time to time. I am aware of the risks involved in options trading and represent that I am financially able to bear such risks and potential options trading losses.

Account Owner/Authorized Agent Signature: [Signature] Date: 10/1/2006
 Account Owner/Authorized Agent Signature: _____ Date: _____
 Account Owner/Authorized Agent Signature: _____ Date: _____
 Account Owner/Authorized Agent Signature: _____ Date: _____

If this is a joint account, all Account Owners must sign.

TDAWBERTRADE, Inc. and Ameritrade, Inc. members NASD/SIPC. TDAWBERTRADE, Inc. and Ameritrade, Inc. are subsidiaries

TD AMERITRADE Account #: 346-21116

POOR COPY

Options Account

Due to the risks involved in options, we are required to obtain the following information. Financial information section must be completed to be considered for options.

7. Account Owner

Number of Dependents: 1

Income Available for Options Trading

- \$0 - \$1,999
- \$2,000 - \$4,999
- \$5,000 - \$9,999
- \$10,000 - \$19,999
- \$20,000+

Years of Investment Experience

- Less than 1
- 1 - 2
- 3 - 5
- 6 - 9
- 10+

Investment Knowledge

- Limited
- Good
- Extensive
- Professional trader

Average Transaction Size

- Under \$1,000
- \$1,000 - \$2,000
- \$2,000 - \$5,000
- Over \$5,000

Number of Transactions Per Year

- Less than 10
- 10 - 19
- 20 - 49
- 50+

Types of Transactions (Check all that apply)

- Stocks
- Bonds
- Options

What Are Your Investment Objectives? (Check all that apply)

- Growth
- Speculation*
- Income
- Conservation of Capital

What Type of Activity Do You Plan to Conduct on Your Options Account?

- Write covered calls
- Purchase options
- Create spreads**
- Write uncovered options**

*If trading spreads on uncovered options, you must have a margin account and you should consider speculation as one of your objectives.

8. Account Co-Owner

Number of Dependents: _____

Income Available for Options Trading

- \$0 - \$1,999
- \$2,000 - \$4,999
- \$5,000 - \$9,999
- \$10,000 - \$19,999
- \$20,000+

Years of Investment Experience

- Less than 1
- 1 - 2
- 3 - 5
- 6 - 9
- 10+

Investment Knowledge

- Limited
- Good
- Extensive
- Professional trader

Average Transaction Size

- Under \$1,000
- \$1,000 - \$2,000
- \$2,000 - \$5,000
- Over \$5,000

Number of Transactions Per Year

- Less than 10
- 10 - 19
- 20 - 49
- 50+

Types of Transactions (Check all that apply)

- Stocks
- Bonds
- Options

What Are Your Investment Objectives? (Check all that apply)

- Growth
- Speculation*
- Income
- Conservation of Capital

What Type of Activity Do You Plan to Conduct on Your Options Account?

- Write covered calls
- Purchase options
- Create spreads**
- Write uncovered options**

*If trading spreads on uncovered options, you must have a margin account and you should consider speculation as one of your objectives.

9. Options Account Agreement

I hereby apply for an options account. I have received and read the "Terms and Conditions" that will govern my account, and agree to be bound by them as currently in effect and as amended from time to time. I am aware of the risks involved in options trading, and represent that I am financially able to bear such risks and without options trading losses.

Account Owner/Authorized Agent Signature: [Signature]

Date: October 1, 2006

Account Owner/Authorized Agent Signature: _____

Date: _____

Account Owner/Authorized Agent Signature: _____

Date: _____

Account Owner/Authorized Agent Signature: _____

Date: _____



OPTION TRADING APPLICATION

TD AMERITRADE, Inc.
 PO Box 2654 • Omaha, NE 68172-2654
 tdameritrade.com • 1.800.934.4448

SPECIAL NOTE: New York Stock Exchange (NYSE), American Stock Exchange (ASE), and National Association of Securities Dealers (NASD) rules call for the provision of specific and ACCURATE personal and financial data by options clients; the purpose of which is to enable TD AMERITRADE, Inc. (TD AMERITRADE) to learn essential facts about its options clients in order to determine a level of approval for your indicated option strategies. By completing this application, you will be fulfilling regulatory requirements that you have the investment knowledge and financial resources sufficient to meet the level of trading you have requested.

Should you need assistance completing this form, please call Client Service at 1-800-934-4448.

PLEASE CHECK ONE: INITIAL OPTION AGREEMENT UPDATE TO PREVIOUS AGREEMENT

| ACCOUNT INFORMATION | | | |
|---|---|---|---|
| Account Number: 346-21116-12 | | <input type="checkbox"/> New Account? <small>(TD AMERITRADE will assign a number upon opening your account.)</small> | |
| Type of Account | <input checked="" type="checkbox"/> Individual | <input type="checkbox"/> Joint | <input type="checkbox"/> Corporate |
| | <input type="checkbox"/> Trust | <input type="checkbox"/> Custodial | <input type="checkbox"/> IRA/Keogh/Pension |
| ACCOUNT OWNER PERSONAL INFORMATION: Please provide the following information for the Primary Account Owner | | | |
| Account Owner Name: (Mr. / Mrs. / Ms. / Dr.) LAWRENCE J. LIBRIE | | Date of Birth 7/9/63 | Marital Status <input type="checkbox"/> Single <input type="checkbox"/> Divorced <input checked="" type="checkbox"/> Married <input type="checkbox"/> Widowed |
| Employer UNIVERSITY OF MARYLAND | | Occupation CLINICAL ENGINEER | |
| JOINT ACCOUNT OWNER PERSONAL INFORMATION: Please provide the following information for the Joint Account Owner (if applicable) | | | |
| Joint Account Owner Name: Mr. / Mrs. / Ms. / Dr. | | Date of Birth | Marital Status |
| Joint Account Owner Home Address: (if different from primary) | | Occupation | |
| OPTION TRADING STRATEGIES AND RELATED TRADING EXPERIENCE: Please indicate which trading strategies you plan to use to achieve your objectives, as listed below, and indicate your trading experience with those particular strategies. | | | |
| Anticipated Trading Strategies | Average Number of Trades per Year | Trading Since (yyyy) | TDW Approval Level |
| Covered Call Writing | 1 | 2006 | Level I |
| Purchases | 3 | 2004 | Level II |
| Spreads* | 0 | — | Level III |
| Uncovered Puts* | 0 | — | Level IV |
| Uncovered Calls* | 0 | — | Level V |
| *A margin account is required. | | | |
| When your account is approved for a trading strategy, you will be approved for all strategies up to that level of approval. FOR EXAMPLE: If you are approved for Spreads, you will also be approved for Purchases and Covered Call Writing. | | | |
| OPTION INVESTMENT OBJECTIVES: Please inform us of what objectives you plan to achieve through the use of options trading. | | | |
| <input checked="" type="checkbox"/> Conservation of capital | <input checked="" type="checkbox"/> Trading profits | | |
| <input checked="" type="checkbox"/> Income | <input checked="" type="checkbox"/> *Speculation | | |
| <input checked="" type="checkbox"/> Growth | | | |
| *Speculation is the assumption of additional risk in anticipation of an above-average return. (Speculation must be an investment objective in order to be approved for spreads and uncovered options trading.) | | | |

FINANCIAL INFORMATION (BASED ON ALL PARTIES' COMBINED INFORMATION AND OBJECTIVES)

| | | | | | | |
|--|--|---|--|-------------------------|---|------------------------------|
| Annual Income | <input type="checkbox"/> Under \$25,000 | <input checked="" type="checkbox"/> \$50,000-\$99,999 | <input type="checkbox"/> \$250,000 or more | Federal Tax Rate | <input type="checkbox"/> 10% | <input type="checkbox"/> 25% |
| | <input type="checkbox"/> \$25,000-\$49,999 | <input type="checkbox"/> \$100,000-\$249,999 | | | <input checked="" type="checkbox"/> 28% | <input type="checkbox"/> 35% |
| Liquid Net Worth <i>Cash, Stocks, etc.</i> | <input type="checkbox"/> Under \$25,000 | <input type="checkbox"/> \$100,000-\$249,999 | <input type="checkbox"/> \$1,000,000-\$1,999,999 | | | |
| | <input type="checkbox"/> \$25,000-\$49,999 | <input type="checkbox"/> \$250,000-\$499,999 | <input type="checkbox"/> \$2,000,000 or more | | | |
| | <input type="checkbox"/> \$50,000-\$99,999 | <input checked="" type="checkbox"/> \$500,000-\$999,999 | | | | |
| Total Net Worth <i>Not including residence</i> | <input type="checkbox"/> Under \$25,000 | <input type="checkbox"/> \$100,000-\$249,999 | <input type="checkbox"/> \$1,000,000-\$1,999,999 | | | |
| | <input type="checkbox"/> \$25,000-\$49,999 | <input type="checkbox"/> \$250,000-\$499,999 | <input type="checkbox"/> \$2,000,000 or more | | | |
| | <input type="checkbox"/> \$50,000-\$99,999 | <input checked="" type="checkbox"/> \$500,000-\$999,999 | | | | |

INVESTMENT EXPERIENCE (BASED ON ALL PARTIES' COMBINED INFORMATION AND OBJECTIVES)

| | Stocks | Options | Mutual Funds | Bonds | Commodities |
|-----------------------------------|--------|---------|--------------|-------|-------------|
| Average Number of Trades per Year | 24 | 3 | 10 | — | — |
| Trading Since (yyyy) | 1980 | 2004 | 1985 | — | — |

ACCOUNT OWNER REPRESENTATION

By signing below, the account owner represents:

1. That the information given on this application accurately reflects the account owner's personal and financial circumstances. Furthermore, the account owner agrees to notify TD AMERITRADE IMMEDIATELY, in WRITING, of any material changes in these circumstances.
2. That the account owner(s) has/have read, understands, and agrees to the terms and conditions in the accompanying **OPTION ACCOUNT AGREEMENT**.
3. That the account owner(s) has/have received, read, and understands the "Characteristics and Risks of Standardized Options" **RISK DISCLOSURE DOCUMENT**.
4. That the account owner has read and understands the **SPECIAL STATEMENT FOR UNCOVERED OPTION WRITERS** contained in the enclosed Option Account Agreement.
5. That **Information Not Supplied Will Be Deemed Refused**.
6. That, if trading authorization (Limited Power of Attorney) has been given to another, the account owner will hold TD AMERITRADE blameless for any losses or damages caused as a result of the actions of such authorized person or persons. This includes errors of both omission and commission.
7. That the account owner has the financial resources and risk tolerance needed to trade at the options levels expressly requested by the account owner. That the account owner understands that TD AMERITRADE does not provide tax advice or legal advice. That the account is self-directed and investment strategies and decisions are those of the account owner. That TD AMERITRADE will not provide advice concerning the nature, potential value, or suitability of any unsolicited security transaction or investment strategy and that the account owner agrees to hold TD AMERITRADE harmless from any liability, financial or otherwise, as a result of any losses suffered with respect to such transaction or strategy.
8. That Page 2 of the enclosed Options Account Agreement and Paragraph #9 of the Account Agreement contain a pre-dispute Arbitration Clause.

PLEASE COMPLETE ALL REQUIRED SECTIONS BEFORE SIGNING

X  ORIGINAL SIGNATURE Date November 8, 2006

Account Owner Signature

PLEASE COMPLETE ALL REQUIRED SECTIONS BEFORE SIGNING

X _____ Date _____

Joint Account Owner Signature

| TD AMERITRADE USE ONLY | | | | | |
|--|-----------------|----------|---------------------|---------------------------|---|
| OCC Disclosure provided to client 11-17-06 | T.N.W. | T.L.N.W. | Total Annual Income | Date of First Transaction | Client Approved up to and Including Level |
| <i>mm/dd/yyyy</i> | <i>Initials</i> | | | <i>mm/dd/yyyy</i> | |
| BOM/ROP Approval | | | | | |
| Print Name | | | Signature | | Date |
| SROP Approval | | | | | |
| Print Name | | | Signature | | Date |

PO Box 2760 ■ Omaha, NE 68103-2760

Fax: 866-468-6268

1. INTRODUCTION

This Agreement governs all brokerage accounts that I open with you, all transactions in my Account, the use of your Web sites, the Brokerage Services, the TD Ameritrade Content and the Third-Party Content; is binding on my heirs, executors, administrators, successors and assigns; and will inure to the benefit of your successors. By opening an Account with you, I acknowledge that I have received, read and understand this Agreement and agree to be bound by its terms. Accounts opened with the TD Ameritrade Institutional Division are governed by a separate agreement.

"I," "me," "my," or "account owner" means each account owner who signs the Account Application. "You," "Your" or "TD Ameritrade" means TD Ameritrade, Inc., a wholly owned subsidiary of TD Ameritrade Holding Corporation, and, when applicable, TD Ameritrade Clearing, Inc. ("Clearing"), TD Ameritrade's clearing broker/dealer.

2. DEFINITIONS

"Account" means each brokerage account I open with you or have an interest in.

"Agreement" means these terms and conditions as well as any supplemental agreements and disclosures that apply to my Account, as amended from time to time.

"Applicable Rules" means all applicable federal and state laws, rules and regulations, rules of any self-regulatory organization, and the constitution and applicable rules, regulations, customs and usages of the exchange or market and its clearinghouse.

"Brokerage Services" means your Web site and related services that you provide other than TD Ameritrade Content, which I need to place trades in my Account.

"Business Day" means Monday through Friday, excluding market holidays.

"Services" means, collectively, the Web sites, the Brokerage Services, the TD Ameritrade Content and the Third-Party Content. This Agreement applies to the Services provided by You regardless of how I access them (e.g., in person, phone, Internet or by mobile device).

"TD Ameritrade Content" means all information, tools and services available on your Web site, other than Brokerage Services provided by you, and not by a third party.

"Third-Party Content" means all information, tools and services available on your Web site that are provided by a third party ("Third-Party Provider"), including financial and investment tools, market data, reports, alerts, calculators, access to online conferences, telecasts, bulletin boards, tax preparation or account management tools.

"Web sites" means the Internet sites of TD Ameritrade, whose domain name is registered as <http://www.tdameritrade.com> and others, and through which you offer Services.

3. MY ACCOUNT AND RELATIONSHIP WITH YOU

a. Self-Directed Account. I understand that Accounts opened with you are self-directed. I am responsible for orders and instructions placed in my Account. Unless you provide advice to me that is clearly identified by you as an individualized recommendation for me, any investment decision that I make or investment strategy that I utilize is based on my own investment decisions or those of my agent and is at my own risk. All investments involve risk, and unless you provide individualized recommendations to me, I or my agent are responsible for determining the suitability of any trade, investment, investment strategy and risk associated with my investments. TD Ameritrade Content or Third-Party Content I access through you does not constitute a recommendation to invest in any security or to utilize any investment strategy.

b. Fees and Commissions. I will pay commissions, charges, taxes and other fees applicable to my Account. Current commission pricing and other fees are on the Web sites. You may change your fees and commissions at any time by posting changes on the Web sites or by other means.

You reserve the right to vary commissions among clients in connection with special offers or combinations of services or in other circumstances. You or Clearing may pay a portion of the revenues or fees derived from servicing my Account to third parties that provide services to you or Clearing. If my Account is an IRA or other retirement plan account, my Account may be charged fees that the particular plan has authorized to be paid to service providers other than you or Clearing.

c. Statements and Confirmations. It is my obligation to review trade confirmations and Account statements promptly upon receipt. These documents will be considered binding on me unless I notify you of any objections within five days from the date confirmations are sent and within 10 days after Account statements are sent.

d. Instructions. You may accept and act on instructions from me, my agent or any person authorized on my Account. You may refuse any order, or delay placing any order, if you determine that an order requires clarification from me. I will not hold you responsible for any losses caused by the rejection or delay. You will not receive any order or instruction transmitted by my agent or me until you have actual knowledge of the order or instruction. You do not determine the validity of my agent's status or capacity, the appropriateness of or the authority or actions by such person.

e. No Endorsement of Day Trading Strategy. You do not recommend, endorse or promote a "day trading" strategy, which may involve significant financial risk to me.

f. Clearing Agreement. You and Clearing have entered into a clearing agreement in which Clearing is the clearing agent for securities transactions for your clients. You transmit client instructions to Clearing which causes such instructions to be executed. Clearing carries my Account on a fully disclosed basis.



g. Account Protection. You are a member of the Securities Investor Protection Corporation (SIPC), which protects securities clients of its members up to \$500,000 (including \$250,000 for claims for cash). An explanatory brochure is available upon request or at www.sipc.org. Additionally, you provide \$149.5 million of protection for each client through supplemental coverage provided by London insurers. The \$149.5 million of coverage includes an additional \$900,000 limit on cash in the account. Each client is limited to a combined return of \$150 million from a Trustee, SIPC or London insurers. Your insurance policy does have an aggregate total coverage of \$250 million over all customers. This policy provides coverage against theft following brokerage insolvency and does not protect against loss in market value of the securities.

To obtain information about the SIPC, including the SIPC brochure, I can contact the SIPC at:

Securities Investor Protection Corporation
805 15th Street, N.W., Suite 800
Washington, D.C. 20005-2215

Tel: 202-371-8300
Fax: 202-371-6728
Email: asksipc@sipc.org
Web site: www.sipc.org

h. Compliance with Laws. I agree to comply with all laws, rules and regulations applicable to my Account.

4. ABOUT ME

a. Legal Capacity. I am of legal age in the jurisdiction in which I reside and have the capacity and authority to enter into this Agreement.

b. Accuracy of Information. All the information I provide you is true and correct. I will promptly notify you in writing within 10 Business Days after any change in such information. You may rely upon all information I provide you.

c. Interest in Account. I represent that no one else except me (us) has an interest in any of my (our) Account(s) (unless I am opening the Account as a fiduciary).

d. Multiple Owners. If there is more than one Account owner, then the provisions of the Agreement apply to each owner. Accounts of husbands and wives in community property states will be held in the name of husband and wife as community property unless we instruct you otherwise; any other Joint Account will be held jointly with rights of survivorship unless I notify you of a different form of ownership and provide such documentation as you require. You will have no liability for any loss that may arise due to taking instructions from one owner or requiring instructions from all owners. If I am married, I may establish an account with my spouse as tenants by entirety. I will notify you if I become legally divorced.

e. Rights, Terms and Obligations of Securities in Account. Except as required by Applicable Rules, you are not obligated to notify me of any events involving my securities positions, nor do you have the responsibility to take any actions on my behalf with respect to such events without specific instructions from me. I am responsible for knowing the rights, terms and obligations of securities in my Account and for monitoring the occurrence of any events involving my securities positions or securities for which I intend to place an order.

5. PRIVACY AND CONFIDENTIALITY

a. Privacy. You will take reasonable measures to protect the privacy and confidentiality of information in your possession about my Account and me. Your Privacy Statement explains how you collect and protect my information. The Privacy Statement is incorporated into this Agreement by reference.

b. Account Number, PIN or Password. I will receive a password and/or access number (collectively "PINs") that provides electronic access to my Account. Account numbers, User IDs and PINs are confidential, and I am responsible for the confidentiality, protection and use of them. Subject to the TD Ameritrade Asset Protection Guarantee, I agree to be responsible for all activities in my Account. You may rely on that I have authorized any orders or instructions that are received under my Account number and PIN.

c. TD Ameritrade Asset Protection Guarantee. If I lose cash or securities from my Account due to unauthorized activity, you will reimburse me for the cash or securities I lose. You promise me this protection in the event unauthorized activity causes losses and you determine it was through no fault of my own. You guarantee this if I do three things: (1) keep my Account information secure and confidential – don't share it, because sharing my User ID, password, PIN, or Account number with other people means I authorize them to take action in my Account; (2) frequently check my Account and statements and report any suspicious or unauthorized activity to you immediately; and (3) take the actions you request and cooperate with any investigation.

d. Phone Conversations and Electronic Communications. You may record and monitor any telephone or electronic communications with me.

e. Credit Reports. I authorize you to request my credit reports to verify my creditworthiness and to provide information to credit agencies. Upon request, you will inform me whether a report was requested and provide me with the name and address of the credit reporting agency that furnished the report. Negative credit information may be submitted to a credit reporting agency if I fail to fulfill the terms of my credit obligations.

f. Disclosure of Account Information to Third Parties. Consistent with your Privacy Statement, you and your agents are specifically authorized to disclose information about my Accounts and me to third parties.

6. CLIENT COMMUNICATIONS

a. Addresses. You may send communications to the mailing address, email, telephone number or facsimile number that I provide. You also may deliver information verbally. Communications shall be deemed delivered to me whether or not I actually receive them.

b. Electronic Signatures. My use of electronic signatures to sign your documents legally binds me in the same manner as if I had manually signed. The use of an electronic version of these documents fully satisfies any requirement that they be provided to me in writing. If I sign electronically, I represent that I have the ability to access and retain a record of the documents. I am responsible for understanding these documents and agree to conduct business with you by electronic means. I am obliged to review periodically the Web sites for changes or modifications.

c. Consent. By consenting to the electronic delivery of all information relating to my Account, I authorize you to deliver all communications to me by the following means: (1) by email at the email address specified by me; (2) by posting the communication on the Web sites or other sites on the Internet where the communication can be read and printed; (3) by sending me an email that includes a hyperlink to the Web sites or an address on the Internet where the information is posted, and can be read and printed; and (4) by sending me a notice that directs me to an address on the Internet or a place within the Web sites where the communication is posted and from which it can be read and printed. Such delivery will be an effective delivery to me for the purpose of any Applicable Rules whether or not I access or review the communication. Although I consent to electronic delivery, you may elect to deliver communications by

other means which shall not affect my consent. I will notify you of any change in my address. I may revoke my consent to electronic delivery of communications and receive documents on paper. You have a reasonable period to effect such a change and may charge a reasonable fee for sending paper copies.

d. Equipment. If I agree to electronic delivery, I must have a computer with Internet access, an email address and the ability to download and save or print communications to retain for my records. I am responsible for obtaining and maintaining all equipment and services required for online access of my Account.

7. ELECTRONIC SERVICES

a. Availability. You do not guarantee that any media will be available to me at a particular time. Access to the Web sites may be limited or unavailable during periods of peak demand, market volatility, system upgrades or other reasons.

You reserve the right to suspend and deny access to the Services, without prior notice or for any reason. I recognize that Account activity may be conducted through several different media (e.g., Interactive Voice Response phone system (IVR) and phone); and if a certain medium is not available, I will use another medium to conduct Account activity. You will not be liable for the unavailability, delay or failure of any of the media at any particular time or for the accessibility of, transmission quality, outages to or malfunction of any telephone circuits, computer system or software.

b. Use of Services. I will use the Services for lawful purposes, for my personal and noncommercial use, and as permitted by this Agreement. I will not transmit through the Web sites any material that violates or infringes in any way upon the rights of others or would encourage conduct that may give rise to civil or criminal liability. I will not modify, copy, publish, transmit, license, participate in the transfer or sale of, reproduce, create derivative works from, distribute, redistribute, display or in any way exploit the Services. I will not upload, post, decompile, reverse engineer, disassemble, modify, copy, distribute, transmit, reproduce, republish, license, display, sell or transfer or create derivative products from the Services. Software accessed on the Web sites is subject to U.S. export controls and may not be downloaded by any person prohibited from doing so by Applicable Rules.

I may download software on a single computer for personal, noncommercial use, provided I keep intact all copyright and other proprietary notices. You and Third-Party Providers reserve the right to revise, modify, change, upgrade, suspend, impose limitations or restrictions on, deny access to, remove or discontinue the Services at any time without prior notice. Third-Party Providers may enforce this Agreement against me and take action against me for my breach of this Agreement.

c. Limitation of Liability. The Services are provided "as is" and "as available." You, your affiliates, the Third-Party Providers and their respective licensors, employees, distributors or agents make no representations with respect to the system and expressly disclaim all warranties. Subject to Applicable Rules, in no event will you, your affiliates, the Third-Party Providers or their respective licensors, employees, distributors or agents be liable to me or any third-party for any direct, indirect, incidental, special, punitive or consequential losses or damages of any kind with respect to the Services.

I am solely responsible for my investment research, and neither you nor any Third-Party Provider make any representations, warranties or other guarantees as to the accuracy or timeliness of any market data; nor do you or any Third-Party Provider make any representations, warranties or other guarantees as to the present or future value or suitability of any sale, trade or other transaction involving any particular security or any other investment.

d. Intellectual Property. My use of the Services will not confer any title, ownership interest or intellectual property rights to me. The Services are protected under U.S. patent, copyright laws, international treaties or conventions and other laws, and will remain the exclusive property of you or Third-Party Providers. Company names, logos and all related product and service names, design marks and slogans of you or your affiliates or any Third-Party Provider are the property of the respective company. I am not authorized to use any such name or mark in any advertising, for publicity or in any other commercial manner.

e. Cookies. You use cookies on Web sites and my browser will need to accept all cookies for it to perform fully. Certain features of the Web sites may also require the acceptance of cookies.

f. Hyperlinks. The Web sites may include hyperlinks to Web sites, owned or operated by affiliated or unaffiliated third parties. Neither you nor Third-Party Providers are responsible for the content or availability of such other Web sites, and shall not be responsible or liable for any loss in connection with reliance on such sites.

8. BROKERAGE SERVICES

a. Order Routing and Executions. Unless I specify the market for execution, you decide where to route my orders for execution. You consider a wide variety of factors in determining where to direct my orders, such as execution price, opportunities for price improvement (which is when an order is executed at a price that is more favorable than the displayed national best bid or offer), market depth, order size and trading characteristics of the security, efficient and reliable order handling systems and market center service levels, speed, efficiency, accuracy of executions and the cost of executing orders at a market.

b. Order Refusal. You may refuse any of my orders. I will not hold you liable for any loss I may incur due to your refusal to permit any transaction.

c. Trade Execution and Price. You route orders to markets for prompt execution in view of prevailing market conditions, but there can be delays in the processing of orders. I understand and agree with the following:

- The quoted price may not reflect the trading activity from all markets.
- High volumes of trading at the market open or intraday may cause delays in executions and result in prices significantly different from the price quoted at the time the order was entered.
- Markets may handle orders manually and may reduce size guarantees during periods of volatility, resulting in possible delays in order execution and losses.
- The execution price I receive may be impacted by numerous factors beyond your control and responsibility, including the type of security, liquidity and the size of my order. For example, large or "block" orders or orders involving illiquid securities may take additional time to execute and may execute at prices significantly different from the quoted price.
- The execution of market and stop-market orders may be at a price significantly different from the quoted price of that security. Limit orders will be executed only at a specified price or better, but there is the possibility that the order will not be executed.
- Securities traded in over-the-counter bulletin board and pink sheet securities and other thinly traded securities present particular trading risks in that they are often more volatile and generally less liquid than securities traded on exchanges. You reserve the right to place restrictions on the trading of such securities without prior notice.
- I may suffer market losses during periods of volatility in the price and volume of a particular stock when systems issues result in an inability to place buy or sell orders.

d. Payment for Order Flow. You may receive remuneration from markets for directing orders to them. The source and amount of these payments are available upon written request. Markets may act as principals to buy, sell or hold securities for their own accounts, and they may make money when executing your trade.

e. Payment for Transactions. All orders that I authorize will be processed with the understanding that I will pay for any purchase and deliver certificates to cover all sales on or before the settlement date. All sell orders that I place will be for securities that I own ("long") and in deliverable form at the time I place the order, unless I inform you otherwise.

You reserve the right to require full payment, or an acceptable equity deposit, prior to the acceptance of any order. I will have the required cash, available funds or equity in my Account prior to the execution and/or settlement of a purchase or short sale transaction, and the required securities in my Account prior to the execution and/or settlement of a long sale. If I do not have sufficient funds or securities in my Account, you have the right to liquidate or buy in securities at my expense, and I will be responsible for any cost or loss.

f. Payment of Indebtedness Upon Demand. I will be liable for the payment upon your demand of any obligations owing in my Account, including the reasonable costs incurred in collecting such amounts.

g. Security for Indebtedness. I consent to you having a continuing security interest in, right of set-off to and lien on all securities, cash and other property in my Account ("Collateral"). Subject to Applicable Rules, and without prior notice to me, you may sell or transfer the Collateral to satisfy my obligations. You also have the discretion to determine which securities and other properties are to be sold and which contracts are to be closed. You have all the rights of a secured party under the Uniform Commercial Code.

h. Short Sales. I will designate any sell order as a "short" sale if at the time I place the order I do not own the security I intend to sell or am unable to deliver the security before settlement. All short sales will be executed in a Margin Account.

i. Mutual Funds. I authorize you to custody mutual fund holdings that I purchase directly through you. When purchasing a mutual fund, I acknowledge that I have received and read the fund prospectus. Mutual fund purchases may be subject to investment minimums, and some mutual funds sold through you impose a charge on the purchase of shares, called a "sales load." I may be able to purchase mutual fund shares through you without paying a front-end sales load, but I may be charged a fee, called a "contingent deferred sales charge," when I sell or redeem my shares. You may receive part or the entire sales load.

Some mutual funds offer reductions in front-end sales loads ("breakpoints"), for purchases over certain amounts or purchased through Letters of Intent or Rights of Accumulation. I am responsible for determining and obtaining any breakpoints, or providing you with sufficient information to assist me in obtaining a breakpoint. You may receive remuneration from fund companies for providing recordkeeping and other shareholder services. Some mutual funds impose a marketing distribution fee known as a "12b-1 fee." You may receive the 12b-1 fees in connection with my investment in such fund's shares. If I invest online in no-transaction-fee mutual funds ("NTF funds") directly through you, I will not pay a sales load or transaction fee. I also may be able to purchase mutual funds directly from the fund's distributor or underwriter without incurring a transaction fee. You receive remuneration from fund companies participating in its NTF fund program. NTF funds have other fees and expenses that apply to continued investment in the fund that are described in the prospectus.

j. Sweep Program. My available cash may be swept into a sweep vehicle pending investment of the cash. The alternatives available under the Sweep Program are referred to as "Sweep Choices," and the one I select is referred to as the "Designated Sweep Vehicle." You will notify me of the Sweep Choices and the Designated Sweep Vehicle.

Cash will be automatically invested or deposited in the Designated Sweep Vehicle, according to a sweep schedule determined by you. Proceeds from the sale of securities will be swept into the Designated Sweep Vehicle following settlement if the securities sold have been received in good deliverable form by the settlement date. The proceeds of any checks that I deposit to my Account will be swept to the Designated Sweep Vehicle on the Business Day after receipt by you and will begin earning dividends or interest on that day. Access to such funds may be withheld for up to six Business Days to assure that such checks have not been returned unpaid. I may instruct you to change my Designated Sweep Vehicle at any time to another of the Sweep Choices, and acknowledge that such instruction shall constitute my authorization to liquidate balances in my Designated Sweep Vehicle and transfer such balances to the new Designated Sweep Vehicle. I authorize you to automatically withdraw cash or redeem securities maintained in a Designated Sweep Vehicle to satisfy my obligations. I authorize you to act as my agent to purchase and redeem balances in the Designated Sweep Vehicles, and authorize you to select and use agents as you deem appropriate.

The Sweep Choices may include money market funds or a FDIC-insured deposit account ("IDA") for which you or your affiliates receive, to the extent permitted by Applicable Rules, transaction and other fees for providing services. These fees will vary depending on the money market fund (or share class) or IDA used. No portion of these fees will reduce or offset the fees otherwise due to you unless required by Applicable Rules.

There may be certain minimum requirements for initial and subsequent investments in the Designated Sweep Vehicles. You may change the eligibility criteria or replace the Sweep Choices available to me. You will give me advance notice of any such change in Sweep Choices. Unless I notify you of an objection to such change, I authorize you to withdraw cash or redeem securities held in the prior Designated Sweep Vehicle and to invest or deposit the proceeds in the replacement Designated Sweep Vehicle.

If my Designated Sweep Vehicle is a money market fund or IDA, and my Account is flagged as a "Pattern Day Trader," on the next Business Day, you may change my Designated Sweep Vehicle to TD Ameritrade Cash (described below).

- 1. TD Ameritrade FDIC Insured Deposit Account.** If the IDA is my Designated Sweep Vehicle, the available cash in my Account will be automatically deposited in an IDA at TD Bank, N.A. ("TD Bank"), TD Bank USA, N.A. ("TD Bank USA") or both (individually, the "Bank" or collectively, the "Banks"), your affiliates. The IDAs at the Banks are money market deposit accounts held in the name of TD Ameritrade for the benefit of its customers. You have arranged the IDAs and account records in such a way that "pass through" FDIC insurance is available to me as if I had opened the IDAs directly in my own name. As a result, my funds at each Bank will be eligible for FDIC insurance in an amount equal to \$250,000 for principal and accrued interest per depositor in each recognized legal capacity (e.g., Individual, Joint, IRA). Such insurance will cover my money in each IDA, together with any other deposits held at each Bank in the same legal capacity (e.g., Individual, Joint, IRA). Questions about FDIC insurance coverage may be directed to you. Information also may be obtained by contacting the FDIC, by letter (550 17th Street, N.W., Washington, D.C. 20429), by phone (877-275-3342, 800-925-4618 (TTY) or 202-942-3100), by email (dcinternet@fdic.gov) or by accessing the FDIC Web site at www.fdic.gov.

My available cash will be deposited into an IDA at TD Bank up to a deposit amount of \$247,500 (\$495,000 for Joint Accounts). Any available cash in excess of \$247,500 (\$495,000 for Joint Accounts) will be swept to TD Bank USA without limit, even if the amount in the IDA exceeds

the FDIC insurance limit of \$250,000. I am responsible for monitoring the total amount of deposits that I maintain at the Banks in order to determine the extent of FDIC coverage available to me. I acknowledge that the IDAs constitute an obligation of the Banks and are not your obligation. You do not guarantee in any way the financial condition of the Banks or the accuracy of any publicly available financial information concerning the Banks. You will not be responsible for any insured or uninsured portion of the IDAs. Cash in my Account will be automatically swept on a daily basis to the IDAs at the Banks. As required by federal regulations, the Banks reserve the right to require seven days, prior notice before permitting a withdrawal out of the IDAs. Currently, the Banks do not intend to exercise this right. In addition, the IDAs have transfer limits that prevent using the IDAs as a transaction account. The following applies to the IDAs:

- When available cash is available for deposit, you will deposit available cash from my Account into an IDA at one or both of the Banks. Your bank sweep vehicles will periodically rebalance so the total amount of my funds in the IDA at TD Bank remains below applicable FDIC insurance limits.
 - All withdrawals necessary to satisfy debits in my Account will be made by you or Clearing, as my agent. A debit will be created when I purchase securities or request a withdrawal of funds from my Account.
 - If my deposits are held only at TD Bank, withdrawals will be made from the IDA held there. If I have funds in IDAs at both Banks, withdrawals will be made in reverse order, first from the IDA at TD Bank USA until none of my funds remain, and then from the IDA at TD Bank.
 - My account statement will reflect the balances, activity and interest earned with respect to the IDAs.
 - The deposit limit at TD Bank is set slightly below FDIC-insurance thresholds to allow for accrued interest on deposits. The deposit limit at TD Bank is set at \$247,500 (\$495,000 for Joint Accounts), which may be reset from time to time based on FDIC-insurance limits and the interest rate environment. As a result, the combined FDIC-insurance limit will be up to \$500,000 for Individual Accounts, and up to \$1 million for Joint Accounts held by two or more parties. If interest paid on my funds in the IDA at TD Bank results in my total funds in the IDA exceeding the deposit limit at TD Bank, the IDA at TD Bank will be rebalanced the next day and the amounts in excess of the deposit limit will be transferred to the IDA at TD Bank USA.
 - The Banks will determine interest rates on the IDAs in their discretion based upon a variety of factors, including prevailing economic and business conditions, and the nature and scope of your relationship with the Banks. I understand that rates may vary based on the particular offering or the level of my assets held with you. The interest rates paid with respect to the IDAs may be higher or lower than the interest rates available to depositors making deposits directly with the Banks or other depository institutions in comparable accounts. The current interest rate will be available on the Web sites, or I may contact you to obtain the current rate. Interest will accrue on balances from the day they are deposited into the IDAs through the Business Day preceding the date of withdrawal from the IDA. Interest will be accrued daily and credited on the last Business Day of each month.
 - You or Clearing will act as my agent in depositing funds into the IDAs and withdrawing funds from the IDAs. No evidence of the IDAs, such as a passbook or certificate, will be issued to me. Ownership of the IDAs at the Banks will be evidenced by a book entry on the records of the Banks, and by records maintained by you or Clearing. I will contact you if I believe there has been any unauthorized activity between my Account and the IDAs, or if I have any complaints regarding the IDAs at the Banks.
 - You may terminate my use of the IDA sweep feature. If you terminate my use of the IDA sweep feature, or do not wish to continue to act as my agent with respect to the IDA, I may deal directly with the Banks, subject to their rules, with respect to establishing and maintaining deposit accounts. In the event you terminate my use of the IDA sweep feature, you will inform me of the replacement sweep vehicle. Similarly, if I decide to terminate my use of the IDA sweep feature, or that I no longer wish to have you or Clearing act as my agent with respect to the IDAs, I may establish a direct depository relationship with the Banks, subject to the Banks' rules. Establishing a direct depository relationship with the Banks will result in the separation of my deposit balances at the Banks from my Account.
 - The Banks use IDA balances to fund current and new investment and lending activity. The Banks seek to make a profit by achieving a positive spread between their cost of funds (e.g., deposits) and the return on their assets, net of expenses. You receive a fee from the Banks for marketing, administrative and operational services in connection with the IDAs. You have the right to waive all or part of this fee. The fee is derived using a formula which results in the fee varying from month to month depending on the interest rate environment and the profitability of the Banks with respect to such deposits. Under your agreement with the Banks, the fee is based on the London Interbank Offered Rate ("LIBOR") and generally ranges from the 1-month to the 3-year LIBOR rate in effect. Historically, LIBOR has been slightly higher than the comparable federal funds rate issued by the Federal Reserve of the United States. The rate of the fee that you receive may exceed the interest rate or effective yield that I receive in my balances in the IDAs, and the payment of the fee reduces the yield that I receive. Other than the applicable fees charged on brokerage accounts, there will be no charges, fees or commissions imposed on my Account for this cash sweep feature.
 - You may add other depository institutions to the IDA sweep feature. I will receive notification in advance of any such change. If a depository institution ceases to make its IDA available through the IDA sweep feature, I will be given an opportunity to establish a direct depository relationship with that institution outside of the IDA sweep feature, or to transfer funds to another depository institution participating in the IDA sweep feature, if available.
 - In the event that FDIC insurance payments become necessary, the FDIC is required to pay principal plus unpaid and accrued interest to the date of the closing of the relevant depository institution, as prescribed by applicable laws and regulations. Because there is no specific time period during which the FDIC must make available such insurable payments, I should be prepared for the possibility of an indeterminate delay in obtaining insurable payments. In addition, I may be required to provide certain documentation to the FDIC and you, such as affidavits and indemnities, before any insurance payouts are released to me. For example, if the IDA balances are held by me as trustee for the benefit of trust participants, I may be required to furnish an affidavit to that effect.
2. **TD Ameritrade Cash.** If I selected TD Ameritrade Cash as my Designated Sweep Vehicle, you will pay interest on available cash in my Account, the rate of which may be changed without prior notice. Interest will be accrued daily and credited on the last Business Day of each month. You may vary interest rates among clients in connection with special offers or combinations of services or in other circumstances. TD Ameritrade Cash represents balances pending investment and is not maintained solely for receiving credit interest. TD Ameritrade Cash is not segregated, and you may use the balances, but only to the extent permitted by Applicable Rules. You may segregate TD Ameritrade Cash held in IRAs and other designated accounts from other cash.
3. **Money Market Funds.** Investments in money market funds are subject to restrictions, charges and expenses described in the prospectus. Money market funds are securities that may increase or decrease in value. They are not insured or guaranteed by the FDIC, any other government agency, or you, and there can be no assurance that such funds will be able to maintain a stable net asset value of \$1 per share.

9. MARGIN TRADING

a. Margin Account. When I purchase securities on margin, I am borrowing money from you and pledging all securities and other property in my Account as collateral for these loans. I agree to evaluate my own financial situation, resources, investment objectives and other relevant circumstances to determine whether margin transactions are appropriate for me. You will not make this determination. Even if I determine that margin is appropriate for me, you determine whether to make such loans to me. I also understand that trading securities on margin involves a variety of risks, including the following:

1. **I can lose more funds than I deposit in the margin Account.** A decline in the value of securities that I purchase on margin may require me to provide additional funds to you to avoid the forced sale of those securities or other securities or assets in my Account. I could lose more than the amount I deposit in my Account.
2. **You can force the sale of securities or other assets in my Account.** If the equity in my Account falls below the maintenance margin requirement, or any higher "house" requirements, you can sell the securities or other assets in any of my Accounts to cover the margin deficiency. I also will be responsible for any shortfall in the Account after such a sale.
3. **You can sell my securities or other assets without contacting me.** Some investors mistakenly believe that a firm must contact them for a margin call to be valid, and that the firm cannot liquidate securities or other assets in their accounts to meet the call unless the firm has contacted them first. This is not the case. Although you may attempt to notify me of margin calls, you are not required to do so, and even if you have contacted me and provided a specific date by which I can meet a margin call, you can still take necessary steps to protect your financial interests, including immediately selling securities without notice to me.
4. **I am not entitled to choose which securities or other assets in my Account are liquidated or sold to meet a margin call.** Because the securities are collateral for my margin loan, you have the right to decide which securities to sell in order to protect your interests.
5. **You can increase your "house" maintenance margin requirements at any time, and you are not required to provide me advance written notice of the change.** These changes to your policy often take effect immediately and may result in the issuance of a maintenance margin call. My failure to satisfy the call may cause you to liquidate or sell securities in my Account.
6. **I am not entitled to an extension of time on a margin call.** While an extension of time to meet margin requirements may be available to clients under certain conditions, I do not have a right to any extension. You will determine whether to provide an extension.

b. Initial Margin and Margin Maintenance Requirements. There are rules and regulations covering margin loans, including the initial and margin maintenance requirements for margin Accounts. You may impose more stringent margin requirements, which may change without notice to me.

To trade on margin, my Account must maintain at least \$2,000 in minimum equity. I will meet the margin requirement in my margin Account before entering any order and will satisfy any additional requirements you may require. You may apply all premiums received from options writing against my margin requirements. I have the obligation to monitor the balances in my margin Account to ensure that I maintain sufficient amounts to meet margin requirements at all times. I agree to read carefully the TD Ameritrade Margin Handbook before purchasing securities on margin.

You may decline to extend credit to me for any reason, subject to Applicable Rules. There may be times when you have extended credit on certain securities, but due to market or other conditions, you may require additional cash or securities.

c. Margin Interest. I will pay interest on any credit provided to me for the purpose of purchasing, carrying or trading in any security.

d. Margin Interest Rates. You utilize a base rate ("Base Rate") to set margin interest rates. My margin interest rate will vary based on the Base Rate and the margin balance ("Balance") in my margin Account during the interest period. The Base Rate may be changed without prior notice to me. You will post on the Web sites any changes to the Base Rate.

e. Interest Calculation. For each day there is a debit balance in my Account, the interest charged for that day is calculated by multiplying the applicable interest rate by my debit balance, with the result divided by 360. The sum of the daily interest charges is totaled at the end of each Account statement period and is posted to my Account on the first Business Day of the following Account statement period. I will not earn interest on credit balances in my short Account.

f. Short Sales. Sales designated as "short" are done in my margin Account, and are subject to different margin maintenance requirements than securities purchased on margin. Short sales are subject to certain regulatory rules and cannot be executed under certain market conditions. You may not always have the securities available to facilitate my short sale. You may, without notice, "buy-in" securities to cover any short security position in my Account. I will reimburse you for any losses that you may incur. You may require me to deposit Collateral if the Collateral in my Account becomes insufficient. Short sale proceeds are part of the Collateral that secures your loan to me. I am also liable for all dividends paid on securities that I have sold short.

g. Pledge of Securities and Other Property. You may pledge, repledge, hypothecate or re-hypothecate, without notice to me, all securities and other property that you hold, carry or maintain or for any of my margin or short Accounts. You may do so without retaining in your possession or under your control for delivery the same amount of similar securities or other property. The value of the securities and other property that you may pledge, repledge, hypothecate or re-hypothecate may be greater than the amount I owe you, and any losses, gains or compensation that result from these activities will not accrue to my Account.

h. Loan of Securities. You are authorized to lend to yourself or others any securities you hold in my Account and to carry all securities lent as general loans. In connection with such loans, you may receive compensation and retain certain benefits that I will not be entitled to, such as interest on Collateral posted for such loans. In certain circumstances, such loans may limit my ability to exercise voting rights with respect to the securities lent. I may request that fully paid securities not be used in connection with short sales. I understand that in certain situations in which you have borrowed my securities, I may receive a "payment in lieu" of the dividend issued (see Margin Handbook for more details).

10. OPTIONS TRADING

If I elect to engage in options transactions, I will be bound by the following additional terms:

a. Suitability. Options are not suitable for all investors. Options trading has inherent risks and I am prepared financially to undertake such risks and to withstand the losses that may be incurred. I acknowledge I have received or have been given access to the "Characteristics and Risks of Standardized Options" by the Options Clearing Corporation (OCC).

b. General Terms.

- I am responsible for knowing the rights and terms of all options in my Account. I agree to be bound by the FINRA, OCC and exchange rules applicable to the trading of options contracts.
- If my options trading occurs in a margin Account, it is subject to the terms and conditions applicable to margin trading.
- Settlement on options cleared through the OCC is the Business Day after the trade date. I shall not exceed the position and exercise limits imposed by the rules of the OCC.
- I am responsible for instructing you as to my intention to exercise options contracts before the expiration date.
- You and Clearing are authorized to take steps to protect their position and any obligation they have assumed at my request without notifying me.
- If I write (short) a call options contract that requires the delivery of securities to be sold, I may be required to keep the securities in my Account until the expiration of the options period and may not be allowed to sell or withdraw the securities.
- If I write (short) a put options contract that requires payment for securities to be purchased, I may be required to keep sufficient funds in my Account to make the payment until the expiration of the options period, and may not be allowed to withdraw the funds or use them for any other purpose. If I am assigned on the options, Clearing may use the funds for the purchase of the securities without prior notice to me.
- All short equity and some index options positions are available for assignment. Exercise assignment notices for equity or index options are randomly allocated among all clients' short positions by an automated procedure.

11. INITIAL PUBLIC AND FOLLOW-UP OFFERINGS

You may participate as underwriter or a member of the selling group of, and provide access to, Initial Public Offerings (IPOs) and follow-up offerings. If I participate in such, I will be bound by additional terms.

12. ARBITRATION

This Agreement contains a predispute arbitration clause. By signing a predispute arbitration clause, the parties agree as follows:

- All parties to this Agreement give up their right to sue each other in court, including the right to jury trial, except as provided by the rules of the arbitration forum in which a claim is filed.
- Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- The arbitrators do not have to explain the reason(s) for their award.
- The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Agreement.
- No person will bring a class action to arbitration, nor seek to enforce any predispute arbitration agreement against any person who has initiated in court a class action; or who is a member of a class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (1) the class certification is denied; (2) the class is decertified; or (3) the client is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate will not constitute a waiver of any rights under this Agreement except to the extent stated herein.

I agree that any controversy between you and your affiliates, any of their respective officers, directors, employees or agents and me (including any of my officers, directors, employees or agents) arising out of or relating to this Agreement, our relationship, any Services provided by you, or the use of the Services, and whether arising before or after the date of this Agreement, shall be arbitrated and conducted under the provisions of the Code of Arbitration of the FINRA except as otherwise provided in the Amerivest Addendum. If any party unsuccessfully resists confirmation or enforcement of an arbitration award rendered under this Agreement, then that party shall pay all costs, attorneys' fees and expenses incurred by the other party or parties in confirming or enforcing the award. Arbitration must be initiated by service upon the other party of a written demand for arbitration or notice of intention to arbitrate. Judgment, upon any award rendered by the arbitrator, may be entered in any court having jurisdiction.

13. ADVICE

- Unless otherwise noted by you in writing, you will act only as broker/dealer and not as an investment advisor governed by the Investment Advisers Act of 1940.
- When I act as a self-directed investor, I am responsible for determining the suitability of any particular investment strategy, transaction or security. You have no responsibility for any such determination unless you otherwise agree in writing, or you or your representative gives advice directly to me that is identified clearly as a recommendation by you to enter into a particular transaction or to buy or sell a particular security or securities.
- From time to time, in connection with my Account, you may provide investment-related guidance and recommendations to me. I agree that when you make a recommendation to me you determine its suitability for me at the time of the recommendation. If the recommended transaction is not effected contemporaneously with your recommendation, I agree you will have no liability if I choose to effect such transaction in the future. Furthermore, when you are acting as broker/dealer for my Account, I agree that you have no ongoing duty to ensure a recommendation continues to be suitable for me. Rather, I have an affirmative duty to monitor profits and losses in my Account, along with my investment goals and risk tolerance and to modify my trading decisions accordingly.
- Unless otherwise agreed to in writing, you do not have discretionary authority over my Account or an obligation to review or make recommendations for the investment of securities or cash in my Account.

- e. Any research, analysis, news or other information made available by you does not constitute an individualized recommendation by you to buy or sell a particular security.
- f. You do not provide legal, tax or estate planning advice.

14. MISCELLANEOUS

- a. Severability.** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provisions shall be fully severable. In such event: (1) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision has never comprised a part of this Agreement or was modified to be legal, valid and enforceable; and (2) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provisions or by its severance from this Agreement, to the extent permitted by Applicable Rules.
- b. Account Handbook.** The Account Handbook provided to me upon account opening, and available on your Web sites, contains important information about my Account. I will refer to the Account Handbook to learn additional information about the handling of trade orders, the receipt and delivery of funds, account policies and other general account information.
- c. Entirety of Agreement.** This Agreement, any attachments hereto, the addenda and other agreements referred to in this Agreement and the terms and conditions contained in the Account statements and confirmations contain the entire agreement between you and me; and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral or written, between me and you, provided, however, any and all other agreements if any, between me and you and your affiliates, not inconsistent with this Agreement will remain in full force and effect.
- d. Assignment and Escheatment.** I may not assign this Agreement or any rights or obligations under this Agreement without first obtaining your prior written consent. You may assign, sell or transfer my Account and this Agreement, or any portion thereof, at any time, without my prior consent. The assets in my Account may be transferred to the appropriate state if no activity occurs in my Account within the time period specified by state law.
- e. Amendment.** You reserve the right to amend this Agreement without prior notice to me or as required by Applicable Rules. The current version of the Agreement will be posted on the Web sites and my continued Account activity after such amendment constitutes my agreement to be bound by all amendments to the Agreement, regardless of whether I have actually reviewed them. You are not bound by any verbal statements that seek to amend the Agreement.
- f. Termination.** You may terminate this Agreement, or close, deactivate or block access to my Account. I will remain responsible for the payment of all obligations incurred in my Account or otherwise. I may terminate this Agreement after paying any obligations owed upon written notice. The Agreement survives termination of the Account.
- g. Force Majeure.** You will not be liable for loss caused directly or indirectly by conditions beyond your reasonable control, including but not limited to Force Majeure events. "Force Majeure" means events that are beyond the reasonable control of a party, including but not limited to the following: disasters, extraordinary weather conditions, earthquakes or other acts of God, war, insurrection, riot, labor strikes, terrorist acts, government restrictions, exchange or market rulings, suspension of trading, computer or communication line failure, or failure of market centers or transmission facilities.
- h. Indemnification.** I agree to indemnify and hold harmless you, your affiliates and Third-Party Providers and their respective officers, directors, employees, agents and representatives from any and all liabilities, losses, costs, judgments, penalties, claims, actions, damages, expenses or attorney's fees (collectively "Losses") resulting or arising directly or indirectly from my use of the Services.
- i. Waiver.** Your failure to insist on compliance with this Agreement will not constitute a waiver of any of its rights.
- j. Admissibility of Documents in Proceedings.** All documents in any format are considered to be true, complete, valid, authentic and enforceable records of the applicable document, admissible in judicial or administrative proceedings to the same extent as if the documents and records were originally generated and maintained in printed form. I will not contest the admissibility or enforceability of your copy of the documents in any proceeding arising out of this Agreement.
- k. Governing Law, Jurisdiction and Venue.** This Agreement will be governed by the laws of the State of Nebraska, but not its conflicts of law provisions. I hereby consent to the jurisdiction of and venue within the State of Nebraska for all disputes arising out of or relating to this Agreement.

AMERIVEST ADDENDUM (ONLY FOR TD AMERITRADE INVESTING ACCOUNTS USING THE ONLINE SELF-DIRECTED AMERIVEST SERVICE OR THE AMERIVEST TARGET DATE PORTFOLIO SERVICE)

Amerivest® is an investment advisory service (the "Advisory Service") of Amerivest Investment Management, LLC, an SEC-registered investment advisor ("Amerivest"), your affiliate.

TD Ameritrade Investing Accounts are designed for use in conjunction with the Amerivest Advisory Service. They facilitate the execution of Exchange Traded Fund (ETF) transactions relating to the Advisory Service as well as other activities, including performance tracking.

Amerivest offers its online services through the Internet or software applications to a national clientele. The services are non-discretionary and are provided directly to individual clients through online consultations that involve neither the supervision of investments, nor the continuous management of investment advisory accounts. The basic online service provided to retail clients of TD Ameritrade, Inc. ("TD Ameritrade") is sometimes referred to as Self-Directed Amerivest. In addition to that service, Amerivest also provides an online service called Amerivest Target Date Investment Portfolios.

Amerivest recommends asset allocation models utilizing specific index products (typically ETFs) on the online Amerivest platform. The Amerivest asset allocation models are primarily impersonal in nature. Online Amerivest service will involve the use of a Third-Party Provider. Under an agreement with the Third-Party Provider, it will provide asset allocation and investment selection services to Amerivest for a fee. In so doing, the Third-Party Provider will not act in the capacity of advisor to individual investors.

Amerivest provides no advice on securities other than selected ETFs. While TD Ameritrade Investing Accounts can receive cash as well as securities, any ETF purchases associated with the Advisory Service must be paid for with cash. Accordingly, I should only deposit securities into my TD Ameritrade Investing Account that I wish to transfer out or sell promptly after the deposit. As to any securities deposited into my TD Ameritrade Investing Account, I agree that (i) any actions taken by me will be subject to all of the provisions of this Agreement, (ii) Amerivest has not provided nor will provide any advice or recommendation to me as to the sale of such deposited securities, and (iii) I take full responsibility for the consequences for each such sale. If I decide not to sell any securities I deposit into my TD Ameritrade Investing Account, I will transfer them out of that Account promptly.

If the deposited securities are not transferred out promptly or if my related TD Ameritrade Investing Account only holds cash or cash alternatives at an amount significantly below the initial account minimum for two or more consecutive billing periods, Amerivest reserves the right to close my TD Ameritrade Investing Account (either at the time of the termination of this Agreement or at a later date). Upon notice of your intention to terminate this Agreement, if the account holds securities, cash and/or cash alternatives, you may request instructions from me as to where assets should be transferred, but you reserve the right, and I authorize you, to modify the Account number associated with my TD Ameritrade Investing Account, to place trading restrictions on my TD Ameritrade Investing Account, and to charge reasonable annual custody fees until such time as you receive such instructions from me. If transfer instructions are not received from me within the time period you request such instructions, you reserve the right, and I authorize you, to transfer securities and/or other assets to an identically registered brokerage Account I may have already established with TD Ameritrade or any of its affiliates. If there is no such identically registered brokerage Account, you reserve the right, and I authorize you, to transfer securities and/or other assets to me in kind. If (based on the type of securities and/or assets held in my TD Ameritrade Investing Account), you may not be able to transfer the securities and/or other assets in kind, you reserve the right, and I authorize you, to redeem my securities and/or other assets and to transfer proceeds to me in lieu of securities. If my TD Ameritrade Investing Account only holds cash or cash alternatives, I agree that the proceeds will be delivered to me at my address of record.

I agree to the following terms and conditions, which supplement those in the TD Ameritrade Client Agreement:

1. The forecasts or other information generated by the Advisory Service regarding the probabilities that various investment outcomes might occur are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. The Advisory Service only presents a range of possible outcomes. The results that I achieve for my portfolio may vary significantly from the historical performance shown due to a variety of reasons, such as whether or not I decide to implement any recommendations provided by the Advisory Service. Historically, the return associated with individual types of investments is positively related to the risk associated with that type of investment. Investment decisions should be based upon a variety of sources and opinions. I should consult a qualified financial and tax professional before trading in any financial instrument. Amerivest and any of its affiliated companies, or any third party, shall have no liability, contingent or otherwise for any decision made or action I take in reliance upon the Advisory Service.
2. I will pay Amerivest a quarterly fee based on the assets on which Amerivest provides advice.

| Account Value | Annual Fee* |
|-------------------------------------|---|
| First \$100,000 | 0.75%; subject to a minimum fee of the lesser of \$150 or 2.95% |
| Next \$400,000 (or portion thereof) | 0.50% |
| Additional assets above \$500,000 | 0.35% |

*In connection with this fee, TD Ameritrade will waive commission charges for all associated ETF transactions.

For amounts up to \$100,000, the fee will be at the annual rate of 0.75% subject to a minimum fee of the lesser of \$150 annually or 2.95%. This effectively means that Account values of \$20,000 or more will be charged at the 0.75% rate, that Account values of between \$5,085 and \$20,000 will be charged at the \$150 annual rate, and that only Account values of up to \$5,085 will be charged at the 2.95% rate. The fee will be assessed by Amerivest quarterly at a rate of 0.1875%, subject to a quarterly minimum of the lesser of \$37.50 or 0.7375%. For amounts of \$100,000 or more, the fee will be a blended rate assessed quarterly. The annual fee for the first \$100,000 in Account value will be 0.75%. The annual fee for the next \$400,000 (or portion thereof) in Account value will be 0.50%. The annual fee for all additional assets in the Account above \$500,000 will be 0.35%.

The minimum initial Account size for Self-Directed Amerivest and Amerivest Target Date Investment Portfolios is \$25,000.

3. The fee will be assessed in my TD Ameritrade Investing Account on the first trading day of each quarter. If I open my related TD Ameritrade Investing Account in the middle of a quarter, Amerivest will collect a pro-rated fee for the balance of the quarter upon the Account funding. If I close my related TD Ameritrade Investing Account in the middle of a quarter, Amerivest will refund to me the unearned portion of the previously collected fee. If I close my related TD Ameritrade Investing Account within five days of opening it, Amerivest will refund to me the fee paid in full promptly.
4. All pricing is subject to change on reasonable notice. Please note that Amerivest's advisory fees may be waived, in whole or in part, at the sole discretion of Amerivest, including in connection with promotional efforts. In addition, the fee may be waived, in whole or in part, for employees and certain former employees of TD Ameritrade.
5. Amerivest's fee does not include commissions or any other charges that may be charged by TD Ameritrade or any other broker/dealer to execute transactions I may choose to make because of use of the Advisory Service. However, TD Ameritrade will waive all commission charges on associated ETF transactions. In addition, assets held in any ETF, money market fund or any other mutual fund are subject to various fees and expenses, described in the fund's prospectus.
6. In using the Advisory Service, I have provided the following information, directly or indirectly, to Amerivest: (1) my financial goal for an account invested in accordance with an asset allocation model involving index services ("Index Model Account"); (2) my time horizon to attain such goal; and (3) my risk tolerance. Any information provided by me to TD Ameritrade or its affiliates will not be considered in the Index Model Account recommendations. Recommendations provided by the Advisory Service constitute impersonal advice only and are not based on my individual financial circumstances that might impact any decisions I may make. I am responsible for evaluating the recommendations provided by the Advisory Service in light of my own personal financial situation and overall financial goals. It is my responsibility to determine if the recommendations made by the Advisory Service are suitable for my personal circumstances and whether I should implement them.
7. The Advisory Service contains model asset allocation recommendations involving index services. If I decide to follow any of the model recommendations, I may implement such recommendations through my TD Ameritrade Investing Account on an unsolicited basis. If I implement the recommendations in my separate Account, I may be charged applicable commissions and fees, and TD Ameritrade will act solely as broker. Because Amerivest is not exercising any discretion regarding my Account, I am responsible for rebalancing and reallocating any Index Model Account I may maintain.

8. Amerivest reserves the right to modify or change this Addendum and terminate my access to the Advisory Service without notice, for any reason. Fees, if any, are not refundable for termination under this section. In the event Amerivest terminates this Agreement, Amerivest may refund the prorated portion of any fee that may have been paid by me in advance as of the date of termination. Furthermore, I understand that if I close my related TD Ameritrade Investing Account, my Amerivest advisory relationship will also terminate.
9. The Amerivest service is generally not available to foreign investors. In order to open a TD Ameritrade Investing Account, I generally must: (1) be a U.S. person (including a U.S. resident alien); (2) have a valid U.S. residential mailing address (with the exception of United States military personnel residing outside the United States with Army Post Office ("APO") or Fleet Post Office ("FPO") addresses); and (3) have a valid U.S. taxpayer identification number.
10. Subject to Applicable Rules, the liability of Amerivest, or any Third-Party Providers arising out of any kind of any claim connected with the Advisory Service, will not exceed the amount I have paid for the Advisory Service.
11. I indemnify and hold Amerivest and any of its affiliated companies, Third-Party Providers, their respective officers, directors, employees and representatives harmless from and against any and all claims, losses, liability, costs and/or expenses arising from my violation of this Addendum or any third party's rights. This indemnification and hold-harmless obligation will survive the termination of this Addendum. Nothing in these indemnification provisions is intended to limit any rights I may have.
12. Amerivest will not assign this Agreement (as the term "assignment" is defined in the Investment Advisers Act of 1940) without my consent.
13. This Addendum as it relates to the Advisory Services offered by Amerivest will be governed by and construed in accordance with the laws of the United States of America and the State of Nebraska without giving effect to principles of conflict of law.

All controversies concerning this Addendum will be determined by arbitration. Such arbitration will be conducted by the American Arbitration Association in accordance with its Commercial Arbitration Rules in the State of Nebraska; provided, however, that if such controversy between the parties relates to a controversy to which TD Ameritrade, Inc. is a party and that is or becomes the subject of an arbitration before a national securities exchange or self-regulatory organization of which TD Ameritrade, Inc. is a member ("SRO Arbitration"), then the arbitration relating to the controversy between the parties shall be conducted by the same organization and according to the same rules and regulations as the SRO Arbitration. The decision or award of the arbitrator or a majority of them shall be final, and judgment on the award may be entered or enforced in any state or federal court having jurisdiction thereof.

This agreement to arbitrate does not constitute a waiver of any right provided to me by the Advisers Act, including the right to choose the forum, whether arbitration or adjudication, in which to seek resolution of disputes.

Any cause of action must be brought by me within one year of when the alleged breach occurred. Any consent, waiver or approval by either party of any act or matter must be in writing and shall apply only to the particular act or matter to which such consent, waiver or approval is given. I acknowledge that, in providing me with the Advisory Service, Amerivest has relied upon me to be bound by the terms of this Addendum and the Agreement. I further acknowledge that I have read, understood and agree to be bound by the terms of this Addendum, and hereby reaffirm my acceptance of these terms by the use of the Advisory Service.

Investment Products: Not FDIC Insured * No Bank Guarantee * May Lose Value

Amerivest is an investment advisory service of Amerivest Investment Management, LLC, an SEC registered investment advisor. Brokerage services provided by TD Ameritrade, Inc., member FINRA/SIPC/NFA. TD Ameritrade, Inc. and Amerivest Investment Management, LLC are both wholly owned subsidiaries of TD Ameritrade Holding Corporation. Amerivest is a trademark of TD Ameritrade IP Company, Inc. Amerivest provides non-discretionary and discretionary advisory services for a fee. Risks applicable to any portfolio are those associated with its underlying securities. For more information please see the Amerivest Disclosure Brochure (ADV Part II) <http://www.tdameritrade.com/forms/TDA4855.pdf>.

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Call Type
 Notes Snapshot letting know PTR out was initiated and gave details of deposit offer.
 Create Date 12/4/2009
 Comments letting know PTR out was initiated and gave details of deposit offer.

Subject Call 12/3/2009 10:11 AM [4107407832]
 Call Result Information Given
 Due Date 12/3/2009
 Assigned To Chad Clark
 Call Duration 171
 Call Type Inbound
 Notes Snapshot client has initiated the transfer out. Spoke with kelly to confirm that it would cover the call.
 Create Date 12/3/2009
 Comments client has initiated the transfer out. Spoke with kelly to confirm that it would cover the call.

Subject Call 12/3/2009 10:13 AM [78152]
 Call Result Information Given
 Due Date 12/3/2009
 Assigned To Megan Miller
 Call Duration 221
 Call Type Inbound
 Notes Snapshot swr re outgoing ptr of option was not able to help much.
 Create Date 12/3/2009
 Comments swr re outgoing ptr of option was not able to help much.

Subject swc
 Call Result
 Due Date 12/2/2009
 Assigned To Jeffrey Johnson
 Call Duration
 Call Type
 Notes Snapshot client wants to transfer UUF-AC to another firm which would remove the requirement and satisfy the call, once we affirmation from firm requesting transfer this shouldn't be an issue with allowing time for the transfer to occur but no guarantee given.
 Create Date 12/2/2009
 Comments client wants to transfer UUF-AC to another firm which would remove the requirement and satisfy the call, once we affirmation from firm requesting transfer this shouldn't be an issue with allowing time for the transfer to occur but no guarantee given.

Subject Call 12/2/2009 12:37 PM [78390]
 Call Result
 Due Date 12/2/2009
 Assigned To Jeffrey Johnson
 Call Duration 167
 Call Type Inbound
 Notes Snapshot
 Create Date 12/2/2009
 Comments

Subject OoP
 Call Result
 Due Date 4/30/2009
 Assigned To Dan Drain
 Call Duration
 Call Type
 Notes Snapshot The issue regarding the exercise and subsequent reversal of the 8 Put contracts on UDR has already been addressed by one of our option principals, a manager, and myself.
 We had no choice but to reverse the exercise since we would have had a "failure
 Create Date 4/30/2009
 Comments The issue regarding the exercise and subsequent reversal of the 8 Put contracts on UDR has already been addressed by one of our option principals, a manager, and myself.
 We had no choice but to reverse the exercise since we would have had a "failure to deliver" from the OCC.



TD AMERITRADE's position remains the same.

Subject OoP
 Call Result
 Due Date 4/15/2009
 Assigned To Dan Drain
 Call Duration
 Call Type
 Notes Snapshot This is in response to your letter requesting audio copies of certain conversations.
 We record our telephone conversations for quality and training purposes. There is no regulatory requirement to record our conversations and they are considered propri
 Create Date 4/15/2009
 Comments This is in response to your letter requesting audio copies of certain conversations.
 We record our telephone conversations for quality and training purposes. There is no regulatory requirement to record our conversations and they are considered proprietary. As such, we do not provide copies to clients.

Subject OoP
 Call Result
 Due Date 4/3/2009
 Assigned To Dan Drain
 Call Duration
 Call Type
 Notes Snapshot This is in response to your email regarding the exercise of the 8 Put Contracts on UDR, Inc.
 Per The Options Clearing Corporation (OCC) Memo #25370 dated 1/16/09, the automatic exercise threshold for this option was suspended requiring holders of the o
 Create Date 4/3/2009
 Comments This is in response to your email regarding the exercise of the 8 Put Contracts on UDR, Inc.
 Per The Options Clearing Corporation (OCC) Memo #25370 dated 1/16/09, the automatic exercise threshold for this option was suspended requiring holders of the options to initiate exercise. Inadvertently, your option was exercised without your request and upon discovery, was reversed. We have to abide by the OCC memo regarding no automatic exercise of this option.
 I apologize for any information you received that may not have been correct.

Subject Call 3/31/2009 1:46 PM [4103287689]
 Call Result Information Given
 Due Date 3/31/2009
 Assigned To Anupama Shukla
 Call Duration 118
 Call Type Inbound
 Notes Snapshot
 Create Date 3/31/2009
 Comments

Subject Call 3/27/2009 6:53 PM [4103827626]
 Call Result Information Given
 Due Date 3/27/2009
 Assigned To Jennifer Mangum
 Call Duration 678
 Call Type Inbound
 Notes Snapshot questions about who client spoke with in December, looking for a specific conversation he had with a female options rep
 Create Date 3/27/2009
 Comments questions about who client spoke with in December, looking for a specific conversation he had with a female options rep

Subject Call 3/27/2009 4:35 PM [4103827626]
 Call Result Information Given
 Due Date 3/27/2009
 Assigned To Kevin Christopher
 Call Duration 185
 Call Type Inbound
 Notes Snapshot mailing address.
 Create Date 3/27/2009

Comments mailing address.

Subject UDR Non-exer of opt
 Call Result
 Due Date 3/27/2009
 Assigned To Tyrone Buss
 Call Duration
 Call Type
 Notes Snapshot SWC about OCC Memo about UDR and correction. Gave OOP email address.
 Create Date 3/27/2009
 Comments SWC about OCC Memo about UDR and correction. Gave OOP email address.

Subject option exercise
 Call Result
 Due Date 3/27/2009
 Assigned To Nicholas Digilio
 Call Duration
 Call Type
 Notes Snapshot swc at length regarding error in exercise that was processed on UDR. transferred to supervisor
 Create Date 3/27/2009
 Comments swc at length regarding error in exercise that was processed on UDR. transferred to supervisor

Subject Call 3/27/2009 2:57 PM [4103282242]
 Call Result
 Due Date 3/27/2009
 Assigned To Jason Long
 Call Duration 159
 Call Type Inbound
 Notes Snapshot
 Create Date 3/27/2009
 Comments

Subject outbound
 Call Result
 Due Date 3/27/2009
 Assigned To Michael Bogseth
 Call Duration
 Call Type
 Notes Snapshot left message. call was to explain that the exercise of the UDR option did not actually happen as the OCC removed these options from the ex by ex. The buy to cover trade has been moved to an error account and the option expired worthless.
 Create Date 3/27/2009
 Comments left message. call was to explain that the exercise of the UDR option did not actually happen as the OCC removed these options from the ex by ex. The buy to cover trade has been moved to an error account and the option expired worthless.

Subject Call 03/25/09 1:09 PM [4103287689]
 Call Result Information Given
 Due Date 3/25/2009
 Assigned To Bruce Bowden
 Call Duration 163
 Call Type Inbound
 Notes Snapshot
 Create Date 3/25/2009
 Comments

Subject Call 3/9/2009 1:32 PM [4103287689]
 Call Result Information Given
 Due Date 3/9/2009
 Assigned To Alexis Lochner
 Call Duration 37

Call Type Inbound
Notes Snapshot
Create Date 3/9/2009
Comments

Subject Call 3/7/2009 3:41 PM [4103630565]
Call Result Information Given
Due Date 3/7/2009
Assigned To Stephanie Martin
Call Duration 600
Call Type Inbound
Notes Snapshot GDV closed at \$47.55 07/18/2008 GDVST expired
Create Date 3/7/2009
Comments GDV closed at \$47.55 07/18/2008 GDVST expired

Subject Call 3/7/2009 4:36 PM [4103630565]
Call Result Hang Up/Transfer
Due Date 3/7/2009
Assigned To Angela Bianco
Call Duration 87
Call Type Inbound
Notes Snapshot broker
Create Date 3/7/2009
Comments broker

Subject Call 3/2/2009 4:18 PM [80646]
Call Result Task Completed
Due Date 3/2/2009
Assigned To Jennifer Gaudet
Call Duration 113
Call Type Inbound
Notes Snapshot
Create Date 3/2/2009
Comments

Subject Call 3/2/2009 4:15 PM [7183513491]
Call Result Hang Up/Transfer
Due Date 3/2/2009
Assigned To Heather Courts
Call Duration 268
Call Type Inbound
Notes Snapshot tsfr to broker
Create Date 3/2/2009
Comments tsfr to broker

Subject Call 2/25/2009 4:40 PM [4435210499]
Call Result Information Given
Due Date 2/25/2009
Assigned To Travis Larsen
Call Duration 141
Call Type Inbound
Notes Snapshot
Create Date 2/25/2009
Comments

Subject Call 02/25/09 10:36 AM [4103287689]
Call Result Information Given
Due Date 2/25/2009

Assigned To Rob Laing
Call Duration 45
Call Type Inbound
Notes Snapshot
Create Date 2/25/2009
Comments

Subject Margin call due COB: kana
Call Result
Due Date 2/25/2009
Assigned To Nicholas Oxedina
Call Duration
Call Type
Notes Snapshot
Create Date 2/25/2009
Comments

Subject Call 2/25/2009 7:52 AM [85264]
Call Result Information Given
Due Date 2/25/2009
Assigned To Scott Cornett
Call Duration 94
Call Type Inbound
Notes Snapshot Internal Info
Create Date 2/25/2009
Comments Internal Info

Subject Call 02/25/2009 7:51 AM [5911]
Call Result Information Given
Due Date 2/25/2009
Assigned To Fred Williams
Call Duration 65
Call Type Inbound
Notes Snapshot
Create Date 2/25/2009
Comments

Subject Call 2/25/2009 7:49 AM [4103287689]
Call Result
Due Date 2/25/2009
Assigned To Joseph Getz
Call Duration 271
Call Type Inbound
Notes Snapshot
Create Date 2/25/2009
Comments

Subject Call 2/24/2009 9:15 PM [4103630565]
Call Result Information Given
Due Date 2/24/2009
Assigned To Janice Jordan
Call Duration 179
Call Type Inbound
Notes Snapshot
Create Date 2/24/2009
Comments

Subject Call 2/3/2009 12:08 PM [4103287689]

Call Result Information Given
Due Date 2/3/2009
Assigned To Brandon Bates
Call Duration 81
Call Type Inbound
Notes Snapshot
Create Date 2/3/2009
Comments

Subject Call 2/2/2009 11:43 AM [4103287689]
Call Result Information Given
Due Date 2/2/2009
Assigned To Delon Mollett
Call Duration 159
Call Type Inbound
Notes Snapshot
Create Date 2/2/2009
Comments

Subject Call 2/2/2009 12:06 PM [8503]
Call Result Information Given
Due Date 2/2/2009
Assigned To James Weber
Call Duration 114
Call Type Inbound
Notes Snapshot
Create Date 2/2/2009
Comments

Subject Call 2/2/2009 11:58 AM [8503]
Call Result Task Completed
Due Date 2/2/2009
Assigned To Ricky Armstrong
Call Duration 27
Call Type Inbound
Notes Snapshot SWR-Realtime AF-Verified with ATM
Create Date 2/2/2009
Comments SWR-Realtime AF-Verified with ATM

Subject Margin
Call Result
Due Date 2/2/2009
Assigned To Aaron Thompson
Call Duration
Call Type
Notes Snapshot swr: info on open buy order reflecting in available funds.
Create Date 2/2/2009
Comments swr: info on open buy order reflecting in available funds.

Subject Call 2/2/2009 11:49 AM [8503]
Call Result Task Completed
Due Date 2/2/2009
Assigned To Frances Johnson
Call Duration 75
Call Type Inbound
Notes Snapshot SWR ? about check #236 for \$25K was rejected due to NSF
Create Date 2/2/2009
Comments SWR ? about check #236 for \$25K was rejected due to NSF

Subject Call 2/2/2009 12:40 PM [4103287689]
Call Result Other
Due Date 2/2/2009
Assigned To Jordan Ublansky
Call Duration 57
Call Type Inbound
Notes Snapshot
Create Date 2/2/2009
Comments

Subject Call 1/26/2009 11:22 AM [86904]
Call Result Information Given
Due Date 1/26/2009
Assigned To Matthew Green
Call Duration 368
Call Type Inbound
Notes Snapshot swr - Div for PHK payable 12/17/08 was originally 11/3/08, PHK suspended div for 11/3...so client was credited back the div charge of 243.76...but then debited again once PHK announced the div was payable 12/17/08
Create Date 1/26/2009
Comments swr - Div for PHK payable 12/17/08 was originally 11/3/08, PHK suspended div for 11/3...so client was credited back the div charge of 243.76...but then debited again once PHK announced the div was payable 12/17/08

Subject UDR ns options
Call Result
Due Date 1/16/2009
Assigned To Randal Howell
Call Duration
Call Type
Notes Snapshot OBC, line busy. Attempted to call to explain the specifics surrounding the exercise considerations for his UDR ns options. Unable to reach client.
Create Date 1/16/2009
Comments OBC, line busy. Attempted to call to explain the specifics surrounding the exercise considerations for his UDR ns options. Unable to reach client.

Subject INFORMATION GIVEN
Call Result ACT Record
Due Date
Assigned To Carol Hickson
Call Duration
Call Type Inbound
Notes Snapshot INFORMATION GIVEN--
Create Date 1/12/2009
Comments INFORMATION GIVEN--

Subject INFORMATION GIVEN
Call Result ACT Record
Due Date
Assigned To Matt Demcheson
Call Duration
Call Type Inbound
Notes Snapshot INFORMATION GIVEN-- --positions-Matt Demcheson-12/02/2008 10:19:57
Create Date 12/2/2008
Comments INFORMATION GIVEN-- --positions-Matt Demcheson-12/02/2008 10:19:57

Subject INFORMATION GIVEN
Call Result ACT Record
Due Date
Assigned To Marisol Roa
Call Duration
Call Type Inbound



Statement Reporting Period:
03/01/09 - 03/31/09

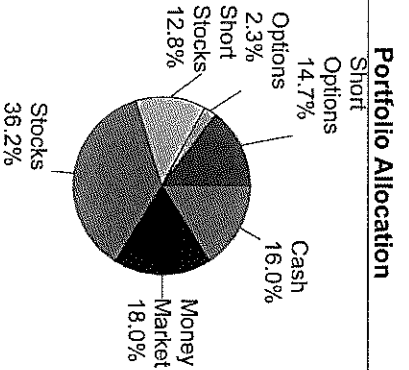
800-669-3900
TD AMERITRADE
DIVISION OF TD AMERITRADE INC
PO BOX 2209
OMAHA, NE 68103-2209

Statement for Account # 881-625499
LAURENT J LA BRIE
5 PLEASANT RIDGE APT #PH-5
OWINGS MILLS, MD 21117

Announcements:
VISIT OUR NEW MESSAGE CENTER FOR AN EASIER WAY TO COMMUNICATE WITH US SECURELY. SEND EMAILS, RECEIVE ACCOUNT INFORMATION, GET ANSWERS TO YOUR QUESTIONS. LOG ON TO YOUR ACCOUNT AND CLICK "NEW MESSAGES."

Portfolio Summary

| Investment | Current Value | Prior Value | Period Change | % Change | Estimated Income | Estimated Yield | Portfolio Allocation |
|----------------------|---------------------|---------------------|--------------------|--------------|--------------------|-----------------|----------------------|
| Cash | \$72,170.63 | \$105,615.92 | (\$33,445.29) | - | \$ - | - | Cash 16.0% |
| MMDA | - | - | - | - | - | - | Options 14.7% |
| Money Market | 82,139.05 | 678.57 | 81,460.48 | >9999% | - | - | Options 2.3% |
| Short Balance | 55,324.20 | 52,892.50 | 2,431.70 | 4.6% | - | - | Short 12.8% |
| Stocks | 164,860.00 | 187,398.50 | (22,538.50) | (12.0)% | 11,530.18 | 7.0% | Stocks 36.2% |
| Short Stocks | (58,423.40) | (51,569.60) | (6,853.80) | (13.3)% | - | - | Money Market 18.0% |
| Fixed Income | - | - | - | - | - | - | |
| Options | 10,360.00 | 13,300.00 | (2,940.00) | (22.1)% | - | - | |
| Short Options | (67,070.00) | (137,491.00) | 70,421.00 | 51.2% | - | - | |
| Mutual Funds | 113.00 | 111.55 | 1.45 | 1.3% | - | - | |
| Other | - | - | - | - | - | - | |
| Total | \$259,473.48 | \$170,936.44 | \$88,537.04 | 51.8% | \$11,530.18 | 4.4% | |
| Margin Equity | 95.0% | | | | | | |



Cash Activity Summary

| | Current | YTD | Reportable | Non Reportable | YTD |
|------------------------|---------------------|---------------------|----------------------|-------------------|-------------------|
| Opening Balance | \$158,508.42 | \$49,031.68 | | | |
| Securities Purchased | (8,724.95) | (116,990.98) | Dividends \$1,065.86 | | \$2,091.81 |
| Securities Sold | 51,390.29 | 219,903.81 | Interest 4.24 | | 9.11 |
| Funds Deposited | 10,000.00 | 10,000.00 | Other - | | - |
| Funds Disbursed | (2,823.19) | (23,671.04) | Expense | | - |
| Income | 1,070.10 | 2,100.92 | Interest - | | - |
| Expense | (43.52) | (93.52) | Fees - | | (50.00) |
| Other | (81,882.32) | (12,786.04) | Other - | (466.52) | (1,015.52) |
| Closing Balance | \$127,494.83 | \$127,494.83 | Net | \$1,070.10 | (\$466.52) |
| | | | | | \$1,035.40 |

Income & Expense Summary

Performance Summary

| | YTD | YTD |
|------------------------------------|--------------------|-----|
| Cost Basis As Of - 03/31/09 | \$34,404.58 | |
| Unrealized Gains | 52,053.90 | |
| Unrealized Losses | (38,614.38) | |
| Funds Deposited/(Disbursed) | (13,671.04) | |
| Income/(Expense) | 1,584.40 | |
| Securities Received/(Delivered) | 0.00 | |



Statement for Account # 881-625499
03/01/09 - 03/31/09

| Description | Income Summary Detail* | | Year to Date |
|--------------------------------|------------------------|--|--------------|
| | Current | | |
| Ordinary Dividends | \$ 535.22 | | \$ 1,605.72 |
| Interest Income Credit Balance | 4.24 | | 9.11 |
| Foreign Dividend Tax Withheld | (43.52) | | (43.52) |
| Qualified Dividends | 530.64 | | 577.14 |
| Money Market Fund Dividends | 1.16 | | 10.43 |

*This section displays current and year to date taxation values for this account. The current totals may not equate to the total payments listed on this statement as corrections to tax reporting may also be included. These corrections can include changes made to previous payments and removal of payments reportable in a previous tax year (spillover dividends). The year to date totals will accurately reflect your cumulative amount for the year.

| Investment Description | Symbol/ CUSIP | Quantity | Current Price | Account Positions | | Average Cost | Unrealized Gain(Loss) | Estimated Income | Yield | |
|--|------------------|----------|------------------|---------------------|------------------|---------------------|--------------------------|----------------------|--------------------|-------------|
| | | | | Market Value | Purchase Date | | | | | |
| Stocks - Margin | | | | | | | | | | |
| ARCHER DANIELS MIDLAND CO COM | ADM | 1,000 | \$ 27.78 | \$ 27,780.00 | 09/21/07 | \$ 31,553.64 | \$ 31.55 | \$ (3,773.64) | \$ 560.00 | 2.0% |
| CHINA NATURAL GAS INC COM | CHNG | 9,580 | 2.65 | 25,387.00 | 07/17/07 | 38,288.05 | 4.00 | (12,901.05) | | |
| CIA PARANAENSE ENERGI-SP ADR SP ADR | ELP | 400 | 10.43 | 4,172.00 | 12/11/08 | 4,312.95 | 10.78 | (140.95) | 22.40 | 0.5% |
| CONOCOPHILLIPS CORP COM | COP | 270 | 39.16 | 10,573.20 | 03/23/07 | 19,052.28 | 70.56 | (8,479.08) | 507.60 | 4.8% |
| DCW TOTAL RETURN FD COM | DCW | 6,600 | 2.41 | 15,906.00 | 01/26/09 | 20,403.95 | 3.09 | (4,497.95) | 3,168.00 | 19.9% |
| GENERAL ELECTRIC CO COM ADR | GE | 150 | 10.11 | 1,516.50 | | - | - | | 60.00 | 4.0% |
| POSCO ADR | PKX | 510 | 66.83 | 34,083.30 | 10/30/06 | 30,649.38 | 60.10 | 3,433.92 | 794.58 | 2.3% |
| SUN MICROSYSTEMS INC COM | JAVA | 50 | 7.32 | 366.00 | | - | - | | | |
| WESTERN ASSET EMERGING MARKETS DEBT FUND INC COM | ESD | 3,820 | 11.80 | 45,076.00 | 09/29/08 | 43,244.26 | 11.32 | 1,831.74 | 6,417.60 | 14.2% |
| Total Stocks | | | | \$164,860.00 | | \$187,504.51 | | \$(24,527.01) | \$11,530.18 | 7.0% |

Statement for Account # 881-625499
03/01/09 - 03/31/09

Account Positions

| Investment Description | Symbol/ CUSIP | Quantity | Current Price | Market Value | Purchase Date | Cost Basis | Average Cost | Unrealized Gain(Loss) | Estimated Income | Yield |
|--|------------------|----------|------------------|----------------------|------------------|-----------------------|-----------------|--------------------------|---------------------|-------------|
| Short Stocks - Short | | | | | | | | | | |
| GOLDMAN SACHS GROUP INC COM | GS | 270- | \$ 106.02 | \$(28,625.40) | 01/26/09 | \$(20,580.13) | \$ 76.22 | \$(8,045.27) | \$ | |
| ING CLARION GLOBAL REIT FD COM | IGR | 9,400- | 3.17 | (29,798.00) | 01/26/09 | (32,984.19) | 3.51 | 3,186.19 | | |
| Total Short Stocks | | | | \$(58,423.40) | | \$(53,564.32) | | \$(4,859.08) | \$0.00 | 0.0% |
| Options - Margin | | | | | | | | | | |
| ACXIOM CORP -UQAQC P MAY 15 | UQAQC | 14 | \$ 7.40 | \$ 10,360.00 | 10/07/08 | \$ 5,760.45 | \$ 4.11 | \$ 4,599.55 | | |
| Total Options | | | | \$10,360.00 | | \$5,760.45 | | \$4,599.55 | \$0.00 | 0.0% |
| Short Options - Margin | | | | | | | | | | |
| AIRCASLE LIMITED -AYRPP P APR 10 | AYRPP | 43- | \$ 5.30 | \$(22,790.00) | 12/26/08 | \$(26,452.40) | \$ 5.29 | \$ 3,662.40 | \$ | |
| AIRCASLE LIMITED -AYRPC P APR 15 | AYRPC | 23- | 10.30 | (23,690.00) | 12/26/08 | (50,952.26) | 10.19 | 27,262.26 | | |
| AMEX SPDR -XJZFG C JUN 7 | XJZFG | 20- | 2.40 | (4,800.00) | 02/17/09 | (4,115.02) | 2.06 | (684.98) | | |
| AMEX SPDR -XJZFL C JUN 12 | XJZFL | 20- | 0.37 | (740.00) | 12/31/08 | (4,375.02) | 2.19 | 3,635.02 | | |
| ARCHER DANIELS MIDLAND CO | VEFAG | 10- | 3.90 | (3,900.00) | 12/03/08 | (4,982.52) | 4.98 | 1,082.52 | | |
| -VEFAG C JAN 35 '11 | | | | | | | | | | |
| CIA PARANAENSE ENERGI-SP ADR -ELPSB P JUL 10 | ELPSB | 10- | 1.20 | (1,200.00) | 02/09/09 | (2,082.53) | 2.08 | 882.53 | | |
| CONOCOPHILLIPS CORP -COPQI P MAY 45 | COPQI | 2- | 6.60 | (1,320.00) | 11/10/08 | (1,228.54) | 6.14 | (91.46) | | |
| PROSHARES -SKFGC C JUL 110 | SKFGC | 1- | 26.70 | (2,670.00) | 12/30/08 | (3,759.27) | 37.59 | 1,089.27 | | |
| PROSHARES -SKFGV C JUL 100 | SKEGV | 2- | 29.80 | (5,960.00) | 12/31/08 | (7,348.50) | 36.74 | 1,388.50 | | |
| Total Short Options | | | | \$(67,070.00) | | \$(105,296.06) | | \$38,226.06 | \$0.00 | 0.0% |

Statement for Account # 881-625499
03/01/09 - 03/31/09

| | | Account Positions | | | | | | | | | |
|------------------------------|---------------|-------------------|---------------|----------------------|---------------|----------------------|--------------|-----------------------|--------------------|-----------------|--|
| Investment Description | Symbol/ CUSIP | Quantity | Current Price | Market Value | Purchase Date | Cost Basis | Average Cost | Unrealized Gain(Loss) | Income | Estimated Yield | |
| Mutual Funds - Margin | | | | | | | | | | | |
| DWS US GOVT SECS | KUSMX | 13.232 | \$ 8.54 | \$ 113.00 | | \$ - | \$ - | \$ | | | |
| STRAT GOVT SECURITIES FD | | | | | | | | | | | |
| CL S | | | | | | | | | | | |
| Total Mutual Funds | | | | \$113.00 | | \$0.00 | | \$0.00 | \$0.00 | 0.0% | |
| Total Margin Account | | | | \$108,263.00 | | \$87,968.90 | | \$18,298.60 | \$11,530.18 | 10.7% | |
| Total Short Account | | | | \$(58,423.40) | | \$(53,564.32) | | \$(4,859.08) | \$0.00 | 0.0% | |
| Total Positions | | | | \$49,839.60 | | \$34,404.58 | | \$13,439.52 | \$11,530.18 | 23.1% | |

Account Activity

| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
|------------------------|-------------|-----------|-----------------------------|----------------------------|---------------|----------|---------|-------------|--------------|
| Opening Balance | | | | | | | | | |
| 02/25/09 | 03/02/09 | Margin | Sell - Securities Sold | FIFTH THIRD BANCORP COM | FTTB | 2,000- | \$ 1.43 | \$ 2,850.03 | \$158,508.42 |
| 03/02/09 | 03/02/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 1,322.90 | 161,358.45 |
| 03/02/09 | 03/02/09 | Margin | Div/Int - Income | CONOCOPHILLIPS CORP COM | COP | | 0.00 | 126.90 | 162,681.35 |
| | | | | Payable: 03/02/2009 | | | | | 162,808.25 |
| | | | | QUALIFIED DIVIDENDS 126.90 | | | | | |
| 03/02/09 | 03/02/09 | Margin | Journal - Other | PURCHASE TDAM US | | | 0.00 | (5,813.82) | 156,994.43 |
| | | | | GOVERNMENT PORTFOLIO | | | | | |
| 03/02/09 | 03/02/09 | Margin | - Funds Disbursed | ACH 009057004961616 | | | 0.00 | (229.00) | 156,765.43 |
| | | | | CHASE RDP CHECK | | | | | |
| 03/02/09 | 03/03/09 | Margin | Sell - Securities Sold | CONOCOPHILLIPS CORP TO | 999COPCH6 | 4- | 0.56 | 211.04 | 156,976.47 |
| | | | | OPEN | | | | | |
| | | | | - C MAR 40 TO OPEN | | | | | |
| 03/03/09 | 03/03/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 3,930.70 | 160,907.17 |
| 03/03/09 | 03/03/09 | Margin | Journal - Other | REDEMPTION TDAM US | | | 0.00 | 4,390.89 | 165,298.06 |
| | | | | GOVERNMENT PORTFOLIO | | | | | |
| 02/27/09 | 03/04/09 | Margin | Sell - Securities Sold | EASTERN INSURANCE | EIH1 | 2,100- | 6.75 | 14,164.97 | 179,463.03 |
| | | | | HOLDINGS INC | | | | | |
| | | | | COM | | | | | |
| 03/04/09 | 03/04/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 874.40 | 180,337.43 |

Statement for Account # 881-625499
03/01/09 - 03/31/09

Account Activity

| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
|---|-------------|-----------|--------------------------------|--|------------------|----------|-------|-------------|------------|
| 03/04/09 | 03/04/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (18,395.00) | 161,942.43 |
| 03/04/09 | 03/04/09 | Margin | Ck# - Funds Disbursed | TD BANK USA CHECKING Check #242 | | | 0.00 | (1,170.00) | 160,772.43 |
| 03/02/09 | 03/05/09 | Margin | Sell - Securities Sold | TRANSGLLOBE ENERGY CORP. TGA COM | | 1,280- | 2.41 | 3,074.83 | 163,847.26 |
| 03/05/09 | 03/05/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (1,692.40) | 162,154.86 |
| 03/05/09 | 03/05/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 1,142.68 | 163,297.54 |
| 03/05/09 | 03/05/09 | Margin | Ck# - Funds Disbursed | TD BANK USA CHECKING Check #243 | | | 0.00 | (140.00) | 163,157.54 |
| 03/03/09 | 03/06/09 | Margin | Sell - Securities Sold | TRANSGLLOBE ENERGY CORP. TGA COM | | 8,620- | 2.39 | 20,601.68 | 183,759.22 |
| 03/06/09 | 03/06/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 3,363.44 | 187,122.66 |
| 03/06/09 | 03/06/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 11,001.83 | 198,124.49 |
| 03/09/09 | 03/09/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 2,671.96 | 200,796.45 |
| 03/09/09 | 03/09/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (1,995.29) | 198,801.16 |
| 03/10/09 | 03/10/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 1,305.00 | 200,106.16 |
| 03/10/09 | 03/10/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (876.14) | 199,230.02 |
| 03/11/09 | 03/11/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (5,785.10) | 193,444.92 |
| 03/11/09 | 03/11/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (17,243.40) | 176,201.52 |
| 03/11/09 | 03/11/09 | Margin | - Funds Deposited | ACH 009069009303644 044: PRIME INVEST0044 | | | 0.00 | 10,000.00 | 186,201.52 |
| 03/12/09 | 03/12/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (3,893.70) | 182,307.82 |
| 03/12/09 | 03/12/09 | Margin | Div/Int - Income | ARCHER DANIELS MIDLAND CO COM | ADM | | 0.00 | 140.00 | 182,447.82 |
| Payable: 03/12/2009 QUALIFIED DIVIDENDS 140.00 | | | | | | | | | |

Statement for Account # 881-625499
 03/01/09 - 03/31/09

Account Activity

| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
|------------|-------------|-----------|--------------------------------|--|------------------|----------|-------|-------------|------------|
| 03/12/09 | 03/12/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (7,463.55) | 174,984.27 |
| 03/13/09 | 03/13/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (2,628.20) | 172,356.07 |
| 03/13/09 | 03/13/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (6,057.42) | 166,298.65 |
| 03/13/09 | 03/13/09 | Margin | Cr# - Funds Disbursed | TD BANK USA DEBITCARD 20090313000753 UNIVERSITY HOSPITAL | | | 0.00 | (602.00) | 165,696.65 |
| 03/16/09 | 03/16/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (324.50) | 165,372.15 |
| 03/16/09 | 03/16/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (2,151.26) | 163,220.89 |
| 03/17/09 | 03/17/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 1,229.00 | 164,449.89 |
| 03/17/09 | 03/17/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (14,927.11) | 149,522.78 |
| 03/17/09 | 03/17/09 | Margin | - Funds Disbursed | ACH 009076001798468 USAA P&C PREMIUM CHECK PYMT | | | 0.00 | (139.80) | 149,382.98 |
| 03/18/09 | 03/18/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (3,912.30) | 145,470.68 |
| 03/18/09 | 03/18/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (1,292.34) | 144,178.34 |
| 03/18/09 | 03/18/09 | Margin | Delivered - Other | DIVIDEND CAP GL REALTY EXP FUN N/C 3/18/09 TO 23317C103 REORG- NAME CHANGE 3/18/09 DCW TOTAL RETURN FD 233 Auto Reorg#570851STOCK PAYMENT | 25537X106 | 6,600- | 0.00 | - | 144,178.34 |
| 03/18/09 | 03/18/09 | Margin | Received - Other | DCW TOTAL RETURN FD COM REORG- NAME CHANGE 3/18/09 DCW TOTAL RETURN FD 233 Auto Reorg#570851STOCK PAYMENT | DCW | 6,600 | 0.00 | - | 144,178.34 |

Statement for Account # 881-625499

03/01/09 - 03/31/09

Account Activity

| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
|------------|-------------|-----------|--------------------------------|---|------------------|----------|-------|------------|------------|
| 03/18/09 | 03/18/09 | Margin | - Funds Disbursed | ACH 009077002330236 CHASE CHECK PYMT | | | 0.00 | (542.39) | 143,635.95 |
| 03/19/09 | 03/19/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (1,784.20) | 141,851.75 |
| 03/19/09 | 03/19/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (5,087.59) | 136,764.16 |
| 03/20/09 | 03/20/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 3,298.50 | 140,062.66 |
| 03/20/09 | 03/20/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (1,106.48) | 138,956.18 |
| 03/23/09 | 03/23/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (3,985.35) | 134,970.83 |
| 03/23/09 | 03/23/09 | Margin | Received - Other | CONOCOPHILLIPS CORP -C MAR 40 EXPIRATION | 999COPCH6 | 4 | 0.00 | - | 134,970.83 |
| 03/23/09 | 03/23/09 | Margin | Received - Other | CONOCOPHILLIPS CORP -C MAR 55 EXPIRATION | 999COPCK9 | 2 | 0.00 | - | 134,970.83 |
| 03/23/09 | 03/23/09 | Margin | Received - Other | POSCO - C MAR 70 EXPIRATION | 999FTZCN9 | 5 | 0.00 | - | 134,970.83 |
| 03/23/09 | 03/23/09 | Margin | Div/Int - Income | POSCO ADR Payable: 03/23/2009 | PKX | | 0.00 | 263.74 | 135,234.57 |
| 03/23/09 | 03/23/09 | Margin | Div/Int - Expense | QUALIFIED DIVIDENDS 263.74 POSCO ADR CASH DIVIDEND Foreign Tax Adjustment Payable: 03/23/2009 | PKX | | 0.00 | (43.52) | 135,191.05 |
| 03/24/09 | 03/24/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (7,328.70) | 127,862.35 |
| 03/24/09 | 03/24/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (770.27) | 127,092.08 |
| 03/25/09 | 03/25/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 406.10 | 127,498.18 |
| 03/25/09 | 03/25/09 | Margin | Div/Int - Income | DWS US GOVT SECS STRAT GOVT SECURITIES FD CL S Payable: 03/25/2009 Ordinary Dividends 0.42 | KUSWX | | 0.00 | 0.42 | 127,498.60 |

Statement for Account # 881-625499
03/01/09 - 03/31/09

Account Activity

| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
|------------|-------------|-----------|--------------------------------|--|------------------|----------|-------|-------------|------------|
| 03/25/09 | 03/26/09 | Margin | Sell - Securities Sold | PROSHARES-SKFSV P JUL 100 TO CLOSE | SKFSV | 3- | 35.00 | 10,487.74 | 137,986.34 |
| 03/26/09 | 03/26/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (822.50) | 137,163.84 |
| 03/26/09 | 03/26/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (10,488.16) | 126,675.68 |
| 03/26/09 | 03/27/09 | Margin | Buy - Securities Purchased | AMEX SPDR -XJZFE C JUN 5 TO CLOSE | XJZFE | 20 | 4.35 | (8,724.95) | 117,950.73 |
| 03/27/09 | 03/27/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (962.80) | 116,987.93 |
| 03/27/09 | 03/27/09 | Margin | Div/Int - Income | WESTERN ASSET EMERGING MARKETS DEBT FUND INC COM | ESD | | 0.00 | 534.80 | 117,522.73 |
| | | | | Payable: 03/27/2009 Ordinary Dividends 534.80 | | | | | |
| 03/27/09 | 03/27/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (4,635.05) | 112,887.68 |
| 03/27/09 | 03/27/09 | Margin | Received - Other | UDR INC - P JAN 25 ## EXERCISED OPTION | 999UCWME5 | 8 | 0.00 | - | 112,887.68 |
| 03/30/09 | 03/30/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 8,151.25 | 121,038.93 |
| 03/30/09 | 03/30/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (7,782.52) | 113,256.41 |
| 03/30/09 | 03/30/09 | Margin | Received - Other | AIRCASLE LIMITED -AYRPB P APR 10 OPTION ASSIGNED | AYRPB | 7 | 0.00 | - | 113,256.41 |
| 03/30/09 | 03/30/09 | Margin | Received - Other | AIRCASLE LIMITED -AYRPC P APR 15 OPTION ASSIGNED | AYRPC | 27 | 0.00 | - | 113,256.41 |
| 03/30/09 | 03/30/09 | Margin | Delivered - Other | UDR INC - P JAN 25 ## CORRECTION | 999UCWME5 | 8- | 0.00 | - | 113,256.41 |
| 03/31/09 | 03/31/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 3,711.80 | 116,968.21 |
| 03/31/09 | 03/31/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 8,090.68 | 125,058.89 |
| 03/31/09 | 03/31/09 | Margin | Div/Int - Income | INTEREST CREDIT Payable: 03/31/2009 | | | 0.00 | 4.24 | 125,063.13 |

Statement for Account # 881-625499
03/01/09 - 03/31/09

Account Activity

| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
|------------------------|-------------|-----------|--------------------------------|---|------------------|----------|-------|------------|---------------------|
| 03/02/09 | 03/02/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | (1,322.90) | 123,740.23 |
| 03/03/09 | 03/03/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | (3,930.70) | 119,809.53 |
| 03/04/09 | 03/04/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | (874.40) | 118,935.13 |
| 03/05/09 | 03/05/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | 1,692.40 | 120,627.53 |
| 03/06/09 | 03/06/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | (3,363.44) | 117,264.09 |
| 03/09/09 | 03/09/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | (2,671.96) | 114,592.13 |
| 03/10/09 | 03/10/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | (1,305.00) | 113,287.13 |
| 03/11/09 | 03/11/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | 5,785.10 | 119,072.23 |
| 03/12/09 | 03/12/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | 3,893.70 | 122,965.93 |
| 03/13/09 | 03/13/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | 2,628.20 | 125,594.13 |
| 03/16/09 | 03/16/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | 324.50 | 125,918.63 |
| 03/17/09 | 03/17/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | (1,229.00) | 124,689.63 |
| 03/18/09 | 03/18/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | 3,912.30 | 128,601.93 |
| 03/19/09 | 03/19/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | 1,784.20 | 130,386.13 |
| 03/20/09 | 03/20/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | (3,298.50) | 127,087.63 |
| 03/23/09 | 03/23/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | 3,985.35 | 131,072.98 |
| 03/24/09 | 03/24/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | 7,328.70 | 138,401.68 |
| 03/24/09 | 03/24/09 | Short | Div/Int - Other | ING CLARION GLOBAL REIT FD COM | IGR | 0.00 | 0.00 | (423.00) | 137,978.68 |
| | | | | CASH DIVIDEND CHARGE SHORT POSITION Payable: 03/31/2009 | | | | | |
| 03/25/09 | 03/25/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | (406.10) | 137,572.58 |
| 03/26/09 | 03/26/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | 822.50 | 138,395.08 |
| 03/27/09 | 03/27/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | 962.80 | 139,357.88 |
| 03/30/09 | 03/30/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | (8,151.25) | 131,206.63 |
| 03/31/09 | 03/31/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | (3,711.80) | 127,494.83 |
| Closing Balance | | | | | | | | | \$127,494.83 |

*For Cash Activity totals, refer to the Cash Activity Summary on page one of your statement.

Statement for Account # 881-625499
03/01/09 - 03/31/09

| TD AMERITRADE Cash Interest Credit/Expense | | | | | | | | | |
|--|----------------|----------------|----------------|---------------|------------------|-------------------|----------------|---------------|-------------------|
| Begin Date | Margin Balance | Credit Balance | Number of Days | Interest Rate | Interest Debited | Interest Credited | Number of Days | Interest Rate | Interest Credited |
| 03/01/09 | \$ | \$ 105,615.92 | 1 | 0.05 | \$ | \$ 0.14 | 1 | 0.05 | \$ 0.14 |
| 03/02/09 | | 103,872.93 | 1 | 0.05 | | 0.14 | 1 | 0.05 | 0.14 |
| 03/03/09 | | 112,405.56 | 1 | 0.05 | | 0.15 | 1 | 0.05 | 0.15 |
| 03/04/09 | | 107,879.93 | 1 | 0.05 | | 0.15 | 1 | 0.05 | 0.15 |
| 03/05/09 | | 110,265.04 | 1 | 0.05 | | 0.15 | 1 | 0.05 | 0.15 |
| 03/06/09 | | 145,231.99 | 3 | 0.05 | | 0.60 | 3 | 0.05 | 0.60 |
| 03/09/09 | | 145,908.66 | 1 | 0.05 | | 0.20 | 1 | 0.05 | 0.20 |
| 03/10/09 | | 146,337.52 | 1 | 0.05 | | 0.20 | 1 | 0.05 | 0.20 |
| 03/11/09 | | 133,309.02 | 1 | 0.05 | | 0.18 | 1 | 0.05 | 0.18 |
| 03/12/09 | | 122,091.77 | 1 | 0.05 | | 0.17 | 1 | 0.05 | 0.17 |
| 03/13/09 | | 112,804.15 | 3 | 0.05 | | 0.46 | 3 | 0.05 | 0.46 |
| 03/16/09 | | 110,328.39 | 1 | 0.05 | | 0.15 | 1 | 0.05 | 0.15 |
| 03/17/09 | | 96,490.48 | 1 | 0.05 | | 0.13 | 1 | 0.05 | 0.13 |
| 03/18/09 | | 90,743.45 | 1 | 0.05 | | 0.12 | 1 | 0.05 | 0.12 |
| 03/19/09 | | 83,871.66 | 1 | 0.05 | | 0.11 | 1 | 0.05 | 0.11 |
| 03/20/09 | | 86,063.68 | 3 | 0.05 | | 0.35 | 3 | 0.05 | 0.35 |
| 03/23/09 | | 82,298.55 | 1 | 0.05 | | 0.11 | 1 | 0.05 | 0.11 |
| 03/24/09 | | 74,199.58 | 1 | 0.05 | | 0.10 | 1 | 0.05 | 0.10 |
| 03/25/09 | | 74,606.10 | 1 | 0.05 | | 0.10 | 1 | 0.05 | 0.10 |
| 03/26/09 | | 73,783.18 | 1 | 0.05 | | 0.10 | 1 | 0.05 | 0.10 |
| 03/27/09 | | 59,995.18 | 3 | 0.05 | | 0.25 | 3 | 0.05 | 0.25 |
| 03/30/09 | | 60,363.91 | 1 | 0.05 | | 0.08 | 1 | 0.05 | 0.08 |
| 03/31/09 | | 72,166.39 | 1 | 0.05 | | 0.10 | 1 | 0.05 | 0.10 |
| Total Interest Income/(Expense) | | | | | | \$ 0.00 | | | \$4.24 |

| Money Market Fund Account Interest Credited | | | | | | | | | |
|---|-----------|----------------|---------------|------------------|-------------|----------|----------------|---------------|------------------|
| Begin Date | Balance | Number of Days | Interest Rate | Interest Accrued | MTD Accrued | MTD PAID | Number of Days | Interest Rate | Interest Accrued |
| 03/01/09 | \$ 678.57 | 1 | 0.0300 | \$ - | \$ - | \$ - | 1 | 0.0300 | \$ - |
| 03/02/09 | 6,492.39 | 1 | 0.0300 | 0.01 | 0.01 | - | 1 | 0.0300 | 0.01 |
| 03/03/09 | 2,101.50 | 1 | 0.0300 | - | 0.01 | - | 1 | 0.0300 | 0.01 |
| 03/04/09 | 20,496.50 | 1 | 0.0300 | 0.01 | 0.02 | - | 1 | 0.0300 | 0.02 |
| 03/05/09 | 19,353.82 | 1 | 0.0300 | 0.02 | 0.04 | - | 1 | 0.0300 | 0.04 |
| 03/06/09 | 8,351.99 | 3 | 0.0300 | 0.02 | 0.06 | - | 3 | 0.0300 | 0.06 |
| 03/09/09 | 10,347.28 | 1 | 0.0300 | 0.01 | 0.07 | - | 1 | 0.0300 | 0.07 |
| 03/10/09 | 11,223.42 | 1 | 0.0300 | 0.01 | 0.08 | - | 1 | 0.0300 | 0.08 |
| 03/11/09 | 28,466.82 | 1 | 0.0300 | 0.02 | 0.10 | - | 1 | 0.0300 | 0.10 |
| 03/12/09 | 35,930.37 | 1 | 0.0300 | 0.03 | 0.13 | - | 1 | 0.0300 | 0.13 |

Statement for Account # 881-625499
03/01/09 - 03/31/09

| Money Market Fund Account Interest Credited | | | | | | | | | | |
|---|-----------|----------------|---------------|------------------|-------------|---------------|--|--|--|--|
| Begin Date | Balance | Number of Days | Interest Rate | Interest Accrued | MTD Accrued | MTD PAID | | | | |
| 03/13/09 | 41,987.79 | 3 | 0.0300 | 0.11 | 0.24 | - | | | | |
| 03/16/09 | 44,139.05 | 1 | 0.0300 | 0.03 | 0.27 | - | | | | |
| 03/17/09 | 59,066.16 | 1 | 0.0300 | 0.05 | 0.32 | - | | | | |
| 03/18/09 | 60,358.50 | 1 | 0.0300 | 0.05 | 0.37 | - | | | | |
| 03/19/09 | 65,446.09 | 1 | 0.0300 | 0.05 | 0.42 | - | | | | |
| 03/20/09 | 66,552.57 | 4 | 0.0300 | 0.22 | 0.64 | - | | | | |
| 03/24/09 | 67,322.84 | 2 | 0.0300 | 0.11 | 0.75 | - | | | | |
| 03/26/09 | 77,811.00 | 1 | 0.0300 | 0.07 | 0.82 | - | | | | |
| 03/27/09 | 82,446.05 | 3 | 0.0300 | 0.20 | 1.02 | - | | | | |
| 03/30/09 | 90,228.57 | 1 | 0.0300 | 0.07 | 1.09 | - | | | | |
| 03/31/09 | 82,137.89 | 1 | 0.0300 | 0.07 | 1.16 | 1.16 | | | | |
| Total Interest Income | | | | | | \$1.16 | | | | |

| Positions Closed This Period | | | | | | | | | | |
|--------------------------------|--------------|---------------|----------|---------------|--------------------|-----------|--------------------|---------------------|--------------|--|
| Investment Description | Account Type | Symbol/ CUSIP | Quantity | Purchase Date | Cost Basis | Sale Date | Sales Proceeds | Realized Gain(Loss) | % Gain(Loss) | |
| AMEX SPDR -XJZFE C JUN 5 | Short | XJZFE | 2,000 | 02/17/09 | \$ 8,724.95 | 03/26/09 | \$ 6,775.01 | \$ (1,949.94) ST | (22.4)% | |
| CONOCOPHILLIPS CORP - C MAR 40 | Short | COPCH | 400 | 03/02/09 | - | 03/23/09 | 211.04 | 211.04 ST | | |
| CONOCOPHILLIPS CORP - C MAR 55 | Short | COPCK | 200 | 02/09/09 | - | 03/23/09 | 104.54 | 104.54 ST | | |
| Expired | | | | | | | | | | |
| POSCO - C MAR 70 | Short | FTZCN | 500 | 02/17/09 | - | 03/23/09 | 511.29 | 511.29 ST | | |
| Expired | | | | | | | | | | |
| PROSHARES -SKFSV P JUL 100 | Margin | SKFSV | 300 | 12/18/08 | 11,262.20 | 03/25/09 | 10,487.74 | (774.46) ST | (6.9)% | |
| TRANSGLOBE ENERGY CORP. CO | Margin | TGA | 300 | 01/05/09 | 801.95 | 03/02/09 | 720.66 | (81.29) ST | (10.1)% | |
| TRANSGLOBE ENERGY CORP. CO | Margin | TGA | 980 | 01/07/09 | 2,480.42 | 03/02/09 | 2,354.17 | (126.25) ST | (5.1)% | |
| TRANSGLOBE ENERGY CORP. CO | Margin | TGA | 8,620 | 01/07/09 | 21,817.53 | 03/03/09 | 20,601.68 | (1,215.85) ST | (5.6)% | |
| Total | | | | | \$45,087.05 | | \$41,766.13 | \$(3,320.92) | | |

Trades Pending Settlement

| Investment Description | Account Type | Symbol/ CUSIP | Quantity | Price | Trade Date | Settle Date | Amount |
|------------------------|--------------|---------------|----------|----------|------------|-------------|---------------|
| BUY | Margin | AYR | 700 | \$ 10.00 | 03/30/09 | 04/01/09 | \$ (7,019.99) |

Statement for Account # 881-625499
03/01/09 - 03/31/09

Trades Pending Settlement

| Investment Description | Account Type | Symbol/ CUSIP | Quantity | Trade Date | Settle Date | Price | Amount |
|------------------------|--------------|---------------|----------|------------|-------------|--------|-------------|
| BUY | Margin | AYR | 2,700 | 03/30/09 | 04/01/09 | 15.00 | (40,519.99) |
| BUY | Short | GS | 270 | 03/27/09 | 04/01/09 | 109.61 | (29,604.65) |

Open Orders

| Investment Description | Account Type | Symbol/ CUSIP | Quantity | Order Date | Expiration Date | Projected Amount | Order Type | Order Rstr. | Order Percentage | Current Price |
|--|--------------|---------------|----------|------------|-----------------|------------------|------------|-------------|------------------|---------------|
| Sell ARCHER DANIELS MIDLAND C COM | Margin | ADM | 500 | 02/19/09 | 06/26/09 | \$ 28,000.00 | LMT | | \$56.00 | \$ 27.78 |
| Sell CHINA NATURAL GAS INC COM | Margin | CHNG | 5,000 | 02/19/09 | 06/19/09 | 25,000.00 | LMT | | \$5.00 | 2.65 |
| Sell CONOCOPHILLIPS CORP COM | Margin | COP | 270 | 02/19/09 | 06/26/09 | 22,410.00 | LMT | | \$83.00 | 39.16 |
| Sell DCW TOTAL RETURN FD COM | Margin | DCW | 6,600 | 02/19/09 | 06/19/09 | 39,600.00 | LMT | | \$6.00 | 2.41 |
| Buy ING CLARION GLOBAL REIT FD COM | Margin | IGR | 9,400 | 02/19/09 | 06/19/09 | 13,630.00 | LMT | | \$1.45 | 3.17 |
| Sell POSCO ADR | Margin | PKX | 210 | 02/19/09 | 06/26/09 | 23,520.00 | LMT | | \$112.00 | 66.83 |
| Sell WESTERN ASSET EMERGING MARKETS DEBT FUND INC CO | Margin | ESD | 3,820 | 02/19/09 | 06/19/09 | 57,300.00 | LMT | | \$15.00 | 11.80 |
| Sell ACXION CORP -UQAQC P MAY 15 | Margin | UQAQC | 14 | 02/06/09 | 05/08/09 | 182.00 | LMT | | \$13.00 | 7.40 |

Statement for Account # 881-625499

03/01/09 - 03/31/09

Money Market Fund Account Activity

| Date | Check Number | Date Written | Transaction | Description | Tracking Code | Expense Code | Amount | Balance |
|-----------------|--------------|--------------|-------------|-------------------------------|---------------|--------------|-------------|-----------|
| Opening Balance | | | | | | | | \$678.57 |
| 03/02/09 | | 03/02/09 | Received | TDAM US GOVERNMENT PORTFOLIO | | | \$ 5,813.82 | 6,492.39 |
| | | | | PURCHASE TDAM US GOVERNMENT | | | | |
| | | | | PORTFOLIO | | | | |
| 03/03/09 | | 03/03/09 | Delivered | TDAM US GOVERNMENT PORTFOLIO | | | (4,390.89) | 2,101.50 |
| | | | | REDEMPTION TDAM US GOVERNMENT | | | | |
| | | | | PORTFOLIO | | | | |
| 03/04/09 | | 03/04/09 | Received | TDAM US GOVERNMENT PORTFOLIO | | | 18,395.00 | 20,496.50 |
| | | | | PURCHASE TDAM US GOVERNMENT | | | | |
| | | | | PORTFOLIO | | | | |
| 03/05/09 | | 03/05/09 | Delivered | TDAM US GOVERNMENT PORTFOLIO | | | (1,142.68) | 19,353.82 |
| | | | | REDEMPTION TDAM US GOVERNMENT | | | | |
| | | | | PORTFOLIO | | | | |
| 03/06/09 | | 03/06/09 | Delivered | TDAM US GOVERNMENT PORTFOLIO | | | (11,001.83) | 8,351.99 |
| | | | | REDEMPTION TDAM US GOVERNMENT | | | | |
| | | | | PORTFOLIO | | | | |
| 03/09/09 | | 03/09/09 | Received | TDAM US GOVERNMENT PORTFOLIO | | | 1,995.29 | 10,347.28 |
| | | | | PURCHASE TDAM US GOVERNMENT | | | | |
| | | | | PORTFOLIO | | | | |
| 03/10/09 | | 03/10/09 | Received | TDAM US GOVERNMENT PORTFOLIO | | | 876.14 | 11,223.42 |
| | | | | PURCHASE TDAM US GOVERNMENT | | | | |
| | | | | PORTFOLIO | | | | |

Statement for Account # 881-625499
 03/01/09 - 03/31/09

| Money Market Fund Account Activity | | | | | | | | |
|------------------------------------|--------------|--------------|-------------|---------------------------------------|---------------|--------------|-----------|-----------|
| Date | Check Number | Date Written | Transaction | Description | Tracking Code | Expense Code | Amount | Balance |
| 03/11/09 | | 03/11/09 | Received | TDAM US GOVERNMENT PORTFOLIO | | | 17,243.40 | 28,466.82 |
| | | | | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | | |
| | | | | TDAM US GOVERNMENT PORTFOLIO | | | | |
| 03/12/09 | | 03/12/09 | Received | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 7,463.55 | 35,930.37 |
| 03/13/09 | | 03/13/09 | Received | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 6,057.42 | 41,987.79 |
| 03/16/09 | | 03/16/09 | Received | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 2,151.26 | 44,139.05 |
| 03/17/09 | | 03/17/09 | Received | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 14,927.11 | 59,066.16 |
| 03/18/09 | | 03/18/09 | Received | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 1,292.34 | 60,358.50 |
| 03/19/09 | | 03/19/09 | Received | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 5,087.59 | 65,446.09 |

Statement for Account # 881-625499

03/01/09 - 03/31/09

Important Information

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Although the funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund. Dividends are declared daily and paid/reinvested monthly. The prospectus contains this and other important information. Read the prospectus carefully before investing. Non-deposit investments held by your broker-dealer are NOT FDIC INSURED / NOT BANK GUARANTEED / MAY LOSE VALUE.

The above prices are provided only as a general guide to value your portfolio. Current quotations are available through TD AMERITRADE. Certificates of Deposit are priced at market prices. Sale of bonds prior to maturity may result in a loss of principal. Mortgage backed positions are valued using the remaining balance and the current market price.

Non-Standard Assets: This statement shows all assets in your account including certain direct investments that may be held by a third party. TD AMERITRADE is not responsible for third party information, including the valuation of certain non-standard assets. The price shown represents an estimated value that is provided by an annual report or other source. The estimated value of these assets may not be realized when you try to liquidate the position. Assets held by a third party are not covered by the Securities Investor Protection Corporation (SIPC).

Auction Rate Securities ("ARS") Pricing: TD AMERITRADE has consistently reflected the value of ARS positions in client accounts and on account statements at par. Par value may not be the same as the market price that could be obtained in the event of a sale. The ARS market is currently experiencing a lack of liquidity and, as a result, there can be no assurance that such securities can be sold under current market conditions. In the event of a failed auction, the coupon rate paid to holders is typically set to a predetermined rate specified in the offering documents for such securities.

Required Annual FINRA Information: FINRA maintains a toll-free Public disclosure hotline where investors may call to request disclosable background information on any licensed broker or broker-dealer. To call the hotline, dial 1-800-289-9999. FINRA also maintains an Internet web site where investors may obtain useful information concerning FINRA policies, procedures and services. The web site can be accessed at www.finra.org. Additionally, FINRA has a brochure which describes the Investor education and protection program. You may request this brochure either through the FINRA web site or by calling the toll-free public disclosure hotline.

Certain purchases of Class A Mutual Funds may be eligible for a breakpoint discount on the sales charge. To learn more about breakpoint discounts, go to http://www.finra.org/web/groups/rules_regs/documents/rules_regs/p010543.pdf

Non Standard Option - Please contact TD AMERITRADE or your Advisor for more information

Portfolio Report Guide

TD AMERITRADE provides monthly Portfolio Reports for accounts with activity and quarterly reports for inactive accounts with assets.¹

Portfolio Summary

Tracks the current value of your portfolio as of the report date and compares it to the prior month.² The asset allocation indicates your portfolio diversification by investment type.

Multiple allocations under 5% will be grouped into the category of "Other" in the pie chart.

Margin Equity = Total Account Equity/Total Long Marginable Value + Total Short Value)

Activity Summary

The opening and closing cash balances are reconciled here for your quick reference. All account activity is summarized for the current period and year-to-date.

Income & Expense Summary (non-IRAs only)

This section details the income and expense totals from the Activity Summary and classifies the tax treatment.

Retirement Account Summary (IRAs only)

Review the IRS regulated transactions for the current and prior years. IRS Form 5498 fair market value is based on the current value as of December 31 of the previous year and will be furnished to the Internal Revenue Service.

Performance Summary

Monitor your annual portfolio performance and the unrealized gains and losses for your future investment strategy.

Account Positions

View your investments at the current market value and compare the original cost to see unrealized gains and losses in your portfolio. Original cost is assigned using the first-in, first-out (FIFO) method, which assumes the first shares you sell are those you purchased first. The estimated investment income³ and average cost per share are displayed for your reference (the oldest purchase date is shown for an indication of your holding period).

Account Activity

All account activity is clearly defined, listed in table order, and reflected in the closing cash balance.

Positions Closed this Month

Includes securities sold this month showing the oldest trade date for the original purchase and the realized gain or loss.

Trades Pending Settlement

Confirm your executed trades with a settlement date after month end. These transactions will be reflected in the Account Activity section next month.

Open Orders

Review your open limit orders for accuracy and notify us immediately if you wish to change or cancel an order.

Cash Management Activity

Cash management transactions (including check, debit card and ATM activity) that cleared during this month are listed in date order.

¹ Due to rounding adjustments, the statement details may not equal the statement total.

² Estimated Annual Income and Estimated Annual Yield values are based upon the number of shares owned as of the statement date and the most recent dividend rate provided. Yield data provided by third-party vendor, Interactive Data Fixed Income Analytics.

TD AMERITRADE

TD AMERITRADE does not provide investment, legal or tax advice. Please consult your legal advisor or tax accountant when necessary. As a standard industry practice, phone conversations may be recorded for quality control and transaction verification purposes.

For TD AMERITRADE Institutional clients, your advisor firm is separate from and not affiliated with TD AMERITRADE, Inc. or TD AMERITRADE Clearing, Inc., and each firm is not responsible for the products and services of the other.

Accuracy of Reports

If you find any errors or omissions in your account statement you should immediately call us at the number listed on page one of your statement. You should also contact our Clearing firm, TD AMERITRADE Clearing, Inc. at (402) 970-7724. Please review the statement carefully. If you disagree with any transaction, or if there are any errors or omissions, please notify a Client Services representative or your local branch office, as well as TD AMERITRADE Clearing, Inc. in writing within ten (10) days of your receipt of this statement. Any oral statements that you have made to us should be confirmed in writing. The statement will otherwise be considered conclusive.

Please notify us promptly of any changes in your contact information. Transactions reflected on your report will be conclusively deemed accurate unless you notify TD AMERITRADE immediately.

Account Protection

Deposits made into a TD Bank USA, N.A. Money Market Deposit Account or Savings Account are insured by the FDIC (not covered by SIPC) up to \$100,000 per depositor (up to \$250,000 of protection for the combined total of the Traditional and Non-IRAs, self-directed IRAs and certain other retirement accounts). Securities, including mutual funds, held in your Brokerage Account are not deposits or obligations of, or guaranteed by, any bank, are not FDIC-insured, and involve investment risks, including possible loss of principal. TD AMERITRADE, Inc. is a member of the Securities Investor Protection Corporation. Securities in your account protected up to \$500,000. For details, please visit www.sipc.org or call (202)971-6330. Up to an aggregate of \$250 million of additional securities protection, of which \$90,000 may be applied to cash, is provided by London Investors, also limited to a combined return to any client from a Trustee, SIPC and London of \$150 million. The coverage provides your protection against brokerage insolvency and does not protect against loss in market value of the securities.

Tax Reporting

The portfolio report is not a tax document. You will receive Form 1099 for annual tax reporting in compliance with IRS requirements (includes taxable interest, dividends, capital gains, taxes withheld and sales proceeds). Some payments are subject to reclassification which will be reflected on subsequent tax reports. Cost Basis

Cost Basis, tax lot and performance reporting and Custkeeper are offered and conducted by CCH INCORPORATED. TD AMERITRADE is not responsible for the reliability or suitability of the information. TD AMERITRADE and its Information providers ("Providers") do not guarantee the accuracy of the information and data provided. CCH INCORPORATED is a separate company and is not affiliated with TD AMERITRADE.

Margin and Options Account Agreements

Promptly advise TD AMERITRADE in writing of any change in your investment objectives or financial situation as they pertain to your margin or options account agreements. A summary of commissions and charges incurred with the execution of options transactions is available.

Current Market Prices

The market values of securities have been obtained, if available, from quotation services and other independent sources. Values are based on the closing price, the mean between the bid and asking prices, or other methods. Non-Priced securities are indicated by "N/A" and may affect statement balances and totals. The valuations on your portfolio report are provided as general information and we do not guarantee the accuracy of any securities prices.

Limited Partnerships and non-traded Real Estate Investment Trusts are generally illiquid and have no public markets; annual valuations are obtained from a third party or the general partner. The secondary market for Certificates of Deposits (CDs) is generally illiquid and the actual value may be different than the purchase price. A significant loss of principal may result from the sale of a CD prior to maturity. Portfolio report valuations may not represent sales proceeds.

On October 3, 2008, President George W. Bush signed the Emergency Economic Stabilization Act of 2008, which temporarily raises the basic limit on federal deposit insurance coverage from \$100,000 to \$250,000 per depositor. The temporary increase in deposit insurance coverage became effective upon the President's signature. The legislation provides that the basic deposit insurance limit will return to \$100,000 after December 31, 2009.

Regulatory Disclosures

All transactions are subject to (i) the constitution, rules, regulations, customs and usages of the exchange or market, and its clearinghouse, if any, on which such transactions are executed; (ii) federal laws, including the Securities Act of 1933 and the Securities Exchange Act of 1934, each as amended to date and in the future, and the rules and regulations promulgated thereunder; and (iii) the rules and regulations of FINRA and the Federal Reserve System.

For an investor brochure that includes information describing FINRA's Public Disclosure Program, please contact FINRA at (800) 289-9999 or www.finra.org.

The interest rate shown for TD AMERITRADE Cash ("Cash") or Program balances is taken from the applicable interest rate tier for the Market Value balance in Cash or the Program as of the statement closing date. Simple interest is accrued daily based on the interest rate tier applicable to each day's balance. Current tiers and interest rate information is available at the TD AMERITRADE secured trading site.

The annual percentage yield earned for the statement period on Cash or Program balances is an annualized rate that reflects the relationship between the amount of interest actually earned in your account(s) during the statement period and the average daily balance in the account(s) for the period.

Financial Statement Notification

The statement of financial condition for TD AMERITRADE is available twice a year and may be obtained at no cost, via the internet at <http://www.tdameritrade.com/financialstatement.html>.

Allocation Method

In the event any of your securities are called or assigned, the securities will be selected on an impartial, random basis.

Free Credit Balances (Rule 15c3-3)

Under the client protection rules, we may use free credit balances in your account in the ordinary course of our business which are payable to you on demand.

Margin Accounts (Regulation T)

If you have a margin account, this report is a combination of your margin account and a special memorandum account. Trading on margin poses additional risks and is not suitable for all investors. A complete list of the risks associated with margin trading is available in the margin risk disclosure document. You may obtain a copy of this document by contacting us at the number listed on page one of your statement.

Payment for Order Flow (EFC Rules 608 and 607)

In some circumstances, TD AMERITRADE receives compensation for directing certain over-the-counter and listed equity order flow to selected market makers, brokers or dealers. Compensation is in the form of a per share cash payment. We post quarterly reports disclosing the venues for order routing execution at www.tdameritrade.com. A written copy is available upon request.

It is our policy, absent client orders to the contrary, to select brokers, dealers, and market makers based on the ability to provide best execution and the history of seeking price improvement on market orders. Price improvement is available under certain market conditions, and we regularly monitor executions to test for such improvement if available.

Trade Confirmations (Rule 10b-10)

All confirmations are transmitted on the transaction date

Privacy Policy Notification

A copy of the TD AMERITRADE privacy policy is available at www.tdameritrade.com

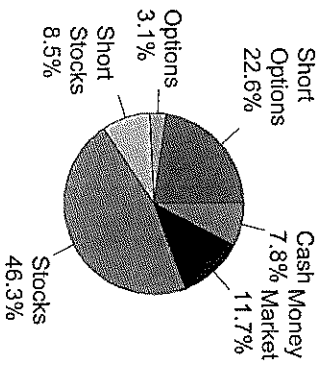
800-669-3900
TD AMERITRADE
DIVISION OF TD AMERITRADE INC
PO BOX 2209
OMAHA, NE 68103-2209

Statement for Account # 881-625499
LAURENT J L A BRIE
5 PLEASANT RIDGE APT #PH-5
OWINGS MILLS, MD 21117

Announcements:
ROLL OVER YOUR OLD 401(K) TO A
TD AMERITRADE EASY IRA.
NO FEES. NO HASSLES. PLUS A
FREE RETIREMENT CHECKUP.
VISIT A BRANCH NEAR YOU OR FIND
OUT MORE AT TDAMERITRADE.COM

Portfolio Summary

| Investment | Current Value | Prior Value | Period Change | % Change | Estimated Income | Estimated Yield | Portfolio Allocation |
|----------------------|---------------------|---------------------|----------------------|---------------|--------------------|-----------------|----------------------|
| Cash | \$39,550.47 | \$26,210.18 | \$13,340.29 | - | \$ - | - | Cash Money 7.8% |
| MMDA | - | - | - | - | - | - | Market 11.7% |
| Money Market | 58,871.62 | 70,314.58 | (11,442.96) | (16.3)% | - | - | Options 22.6% |
| Short Balance | 43,232.40 | 22,821.50 | 20,410.90 | 89.4% | - | - | Options 3.1% |
| Stocks | 233,387.36 | 199,967.50 | 33,419.86 | 16.7% | 12,877.62 | 5.5% | Short Stocks 8.5% |
| Short Stocks | (42,749.10) | (23,445.00) | (19,304.10) | (82.3)% | - | - | Stocks 46.3% |
| Fixed Income | - | - | - | - | - | - | |
| Options | 15,840.00 | 56,826.00 | (40,986.00) | (72.1)% | - | - | |
| Short Options | (113,910.00) | (96,908.00) | (17,002.00) | (17.5)% | - | - | |
| Mutual Funds | 110.88 | 111.28 | (0.40) | (0.4)% | - | - | |
| Other | - | - | - | - | - | - | |
| Total | \$234,333.63 | \$255,898.04 | (\$21,564.41) | (8.4)% | \$12,877.62 | 5.5% | |
| Margin Equity | 99.0% | | | | | | |



Cash Activity Summary

| | Current | YTD | Reportable | Non Reportable | YTD |
|------------------------|--------------------|--------------------|--------------------|-----------------|------------------|
| Opening Balance | \$49,031.68 | \$49,031.68 | | | |
| Securities Purchased | (101,234.59) | (101,234.59) | Dividends \$490.73 | | \$490.73 |
| Securities Sold | 131,399.52 | 131,399.52 | Interest 2.31 | | 2.31 |
| Funds Deposited | - | - | Other - | | - |
| Funds Disbursed | (8,333.85) | (8,333.85) | Expense | | |
| Income | 493.04 | 493.04 | Interest | | - |
| Expense | (25.00) | (25.00) | Fees | | (25.00) |
| Other | 11,452.07 | 11,452.07 | Other | | (25.00) |
| Closing Balance | \$82,782.87 | \$82,782.87 | Net | \$493.04 | (\$25.00) |
| | | | | | \$468.04 |

Income & Expense Summary

Performance Summary

| | YTD |
|------------------------------------|---------------------|
| Cost Basis As Of - 01/31/09 | \$124,276.20 |
| Unrealized Gains | 18,379.59 |
| Unrealized Losses | (52,115.03) |
| Funds Deposited/(Disbursed) | (8,333.85) |
| Income/(Expense) | 468.04 |
| Securities Received/(Delivered) | 0.00 |

Statement for Account # 881-625499
01/01/09 - 01/31/09

Income Summary Detail*

| Description | Current | | Year to Date | |
|--------------------------------|---------|-----------|--------------|-----------|
| | Current | Current | Current | Current |
| Ordinary Dividends | | \$ 535.28 | | \$ 535.28 |
| Interest Income Credit Balance | | 2.31 | | 2.31 |
| Qualified Dividends | | 46.50 | | 46.50 |
| Money Market Fund Dividends | | 9.11 | | 9.11 |

*This section displays current and year to date taxation values for this account. The current totals may not equate to the total payments listed on this statement as corrections to tax reporting may also be included. These corrections can include changes made to previous payments and removal of payments reportable in a previous tax year (spillover dividends). The year to date totals will accurately reflect your cumulative amount for the year.

Account Positions

| Investment Description | Symbol/ CUSIP | Quantity | Current Price | Market Value | Purchase Date | Cost Basis | Average Cost | Unrealized Gain(Loss) | Estimated Income | Yield |
|---|------------------|----------|------------------|-----------------|------------------|---------------|-----------------|--------------------------|---------------------|-------|
| Stocks - Margin | | | | | | | | | | |
| \$FZC: DIVIDEND CAP GL REALTY EXP FUN GLOBAL REALTY | DCW | 6,600 | \$ 3.1001 | \$ 20,460.66 | 01/26/09 | \$ 20,403.95 | \$ 3.09 | \$ 56.71 | \$ 3,168.00 | 15.5% |
| ARCHER DANIELS MIDLAND CO COM | ADM | 1,000 | 27.38 | 27,380.00 | 09/21/07 | 31,553.64 | 31.55 | (4,173.64) | 520.00 | 1.9% |
| CHINA NATURAL GAS INC COM | CHNG | 9,580 | 2.43 | 23,279.40 | 07/17/07 | 38,288.05 | 4.00 | (15,008.65) | | |
| CIA PARANAENSE ENERGI-SP ADR SP ADR | ELP | 400 | 9.24 | 3,696.00 | 12/11/08 | 4,312.95 | 10.78 | (616.95) | 63.20 | 1.7% |
| CONOCOPHILLIPS CORP COM | COP | 270 | 47.53 | 12,833.10 | 03/23/07 | 19,052.28 | 70.56 | (6,219.18) | 507.60 | 4.0% |
| EASTERN INSURANCE HOLDINGS INC COM | EIHI | 2,100 | 10.49 | 22,029.00 | 11/20/06 | 25,234.90 | 12.02 | (3,205.90) | 588.00 | 2.7% |
| GENERAL ELECTRIC CO COM FUND | GE | 150 | 12.13 | 1,819.50 | | - | - | | 186.00 | 10.2% |
| ISHARES MSCI EAFE INDEX FUND | EFA | 300 | 38.70 | 11,610.00 | 12/01/08 | 13,070.00 | 43.57 | (1,460.00) | 324.60 | 2.8% |
| POSCO ADR | PKX | 510 | 63.52 | 32,395.20 | 10/30/06 | 30,649.38 | 60.10 | 1,745.82 | 1,102.62 | 3.4% |
| SUN MICROSYSTEMS INC COM | JAVA | 50 | 4.16 | 208.00 | | - | - | | | |

Statement for Account # 881-625499
01/01/09 - 01/31/09

Account Positions

| Investment Description | Symbol/ CUSIP | Quantity | Current Price | Market Value | Purchase Date | Cost Basis | Average Cost | Unrealized Gain(Loss) | Estimated Income | Yield |
|---|------------------|------------|------------------|--------------------------|----------------------|--------------------------|-----------------|--------------------------|---------------------|-------------|
| Stocks - Margin | | | | | | | | | | |
| TRANSGLOBE ENERGY CORP. COM | TGA | 9,900 | 2.965 | 29,353.50 | 01/05/09 | 25,099.90 | 2.54 | 4,253.60 | | |
| WESTERN ASSET EMERGING MARKETS DEBT FUND INC COM | ESD | 3,820 | 12.65 | 48,323.00 | 09/29/08 | 43,244.26 | 11.32 | 5,078.74 | 6,417.60 | 13.3% |
| Total Stocks | | | | \$233,387.36 | | \$250,909.31 | | \$(19,549.45) | \$12,877.62 | 5.5% |
| Short Stocks - Short | | | | | | | | | | |
| GOLDMAN SACHS GROUP INC COM | GS | 270- | \$ 80.73 | \$(21,797.10) | 01/26/09 | \$(20,580.13) | \$ 76.22 | \$(1,216.97) | \$ | |
| ING CLARION GLOBAL REIT FD COM | IGR | 5,400- | 3.88 | (20,952.00) | 01/26/09 | (20,077.93) | 3.72 | (874.07) | | |
| Total Short Stocks | | | | \$(42,749.10) | | \$(40,658.06) | | \$(2,091.04) | \$0.00 | 0.0% |
| Options - Margin | | | | | | | | | | |
| ACXION CORP -UQAQC P MAY 15 | UQAQC | 14 | \$ 5.70 | \$ 7,980.00 | 10/07/08 | \$ 5,760.45 | \$ 4.11 | \$ 2,219.55 | \$ | |
| PROSHARES -SKFSV P JUL 100 | SKFSV | 3 | 26.20 | 7,860.00 | 12/18/08 | 11,262.20 | 37.54 | (3,402.20) | | |
| Total Options | | | | \$15,840.00 | | \$17,022.65 | | \$(1,182.65) | \$0.00 | 0.0% |
| Short Options - Margin | | | | | | | | | | |
| AIRCASTLE LIMITED -AYRPB P APR 10 | AYRPB | 50- | \$ 5.90 | \$(29,500.00) | 12/26/08 | \$(26,452.40) | \$ 5.29 | \$(3,047.60) | \$ | |
| AIRCASTLE LIMITED -AYRPC P APR 15 | AYRPC | 50- | 10.70 | (53,500.00) | 12/26/08 | (50,952.26) | 10.19 | (2,547.74) | | |
| AMEX SPDR -XJZFL C JUN 12 ARCHER DANIELS MIDLAND CO | XJZFL VEFAG | 20- 10- | 0.81 5.50 | (1,620.00) (5,500.00) | 12/31/08 12/03/08 | (4,375.02) (4,982.52) | 2.19 4.98 | 2,755.02 (517.48) | | |
| -VEFAG C JAN 35 '11 CONOCOPHILLIPS CORP -COPBK C FEB 55 | COPBK | 2- | 0.18 | (36.00) | 01/20/09 | (92.54) | 0.46 | 56.54 | | |

Statement for Account # 881-625499
01/01/09 - 01/31/09

| Account Positions | | | | | | | | | | | | |
|--|------------------|----------|------------------|-----------------------|------------------|-----------------------|-----------------|--------------------------|---------------------|--------------|--|--|
| Investment Description | Symbol/ CUSIP | Quantity | Current Price | Market Value | Purchase Date | Cost Basis | Average Cost | Unrealized Gain(Loss) | Estimated Income | Yield | | |
| Short Options - Margin | | | | | | | | | | | | |
| CONOCOPHILLIPS CORP -COPQI P MAY 45 | COPQI | 2- | 4.10 | (820.00) | 11/10/08 | (1,228.54) | 6.14 | 408.54 | | | | |
| FIFTH THIRD BANCORP -FTQNZ P FEB 2.5 | FTQNZ | 20- | 0.45 | (900.00) | 12/26/08 | (175.04) | 0.09 | (724.96) | | | | |
| FREEPORT MCMORAN COPPER & GOLD -FCXNX P FEB 22.5 | FCXNX | 11- | 0.93 | (1,023.00) | 12/31/08 | (2,566.78) | 2.33 | 1,543.78 | | | | |
| ISHARES -EFEOS P MAR 45 | EFEOS | 2- | 6.73 | (1,346.00) | 01/05/09 | (628.54) | 3.14 | (717.46) | | | | |
| POSCO -PKXBP C FEB 80 | PKXBP | 5- | 0.35 | (175.00) | 01/20/09 | (436.29) | 0.87 | 261.29 | | | | |
| PROSHARES -SKFGC C JUL 110 | SKFGC | 1- | 62.90 | (6,290.00) | 12/30/08 | (3,759.27) | 37.59 | (2,530.73) | | | | |
| PROSHARES -SKFGV C JUL 100 | SKFGV | 2- | 66.00 | (13,200.00) | 12/31/08 | (7,348.50) | 36.74 | (5,851.50) | | | | |
| Total Short Options | | | | \$(113,910.00) | | \$(102,997.70) | | \$(10,912.30) | \$0.00 | 0.0% | | |
| Mutual Funds - Margin | | | | | | | | | | | | |
| DWS US GOVT SECS STRAT GOVT SECURITIES FD CL S | KUSMX | 13.232 | \$ 8.38 | \$ 110.88 | | \$ - | \$ - | \$ | | | | |
| Total Mutual Funds | | | | \$110.88 | | \$0.00 | | \$0.00 | \$0.00 | 0.0% | | |
| Total Margin Account | | | | \$135,428.24 | | \$164,934.26 | | \$(31,644.40) | \$12,877.62 | 9.5% | | |
| Total Short Account | | | | \$(42,749.10) | | \$(40,658.06) | | \$(2,091.04) | \$0.00 | 0.0% | | |
| Total Positions | | | | \$92,679.14 | | \$124,276.20 | | \$(33,735.44) | \$12,877.62 | 13.9% | | |

Statement for Account # 881-625499
01/01/09 - 01/31/09

Account Activity

| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
|------------------------|-------------|-----------|--------------------------------|---|------------------|----------|---------|-------------|--------------------|
| Opening Balance | | | | | | | | | \$49,031.68 |
| 12/31/08 | 01/02/09 | Margin | Sell - Securities Sold | AMEX SPDR -XJZFL C JUN 12 TO OPEN | XJZFL | 20- | \$ 2.20 | \$ 4,375.02 | 53,406.70 |
| 12/31/08 | 01/02/09 | Margin | Sell - Securities Sold | PROSHARES-SKFGV C JUL 100 TO OPEN | SKFGV | 2- | 36.80 | 7,348.50 | 60,755.20 |
| 12/31/08 | 01/02/09 | Margin | Sell - Securities Sold | FREEMPORT MCMORAN COPPER & GOLD -FCXNX P FEB 22.5 TO OPEN | FCXNX | 11- | 2.35 | 2,566.78 | 63,321.98 |
| 12/31/08 | 01/02/09 | Margin | Sell - Securities Sold | AMEX SPDR -XJZFK C JUN 11 TO CLOSE | XJZFK | 14- | 2.84 | 3,955.52 | 67,277.50 |
| 01/02/09 | 01/02/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (623.50) | 66,654.00 |
| 01/02/09 | 01/02/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (118.45) | 66,535.55 |
| 01/05/09 | 01/05/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (493.55) | 66,042.00 |
| 12/31/08 | 01/06/09 | Margin | Sell - Securities Sold | OPPENHEIMER HOLDINGS INC OPY COM | | 2,000- | 13.00 | 25,989.90 | 92,031.90 |
| 01/05/09 | 01/06/09 | Margin | Sell - Securities Sold | POWERSHARES TO CLOSE -OZCMI P JAN 35 '11 TO CLOSE | OZCMI | 14- | 8.44 | 11,795.48 | 103,827.38 |
| 01/05/09 | 01/06/09 | Margin | Sell - Securities Sold | ISHARES -EFEOS P MAR 45 TO OPEN | EFEOS | 2- | 3.20 | 628.54 | 104,455.92 |
| 01/06/09 | 01/06/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (9,239.04) | 95,216.88 |
| 01/06/09 | 01/06/09 | Margin | Journal - Other | TD BANK USA CHECKING Check #:227 | | | 0.00 | (70.00) | 95,146.88 |
| 01/06/09 | 01/06/09 | Margin | Journal - Other | TD BANK USA CHECKING Check #:228 | | | 0.00 | (1,170.00) | 93,976.88 |
| 01/07/09 | 01/07/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 2,465.00 | 96,441.88 |
| 01/07/09 | 01/07/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 1,240.00 | 97,681.88 |
| 01/07/09 | 01/07/09 | Margin | Journal - Other | TD BANK USA DEBITCARD 20090106000701 UNIVERSITY HOSPITAL | | | 0.00 | (602.00) | 97,079.88 |

Statement for Account # 881-625499
01/01/09 - 01/31/09

Account Activity

| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
|------------|-------------|-----------|--------------------------------|---|------------------|----------|-------|-------------|-----------|
| 01/05/09 | 01/08/09 | Margin | Buy - Securities Purchased | TRANSGLOBE ENERGY CORP. COM | TGA | 300 | 2.64 | (801.95) | 96,277.93 |
| 01/08/09 | 01/08/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (493.88) | 95,784.05 |
| 01/08/09 | 01/08/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (2,703.99) | 93,080.06 |
| 01/08/09 | 01/08/09 | Margin | - Funds Disbursed | ACH 009007008575462 USAA P&C PREMIUM CHECK PYMT | | | 0.00 | (387.55) | 92,692.51 |
| 01/09/09 | 01/09/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (153.62) | 92,538.89 |
| 01/09/09 | 01/09/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 387.55 | 92,926.44 |
| 01/07/09 | 01/12/09 | Margin | Buy - Securities Purchased | TRANSGLOBE ENERGY CORP. COM | TGA | 9,600 | 2.53 | (24,297.95) | 68,628.49 |
| 01/07/09 | 01/12/09 | Margin | Sell - Securities Sold | WESTERN ASSET EMERGING MARKETS DEBT FUND INC COM | ESD | 500- | 12.56 | 6,270.01 | 74,898.50 |
| 01/07/09 | 01/12/09 | Margin | Sell - Securities Sold | WESTERN ASSET EMERGING MARKETS DEBT FUND INC COM | ESD | 580- | 12.60 | 7,307.95 | 82,206.45 |
| 01/12/09 | 01/12/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (347.50) | 81,858.95 |
| 01/13/09 | 01/13/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 849.85 | 82,708.80 |
| 01/13/09 | 01/13/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (9,983.53) | 72,725.27 |
| 01/14/09 | 01/14/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (285.20) | 72,440.07 |
| 01/15/09 | 01/15/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (282.90) | 72,157.17 |
| 01/15/09 | 01/15/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 12,140.53 | 84,297.70 |
| 01/16/09 | 01/16/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 383.35 | 84,681.05 |
| 01/16/09 | 01/16/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (1,217.52) | 83,463.53 |
| 01/20/09 | 01/20/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (2,391.97) | 81,071.56 |

Statement for Account # 881-625499

01/01/09 - 01/31/09

Account Activity

| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
|------------|-------------|-----------|--------------------------------|--|------------------|----------|-------|-------------|-----------|
| 01/20/09 | 01/20/09 | Margin | Delivered - Other | UDR INC - P JAN 25 ## EXERCISED OPTION | 999UQWME5 | 8- | 0.00 | - | 81,071.56 |
| 01/20/09 | 01/20/09 | Margin | Received - Other | POSCO - P JAN 75 OPTION ASSIGNED | 999PKXMO8 | 3 | 0.00 | - | 81,071.56 |
| 01/20/09 | 01/20/09 | Margin | Received - Other | UDR INC - P JAN 25 ## EXERCISED OPTION | 999UQWME5 | 8 | 0.00 | - | 81,071.56 |
| 01/20/09 | 01/20/09 | Margin | Delivered - Other | UDR INC - P JAN 25 ## EXERCISED OPTION | 999UQWME5 | 8- | 0.00 | - | 81,071.56 |
| 01/20/09 | 01/20/09 | Margin | Received - Other | CONOCOPHILLIPS CORP -C JAN 55 EXPIRATION | 999COPAK1 | 5 | 0.00 | - | 81,071.56 |
| 01/20/09 | 01/20/09 | Margin | Received - Other | FREEPORT MCMORAN COPPER & GOLD -P JAN 22.5 EXPIRATION | 999FCXMX9 | 9 | 0.00 | - | 81,071.56 |
| 01/20/09 | 01/20/09 | Margin | Received - Other | POSCO - C JAN 90 EXPIRATION | 999PKXAR4 | 2 | 0.00 | - | 81,071.56 |
| 01/20/09 | 01/20/09 | Margin | Ck# - Funds Disbursed | TD BANK USA DEBITCARD 20090120000690 UNIVERSITY HOSPITAL | | | 0.00 | (602.00) | 80,469.56 |
| 01/20/09 | 01/21/09 | Margin | Sell - Securities Sold | CONOCOPHILLIPS CORP TO OPEN | COPBK | 2- | 0.52 | 92.54 | 80,562.10 |
| 01/20/09 | 01/21/09 | Margin | Sell - Securities Sold | -COPBK C FEB 55 TO OPEN POSCO -PKXBP C FEB 80 TO OPEN | PKXBP | 5- | 0.90 | 436.29 | 80,998.39 |
| 01/21/09 | 01/21/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 16,964.77 | 97,963.16 |
| 01/21/09 | 01/21/09 | Margin | - Funds Disbursed | ACH 009021004499689 PASSPORT NATIONAL PAYMENT | | | 0.00 | (75.00) | 97,888.16 |
| 01/20/09 | 01/22/09 | Margin | Buy - Securities Purchased | POSCO ADR | PKX | 300 | 75.00 | (22,519.99) | 75,368.17 |
| 01/22/09 | 01/22/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (15,912.54) | 59,455.63 |

Statement for Account # 881-625499
01/01/09 - 01/31/09

Account Activity

| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
|------------|-------------|-----------|--------------------------------|--|------------------|----------|-------|-------------|-----------|
| 01/23/09 | 01/23/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 509.95 | 59,965.58 |
| 01/23/09 | 01/23/09 | Margin | - Funds Disbursed | ACH 009023007118529 CHASE CHECK PYMT | | | 0.00 | (110.97) | 59,854.61 |
| 01/23/09 | 01/26/09 | Margin | Sell - Securities Sold | FIFTH THIRD BANCORP TO CLOSE -YJFMV P JAN 12.5 '10 | YJFMV | 20- | 10.00 | 19,974.93 | 79,829.54 |
| 01/26/09 | 01/26/09 | Margin | Div/Int - Income | GENERAL ELECTRIC CO COM Payable: 01/26/2009 | GE | | 0.00 | 46.50 | 79,876.04 |
| 01/26/09 | 01/26/09 | Margin | Journal - Other | QUALIFIED DIVIDENDS 46.50 PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (5,954.01) | 73,922.03 |
| 01/26/09 | 01/26/09 | Margin | Div/Int - Income | DWS US GOVT SECS STRAT GOVT SECURITIES FD CL S Payable: 01/26/2009 Ordinary Dividends 0.48 | KUSMX | | 0.00 | 0.48 | 73,922.51 |
| 01/26/09 | 01/26/09 | Margin | CK# - Funds Disbursed | TD BANK USA CHECKING Check #:232 | | | 0.00 | (59.00) | 73,863.51 |
| 01/22/09 | 01/27/09 | Margin | Buy - Securities Purchased | CHINA NATURAL GAS INC COM | CHNG | 200 | 2.50 | (509.95) | 73,353.56 |
| 01/26/09 | 01/27/09 | Margin | Buy - Securities Purchased | COMPANHIA VALE DO TO CLOSE -RXOOM P MAR 11 TO CLOSE | RXOOM | 22 | 0.66 | (1,478.45) | 71,875.11 |
| 01/27/09 | 01/27/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 27,472.99 | 99,348.10 |
| 01/23/09 | 01/28/09 | Margin | Buy - Securities Purchased | CHINA NATURAL GAS INC COM | CHNG | 3,800 | 2.50 | (9,509.95) | 89,838.15 |
| 01/26/09 | 01/29/09 | Margin | Buy - Securities Purchased | \$FZC: DIVIDEND CAP GL REALTY EXP FUN GLOBAL REALTY | DCW | 6,600 | 3.09 | (20,403.95) | 69,434.20 |
| 01/29/09 | 01/29/09 | Margin | CK# - Funds Disbursed | TD BANK USA CHECKING Check #:233 | | | 0.00 | (25.25) | 69,408.95 |

Statement for Account # 881-625499
01/01/09 - 01/31/09

Account Activity

| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
|------------|-------------|-----------|--------------------------------|--|------------------|----------|-------|-------------|-----------|
| 01/29/09 | 01/29/09 | Margin | CK# - Funds Disbursed | TD BANK USA CHECKING Check #:231 | | | 0.00 | (90.00) | 69,318.95 |
| 01/29/09 | 01/29/09 | Margin | CK# - Funds Disbursed | TD BANK USA CHECKING Check #:237 | | | 0.00 | (142.08) | 69,176.87 |
| 01/30/09 | 01/30/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (2,574.34) | 66,602.53 |
| 01/30/09 | 01/30/09 | Margin | Div/Int - Income | WESTERN ASSET EMERGING MARKETS DEBT FUND INC COM | ESD | | 0.00 | 534.80 | 67,137.33 |
| | | | | Payable: 01/30/2009 Ordinary Dividends 534.80 | | | | | |
| 01/30/09 | 01/30/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 257.33 | 67,394.66 |
| | | | | 236 | | | | | |
| 01/30/09 | 01/30/09 | Margin | Journal - Expense | TD BANK USA CHECKING | | | 0.00 | (25.00) | 67,369.66 |
| 01/30/09 | 01/30/09 | Margin | CK# - Funds Disbursed | Check #:235 | | | 0.00 | (5,000.00) | 62,369.66 |
| 01/30/09 | 01/30/09 | Margin | Div/Int - Income | INTEREST CREDIT Payable: 01/30/2009 | | | 0.00 | 2.31 | 62,371.97 |
| 01/02/09 | 01/02/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 623.50 | 62,995.47 |
| 01/02/09 | 01/02/09 | Short | Div/Int - Income | ISHARES JPM USB EMRG MKT BD | EMB | | 0.00 | (91.05) | 62,904.42 |
| | | | | CASH DIVIDEND Payable: 01/02/2009 | | | | | |
| 01/05/09 | 01/05/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 493.55 | 63,397.97 |
| 01/07/09 | 01/07/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (2,465.00) | 60,932.97 |
| 01/08/09 | 01/08/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 493.88 | 61,426.85 |
| 01/09/09 | 01/09/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 153.62 | 61,580.47 |
| 01/07/09 | 01/12/09 | Short | Buy - Securities Purchased | ISHARES JPM USB EMRG MKT BD | EMB | 20 | 86.77 | (1,745.35) | 59,835.12 |
| 01/12/09 | 01/12/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 347.50 | 60,182.62 |
| 01/13/09 | 01/13/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (849.85) | 59,332.77 |
| 01/14/09 | 01/14/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 285.20 | 59,617.97 |
| 01/12/09 | 01/15/09 | Short | Buy - Securities Purchased | ISHARES JPM USB EMRG MKT BD | EMB | 230 | 86.77 | (19,967.05) | 39,650.92 |

Statement for Account # 881-625499
01/01/09 - 01/31/09

Account Activity

| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
|------------------------|-------------|-----------|--------------------------------|-----------------------------------|------------------|----------|-------|-----------|--------------------|
| 01/15/09 | 01/15/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | 282.90 | 39,933.82 |
| 01/16/09 | 01/16/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | (383.35) | 39,550.47 |
| 01/26/09 | 01/29/09 | Short | Sell - Securities Sold | GOLDMAN SACHS GROUP INC GS COM | | 270- | 76.26 | 20,580.13 | 60,130.60 |
| 01/26/09 | 01/29/09 | Short | Sell - Securities Sold | ING CLARION GLOBAL REIT FD COM | IGR | 5,400- | 3.72 | 20,077.93 | 80,208.53 |
| 01/30/09 | 01/30/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 2,574.34 | 82,782.87 |
| Closing Balance | | | | | | | | | \$82,782.87 |

*For Cash Activity totals, refer to the Cash Activity Summary on page one of your statement.

TD AMERITRADE Cash Interest Credit/Expense

| Begin Date | Margin Balance | Credit Balance | Number of Days | Interest Rate | Interest Debited | Interest Credited |
|------------|----------------|----------------|----------------|---------------|------------------|-------------------|
| 01/01/09 | \$ | \$ 26,210.18 | 1 | 0.05 | \$ | \$ 0.04 |
| 01/02/09 | | 43,714.05 | 3 | 0.05 | 0.05 | 0.18 |
| 01/05/09 | | 43,220.50 | 1 | 0.05 | 0.05 | 0.06 |
| 01/06/09 | | 71,155.38 | 1 | 0.05 | 0.05 | 0.10 |
| 01/07/09 | | 74,258.38 | 1 | 0.05 | 0.05 | 0.10 |
| 01/08/09 | | 69,871.01 | 1 | 0.05 | 0.05 | 0.10 |
| 01/09/09 | | 70,104.94 | 3 | 0.05 | 0.05 | 0.29 |
| 01/12/09 | | 59,037.45 | 1 | 0.05 | 0.05 | 0.08 |
| 01/13/09 | | 49,903.77 | 1 | 0.05 | 0.05 | 0.07 |
| 01/14/09 | | 49,618.57 | 1 | 0.05 | 0.05 | 0.07 |
| 01/15/09 | | 61,476.20 | 1 | 0.05 | 0.05 | 0.08 |
| 01/16/09 | | 60,642.03 | 4 | 0.05 | 0.05 | 0.33 |
| 01/20/09 | | 57,648.06 | 1 | 0.05 | 0.05 | 0.08 |
| 01/21/09 | | 75,066.66 | 1 | 0.05 | 0.05 | 0.10 |
| 01/22/09 | | 36,634.13 | 1 | 0.05 | 0.05 | 0.05 |
| 01/23/09 | | 37,033.11 | 3 | 0.05 | 0.05 | 0.15 |
| 01/26/09 | | 51,042.01 | 1 | 0.05 | 0.05 | 0.07 |
| 01/27/09 | | 76,526.60 | 1 | 0.05 | 0.05 | 0.10 |
| 01/28/09 | | 67,016.65 | 1 | 0.05 | 0.05 | 0.09 |
| 01/29/09 | | 46,355.37 | 1 | 0.05 | 0.05 | 0.06 |
| 01/30/09 | | 39,548.16 | 2 | 0.05 | 0.05 | 0.11 |

Total Interest Income/(Expense) **\$ 0.00** **\$2.31**

Statement for Account # 881-625499
01/01/09 - 01/31/09

| Money Market Fund Account Interest Credited | | | | | | | | | | | | |
|---|--------------|----------------|---------------|------------------|-------------|---------------|--|--|--|--|--|--|
| Begin Date | Balance | Number of Days | Interest Rate | Interest Accrued | MTD Accrued | MTD PAID | | | | | | |
| 01/01/09 | \$ 70,314.58 | 1 | 0.2853 | \$ 0.55 | \$ 0.55 | \$ - | | | | | | |
| 01/02/09 | 70,433.03 | 3 | 0.2701 | 1.56 | 2.11 | - | | | | | | |
| 01/05/09 | 70,433.03 | 1 | 0.2736 | 0.53 | 2.64 | - | | | | | | |
| 01/06/09 | 79,672.07 | 1 | 0.2796 | 0.61 | 3.25 | - | | | | | | |
| 01/07/09 | 78,432.07 | 1 | 0.2903 | 0.63 | 3.88 | - | | | | | | |
| 01/08/09 | 81,136.06 | 1 | 0.1885 | 0.41 | 4.29 | - | | | | | | |
| 01/09/09 | 80,748.51 | 3 | 0.1461 | 0.97 | 5.26 | - | | | | | | |
| 01/12/09 | 80,748.51 | 1 | 0.1415 | 0.32 | 5.58 | - | | | | | | |
| 01/13/09 | 90,732.04 | 1 | 0.1123 | 0.28 | 5.86 | - | | | | | | |
| 01/14/09 | 90,732.04 | 1 | 0.1290 | 0.32 | 6.18 | - | | | | | | |
| 01/15/09 | 78,591.51 | 1 | 0.1281 | 0.27 | 6.45 | - | | | | | | |
| 01/16/09 | 79,809.03 | 4 | 0.1326 | 1.16 | 7.61 | - | | | | | | |
| 01/20/09 | 82,201.00 | 1 | 0.0800 | 0.18 | 7.79 | - | | | | | | |
| 01/21/09 | 65,236.23 | 1 | 0.0733 | 0.13 | 7.92 | - | | | | | | |
| 01/22/09 | 81,148.77 | 1 | 0.0961 | 0.22 | 8.14 | - | | | | | | |
| 01/23/09 | 80,638.82 | 3 | 0.0933 | 0.61 | 8.75 | - | | | | | | |
| 01/26/09 | 86,592.83 | 1 | 0.0797 | 0.19 | 8.94 | - | | | | | | |
| 01/27/09 | 59,119.84 | 1 | 0.0731 | 0.12 | 9.06 | - | | | | | | |
| 01/28/09 | 59,119.84 | 2 | 0.0156 | 0.05 | 9.11 | - | | | | | | |
| 01/30/09 | 58,862.51 | 2 | 0.0000 | - | 9.11 | - | | | | | | |
| Total Interest Income | | | | | | \$9.11 | | | | | | |

Positions Closed This Period

| Investment Description | Account Type | Symbol/CUSIP | Quantity | Purchase Date | Cost Basis | Sale Date | Sales Proceeds | Realized Gain(Loss) | % Gain(Loss) |
|-----------------------------|--------------|--------------|----------|---------------|-------------|-----------|----------------|---------------------|--------------|
| COMPANHIA VALE DO | Short | RXOOM | 2,200 | 12/01/08 | \$ 1,478.45 | 01/26/09 | \$ 5,411.96 | \$ 3,933.51 ST | 266.1% |
| -RXOOM P MAR 11 | Short | COPAK | 500 | 12/05/08 | - | 01/20/09 | 811.29 | 811.29 ST | - |
| -C JAN 55 | Expired | | | | | | | | |
| FIFTH THIRD BANCORP | Margin | YJFMV | 2,000 | 10/27/08 | 11,824.95 | 01/23/09 | 19,974.93 | 8,149.98 ST | 68.9% |
| -YJFMV P JAN 12.5 '10 | Short | FCXMX | 900 | 11/25/08 | - | 01/20/09 | 4,033.27 | 4,033.27 ST | - |
| -P JAN 22.5 | Expired | | | | | | | | |
| ISHARES JPM USB EMRG MKT BD | Short | EMB | 20 | 11/20/08 | 1,745.35 | 01/07/09 | 1,469.20 | (276.15) ST | (15.8)% |
| ISHARES JPM USB EMRG MKT BD | Short | EMB | 230 | 11/20/08 | 19,967.05 | 01/12/09 | 16,895.74 | (3,071.31) ST | (15.4)% |
| POSCO - C JAN 90 | Short | PKXAR | 200 | 12/22/08 | - | 01/20/09 | 158.54 | 158.54 ST | - |
| Expired | | | | | | | | | |

Statement for Account # 881-625499
01/01/09 - 01/31/09

Positions Closed This Period

| Investment Description | Account Type | Symbol/ CUSIP | Quantity | Purchase Date | Cost Basis | Sale Date | Sales Proceeds | Realized Gain(Loss) | % Gain(Loss) |
|---------------------------|--------------|---------------|----------|---------------|--------------------|-----------|--------------------|---------------------|-------------------|
| POWERSHARES | Margin | OZCMI | 1,400 | 12/03/08 | 14,650.45 | 01/05/09 | 11,795.48 | (2,854.97) ST | (19.5)% |
| -OZCMI P JAN 35 '11 | | | | | | | | | |
| WESTERN ASSET EMERGING | Margin | ESD | 500 | 09/29/08 | 7,006.78 | 01/07/09 | 6,270.01 | (736.77) ST | (10.5)% |
| MARKETS DEBT FUND INC COM | | | | | | | | | |
| WESTERN ASSET EMERGING | Margin | ESD | 580 | 09/29/08 | 8,127.86 | 01/07/09 | 7,307.95 | (819.91) ST | (10.1)% |
| MARKETS DEBT FUND INC COM | | | | | | | | | |
| Total | | | | | \$64,800.89 | | \$74,128.37 | | \$9,327.48 |

Trades Pending Settlement

| Investment Description | Account Type | Symbol/ CUSIP | Quantity | Order Date | Expiration Date | Price | Trade Date | Settle Date | Amount |
|------------------------|--------------|---------------|----------|------------|-----------------|----------|------------|-------------|--------------|
| SELL | Margin | UDR | 800- | 800- | | \$ 25.00 | 01/20/09 | 03/31/09 | \$ 19,979.89 |
| CANC | Margin | UDR | 800 | 800 | | 25.00 | 01/20/09 | 03/31/09 | (19,979.89) |
| EL | | | | | | | | | |
| SELL | Short | UDR | 800- | 800- | | 25.00 | 01/20/09 | 03/31/09 | 19,979.89 |

Open Orders

| Investment Description | Account Type | Symbol/ CUSIP | Quantity | Order Date | Expiration Date | Projected Amount | Order Type | Order Rstr. | Price/ Percentage | Current Price |
|-----------------------------------|--------------|---------------|----------|------------|-----------------|------------------|------------|-------------|-------------------|---------------|
| Buy ARCHER DANIELS MIDLAND C COM | Margin | ADM | 2,500 | 10/24/08 | 02/24/09 | \$ 19,675.00 | LMT | | \$7.87 | \$ 27.38 |
| Sell ARCHER DANIELS MIDLAND C COM | Margin | ADM | 500 | 12/21/08 | 02/26/09 | 63,000.00 | LMT | | \$126.00 | 27.38 |
| Buy CHINA NATURAL GAS INC COM | Margin | CHNG | 10,000 | 10/24/08 | 02/24/09 | 15,000.00 | LMT | | \$1.50 | 2.43 |
| Sell CONOCOPHILLIPS CORP COM | Margin | COP | 270 | 12/21/08 | 02/26/09 | 26,457.30 | LMT | | \$97.99 | 47.53 |
| Sell EASTERN INSURANCE HOLDIN COM | Margin | EIHI | 1,000 | 12/21/08 | 02/26/09 | 42,990.00 | LMT | | \$42.99 | 10.49 |
| Buy POSCO ADR | Margin | PKX | 1,000 | 10/24/08 | 02/24/09 | 21,000.00 | LMT | | \$21.00 | 63.52 |

Statement for Account # 881-625499
01/01/09 - 01/31/09

Open Orders

| Investment Description | Account Type | Symbol CUSIP | Quantity | Order Date | Expiration Date | Projected Amount | Order Type | Order Rstr. | Price/ Percentage | Current Price |
|---------------------------------------|--------------|--------------|----------|------------|-----------------|------------------|------------|-------------|-------------------|---------------|
| Sell POSCO ADR | Margin | PKX | 210 | 12/21/08 | 02/26/09 | 76,437.90 | LMT | | \$363.99 | 63.52 |
| Buy AIRCASTLE LIMITED -AYRPP P APR 10 | Margin | AYRPPB | 25 | 01/07/09 | 03/26/09 | 120.00 | LMT | | \$4.80 | 5.90 |
| Buy AIRCASTLE LIMITED -AYRPC P APR 15 | Margin | AYRPC | 25 | 12/26/08 | 03/26/09 | 230.00 | LMT | | \$9.20 | 10.70 |
| Buy AIRCASTLE LIMITED -AYRPC P APR 15 | Margin | AYRPC | 25 | 12/26/08 | 03/26/09 | 205.00 | LMT | | \$8.20 | 10.70 |
| Sell PROSHARES -SKFSV P JUL 100 | Margin | SKFSV | 3 | 12/30/08 | 03/30/09 | 105.00 | LMT | | \$35.00 | 26.20 |
| Sell ACXION CORP -UQAQC P MAY 15 | Margin | UQAQC | 14 | 01/08/09 | 02/09/09 | 182.00 | LMT | | \$13.00 | 5.70 |

Statement for Account # 881-625499
 01/01/09 - 01/31/09

| Money Market Fund Account Activity | | | | | | | | |
|------------------------------------|--------------|--------------|-------------|--|---------------|--------------|-------------|-------------|
| Date | Check Number | Date Written | Transaction | Description | Tracking Code | Expense Code | Amount | Balance |
| Opening Balance | | | | | | | | \$70,314.58 |
| 01/02/09 | | 01/02/09 | Received | TDAM US GOVERNMENT PORTFOLIO PURCHASE TDAM US GOVERNMENT | | | \$ 118.45 | 70,433.03 |
| 01/06/09 | | 01/06/09 | Received | TDAM US GOVERNMENT PORTFOLIO PURCHASE TDAM US GOVERNMENT | | | 9,239.04 | 79,672.07 |
| 01/07/09 | | 01/07/09 | Delivered | TDAM US GOVERNMENT PORTFOLIO REDEMPTION TDAM US GOVERNMENT | | | (1,240.00) | 78,432.07 |
| 01/08/09 | | 01/08/09 | Received | TDAM US GOVERNMENT PORTFOLIO PURCHASE TDAM US GOVERNMENT | | | 2,703.99 | 81,136.06 |
| 01/09/09 | | 01/09/09 | Delivered | TDAM US GOVERNMENT PORTFOLIO REDEMPTION TDAM US GOVERNMENT | | | (387.55) | 80,748.51 |
| 01/13/09 | | 01/13/09 | Received | TDAM US GOVERNMENT PORTFOLIO PURCHASE TDAM US GOVERNMENT | | | 9,983.53 | 90,732.04 |
| 01/15/09 | | 01/15/09 | Delivered | TDAM US GOVERNMENT PORTFOLIO REDEMPTION TDAM US GOVERNMENT | | | (12,140.53) | 78,591.51 |

Statement for Account # 881-625499
 01/01/09 - 01/31/09

| Money Market Fund Account Activity | | | | | | | | |
|------------------------------------|--------------|--------------|-------------|--|---------------|--------------|-------------|-----------|
| Date Cleared | Check Number | Date Written | Transaction | Description | Tracking Code | Expense Code | Amount | Balance |
| 01/16/09 | | 01/16/09 | Received | TDAM US GOVERNMENT PORTFOLIO PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 1,217.52 | 79,809.03 |
| 01/20/09 | | 01/20/09 | Received | TDAM US GOVERNMENT PORTFOLIO PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 2,391.97 | 82,201.00 |
| 01/21/09 | | 01/21/09 | Delivered | TDAM US GOVERNMENT PORTFOLIO REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | (16,964.77) | 65,236.23 |
| 01/22/09 | | 01/22/09 | Received | TDAM US GOVERNMENT PORTFOLIO PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 15,912.54 | 81,148.77 |
| 01/23/09 | | 01/23/09 | Delivered | TDAM US GOVERNMENT PORTFOLIO REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | (509.95) | 80,638.82 |
| 01/26/09 | | 01/26/09 | Received | TDAM US GOVERNMENT PORTFOLIO PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 5,954.01 | 86,592.83 |
| 01/27/09 | | 01/27/09 | Delivered | TDAM US GOVERNMENT PORTFOLIO REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | (27,472.99) | 59,119.84 |

Statement for Account # 881-625499
01/01/09 - 01/31/09

| Money Market Fund Account Activity | | | | | | | | |
|---|---------------------|---------------------|--------------------|---|----------------------|---------------------|---------------|--------------------|
| Date | Check Number | Date Written | Transaction | Description | Tracking Code | Expense Code | Amount | Balance |
| 01/30/09 | | 01/30/09 | Delivered | TDAM US GOVERNMENT PORTFOLIO REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | (257.33) | 58,862.51 |
| 01/30/09 | | 01/30/09 | Received | Money Market Fund Dividends | | | 9.11 | 58,871.62 |
| Closing Balance | | | | | | | | \$58,871.62 |

Important Information

Keep this statement for income tax purposes

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Although the funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund. Dividends are declared daily and paid/reinvested monthly. The prospectus contains this and other important information. Read the prospectus carefully before investing. Non-deposit investments held by your broker-dealer are NOT FDIC INSURED / NOT BANK GUARANTEED / MAY LOSE VALUE.

The above prices are provided only as a general guide to value your portfolio. Current quotations are available through TD AMERITRADE. Certificates of Deposit are priced at market prices. Sale of bonds prior to maturity may result in a loss of principal. Mortgage backed positions are valued using the remaining balance and the current market price.

Non-Standard Assets: This statement shows all assets in your account including certain direct investments that may be held by a third party. TD AMERITRADE is not responsible for third-party information, including the valuation of certain non-standard assets. The price shown represents an estimated value that is provided by an annual report or other source. The estimated value of these assets may not be realized when you try to liquidate the position. Assets held by a third party are not covered by the Securities Investor Protection Corporation (SIPC)

Auction Rate Securities ("ARS") Pricing: TD AMERITRADE has consistently reflected the value of ARS positions in client accounts and on account statements at par. Par value may not be the same as the market price that could be obtained in the event of a sale. The ARS market is currently experiencing a lack of liquidity and, as a result, there can be no assurance that such securities can be sold under current market conditions. In the event of a failed auction, the coupon rate paid to holders is typically set to a predetermined rate specified in the offering documents for such securities.

Non Standard Option - Please contact TD AMERITRADE or your Advisor for more information

Portfolio Report Guide

TD AMERITRADE provides monthly Portfolio Reports for accounts with activity and quarterly reports for inactive accounts with assets.¹

Portfolio Summary

Tracks the current value of your portfolio as of the report date and compares it to the prior month.² The asset allocation indicates your portfolio diversification by investment type.

Multiple allocations under 5% will be grouped into the category of "Other" in the pie chart.
Margin Equity = Total Account Equity/(Total Long Marginable Value + Total Short Value)

Activity Summary

The opening and closing cash balances are reconciled here for your quick reference. All account activity is summarized for the current period and year-to-date.

Income & Expense Summary (non-IRAs only)

This section details the income and expense totals from the Activity Summary and classifies the tax treatment.

Retirement Account Summary (IRAs only)

Review the IRS regulated transactions for the current and prior years. IRS Form 5498 fair market value is based on the current value as of December 31 of the previous year and will be furnished to the Internal Revenue Service.

Performance Summary

Monitor your annual portfolio performance and the unrealized gains and losses for your future investment strategy.

Account Positions

View your investments at the current market value and compare the original cost to see unrealized gains and losses in your portfolio. Original cost is assigned using the first-in, first-out (FIFO) method, which assumes the first shares you sell are those you purchased first. The estimated investment income² and average cost per share are displayed for your reference (the oldest purchase date is shown for an indication of your holding period).

Account Activity

All account activity is clearly defined, listed in date order, and reflected in the closing cash balance.

Positions Closed this Month

Includes securities sold this month showing the oldest trade date for the original purchase and the realized gain or loss.

Trades Pending Settlement

Confirm your executed trades with a settlement date after month end. These transactions will be reflected in the Account Activity section next month.

Open Orders

Review your open limit orders for accuracy and notify us immediately if you wish to change or cancel an order.

Cash Management Activity

Cash management transactions (including check, debit card and ATM activity) that cleared during this month are listed in date order.

- 1 Due to rounding adjustments, the statement details may not equal the statement totals.
- 2 Estimated Annual Income and Estimated Annual Yield values are based upon the number of shares owned as of the statement date and the most recent dividend rate provided. Yield data provided by third-party vendor, Interactive Data Fixed Income Analytics.

TD AMERITRADE

TD AMERITRADE does not provide investment, legal, or tax advice. Please consult your legal advisor or tax accountant when necessary. As a standard industry practice, phone conversations may be recorded for quality control and transaction verification purposes.

TD AMERITRADE Institutional clients, your advisor/firm is separate from and not affiliated with TD AMERITRADE, Inc. or TD AMERITRADE Clearing, Inc. and each firm is not responsible for the products and services of the other.

Accuracy of Reports

If you find any errors or omissions in your account statement, you should immediately call us at the number listed on page one of your statement. You should also contact our Clearing firm, TD AMERITRADE Clearing, Inc. at (402) 970-7724. Please review this statement carefully. If you disagree with any transaction, or if there are any errors or omissions, please notify a Client Services representative at your local branch office, as well as TD AMERITRADE Clearing, Inc. in writing within ten (10) days of your receipt of this statement. Any oral statements that you have made to us should be confirmed in writing. The statement will otherwise be considered conclusive.

Please notify us promptly of any changes in your contact information. Transactions reflected on your report will be conclusively deemed accurate unless you notify TD AMERITRADE immediately.

Account Protection

Deposits made into a TD Bank USA, NA Money Market Deposit Account are insured by the FDIC (not covered by SIPC) up to \$100,000 per depositor (up to \$250,000 of protection for the combined total of the traditional and Roth IRAs, self-directed Keoghs and certain other retirement accounts). Securities, including mutual funds, held in your Brokerage Account are not deposits or obligations of, or guaranteed by, any bank, are not FDIC-insured, and involve investment risks, including possible loss of principal. TD AMERITRADE, Inc. is a member of the Securities Investor Protection Corporation. Securities in your account protected up to \$500,000. For details, please visit www.sipc.org or call (202) 371-8300. Up to an aggregate of 250 million of additional securities protection, of which \$900,000 may be applied to cash, is provided by London insurers, also limited to a combined return to any client from a Trustee, SIPC and London of \$150 million. This coverage provides you protection against brokerage insolvency and does not protect against loss in market value of the securities.

Tax Reporting

The portfolio report is not a tax document. You will receive Form 1099 for annual tax reporting in compliance with IRS requirements (includes taxable interest, dividends, capital gains, taxes withheld, and sales proceeds). Some payments are subject to reclassification which will be reflected on subsequent tax reports.

Cost Basis

Cost Basis, tax lot and performance reporting and Gainskeeper are offered and conducted by COH INCORPORATED. TD AMERITRADE is not responsible for the reliability or suitability of the information. TD AMERITRADE and its information providers ("Providers") do not guarantee the accuracy of the information and data provided. COH INCORPORATED is a separate company and is not affiliated with TD AMERITRADE.

Margin and Options Account Agreements

Promptly advise TD AMERITRADE in writing of any changes in your investment objectives or financial situation as they pertain to your margin or options account agreements. A summary of commissions and charges incurred with the execution of options transactions is available.

Current Market Prices

The market values of securities have been obtained, if available, from quotation services and other independent sources. Values are based on the closing price, the mean between the bid and asking prices, or other methods. Non-traded securities are indicated by "N/A" and may affect statement balances and totals. The valuations on your portfolio report are provided as general information and we do not guarantee the accuracy of any securities prices.

Limited Partnerships and non-headed Real Estate Investment Trusts are generally illiquid and have no public markets; annual valuations are obtained from a third party or the general partner. The secondary market for Certificates of Deposits (CDs) is generally illiquid and the actual value may be different from the purchase price. A significant loss of principal may result from the sale of a CD prior to maturity. Portfolio report valuations may not represent sales proceeds.

*On October 3, 2008, President George W. Bush signed the Emergency Economic Stabilization Act of 2008, which temporarily raises the basic limit on federal deposit insurance coverage from \$100,000 to \$250,000 per depositor. The temporary increase in federal insurance coverage became effective upon the President's signature. The legislation provides that the basic deposit insurance limit will return to \$100,000 after December 31, 2009.

Regulatory Disclosures

All transactions are subject to (i) the constitution, rules, regulations, customs and usages of the exchange or market, and its clearinghouse, if any, on which such transactions are executed; (ii) federal laws, including the Securities Act of 1933 and the Securities Exchange Act of 1934, each as amended to date and in the future, and the rules and regulations promulgated thereunder; and (iii) the rules and regulations of FINRA and the Federal Reserve System.

For an investor brochure that includes information describing FINRA's Public Disclosure Program, please contact FINRA at (800) 289-9939 or www.finra.org.

The interest rate shown for TD AMERITRADE Cash is taken from the applicable interest rate tier for the Market Value balance in the TD AMERITRADE Cash, as of the statement closing date. Simple interest is accrued daily based on the interest rate tier applicable to each day's balance. Interest rates on TD AMERITRADE Cash balances are based on tiers as determined by balances held in those sweep vehicles as follows: \$.01 to \$1,999: \$2,000 to \$9,999: \$10,000 to \$24,999: \$25,000 to \$99,999: \$100,000 and above

Financial Statement Notification

The statement of financial condition for TD AMERITRADE is available twice a year and may be obtained at no cost, via the internet at <http://www.tdameritrade.com/financialstatement.html>.

Allocation Method

In the event any of your securities are called or assigned, the securities will be selected on an impartial, random basis.

Free Credit Balances (Rule 15c3-2 & 3)

Under the client protection rules of our business which are payable to you on demand.

Margin Accounts (Regulation T)

If you have a margin account, this report is a combination of your margin account and a special memorandum account. Trading on margin poses additional risks and is not suitable for all investors. A complete list of the risks associated with margin trading is available in the margin risk disclosure document. You may obtain a copy of this document by contacting us at the number listed on page one of your statement.

Payment for Order Flow (SEC Rules 606 and 607)
In some circumstances, TD AMERITRADE receives compensation for directing certain over-the-counter and listed equity order flow to selected market makers, brokers or dealers. Compensation is in the form of a per share cash payment. We post quarterly reports disclosing the venues for order routing execution at www.tdameritrade.com. A written copy is available upon request.

It is our policy, absent client orders to the contrary, to select brokers, dealers, and market makers based on the ability to provide best execution and the history of seeking price improvement on market orders. Price improvement is available under certain market conditions, and we regularly monitor executions to test for such improvement, if available.

Trade Confirmations (Rule 10b-10)

All confirmations are transmitted on the transaction date

Privacy Policy Notification

A copy of the TD AMERITRADE privacy policy is available at www.tdameritrade.com



Statement Reporting Period:
02/01/09 - 02/28/09

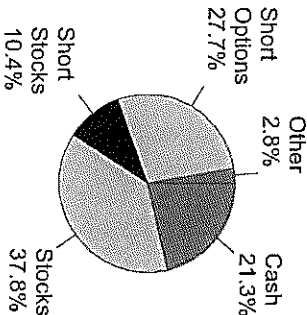
800-669-3900
TD AMERITRADE
DIVISION OF TD AMERITRADE INC
PO BOX 2209
OMAHA, NE 68103-2209

Statement for Account # 881-625499
LAURENT J L A BRIE
5 PLEASANT RIDGE APT #PH-5
OWINGS MILLS, MD 21117

Announcements:
ROLL OVER YOUR OLD 401(K) TO A
TD AMERITRADE EASY IRA.
NO FEES. NO HASSLES. PLUS A
FREE RETIREMENT CHECKUP.
VISIT A BRANCH NEAR YOU OR FIND
OUT MORE AT TDAMERITRADE.COM

Portfolio Summary

| Investment | Current Value | Prior Value | Period Change | % Change | Estimated Income | Estimated Yield | Portfolio Allocation |
|----------------------|---------------------|---------------------|----------------------|----------------|--------------------|-----------------|----------------------|
| Cash | \$105,615.92 | \$39,550.47 | \$66,065.45 | - | \$ | - | Cash 21.3% |
| MMDA | - | - | - | - | - | - | Other 2.8% |
| Money Market | 678.57 | 58,871.62 | (58,193.05) | (98.8)% | - | - | Short Options 27.7% |
| Short Balance | 52,892.50 | 43,232.40 | 9,660.10 | 22.3% | - | - | Short Stocks 10.4% |
| Stocks | 187,398.50 | 233,387.36 | (45,988.86) | (19.7)% | 12,357.33 | 6.6% | Stocks 37.8% |
| Short Stocks | (51,569.60) | (42,749.10) | (8,820.50) | (20.6)% | - | - | |
| Fixed Income | - | - | - | - | - | - | |
| Options | 13,300.00 | 15,840.00 | (2,540.00) | (16.0)% | - | - | |
| Short Options | (137,491.00) | (113,910.00) | (23,581.00) | (20.7)% | - | - | |
| Mutual Funds | 111.55 | 110.88 | 0.67 | 0.6% | - | - | |
| Other | - | - | - | - | - | - | |
| Total | \$170,936.44 | \$234,333.63 | (\$63,397.19) | (27.1)% | \$12,357.33 | 7.2% | |
| Margin Equity | 100.0% | | | | | | |



Cash Activity Summary

| | Current | YTD | Reportable | Non Reportable | YTD |
|------------------------|---------------------|---------------------|------------|-----------------|-------------------|
| Opening Balance | \$82,782.87 | \$49,031.68 | Income | | |
| Securities Purchased | (7,031.44) | (108,266.03) | Dividends | \$ - | \$1,025.95 |
| Securities Sold | 37,114.00 | 168,513.52 | Interest | 2.56 | 4.87 |
| Funds Deposited | - | - | Other | - | - |
| Funds Disbursed | (12,514.00) | (20,847.85) | Expense | - | - |
| Income | 537.78 | 1,030.82 | Interest | - | - |
| Expense | (25.00) | (50.00) | Fees | - | (25.00) |
| Other | 57,644.21 | 69,096.28 | Other | - | (549.00) |
| Closing Balance | \$158,508.42 | \$158,508.42 | Net | \$537.78 | (\$574.00) |
| | | | | | \$431.82 |

Income & Expense Summary

| | Reportable | Non Reportable | YTD |
|------------------------------------|------------|----------------|--------------------|
| Cost Basis As Of - 02/28/09 | | | \$93,455.69 |
| Unrealized Gains | | | 17,043.24 |
| Unrealized Losses | | | (100,371.53) |
| Funds Deposited/(Disbursed) | | | (20,847.85) |
| Income/(Expense) | | | 431.82 |
| Securities Received/(Delivered) | | | 0.00 |

Performance Summary

| | YTD |
|------------------------------------|--------------------|
| Cost Basis As Of - 02/28/09 | \$93,455.69 |
| Unrealized Gains | 17,043.24 |
| Unrealized Losses | (100,371.53) |
| Funds Deposited/(Disbursed) | (20,847.85) |
| Income/(Expense) | 431.82 |
| Securities Received/(Delivered) | 0.00 |

Statement for Account # 881-625499
02/01/09 - 02/28/09

Apex Savings

Your Apex status continues to save you money. You saved an estimated \$25.00 in service fees this month. Free access to NASDAQ Level II, Streaming News and Advanced Analyzer saves you \$59.97 per month in subscription fees.

Income Summary Detail*

| Description | Current | | Year to Date |
|--------------------------------|-----------|--------------|--------------|
| | Current | Year to Date | |
| Ordinary Dividends | \$ 535.22 | \$ 1,070.50 | |
| Interest Income Credit Balance | 2.56 | 4.87 | |
| Qualified Dividends | 0.00 | 46.50 | |
| Money Market Fund Dividends | 0.16 | 9.27 | |

*This section displays current and year to date taxation values for this account. The current totals may not equate to the total payments listed on this statement as corrections to tax reporting may also be included. These corrections can include changes made to previous payments and removal of payments reportable in a previous tax year (spillover dividends). The year to date totals will accurately reflect your cumulative amount for the year.

Account Positions

| Investment Description | Symbol/ CUSIP | Quantity | Current Price | Market Value | Purchase Date | Cost Basis | Average Cost | Unrealized Gain/Loss | Estimated Income | Yield |
|---|---------------|----------|---------------|--------------|---------------|--------------|--------------|----------------------|------------------|-------|
| Stocks - Margin | | | | | | | | | | |
| \$FZC: DIVIDEND CAP GL REALTY EXP FUN GLOBAL REALTY | DCW | 6,600 | \$ 2.47 | \$ 16,302.00 | 01/26/09 | \$ 20,403.95 | \$ 3.09 | \$ (4,101.95) | \$ 3,168.00 | 19.4% |
| ARCHER DANIELS MIDLAND CO COM | ADM | 1,000 | 26.66 | 26,660.00 | 09/21/07 | 31,553.64 | 31.55 | (4,893.64) | 560.00 | 2.1% |
| CHINA NATURAL GAS INC COM | CHNG | 9,580 | 1.80 | 17,244.00 | 07/17/07 | 38,288.05 | 4.00 | (21,044.05) | | |
| CIA PARANAENSE ENERGI-SP ADR SP ADR | ELP | 400 | 9.19 | 3,676.00 | 12/11/08 | 4,312.95 | 10.78 | (636.95) | 63.20 | 1.7% |
| CONOCOPHILLIPS CORP COM | COP | 270 | 37.35 | 10,084.50 | 03/23/07 | 19,052.28 | 70.56 | (8,967.78) | 507.60 | 5.0% |
| EASTERN INSURANCE HOLDINGS INC COM | EIHI | 2,100 | 6.80 | 14,280.00 | 11/20/06 | 25,234.90 | 12.02 | (10,954.90) | 588.00 | 4.1% |
| FIFTH THIRD BANCORP COM | FITB | 2,000 | 2.11 | 4,220.00 | 02/20/09 | 4,844.95 | 2.42 | (624.95) | 80.00 | 1.9% |
| GENERAL ELECTRIC CO COM | GE | 150 | 8.51 | 1,276.50 | | - | - | | 186.00 | 14.6% |
| POSCO ADR | PKX | 510 | 50.17 | 25,586.70 | 10/30/06 | 30,649.38 | 60.10 | (5,062.68) | 786.93 | 3.1% |

Statement for Account # 881-625499
02/01/09 - 02/28/09

Account Positions

| Investment Description | Symbol/ CUSIP | Quantity | Current Price | Market Value | Purchase Date | Cost Basis | Average Cost | Unrealized Gain(Loss) | Estimated Income | Yield |
|--|------------------|----------|------------------|----------------------|------------------|----------------------|-----------------|--------------------------|---------------------|-------------|
| Stocks - Margin | | | | | | | | | | |
| SUN MICROSYSTEMS INC COM | JAVA | 50 | 4.68 | 234.00 | | - | - | | | |
| TRANSGLLOBE ENERGY CORP. COM | TGA | 9,900 | 2.65 | 26,235.00 | 01/05/09 | 25,099.90 | 2.54 | 1,135.10 | | |
| WESTERN ASSET EMERGING MARKETS DEBT FUND INC COM | ESD | 3,820 | 10.89 | 41,599.80 | 09/29/08 | 43,244.26 | 11.32 | (1,644.46) | 6,417.60 | 15.4% |
| Total Stocks | | | | \$187,398.50 | | \$242,684.26 | | \$(56,796.26) | \$12,357.33 | 6.6% |
| Short Stocks - Short | | | | | | | | | | |
| GOLDMAN SACHS GROUP INC COM | GS | 270- | \$ 91.08 | \$(24,591.60) | 01/26/09 | \$(20,580.13) | \$ 76.22 | \$(4,011.47) | \$ | |
| ING CLARION GLOBAL REIT FD COM | IGR | 9,400- | 2.87 | (26,978.00) | 01/26/09 | (32,984.19) | 3.51 | 6,006.19 | | |
| Total Short Stocks | | | | \$(51,569.60) | | \$(53,564.32) | | \$1,994.72 | \$0.00 | 0.0% |
| Options - Margin | | | | | | | | | | |
| ACXION CORP -UQAQC P MAY 15 | UQAQC | 14 | \$ 6.50 | \$ 9,100.00 | 10/07/08 | \$ 5,760.45 | \$ 4.11 | \$ 3,339.55 | \$ | |
| PROSHARES -SKFSV P JUL 100 | SKFSV | 3 | 14.00 | 4,200.00 | 12/18/08 | 11,262.20 | 37.54 | (7,062.20) | | |
| Total Options | | | | \$13,300.00 | | \$17,022.65 | | \$(3,722.65) | \$0.00 | 0.0% |
| Short Options - Margin | | | | | | | | | | |
| AIRCASLE LIMITED -AYRPB P APR 10 | AYRPB | 50- | \$ 6.90 | \$(34,500.00) | 12/26/08 | \$(26,452.40) | \$ 5.29 | \$(8,047.60) | \$ | |
| AIRCASLE LIMITED -AYRPC P APR 15 | AYRPC | 50- | 11.90 | (59,500.00) | 12/26/08 | (50,952.26) | 10.19 | (8,547.74) | | |
| AMEX SPDR -XJZFE C JUN 5 | XJZFE | 20- | 2.96 | (5,920.00) | 02/17/09 | (6,775.01) | 3.39 | 855.01 | | |
| AMEX SPDR -XJZFG C JUN 7 | XJZFG | 20- | 1.65 | (3,300.00) | 02/17/09 | (4,115.02) | 2.06 | 815.02 | | |
| AMEX SPDR -XJZFL C JUN 12 | XJZFL | 20- | 0.20 | (400.00) | 12/31/08 | (4,375.02) | 2.19 | 3,975.02 | | |

Statement for Account # 881-625499
02/01/09 - 02/28/09

| Account Positions | | | | | | | | | | | | |
|--|------------------|----------|------------------|-----------------------|------------------|-----------------------|-----------------|---------------------------|---------------------|---------------|--|--|
| Investment Description | Symbol/ CUSIP | Quantity | Current Price | Market Value | Purchase Date | Cost Basis | Average Cost | Unrealized Gain/(Loss) | Estimated Income | Yield | | |
| Short Options - Margin | | | | | | | | | | | | |
| ARCHER DANIELS MIDLAND CO -VEFAG C JAN 35 '11 | VEFAG | 10- | 4.60 | (4,600.00) | 12/03/08 | (4,982.52) | 4.98 | 382.52 | | | | |
| CIA PARANAENSE ENERGI-SP ADR -ELPSB P JUL 10 | ELPSB | 10- | 2.50 | (2,500.00) | 02/09/09 | (2,082.53) | 2.08 | (417.47) | | | | |
| CONOCOPHILLIPS CORP -COPCK C MAR 55 | COPCK | 2- | 0.03 | (6.00) | 02/09/09 | (104.54) | 0.52 | 98.54 | | | | |
| CONOCOPHILLIPS CORP -COPQI P MAY 45 | COPQI | 2- | 8.65 | (1,730.00) | 11/10/08 | (1,228.54) | 6.14 | (501.46) | | | | |
| POSCO -FTZCN C MAR 70 | FTZCN | 5- | 0.15 | (75.00) | 02/17/09 | (511.29) | 1.02 | 436.29 | | | | |
| PROSHARES -SKFGC C JUL 110 | SKFGC | 1- | 78.40 | (7,840.00) | 12/30/08 | (3,759.27) | 37.59 | (4,080.73) | | | | |
| PROSHARES -SKFGV C JUL 100 | SKFGV | 2- | 85.60 | (17,120.00) | 12/31/08 | (7,348.50) | 36.74 | (9,771.50) | | | | |
| Total Short Options | | | | \$(137,491.00) | | \$(112,686.90) | | \$(24,804.10) | \$0.00 | 0.0% | | |
| Mutual Funds - Margin | | | | | | | | | | | | |
| DWS US GOVT SECS STRAT GOVT SECURITIES FD CL S | KUSMX | 13.232 | \$ 8.43 | \$ 111.55 | | \$ - | \$ - | \$ | | | | |
| Total Mutual Funds | | | | \$111.55 | | \$0.00 | | \$0.00 | \$0.00 | 0.0% | | |
| Total Margin Account | | | | \$63,319.05 | | \$147,020.01 | | \$(85,323.01) | \$12,357.33 | 19.5% | | |
| Total Short Account | | | | \$(51,569.60) | | \$(53,564.32) | | \$1,994.72 | \$0.00 | 0.0% | | |
| Total Positions | | | | \$11,749.45 | | \$93,455.69 | | \$(83,328.29) | \$12,357.33 | 105.2% | | |

Statement for Account # 881-625499
02/01/09 - 02/28/09

| Account Activity | | | | | | | | | |
|------------------------|-------------|-----------|--------------------------------|--|------------------|----------|---------|-------------|-------------|
| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
| Opening Balance | | | | | | | | | |
| 02/02/09 | 02/02/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | \$ 0.00 | \$ 483.30 | \$82,782.87 |
| 02/02/09 | 02/02/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 4,487.89 | 83,266.17 |
| 02/02/09 | 02/02/09 | Margin | CR# - Funds Disbursed | TD BANK USA DEBITCARD 20090202000634 UNIVERSITY HOSPITAL | | | 0.00 | (602.00) | 87,754.06 |
| 02/02/09 | 02/02/09 | Margin | CR# - Funds Disbursed | TD BANK USA CHECKING Check #:238 | | | 0.00 | (140.00) | 87,152.06 |
| 02/03/09 | 02/03/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (388.80) | 87,012.06 |
| 02/03/09 | 02/03/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 742.00 | 86,623.26 |
| 02/03/09 | 02/03/09 | Margin | - Funds Disbursed | WIRE FUNDS WIRE SENT 02/03/2009 10:16:42 | | | 0.00 | (10,000.00) | 87,365.26 |
| 02/04/09 | 02/04/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (226.80) | 77,138.46 |
| 02/04/09 | 02/04/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 10,000.00 | 87,138.46 |
| 02/04/09 | 02/04/09 | Margin | CR# - Funds Disbursed | TD BANK USA CHECKING Check #:239 | | | 0.00 | (1,170.00) | 85,968.46 |
| 02/05/09 | 02/05/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (1,447.20) | 84,521.26 |
| 02/05/09 | 02/05/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 5,048.95 | 89,570.21 |
| 02/06/09 | 02/06/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (777.60) | 88,792.61 |
| 02/06/09 | 02/06/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (2,217.99) | 86,574.62 |
| 02/09/09 | 02/09/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (2,084.40) | 84,490.22 |
| 02/09/09 | 02/09/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (1,660.96) | 82,829.26 |
| 02/09/09 | 02/10/09 | Margin | Sell - Securities Sold | CONCOPHILLIPS CORP TO OPEN -COPCK C MAR 55 TO OPEN | COPCK | 2- | 0.58 | 104.54 | 82,933.80 |

Statement for Account # 881-625499
02/01/09 - 02/28/09

Account Activity

| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
|------------|-------------|-----------|--------------------------------|--|------------------|----------|-------|------------|------------|
| 02/09/09 | 02/10/09 | Margin | Sell - Securities Sold | CIA PARANAENSE ENERGI-SP ADR | ELPSB | 10- | 2.10 | 2,082.53 | 85,016.33 |
| | | | | -ELPSB P JUL 10 TO OPEN | | | | | |
| 02/10/09 | 02/10/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (356.40) | 84,659.93 |
| 02/10/09 | 02/10/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 2,608.43 | 87,268.36 |
| 02/11/09 | 02/11/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 2,994.30 | 90,262.66 |
| 02/12/09 | 02/12/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (1,271.70) | 88,990.96 |
| 02/13/09 | 02/13/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 467.10 | 89,458.06 |
| 02/13/09 | 02/13/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 3,496.46 | 92,954.52 |
| 02/17/09 | 02/17/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 251.10 | 93,205.62 |
| 02/17/09 | 02/17/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 1,785.05 | 94,990.67 |
| 02/17/09 | 02/18/09 | Margin | Sell - Securities Sold | AMEX SPDR -XJZFE C JUN 5 TO OPEN | XJZFE | 20- | 3.40 | 6,775.01 | 101,765.68 |
| 02/17/09 | 02/18/09 | Margin | Sell - Securities Sold | AMEX SPDR -XJZFG C JUN 7 TO OPEN | XJZFG | 20- | 2.07 | 4,115.02 | 105,880.70 |
| 02/17/09 | 02/18/09 | Margin | Sell - Securities Sold | POSCO -FITZCN C MAR 70 TO OPEN | FTZCN | 5- | 1.05 | 511.29 | 106,391.99 |
| 02/18/09 | 02/18/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 5,167.80 | 111,559.79 |
| 02/18/09 | 02/18/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 20,404.63 | 131,964.42 |
| 02/19/09 | 02/19/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 758.70 | 132,723.12 |
| 02/19/09 | 02/19/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 14,177.16 | 146,900.28 |
| 02/19/09 | 02/19/09 | Margin | Div/Int - Other | TDAM US GOVERNMENT PORTFOLIO | ZTD20 | | 0.00 | 0.16 | 146,900.44 |
| 02/20/09 | 02/20/09 | Margin | Journal - Other | Money Market Fund Dividends Payable: 02/28/2009 | | | 0.00 | 240.30 | 147,140.74 |
| 02/23/09 | 02/23/09 | Margin | Journal - Other | Money Market Fund Divi 0.16 MARK TO MARKET ADJ | | | 0.00 | 599.40 | 147,740.14 |

Statement for Account # 881-625499
02/01/09 - 02/28/09

Account Activity

| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
|------------|-------------|-----------|--------------------------------|--|------------------|----------|---------|------------|------------|
| 02/23/09 | 02/23/09 | Margin | Div/Int - Income | DWS US GOVT SECS STRAT GOVT SECURITIES FD CL S Payable: 02/23/2009 Ordinary Dividends 0.42 | KUSMX | | 0.00 | 0.42 | 147,740.56 |
| 02/23/09 | 02/23/09 | Margin | Received - Other | FIFTH THIRD BANCORP -P FEB 2.5 OPTION ASSIGNED | 999FTQNZ0 | 20 | 0.00 | - | 147,740.56 |
| 02/23/09 | 02/23/09 | Margin | Received - Other | CONOCOPHILLIPS CORP -C FEB 55 EXPIRATION | 999COPBK0 | 2 | 0.00 | - | 147,740.56 |
| 02/23/09 | 02/23/09 | Margin | Received - Other | FREEPORT MCMORAN COPPER & GOLD -P FEB 22.5 EXPIRATION | 999FCXNX8 | 11 | 0.00 | - | 147,740.56 |
| 02/23/09 | 02/23/09 | Margin | Received - Other | POSCO - C FEB 80 EXPIRATION | 999PKXB77 | 5 | 0.00 | - | 147,740.56 |
| 02/23/09 | 02/24/09 | Margin | Buy - Securities Purchased | ISHARES -EFEOS P MAR 45 TO CLOSE | EFEOS | 2 | 10.00 | (2,011.45) | 145,729.11 |
| 02/24/09 | 02/24/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 2,662.66 | 148,391.77 |
| 02/24/09 | 02/24/09 | Margin | Journal - Expense | 009054002995323 | | | 0.00 | (25.00) | 148,366.77 |
| 02/23/09 | 02/25/09 | Margin | Buy - Securities Purchased | FIFTH THIRD BANCORP COM | FTB | 2,000 | 2.50 | (5,019.99) | 143,346.78 |
| 02/25/09 | 02/25/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (5,130.70) | 138,216.08 |
| 02/23/09 | 02/26/09 | Margin | Sell - Securities Sold | ISHARES MSCI EAFE INDEX FUND | EFA | 300- | 35.4312 | 10,619.35 | 148,835.43 |
| 02/26/09 | 02/26/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 1,640.20 | 150,475.63 |
| 02/26/09 | 02/26/09 | Margin | Journal - Other | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | (1,805.69) | 148,669.94 |
| 02/27/09 | 02/27/09 | Margin | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (884.10) | 147,785.84 |
| 02/27/09 | 02/27/09 | Margin | Div/Int - Income | WESTERN ASSET EMERGING MARKETS DEBT FUND INC COM | ESD | | 0.00 | 534.80 | 148,320.64 |

Payable: 02/27/2009
Ordinary Dividends 534.80

Statement for Account # 881-625499
02/01/09 - 02/28/09

Account Activity

| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
|------------|-------------|-----------|--------------------------------|--|------------------|----------|--------|------------|------------|
| 02/27/09 | 02/27/09 | Margin | Journal - Other | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 0.00 | 1,127.12 | 149,447.76 |
| 02/27/09 | 02/27/09 | Margin | Ck# - Funds Disbursed | TD BANK USA DEBITCARD 20090226000690 UNIVERSITY HOSPITAL | | | 0.00 | (602.00) | 148,845.76 |
| 02/27/09 | 02/27/09 | Margin | Div/Int - Income | INTEREST CREDIT Payable: 02/27/2009 | | | 0.00 | 2.56 | 148,848.32 |
| 02/02/09 | 02/02/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (483.30) | 148,365.02 |
| 02/03/09 | 02/03/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 388.80 | 148,753.82 |
| 02/04/09 | 02/04/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 226.80 | 148,980.62 |
| 02/05/09 | 02/05/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 1,447.20 | 150,427.82 |
| 02/06/09 | 02/06/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 777.60 | 151,205.42 |
| 02/09/09 | 02/09/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 2,084.40 | 153,289.82 |
| 02/10/09 | 02/10/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 356.40 | 153,646.22 |
| 02/11/09 | 02/11/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (2,994.30) | 150,651.92 |
| 02/12/09 | 02/12/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | 1,271.70 | 151,923.62 |
| 02/13/09 | 02/13/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (467.10) | 151,456.52 |
| 02/17/09 | 02/17/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (251.10) | 151,205.42 |
| 02/18/09 | 02/18/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (5,167.80) | 146,037.62 |
| 02/19/09 | 02/19/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (758.70) | 145,278.92 |
| 02/20/09 | 02/20/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (240.30) | 145,038.62 |
| 02/18/09 | 02/23/09 | Short | Sell - Securities Sold | ING CLARION GLOBAL REIT FD COM | IGR | 900- | 3.23 | 2,897.03 | 147,935.65 |
| 02/18/09 | 02/23/09 | Short | Sell - Securities Sold | ING CLARION GLOBAL REIT FD COM | IGR | 2,500- | 3.2301 | 8,075.20 | 156,010.85 |
| 02/18/09 | 02/23/09 | Short | Sell - Securities Sold | ING CLARION GLOBAL REIT FD COM | IGR | 600- | 3.24 | 1,934.03 | 157,944.88 |
| 02/23/09 | 02/23/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (599.40) | 157,345.48 |
| 02/24/09 | 02/24/09 | Short | Journal - Other | MARK TO MARKET ADJ | | | 0.00 | (2,662.66) | 154,682.82 |

Statement for Account # 881-625499
02/01/09 - 02/28/09

Account Activity

| Trade Date | Settle Date | Acct Type | Transaction/ Cash Activity* | Description | Symbol/ CUSIP | Quantity | Price | Amount | Balance |
|------------------------|-------------|-----------|--------------------------------|-----------------------------------|------------------|----------|-------|------------|---------------------|
| 02/24/09 | 02/24/09 | Short | Div/Int - Other | ING CLARION GLOBAL REIT FD COM | IGR | 0.00 | 0.00 | (423.00) | 154,259.82 |
| | | | | CASH DIVIDEND | | | | | |
| | | | | CHARGE SHORT POSITIONS | | | | | |
| | | | | Payable: 02/27/2009 | | | | | |
| 02/25/09 | 02/25/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | 5,130.70 | 159,390.52 |
| 02/25/09 | 02/25/09 | Short | Div/Int - Other | GOLDMAN SACHS GROUP INC GS COM | | 0.00 | 0.00 | (126.00) | 159,264.52 |
| | | | | CASH DIVIDEND | | | | | |
| | | | | CHARGE SHORT POSITIONS | | | | | |
| | | | | Payable: 03/26/2009 | | | | | |
| 02/26/09 | 02/26/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | (1,640.20) | 157,624.32 |
| 02/27/09 | 02/27/09 | Short | Journal - Other | MARK TO MARKET ADJ | | 0.00 | 0.00 | 884.10 | 158,508.42 |
| Closing Balance | | | | | | | | | \$158,508.42 |

*For Cash Activity totals, refer to the Cash Activity Summary on page one of your statement.

| Begin Date | Margin Balance | Credit Balance | Number of Days | Interest Rate | Interest Debited | Interest Credited |
|------------|----------------|----------------|----------------|---------------|------------------|-------------------|
| 02/01/09 | \$ | \$ 39,550.47 | 1 | 0.05 % | | \$ 0.05 |
| 02/02/09 | | 43,779.66 | 1 | 0.05 | 0.06 | 0.06 |
| 02/03/09 | | 34,132.86 | 1 | 0.05 | 0.05 | 0.05 |
| 02/04/09 | | 42,736.06 | 1 | 0.05 | 0.06 | 0.06 |
| 02/05/09 | | 46,337.81 | 1 | 0.05 | 0.06 | 0.06 |
| 02/06/09 | | 43,342.22 | 3 | 0.05 | 0.18 | 0.18 |
| 02/09/09 | | 39,596.86 | 1 | 0.05 | 0.05 | 0.05 |
| 02/10/09 | | 44,035.96 | 1 | 0.05 | 0.06 | 0.06 |
| 02/11/09 | | 47,030.26 | 1 | 0.05 | 0.06 | 0.06 |
| 02/12/09 | | 45,758.56 | 1 | 0.05 | 0.06 | 0.06 |
| 02/13/09 | | 49,722.12 | 4 | 0.05 | 0.27 | 0.27 |
| 02/17/09 | | 51,758.27 | 1 | 0.05 | 0.07 | 0.07 |
| 02/18/09 | | 88,732.02 | 1 | 0.05 | 0.12 | 0.12 |
| 02/19/09 | | 103,668.04 | 1 | 0.05 | 0.14 | 0.14 |
| 02/20/09 | | 103,908.34 | 3 | 0.05 | 0.43 | 0.43 |
| 02/23/09 | | 104,508.16 | 1 | 0.05 | 0.14 | 0.14 |
| 02/24/09 | | 105,134.37 | 1 | 0.05 | 0.14 | 0.14 |

Statement for Account # 881-625499
02/01/09 - 02/28/09

| TD AMERITRADE Cash Interest Credit/Expense | | | | | | | | | |
|--|----------------|----------------|------------------|-------------------------------|---------------|------------------|-------------------|----------------|---------------|
| Begin Date | Margin Balance | Credit Balance | Interest of Days | Credit/Expense Number of Days | Interest Rate | Interest Debited | Interest Credited | MTD PAID | MTD CREDITED |
| 02/25/09 | | 94,983.68 | | 1 | 0.05 | | 0.05 | | 0.13 |
| 02/26/09 | | 105,437.54 | | 1 | 0.05 | | 0.05 | | 0.14 |
| 02/27/09 | | 105,613.36 | | 2 | 0.05 | | 0.05 | | 0.29 |
| Total Interest Income/(Expense) | | | | | | | | \$ 0.00 | \$2.56 |

| Money Market Fund Account Interest Credited | | | | | | | | | |
|---|--------------|----------------|---------------|------------------|---------------|------------------|----------|---------------|----------|
| Begin Date | Balance | Number of Days | Interest Rate | Interest Accrued | Interest Rate | Interest Accrued | MTD PAID | MTD CREDITED | MTD PAID |
| 02/01/09 | \$ 58,871.62 | 1 | 0.0000 | \$ - | | \$ - | | \$ - | |
| 02/02/09 | 54,383.73 | 1 | 0.0000 | - | | - | | - | |
| 02/03/09 | 53,641.73 | 1 | 0.0000 | - | | - | | - | |
| 02/04/09 | 43,641.73 | 1 | 0.0000 | - | | - | | - | |
| 02/05/09 | 38,592.78 | 1 | 0.0000 | - | | - | | - | |
| 02/06/09 | 40,810.77 | 3 | 0.0000 | - | | - | | - | |
| 02/09/09 | 42,471.73 | 1 | 0.0000 | - | | - | | - | |
| 02/10/09 | 39,863.30 | 3 | 0.0000 | - | | - | | - | |
| 02/13/09 | 36,366.84 | 4 | 0.0300 | 0.12 | | 0.12 | | 0.12 | |
| 02/17/09 | 34,581.79 | 1 | 0.0300 | 0.03 | | 0.03 | | 0.15 | |
| 02/18/09 | 14,177.16 | 1 | 0.0300 | 0.01 | | 0.01 | | 0.16 | |
| 02/26/09 | 1,805.69 | 1 | 0.0300 | - | | - | | - | |
| 02/27/09 | 678.57 | 2 | 0.0300 | - | | - | | - | |
| Total Interest Income | | | | | | | | \$0.16 | |

| Positions Closed This Period | | | | | | | | | |
|---|--------------|---------------|----------|---------------|--------------------|-----------|--------------------|---------------------|--------------|
| Investment Description | Account Type | Symbol/ CUSIP | Quantity | Purchase Date | Cost Basis | Sale Date | Sales Proceeds | Realized Gain(Loss) | % Gain(Loss) |
| CONOCOPHILLIPS CORP - C FEB 55 | Short | COPBK | 200 | 01/20/09 | \$ - | 02/23/09 | \$ 92.54 | \$ 92.54 ST | |
| Expired | | | | | | | | | |
| FREEMPORT MCMORAN COPPER & - P FEB 22.5 | Short | FCXNX | 1,100 | 12/31/08 | - | 02/23/09 | 2,566.78 | 2,566.78 ST | |
| Expired | | | | | | | | | |
| ISHARES -EFEO S P MAR 45 | Short | EFEO S | 200 | 01/05/09 | 2,011.45 | 02/23/09 | 628.54 | (1,382.91) ST | (68.8)% |
| ISHARES MSCI EAFE INDEX FUND | Margin | EFA | 300 | 12/01/08 | 13,070.00 | 02/23/09 | 10,619.35 | (2,450.65) ST | (18.8)% |
| POSCO - C FEB 80 | Short | PKXBP | 500 | 01/20/09 | - | 02/23/09 | 436.29 | 436.29 ST | |
| Expired | | | | | | | | | |
| Total | | | | | \$15,081.45 | | \$14,343.50 | \$(737.95) | |

Statement for Account # 881-625499
02/01/09 - 02/28/09

Trades Pending Settlement

| Investment Description | Account Type | Symbol/ CUSIP | Quantity | Price | Trade Date | Settle Date | Amount |
|------------------------|--------------|---------------|----------|---------|------------|-------------|-------------|
| SELL | Margin | FITB | 2,000- | \$ 1.43 | 02/25/09 | 03/02/09 | \$ 2,850.03 |
| SELL | Margin | EIHI | 2,100- | 6.75 | 02/27/09 | 03/04/09 | 14,164.97 |
| SELL | Margin | UDR | 800- | 25.00 | 01/20/09 | 03/31/09 | 19,979.89 |
| CANC EL SELL | Margin | UDR | 800 | 25.00 | 01/20/09 | 03/31/09 | (19,979.89) |
| SELL | Short | UDR | 800- | 25.00 | 01/20/09 | 03/31/09 | 19,979.89 |

Open Orders

| Investment Description | Account Type | Symbol/ CUSIP | Quantity | Order Date | Expiration Date | Projected Amount | Order Type | Order Rstr. | Price/ Percentage | Current Price |
|--|--------------|---------------|----------|------------|-----------------|------------------|------------|-------------|-------------------|---------------|
| Sell ARCHER DANIELS MIDLAND C COM | Margin | ADM | 500 | 02/19/09 | 06/26/09 | \$ 28,000.00 | LMT | | \$56.00 | \$ 26.66 |
| Sell CHINA NATURAL GAS INC COM | Margin | CHNG | 5,000 | 02/19/09 | 06/19/09 | 25,000.00 | LMT | | \$5.00 | 1.80 |
| Sell CONOCOPHILLIPS CORP COM | Margin | COP | 270 | 02/19/09 | 06/26/09 | 22,410.00 | LMT | | \$83.00 | 37.35 |
| Sell \$FZC: DIVIDEND CAP GL REALT GLOBAL REALTY | Margin | DCW | 6,600 | 02/19/09 | 06/19/09 | 39,600.00 | LMT | | \$6.00 | 2.47 |
| Buy GOLDMAN SACHS GROUP INC COM | Margin | GS | 270 | 02/24/09 | 06/24/09 | 12,420.00 | LMT | | \$46.00 | 91.08 |
| Buy ING CLARION GLOBAL REIT FD COM | Margin | IGR | 9,400 | 02/19/09 | 06/19/09 | 14,100.00 | LMT | | \$1.50 | 2.87 |
| Sell POSCO ADR | Margin | PKX | 210 | 02/19/09 | 06/26/09 | 23,520.00 | LMT | | \$112.00 | 50.17 |
| Sell TRANSGLOBE ENERGY CORP. COM | Margin | TGA | 9,900 | 02/27/09 | 06/26/09 | 49,500.00 | LMT | | \$5.00 | 2.65 |
| Buy UDR INC COM | Margin | UDR | 800 | 02/19/09 | 06/19/09 | 3,400.00 | LMT | | \$4.25 | 7.91 |
| Sell WESTERN ASSET EMERGING MARKETS DEBT FUND INC CO | Margin | ESD | 3,820 | 02/19/09 | 06/19/09 | 57,300.00 | LMT | | \$15.00 | 10.89 |

Statement for Account # 881-625499
02/01/09 - 02/28/09

Open Orders

| Investment Description | Account Symbol/Type | CUSIP | Quantity | Order Date | Expiration Date | Projected Order Amount | Order Type | Order Rstr. | Order Percentage | Price | Current Price |
|----------------------------------|---------------------|-------|----------|------------|-----------------|------------------------|------------|-------------|------------------|---------|---------------|
| Sell PROSHARES -SKFSV P JUL 100 | Margin | SKFSV | 3 | 12/30/08 | 03/30/09 | 105.00 | LMT | | | \$35.00 | 14.00 |
| Sell ACXION CORP -UQAQC P MAY 15 | Margin | UQAQC | 14 | 02/06/09 | 05/08/09 | 182.00 | LMT | | | \$13.00 | 6.50 |

Money Market Fund Account Activity

| Date | Check Number | Date Written | Transaction | Description | Tracking Code | Expense Code | Amount | Balance |
|-----------------|--------------|--------------|-------------|---|---------------|--------------|---------------|-------------|
| Opening Balance | | | | | | | | \$58,871.62 |
| 02/02/09 | | | Delivered | TDAM US GOVERNMENT PORTFOLIO | | | \$ (4,487.89) | 54,383.73 |
| 02/03/09 | | | Delivered | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | (742.00) | 53,641.73 |
| 02/03/09 | | | Delivered | TDAM US GOVERNMENT PORTFOLIO | | | (10,000.00) | 43,641.73 |
| 02/04/09 | | | Delivered | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | | 43,641.73 |
| 02/04/09 | | | Delivered | TDAM US GOVERNMENT PORTFOLIO | | | | 43,641.73 |
| 02/05/09 | | | Delivered | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | (5,048.95) | 38,592.78 |
| 02/05/09 | | | Delivered | TDAM US GOVERNMENT PORTFOLIO | | | | 38,592.78 |
| 02/06/09 | | | Received | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | 2,217.99 | 40,810.77 |
| 02/06/09 | | | Received | TDAM US GOVERNMENT PORTFOLIO | | | | 40,810.77 |
| | | | | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | | 40,810.77 |

Statement for Account # 881-625499
 02/01/09 - 02/28/09

Money Market Fund Account Activity

| Date Cleared | Check Number | Date Written | Transaction | Description | Tracking Code | Expense Code | Amount | Balance |
|--------------|--------------|--------------|-------------|---|---------------|--------------|-------------|-----------|
| 02/09/09 | | 02/09/09 | Received | TDAM US GOVERNMENT PORTFOLIO | | | 1,660.96 | 42,471.73 |
| | | | | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | | |
| 02/10/09 | | 02/10/09 | Delivered | TDAM US GOVERNMENT PORTFOLIO | | | (2,608.43) | 39,863.30 |
| | | | | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | | |
| 02/13/09 | | 02/13/09 | Delivered | TDAM US GOVERNMENT PORTFOLIO | | | (3,496.46) | 36,366.84 |
| | | | | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | | |
| 02/17/09 | | 02/17/09 | Delivered | TDAM US GOVERNMENT PORTFOLIO | | | (1,785.05) | 34,581.79 |
| | | | | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | | |
| 02/18/09 | | 02/18/09 | Delivered | TDAM US GOVERNMENT PORTFOLIO | | | (20,404.63) | 14,177.16 |
| | | | | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | | |
| 02/19/09 | | 02/19/09 | Delivered | TDAM US GOVERNMENT PORTFOLIO | | | (14,177.16) | 0.00 |
| | | | | REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | | |
| 02/26/09 | | 02/26/09 | Received | TDAM US GOVERNMENT PORTFOLIO | | | 1,805.69 | 1,805.69 |
| | | | | PURCHASE TDAM US GOVERNMENT PORTFOLIO | | | | |

Statement for Account # 881-625499
02/01/09 - 02/28/09

Money Market Fund Account Activity

| Date | Check Number | Date Written | Transaction | Description | Tracking Code | Expense Code | Amount | Balance |
|------------------------|--------------|--------------|-------------|---|---------------|--------------|------------|-----------------|
| 02/27/09 | | 02/27/09 | Delivered | TDAM US GOVERNMENT PORTFOLIO REDEMPTION TDAM US GOVERNMENT PORTFOLIO | | | (1,127.12) | 678.57 |
| Closing Balance | | | | | | | | \$678.57 |

Important Information

Keep this statement for income tax purposes

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Although the funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund. Dividends are declared daily and paid/reinvested monthly. The prospectus contains this and other important information. Read the prospectus carefully before investing. Non-deposit investments held by your broker-dealer are NOT FDIC INSURED / NOT BANK GUARANTEED / MAY LOSE VALUE.

The above prices are provided only as a general guide to value your portfolio. Current quotations are available through TD AMERITRADE. Certificates of Deposit are priced at market prices. Sale of bonds prior to maturity may result in a loss of principal. Mortgage backed positions are valued using the remaining balance and the current market price.

Non-Standard Assets: This statement shows all assets in your account including certain direct investments that may be held by a third party. TD AMERITRADE is not responsible for third party information, including the valuation of certain non-standard assets. The price shown represents an estimated value that is provided by an annual report or other source. The estimated value of these assets may not be realized when you try to liquidate the position. Assets held by a third party are not covered by the Securities Investor Protection Corporation (SIPC).

Auction Rate Securities ("ARS") Pricing: TD AMERITRADE has consistently reflected the value of ARS positions in client accounts and on account statements at par. Par value may not be the same as the market price that could be obtained in the event of a sale. The ARS market is currently experiencing a lack of liquidity and, as a result, there can be no assurance that such securities can be sold under current market conditions. In the event of a failed auction, the coupon rate paid to holders is typically set to a predetermined rate specified in the offering documents for such securities.

Portfolio Report Guide

TD AMERITRADE provides monthly Portfolio Reports for accounts with activity and quarterly reports for inactive accounts with assets.¹

Portfolio Summary

Tracks the current value of your portfolio as of the report date and compares it to the prior month.² The asset allocation indicates your portfolio diversification by investment type.

Multiple allocations under 5% will be grouped into the category of "Other" in the pie chart. Margin Equity = Total Account Equity/(Total Long Marketable Value + Total Short Value)

Activity Summary

The opening and closing cash balances are reconciled here for your quick reference. All account activity is summarized for the current period and year-to-date.

Income & Expense Summary (non-IRAs only)

This section details the income and expense totals from the Activity Summary and classifies the tax treatment.

Retirement Account Summary (IRAs only)

Review the IRS regulated transactions for the current and prior years. IRS Form 5498 (air market value is based on the current value as of December 31 of the previous year and will be furnished to the Internal Revenue Service).

Performance Summary

Monitor your annual portfolio performance and the unrealized gains and losses for your future investment strategy.

Account Positions

View your investments at the current market value and compare the original cost to see unrealized gains and losses in your portfolio. Original cost is assigned using the first-in-first-out (FIFO) method, which assumes the first shares you sell are those you purchased first. The estimated investment income³ and average cost per share are displayed for your reference (the oldest purchase date is shown for an indication of your holding period).

Account Activity

All account activity is clearly defined, listed in date order, and reflected in the closing cash balance.

Positions Closed this Month

Includes securities sold this month showing the oldest trade date for the original purchase and the realized gain or loss.

Trades Pending Settlement

Confirm your executed trades with a settlement date after month end. These transactions will be reflected in the Account Activity section next month.

Open Orders

Review your open limit orders for accuracy and notify us immediately if you wish to change or cancel an order.

Cash Management Activity

Cash management transactions (including check, debit card and ATM activity) that cleared during this month are listed in date order.

¹ Due to rounding adjustments, the statement details may not equal the statement totals.

² Estimated Annual Income and Estimated Annual Yield values are based upon the number of shares owned as of the statement date and the most recent dividend rate provided. Yield data provided by third-party vendor, Interactive Data Feed Income Analytics.

TD AMERITRADE

TD AMERITRADE does not provide investment, legal, or tax advice. Please consult your legal advisor or tax accountant when necessary. As a standard industry practice, phone conversations may be recorded for quality control and transaction verification purposes.

For TD AMERITRADE institutional clients, your advisor firm is separate from and not affiliated with TD AMERITRADE, Inc. or TD AMERITRADE Clearing, Inc., and each firm is not responsible for the products and services of the other.

Accuracy of Reports

If you find any errors or omissions in your account statement you should immediately call us at the number listed on page one of your statement. You should also contact our Clearing firm, TD AMERITRADE Clearing, Inc. at (402) 970-7724. Please review this statement carefully. If you disagree with any transaction, or if there are any errors or omissions, please notify a Client Services representative or your local branch office, as well as TD AMERITRADE Clearing, Inc. in writing within ten (10) days of your receipt of this statement. Any oral statements that you have made to us should be confirmed in writing. The statement will otherwise be considered conclusive.

Please notify us promptly of any changes in your contact information. Transactions reflected on your report will be conclusively deemed accurate unless you notify TD AMERITRADE immediately.

Account Protection

Deposits made into a TD Bank USA, N.A. Money Market Deposit Account or Savings Account are insured by the FDIC (not covered by SIPC) up to \$100,000 per depositor (up to \$250,000 of protection for the combined total of the Traditional and Roth IRAs, self-directed IRAs and certain other retirement accounts). Securities, including mutual funds, held in your Brokerage Account are not deposits or obligations of, or guaranteed by, any bank, and not FDIC-insured, and involve investment risks, including possible loss of principal. TD AMERITRADE, Inc. is a member of the Securities Investor Protection Corporation. Securities in your account protected up to \$500,000. For details, please visit www.sipc.org or call (202) 971-4500. Up to an aggregate of \$250 million of additional securities protection, of which \$300,000 may be applied to cash, is provided by London insurers, all but limited to a combined return to any client from a Trustee, SIPC and London of \$150 million. The coverage provides you protection against brokerage insolvency and does not protect against loss in market value of the securities.

Tax Reporting

The portfolio report is not a tax document. You will receive Form 1099 for annual tax reporting in compliance with IRS requirements (includes taxable interest dividends, capital gains, taxes withheld, and sales proceeds). Some payments are subject to reclassification which will be reflected on subsequent tax reports.

Cost Basis

Cost basis, tax lot and performance reporting and Gain/Losses are offered and controlled by COH INCORPORATED. TD AMERITRADE is not responsible for the reliability or suitability of the information. TD AMERITRADE and its Ribonaben providers ("Providers") do not guarantee the accuracy of the information and data provided. COH INCORPORATED is a separate company and is not affiliated with TD AMERITRADE.

Margin and Options Account Agreements

Promptly advise TD AMERITRADE in writing of any change in your investment objectives or financial situation as they pertain to your margin or options account agreements. A summary of commissions and charges incurred with the execution of options transactions is available.

Current Market Prices

The market values of securities have been obtained, if available, from quotation services and other independent sources. Values are based on the closing price, the mean between the bid and asking prices, or other methods. Non-traded securities are indicated by "N/A" and may affect statement balances and totals. The valuations on your portfolio report are provided as general information and we do not guarantee the accuracy of any securities prices.

Limited Partnerships and non-traded Real Estate Investment Trusts are generally illiquid and have no public markets; annual valuations are obtained from a third party or the general partner. The secondary market for Certificates of Deposits (CDs) is generally illiquid and the actual value may be different from the purchase price. A significant loss of principal may result from the sale of a CD prior to maturity. Portfolio report valuations may not represent sales proceeds.

On October 3, 2008, President George W. Bush signed the Emergency Economic Stabilization Act of 2008, which temporarily raises the basic limit on federal deposit insurance coverage from \$100,000 to \$250,000 per depositor. The temporary increase in deposit insurance coverage became effective upon the President's signature. The legislation provides that the basic deposit insurance limit will return to \$100,000 after December 31, 2009.

Regulatory Disclosures

All transactions are subject to (i) the constitution, rules, regulations, customs and usages of the exchange or market, and its clearinghouse, if any, or which such transactions are executed, (ii) Federal laws, including the Securities Act of 1933 and the Securities Exchange Act of 1934, each as amended to date and in the future, and the rules and regulations promulgated thereunder, and (iii) the rules and regulations of FINRA and the Federal Reserve System.

For an investor brochure that includes information describing FINRA's Public Disclosure Program, please contact FINRA at (800) 289-9939 or www.finra.org.

The interest rate shown for TD AMERITRADE Cash ("Cash") or Program balances is taken from the applicable interest rate tier for the Market Value balance in Cash or the Program as of the statement closing date. Simple interest is accrued daily based on the interest rate tier applicable to each day's balance. Current tiers and interest rate information is available at the TD AMERITRADE secured trading site.

The annual percentage yield earned for the statement period on Cash or Program balances is an annualized rate that reflects the relationship between the amount of interest actually earned in your account(s) during the statement period and the average daily balance in the account(s) for the period.

Financial Statement Notification

The statement of financial condition for TD AMERITRADE is available twice a year and may be obtained at no cost, via the Internet at <http://www.tdameritrade.com/financialstatement.html>.

Allocation Method

In the event any of your securities are called or assigned, the securities will be selected on an impartial, random basis.

Free Credit Balances (Rule 15c2-3 & 3)

Under the client protection rules, we may use free credit balances in your account in the ordinary course of our business which are payable to you on demand.

Margin Accounts (Regulation T)

If you have a margin account, this report is a combination of your margin account and a special memorandum account. Trading on margin poses additional risks and is not suitable for all investors. A complete list of the risks associated with margin trading is available in the margin risk disclosure document. You may obtain a copy of this document by contacting us at the number listed on page one of your statement.

Payment for Order Flow (SFC Rules 606 and 607)

In some circumstances, TD AMERITRADE receives compensation for directing certain over-the-counter and listed equity order flow to selected market makers, brokers or dealers. Compensation is in the form of a per share cash payment. We post quarterly reports disclosing the venues for order routing execution at www.tdameritrade.com. A written copy is available upon request.

It is our policy, absent client orders to the contrary, to select brokers, dealers, and market makers based on the ability to provide best execution and the history of seeking price improvement on market orders. Price improvement is available under certain market conditions, and we regularly monitor executions to test for such improvement, if available.

Trade Confirmations (Rule 10b-10)

All confirmations are transmitted on the transaction date

Privacy Policy Notification

A copy of the TD AMERITRADE privacy policy is available at www.tdameritrade.com



DIVISION OF TD AMERITRADE INC
 PO BOX 2209
 OMAHA, NE 68103-2209



Confirmation Notice

LAURENT J LA BRIE
 5 PLEASANT RIDGE APT #PH-5
 OWINGS MILLS MD 21117

| Account Number | Other Information | Transaction Number | Capacity Codes | Your Representative | | |
|------------------|---|--------------------|----------------|---------------------|------------|---------|
| 881-625499 - 2 | | 04334921982 | 0 | FF | | |
| Activity | Quantity | CUSIP Number | Price | Principal Amount | Fees | Reg Fee |
| YOU BOUGHT | 8 | 999UDRME0 | 9.50 | 7,600.00 | | |
| As of Trade Date | Trade Date | Settlement Date | Interest | Commission | Net Amount | |
| | 10/27/2008 | 10/28/2008 | | 15.95 | 7,615.95 | |
| Symbol | Trade Description | | | | | |
| UDRME | UNITED DOMINION REALTY TRUST PUT JANUARY AT 25 | | | | | |

**OPENING TRANSACTION
 THIS IS AN UNSOLICITED TRADE**

Have a sense of direction even when the market doesn't. Get a TD AMERITRADE Investment Checkup. Meet with a licensed Investment Consultant, review your current situation and objectives to determine how much assistance you may need. All for FREE. Visit your nearest branch today.

Trade Confirmation Terms and Conditions

**IT IS AGREED BETWEEN THE EXECUTING BROKER AND THE CUSTOMER NAMED
 HEREIN THAT:**

1. TD AMERITRADE Clearing, Inc., member of FINRA/SIPC acts as the clearing agent.
2. This confirmation is a transaction advice, not an invoice. Remittance of funds or securities is due on or before settlement date.



3. You will report any errors immediately and/or notify us if not entirely in accordance with your understanding.
4. All transactions are subject to the rules, regulations, requirements (including margin requirements) and customs of the Federal Reserve Board, the Securities and Exchange Commission, the Exchange or market (and its clearing house, if any) where executed, and of any association whose rules and regulations govern transactions in said market, and to all the terms of our general customer's agreements between you and us. Wisconsin customers' agency trades are unsolicited.
5. The securities described are, or may be hypothecated under circumstances which will permit the commingling thereof with securities carried for the account of the other customers. Such commingling, if any, ceases upon payment by you for these securities in the net amount due.
6. The name of the other party or broker in the transaction, the date, the time of execution, source and amount of remuneration will be furnished upon request.
7. If this transaction is a sale and the securities are not already in our possession and do not represent a short sale, please forward them immediately to avoid possible payment of premium on securities borrowed.
8. If payment is not made on or prior to the date required by Regulation T of the Federal Reserve Board, we reserve the right without further notice, to cancel this transaction, or at our option, to sell the securities covered hereby and hold you liable for resulting loss.
9. Misc. Fees will be explained upon request. TD Ameritrade will charge a Reg Fee on certain transactions, These charges are typically based on fees assessed under various regulations applicable to transactions. It may include any of the following: a sales fee on certain sell transactions (assessed at a rate consistent with Section 31 of the Securities and Exchange Act of 1934), the Options Regulatory Fee (applicable to options transactions), among other charges.
10. If the transaction involves callable securities, the call features could affect yield. Complete information will be provided upon request. On zero coupons, interest and multiplier securities, no periodic payments of interest or principal are generally made. These securities may be callable, below maturity value, without notice by mail to holder unless the securities are held in registered form. On CMOs, yields are subject to fluctuation depending on prepayment; specific information is available upon request.
11. The firm receives payment for order flow on certain listed, NASDAQ and over-the-counter securities. The source and nature of payment received in connection with a particular transaction will be furnished upon written request.
12. Leveraged and inverse ETFs entail unique risks, including but not limited to: use of leverage; aggressive and complex investment techniques; and use of derivatives. Leveraged ETFs seek to deliver multiples of the performance of a benchmark. Inverse ETFs seek to deliver the opposite of the performance of a benchmark. Both seek results over periods as short as a single day. Results of both strategies can be affected substantially by compounding. Returns over longer periods will likely differ in amount and even direction. These products require active monitoring and management, as frequently as daily. They are not suitable for all investors.
13. Bonds and/or fixed-income securities trade differently than equity securities and do not trade on a listed exchange. Rather, they trade in the OTC (over the counter) marketplace and liquidity may not always exist for you to sell your position prior to maturity.

ACCOUNT CODES

Type of Account

1. Cash
2. Margin Long
3. Margin Short
4. Income
5. Withholding
6. Special

CAP CODES

Where transaction was made and capacities in which we acted

0. Options Exchange - as agent
1. New York Stock Exchange - as agent
2. American Stock Exchange - as agent
3. Other Exchange - as agent
4. As principal for our own account
5. Over-the-Counter - as agent
6. Over-the-Counter - as agent for both buyer and seller - commissions charged to both parties
7. Over-the-Counter - riskless principal
8. Over-the-Counter - as principal
9. Mutual Funds Trade - as agent



DIVISION OF TD AMERITRADE INC
PO BOX 2209
OMAHA, NE 68103-2209



Confirmation Notice

LAURENT J LA BRIE
5 PLEASANT RIDGE APT #PH-5
OWINGS MILLS MD 21117

| Account Number | Other Information | Transaction Number | Capacity Codes | Your Representative | | |
|------------------|-------------------|--------------------|----------------|---------------------|------------|---------|
| 881-625499 - 3 | | 04798257355 | 5 | FF | | |
| Activity | Quantity | CUSIP Number | Price | Principal Amount | Fees | Reg Fee |
| YOU BOUGHT | 800 | 902653104 | 7.40 | 5,920.00- | | |
| As of Trade Date | Trade Date | Settlement Date | Interest | Commission | Net Amount | |
| 03/17/2009 | 03/27/2009 | 03/27/2009 | | 9.95- | 5,929.95- | |
| Symbol | Trade Description | | | | | |
| UDR | UDR INC COM | | | | | |

THIS IS AN UNSOLICITED TRADE
YOU BOUGHT TO COVER A SHORT SALE
CANCELS #4769636054

Trade Confirmation Terms and Conditions

**IT IS AGREED BETWEEN THE EXECUTING BROKER AND THE CUSTOMER NAMED
HEREIN THAT:**

1. TD AMERITRADE Clearing, Inc., member of FINRA/SIPC acts as the clearing agent.
2. This confirmation is a transaction advice, not an invoice. Remittance of funds or securities is due on or before settlement date.
3. You will report any errors immediately and/or notify us if not entirely in accordance with your understanding.
4. All transactions are subject to the rules, regulations, requirements (including margin requirements) and customs of the Federal Reserve Board, the Securities and Exchange Commission, the Exchange or market (and its clearing house, if any)



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OMAHA, NE 68103-2209



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OWINGS MILLS MD 21117

| Account Number | Other Information | Transaction Number | Capacity Codes | Your Representative | | |
|------------------|-------------------|--------------------|----------------|---------------------|------------|---------|
| 881-625499 - 3 | | 04798256377 | 5 | FF | | |
| Activity | Quantity | CUSIP Number | Price | Principal Amount | Fees | Reg Fee |
| YOU SOLD | 800 | 902653104 | 25.00 | 20,000.00- | | 0.12- |
| As of Trade Date | Trade Date | Settlement Date | Interest | Commission | Net Amount | |
| 01/16/2009 | 03/27/2009 | 03/31/2009 | | 19.99- | 19,979.89- | |
| Symbol | Trade Description | | | | | |
| UDR | UDR INC COM | | | | | |

**CORRECT PREVIOUS CONFIRM ACCOUNT TYPE
THIS IS AN UNSOLICITED TRADE
8 PUTS UDR JAN 25 DELAYED SETTLEMENT
YOU SOLD SHORT
CANCELS #4594471136**

Trade Confirmation Terms and Conditions

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PO BOX 2209
OMAHA, NE 68103-2209



Confirmation Notice

LAURENT J LA BRIE
5 PLEASANT RIDGE APT #PH-5
OWINGS MILLS MD 21117

| Account Number | Other Information | Transaction Number | Capacity Codes | Your Representative | | |
|------------------|-------------------|--------------------|----------------|---------------------|------------|---------|
| 881-625499 - 3 | | 04769636054 | 5 | FF | | |
| Activity | Quantity | CUSIP Number | Price | Principal Amount | Fees | Reg Fee |
| YOU BOUGHT | 800 | 902653104 | 7.40 | 5,920.00 | | |
| As of Trade Date | Trade Date | Settlement Date | Interest | Commission | Net Amount | |
| | 03/17/2009 | 03/20/2009 | | 9.95 | 5,929.95 | |
| Symbol | Trade Description | | | | | |
| UDR | UDR INC COM | | | | | |

**THIS IS AN UNSOLICITED TRADE
YOU BOUGHT TO COVER A SHORT SALE**

Trade Confirmation Terms and Conditions

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3. You will report any errors immediately and/or notify us if not entirely in accordance with your understanding.
4. All transactions are subject to the rules, regulations, requirements (including margin requirements) and customs of the Federal Reserve Board, the Securities and Exchange Commission, the Exchange or market (and its clearing house, if any) where executed, and of any association whose rules and regulations govern



DIVISION OF TD AMERITRADE INC
PO BOX 2209
OMAHA, NE 68103-2209



Confirmation Notice

LAURENT J LA BRIE
5 PLEASANT RIDGE APT #PH-5
OWINGS MILLS MD 21117

| Account Number | Other Information | Transaction Number | Capacity Codes | Your Representative | | |
|------------------|-------------------|--------------------|----------------|---------------------|------------|---------|
| 881-625499 - 3 | | 04594471136 | 5 | FF | | |
| Activity | Quantity | CUSIP Number | Price | Principal Amount | Fees | Reg Fee |
| YOU SOLD | 800 | 902653104 | 25.00 | 20,000.00 | | 0.12 |
| As of Trade Date | Trade Date | Settlement Date | Interest | Commission | Net Amount | |
| 01/16/2009 | 01/20/2009 | 03/31/2009 | | 19.99 | 19,979.89 | |
| Symbol | Trade Description | | | | | |
| UDR | UDR INC COM | | | | | |

CORRECT PREVIOUS CONFIRM ACCOUNT TYPE
THIS IS AN UNSOLICITED TRADE
8 PUTS UDR JAN 25 DELAYED SETTLEMENT
YOU SOLD SHORT
CORRECTION

Trade Confirmation Terms and Conditions

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THE OPTIONS CLEARING CORPORATION

[Back to Infomemo Search](#)

#25370

DATE: JANUARY 16, 2009

SUBJECT: ADJUSTED UQW OPTIONS - TRADING HALT / REMOVAL FROM EX-
BY EX PROCESSING / EXPIRATION PRICING CONSIDERATIONS

EXPIRING UQW OPTIONS WILL NOT BE SUBJECT TO OCC'S AUTOMATIC EXERCISE THRESHOLDS IN EXPIRATION PROCESSING JANUARY 17, 2009.

Holders of long positions in these affected options will need to make independent determinations of the value of the option deliverables in deciding to exercise, or not exercise, any expiring long position.

On December 5, 2008, UDR, Inc. ("UDR") was ex-distribution a \$0.97 Special Dividend payable in cash and/or UDR Shares. UQW, adjusted UDR options, have been adjusted for only that portion of the special dividend that is paid in UDR stock to non-electing UDR Shareholders (See OCC Information Memo# 25201). The consideration which will accrue to non-electing UDR Shareholders is not known at this time.

MEMBERS SHOULD ADVISE THEIR CUSTOMERS TO TAKE THE FOLLOWING CONSIDERATIONS INTO ACCOUNT IN DECIDING TO EXERCISE, OR NOT TO EXERCISE, THESE OPTIONS.

UQW

UQW options deliver 100 UDR, Inc. ("UDR") Class A Common Shares plus a potential additional amount of UDR shares valued at a maximum of \$0.97. For purposes of calculating a price for use in expiration processing, the last available UDR price plus \$0.97 will be reported. But, as stated above, automatic exercise thresholds will not apply.

Exercise and assignment activity of UQW options will remain delayed until the consideration which accrues to non-electing UDR Shareholders is determined.

For questions regarding this memo, call 1-888-OPTIONS or email options@theocc.com.



Margin Handbook

Margin can be an important part of your investment strategy. The Margin Handbook is designed to help you understand what margin accounts are and how they work. For specific questions about your margin account, we encourage you to contact a Client Services representative.

CONTENTS

| | |
|--|----|
| What Is Margin? | 2 |
| How Does Margin Work? | 3 |
| Primary Uses, Advantages, and Disadvantages..... | 4 |
| Responsibilities of Trading on Margin..... | 4 |
| Margin Requirements | 4 |
| Day Trading Margin Requirements..... | 5 |
| Margin Calls | 6 |
| Initial Public Offerings | 7 |
| Selling Stock..... | 7 |
| Withdrawals..... | 7 |
| Substitutions..... | 7 |
| Short Selling..... | 8 |
| Bonds and Debt Securities..... | 8 |
| Options..... | 8 |
| Buying Equity Options..... | 9 |
| Equity Spreads..... | 11 |
| Equity Straddles..... | 11 |
| Index Options..... | 12 |
| Special Statement for Writing Uncovered Options..... | 13 |
| Options Exercise and Assignment..... | 14 |
| Substitute Payments..... | 14 |
| Margin Impact on Voting Rights..... | 14 |
| Glossary..... | 15 |

WHAT IS MARGIN?

A margin account permits investors to borrow funds from their brokerage firm to purchase marginable securities on credit and to borrow against marginable securities already in the account. The terms of a margin loan require that the qualifying securities or cash that you have in your account be used as collateral to secure the loan. Interest is charged on the borrowed funds for the period of time that the loan is outstanding. Both the amount of money that a brokerage firm may loan an investor and the terms of the loan agreement are subject to change and regulated by the following: the Board of Governors of the Federal Reserve System, the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority, Inc. (FINRA) and our clearing firm, TD Ameritrade Clearing, Inc.

Investors opening a margin account must make a deposit of cash or eligible securities totaling at least \$2,000 in equity. This serves as collateral for the loan. Thereafter, based upon Regulation T of the Securities Exchange Act of 1934, which is currently 50%, you can double the amount you invest in qualified securities as long as you maintain the minimum value in your account and conduct all trades within your margin account. As an example, if you were buying \$10,000 worth of marginable securities, you could make the purchase using \$5,000 of your money and \$5,000 of your brokerage firm's money. Investors who buy on margin pay interest on the loan portion of their purchase (in this example, \$5,000), but normally do not have to repay the loan itself until the stock is sold. After repaying the margin loan, any profit or loss belongs to the individual investor.

Since the value of the marginable securities in your account serves as collateral for the loan, margin accounts require that your equity meet or exceed certain minimum levels. If it should drop too low, your brokerage firm will ask you to increase the value of your account by trading assets held in your portfolio, such as selling securities, buying to cover short positions or closing options positions. Or you may deposit marginable securities or cash into the account. This maintenance of minimum value will be described in greater detail in the sections that follow.

Securities that can be purchased on margin or used as collateral for a margin account include:

- Most securities listed on the New York Stock Exchange (NYSE)
- The majority of NASDAQ/AMEX securities
- Most mutual funds, after you have owned them for 30 days or more
- Over-the-counter stocks approved by the Federal Reserve Board
- Certain corporate, municipal and government bonds

There are several accounts ineligible for margin privileges, including the following:

- Coverdell Accounts
- Minor Individual Retirement Account (IRA)
- Uniform Gifts to Minors Act (UGMA)
- Uniform Transfers to Minors Act (UTMA)

Please note:

An Individual Retirement Account or Qualified Plan Account approved for margin:

- Will not be permitted to borrow funds
- Will not have the ability to have a debit balance
- May not short stock or sell uncovered options

Carefully review the Margin Disclosure Document for additional details.

Borrowing on margin may not be appropriate for every investor. An investment strategy that includes trading on margin exposes investors to additional costs, increased risks and potential losses in excess of the amount deposited. Carefully review your investment objectives, financial resources and risk tolerance to determine whether it is right for you. No one should buy on margin without the temperament to accept the price fluctuations that are intrinsic to the marketplace, and the financial resources to meet margin calls and absorb trading losses. Please review the Client Agreement pertaining to margin accounts.

HOW DOES MARGIN WORK?

When you buy securities on margin, you pay only a portion of the total cost, and a brokerage firm extends credit to you on the balance. An interest charge is made monthly to your account on the amount you borrow. From then on, the price of your security may go up or down, but the amount you owe your brokerage firm should remain relatively unchanged, varying only with the interest charges.

The following is based upon current Regulation T requirements of 50%, and is an example of how the leverage in a margin account works:

- You open a margin account with \$10,000 of your money and a \$10,000 margin loan from your brokerage firm. You purchase 1,000 shares of a marginable stock at \$20 per share. If the stock price rises to \$25 and you decide to sell, the proceeds amount to \$25,000. You repay the \$10,000 you borrowed and put \$15,000 in your pocket (minus interest, commissions and SEC fees). That's a net profit of \$5,000 — almost a 50% profit on your original investment. If you had used all of your own money and purchased \$10,000 worth of stock, you would have made a 25% profit — a \$2,500 return on a \$10,000 investment.
- Following the same example, let's assume that the stock priced originally at \$20 a share should go down 25% to \$15 a share, and you sell the stock to cut your losses. The proceeds would be \$15,000. After you repay your brokerage firm the \$10,000 you borrowed, you put \$5,000 in your

pocket (minus interest, commissions and SEC fees). That's a net loss of \$5,000 — a 50% loss on your original investment. If you had used all of your own money and purchased \$10,000 worth of stock, you would have experienced a 25% loss of \$2,500 on a \$10,000 investment.

As you see from the example, buying on margin can potentially double your return on investments, or double your losses, depending on stock price. When the stock you bought on margin drops in value so much that your maintenance requirement exceeds the equity in your account, we would issue a margin call. That means you must increase your equity by trading assets held in your portfolio, such as selling securities, buying to cover short positions or closing options positions. Or you may deposit marginable securities or cash to increase your equity.¹ If you do not take action to meet the margin call, stocks may be sold with or without prior notice to increase your equity percentage to satisfy the margin call requirement.² Any loss suffered by the investor when selling securities to meet a margin call is the responsibility of the investor. Please consult a Client Services representative when you are making deposits or selling securities to meet margin requirements.

See below how the price fluctuations of a stock originally purchased at \$20 per share affect the status of a margin account:*

| Stock | # of Shares | Current Price | Value | Loan | Equity (value - loan) | Equity % (equity/value) | Maintenance Requirement (30% x value) | Margin Excess/Deficiency (equity - maintenance requirement) |
|-------|-------------|---------------|----------|----------|-----------------------|-------------------------|---------------------------------------|---|
| ABCD | 1,000 | \$50 | \$50,000 | \$10,000 | \$40,000 | 80% | \$15,000 | \$25,000 |
| ABCD | 1,000 | \$40 | \$40,000 | \$10,000 | \$30,000 | 75% | \$12,000 | \$18,000 |
| ABCD | 1,000 | \$30 | \$30,000 | \$10,000 | \$20,000 | 67% | \$9,000 | \$11,000 |
| ABCD | 1,000 | \$20 | \$20,000 | \$10,000 | \$10,000 | 50% | \$6,000 | \$4,000 |
| ABCD | 1,000 | \$15 | \$15,000 | \$10,000 | \$5,000 | 33% | \$4,500 | \$500 |
| ABCD | 1,000 | \$10 | \$10,000 | \$10,000 | -0- | 0% | \$3,000 | -\$3,000 |

Deficiency in **boldface** indicates a maintenance call.

*These calculations do not include commissions, interest charges or fees, and assume a 30% maintenance requirement. Equity balances in your account are based off the previous day's closing price.

1. Equity equals marginable stock minus margin loans.

2. Please refer to your Client Agreement for more information.

PRIMARY USES, ADVANTAGES, AND DISADVANTAGES

People open a margin account and borrow against their eligible assets for a variety of reasons.

Primary uses for margin borrowing:

- To increase buying power and capitalize on potential market opportunities by leveraging an investment.
- To purchase additional marginable securities.
- To consolidate high-interest loans.
- To use as an alternative to traditional borrowing sources.
- To take advantage of a short-term cash-flow solution.
- To use as overdraft protection.

You may find that margin borrowing is a sensible and cost-effective way to take advantage of investment opportunities and market conditions without affecting your cash flow. Since you can buy more shares of marginable stock with the additional funds you borrow, you could increase the size of the profit you may realize.

Primary advantages of margin borrowing:

- Potential capital appreciation.
- An increase in current income from cash dividends.
- Competitive interest rates.
- An alternative source of financing to meet business or personal needs without additional paperwork or application fees.
- Margin interest may be tax-deductible. Please consult your tax advisor.

Just as the lever adds more power when used to perform a task, leverage lets you exert increased financial power with a relatively small amount of your cash. Just as you may realize higher profitability if the price of the stock you buy on margin goes up, you risk increased losses if the stock price should decline. If the market value of your margined securities — less the debit balance of your margin account — drops below our maintenance requirements, a maintenance call is issued, and you are required to bring your account equity up to the required maintenance level immediately. This is accomplished by depositing cash, adding marginable securities to your account, selling securities or by transferring funds from another account. Although leverage is a useful tool for investors, it is not without risk.

Primary disadvantages of margin borrowing:

- Risk of increased loss.³
- Potential maintenance call or liquidation of securities.⁴
- Vigilant account monitoring.⁵

RESPONSIBILITIES OF TRADING ON MARGIN

The following is a list of some, but not all, of the responsibilities of account owners and TD Ameritrade, Inc. in the management of margin accounts.

Margin account owner's responsibilities:

- To deposit into your margin account the necessary funds, in cash or acceptable securities, to establish the account or to satisfy any commitments.
- To meet all margin calls immediately, should they occur.
- All securities used as collateral to finance your extension of credit must be left with us, in your account and in our custody.
- All options orders should be placed by the following methods: the Web site, interactive phone system or with a broker. Options exercise requests must be placed online or with a broker. Written orders or options exercise requests submitted by U.S. postal mail, email and fax will not be accepted.

TD Ameritrade, Inc.'s responsibilities:

- To abide by the rules and regulations of various regulatory bodies in the extension of margin loans and routing of clients' equity and options orders.
- To extend credit for any cash balances in a margin account as provided in the Client Agreement.
- To charge interest on margin loans as provided in the Client Agreement.⁶
- To liquidate all or part of your account, at any time with or without notice, in order to protect your interests and the interests of TD Ameritrade, Inc. and our clearing firm.

MARGIN REQUIREMENTS

Initial equity requirements

Regulations require a client to establish a minimum equity on initial transactions in a margin account. For purchases, the minimum required deposit is \$2,000, or 100% of the purchase price, whichever is less. If the deposit required by Regulation T meets the \$2,000 requirement, the client would have to meet the Federal Reserve Board requirement of 50%. Equity requirements:

- A minimum of \$2,000 is required to open a position on margin.
- A minimum of \$2,000 is required to maintain a short stock position.
- A minimum of \$5,000 is required to maintain an uncovered equity options position.⁷
- A minimum of \$5,000 is required to maintain an uncovered index options position.

3. Margin investors may lose more than the amount they deposited in their account.

4. TD Ameritrade, Inc. is authorized, at its discretion and without prior notice to you, to liquidate any or all securities or other assets held in the account (a) to satisfy an outstanding margin call for which you have failed to provide additional collateral, or (b) to prevent or limit unsecured losses when the margin loan exceeds the value of the marginable securities. The liquidation of securities or assets is transacted regardless of the amount of time you have owned the asset, your intention to satisfy the call or secure the loan, or any profit or loss you may incur by such transactions. The investor is not entitled to an extension of time to satisfy the call, to choose which securities TD Ameritrade, Inc. may liquidate, and is responsible for losses resulting from the liquidation of an asset(s) to satisfy a margin call and for any remaining deficiency in the account.

5. There are few investors who can prudently afford the increased costs of, and the risks involved in, trading on margin. Investors who choose to do so must assume the responsibility to frequently monitor their assets, the markets and the balance of their margin loan, and must continually reassess their investment objectives in light of their financial obligations.

6. Daily interest charges shall be calculated by multiplying the margin loan by the interest rate and dividing the result by 360. Please refer to the Client Agreement or contact an account representative for more information.

7. The maintenance requirement for puts on naked equity options is capped at the max loss.

Maintenance requirements

Like most brokerage firms, our clearing firm sets the minimum maintenance requirement higher than the 25% currently required by FINRA. Although certain securities are subject to more stringent requirements imposed by our clearing firm, the general margin maintenance requirements are as follows:⁸

- A 30% maintenance requirement is applicable for most stocks that the Board of Governors of the Federal Reserve System has determined are eligible for margin and that are priced at more than \$4 per share.
- A maintenance requirement of \$2 per share applies to marginable stock valued from \$2 to \$4 per share.
- A maintenance requirement of 100% is needed for all long stocks trading at \$2 and below.
- A maintenance requirement of \$5 per share applies to marginable stock valued from \$5.01 to \$16.67 per share that are sold short.⁹
- A maintenance requirement of 100% is needed for all short stocks trading from \$2.50 to \$5 per share.¹⁰
- A maintenance requirement of \$2.50 per share is needed for all short stocks trading below \$2.50 per share.
- A 40% maintenance requirement may be needed if a position represents 70% - 100% of the total marginable long value and short value.

Examples of these maintenance requirements follow:

| # of Shares | Stock Price | Value | Maintenance Requirement |
|-------------|-------------|----------|--|
| 1,000 | \$1.50 | \$1,500 | \$1,500 (less than \$2, 100% required) |
| 1,000 | \$3 | \$3,000 | \$2,000 (less than \$4, \$2/share min. required) |
| 1,000 | \$15 | \$15,000 | \$4,500 (normal 30% house requirements) |

Please note that margin maintenance requirements are based on the market value of a stock, not on the purchase price. Therefore, a decline in the price of a marginable security may result in a higher margin maintenance requirement for the stock, and a margin call in the account. If this happens, you are responsible to promptly deposit the necessary cash or securities, or to liquidate sufficient positions in the account to satisfy the margin call.

Example:

Assuming there are no other marginable securities in the account, an investor with a \$4,000 credit balance purchased 1,000 shares of a marginable stock when it was trading at \$5 per share, creating a \$1,000 debit. Based upon the general maintenance requirements given above, the margin maintenance requirement would be 30% or \$1,500. If the stock price fell to \$2, the margin maintenance requirement would be 100% or \$2,000, and TD Ameritrade, Inc. would issue a margin call for \$1,000. (Equity

of \$1,000 minus \$2,000 requirement = \$1,000 maintenance deficiency). An investor would be required to deposit \$1,000 in cash or \$1,428.57 in marginable securities (stocks priced over \$4 per share), into their margin account, or sell any non-marginable assets held in the account, to sufficiently satisfy the margin call.

Our clearing firm may change the margin maintenance requirements at any time, without prior notice to margin account owners and for any reason. Factors that may cause this change include: the presence of a concentrated equity position held within an account, the current trading pattern of a security, volatility within a stock sector, or overall market conditions. The more stringent maintenance requirements may be set between 35% and 100% equity. In addition, initial public offerings (IPOs) may have a 100% maintenance requirement for up to 30 days following the commencement of trading within the secondary market. Please log on to your account or call a Client Services representative for the latest list of stocks affected by these higher requirements.

DAY TRADING MARGIN REQUIREMENTS

FINRA currently defines day trading as the practice of purchasing and selling, or short selling and purchasing to cover, the same security in the same trading day.

Examples which would **not** be considered day trading:

- A long security held overnight and sold the next day prior to any new purchase of the same security.
- A short security held overnight and purchased the next day prior to any new sale of the same security.

Pattern day traders

A pattern day trader is defined as an account that makes four or more round-trip day trades within any rolling five-business-day period, provided the number of day trades represents at least 6% of the total trading activity during the same five-business-day period.

Pattern day trading on margin

Minimum equity of \$25,000 is required in an account at the start of any day in which day trading occurs. Once identified as a pattern day trader, you may be provided with two buying power calculations:

- **Buying power** — Buying power is the amount available for opening a position in one or more fully marginable securities. Buying power is calculated as the lesser of maintenance excess/30 or your Special Memorandum Account (SMA)¹¹ balance times two, never to exceed twice the SMA balance.

8. To learn which securities currently have a higher maintenance requirement, please log on to your account or contact a Client Services representative.

9. Short sell transactions require a minimum of \$2,000 equity.

10. If the price of a security that has been sold short falls below \$5 per share, the maintenance requirement is 100% of the market value with a minimum requirement of \$2.50 per share.

11. SMA is a separate margin account maintained by the brokerage firm. Please see the SMA definition in the Glossary for more information.

- **Day trade buying power** — Day trade buying power is equal to the equity in your account at the close of business on the previous day, less the Self-Regulatory Organization (SRO) requirements, multiplied by up to four. Each security will have an SRO requirement, which is based on the exchange minimums allowed. These are 25% for long marginable equities priced over \$1, and as low as 30% for short equities, depending on the equity's price.¹² Accounts that are engaged in day trading activities should consider being limited to day trade buying power.¹³ **Day trade buying power is calculated with the intent that it is used in conjunction with day trading activities.**¹⁴

Example:

An account that has a cash balance of \$40,000 and no positions in the account could have access to \$160,000 in day trade buying power ($\$40,000 \times 4 = \$160,000$).

Be aware that accounts that have been flagged as pattern day traders will have access to the greater of either buying power or day trade buying power. Our systems will accept orders based on the higher of the two amounts. Since we have no way of determining whether or not you will hold the position overnight or just for the day, it is your responsibility to enter orders that remain within the buying power for the type of trade that you are placing. House and federal requirements apply to positions held overnight.

Day trading minimum equity call

If your account has less than \$25,000 day trading equity and is identified as a pattern day trading account, a day trading minimum equity call will be issued. Pattern day trader accounts that fall below the \$25,000 minimum equity requirement will not be allowed to day trade. If a day trade is executed when the equity is below \$25,000, your account will be restricted to closing transactions only for 90 days, or until the equity is brought back up to \$25,000.¹⁵ Funds deposited in an account to satisfy a day trading minimum equity call are subject to a six-business-day hold for checks and three-business-day hold for ACHs.

Note: IRA accounts approved for margin and flagged as a Day Trading account may not be permitted to deposit additional funds to avoid an excess contribution.

Day trade buying power call

If your account meets the minimum equity requirements for day trading and exceeds the day trade buying power on executed day trades, a day trade buying power call may be issued. Once a day trade buying power call is issued, the day trade buying power is restricted to two times the SRO excess for five business days unless the call is met earlier. If the day trade buying power call is not met within five business days, the account will only be permitted to execute transactions on a cash-available basis for 90 days or until the call is met. Multiple day trade buying power violations may result in a restriction limiting transactions to a cash-available basis as well. Day trading calls can only be met by depositing cash or fully paid-for securities, or by selling non-marginable securities. Funds deposited in an account to satisfy a day trading minimum equity call are subject to a six-business-day hold for checks and three-business-day hold for ACHs.

Example:

Your account has a cash balance of \$40,000 and no positions. The day trade buying power, for purposes of this example, is \$160,000 ($\$40,000 \times 4 = \$160,000$).

You place two day trades:

- A \$150,000 buy and sell of ABCD, followed by a \$200,000 buy and sell of WXYZ.
- The ABCD day trade is within your day trade buying power and will not create a call because the initial buy of the ABCD did not exceed your

day trade buying power of \$160,000. However, the initial buy of WXYZ was \$200,000, which exceeds your day trade buying power by \$40,000 ($\$200,000 - \$160,000 = \$40,000$).

When you exceed your day trade buying power, you are subject to a day trade buying power call based on the FINRA day trading margin requirements. The FINRA day trading margin requirement is equal to 25% of the highest open position during the day. In this example, the largest position of \$200,000 exceeded the day trade buying power by \$40,000. The day trade buying power call would be calculated as follows: $\$40,000 \times .25 = \$10,000$ day trade buying power call.

Regulation T restricted accounts

Pattern day trader accounts that are under a Regulation T restriction will have their day trade buying power limited in the following manner:

- If the account meets the \$25,000 minimum equity requirement, they will receive the lesser of the SMA requirement times two or the SRO requirement times four. Closing day trade transactions will still replenish day trade buying power.
- Pattern day trader accounts that fall below the \$25,000 minimum equity requirement will not be allowed to day trade. If a day trade is executed when the equity is below \$25,000, your account will be restricted to closing transactions only for 90 days, or until the equity is brought back up to \$25,000.

Prohibition on liquidating to meet a Regulation T call

Clients may not make a practice of meeting Regulation T calls by liquidating securities. TD Ameritrade, Inc. defines a practice, for this purpose, as three times in a 12-month period. This prohibition on liquidations shall only apply to those accounts that are also below the minimum maintenance margin required by the exchange (SRO Requirement) for the securities held.

MARGIN CALLS

TD Ameritrade, Inc. may issue one of the following types of margin calls in your account under the circumstances described below:

- **Regulation T call** — Issued when the initial equity provided for the purchase of a security is below that required by the Federal Reserve Board.
- **Maintenance call** — Takes place when the market value of your margined securities plus any cash balance in your account, less the debit balance of your account, drops below our maintenance requirements.
- **Minimum equity call** — A minimum equity call will be issued when a trade reduces a client's account equity to less than \$2,000 or if a client's account falls below one of the initial requirements listed on Page 4 of the handbook. For short positions, a minimum equity call will be issued any time an account's equity is less than \$2,000, even if the account is not holding a debit balance. The client will be required to deposit the lesser of the debit balance, or an amount necessary to bring the equity to \$2,000 or greater.

If a margin call is issued, you are required to promptly bring your account to the required maintenance level. You may do this by depositing cash or marginable stock, closing long or short equity or options positions, or transferring funds or marginable stock from another TD Ameritrade, Inc. account. **TD Ameritrade, Inc. may forcibly liquidate all or part of your account without prior notice, regardless of your intent to satisfy a margin call, in order to protect your interests or ours.**

12. If an account is SMA-deficient, day trade buying power will be zero regardless of SRO balance.

13. Non-marginable securities, equities trading under \$2.50 and options may have day trade buying power decremented by as much as four times the cost of the trade.

14. Multiplier of four assumes your account has more than \$25,000 equity, and has no outstanding day trade buying power calls. Purchases and sales of securities held at a higher requirement may increment/decrement day trade buying power by a factor related to their requirement. To learn which securities currently have a higher maintenance requirement, please log on to your account. Note: IRA accounts approved for margin and flagged as Day Trading accounts will only receive 1X the Day Trading Buying Power

15. Purchases made while in a day trading call will decrease buying power, but sales will not increase day trade buying power.

Because it involves the extension of credit, borrowing on margin may not be appropriate for every investor. An investment strategy which includes trading on margin exposes the investor to additional costs, increased risks, and potential losses in excess of the amount deposited. Because your account with TD Ameritrade, Inc. is self-directed, you must carefully review your investment objectives, financial resources and risk tolerance to determine whether it is right for you. No one should buy on margin without the temperament to accept the price fluctuations intrinsic to the marketplace, and the financial resources to meet margin calls and absorb losses resulting from a drop in stock prices. Please review the Client Agreement pertaining to margin accounts.

INITIAL PUBLIC OFFERINGS

When a company needs to raise capital, it may offer for sale shares of stock that represent an ownership interest in the corporation. A company's first sale of stock to the public is called its initial public offering (IPO).¹⁶ The shares are offered by an underwriter or investment bank at a predetermined offering price. IPO shares that are purchased from the underwriter's selling group at the offering price are not marginable and can only be purchased in a cash account. TD Ameritrade, Inc. will not use these shares as collateral for margin loans during the first 30 days following the day on which the shares start trading in the secondary market. The same restriction applies to shares purchased from the underwriter for a secondary offering or follow-on offering.

The Board of Governors of the Federal Reserve System may immediately determine that IPO shares are eligible for margin once they start trading in the secondary market; however, our clearing firm may impose stricter margin requirements. IPO shares may not be used as collateral for margin loans for at least five business days following the stock's initial trades in the secondary market. Accordingly, investors must provide 100% of the initial purchase price for the shares.

SELLING STOCK

When you sell stock originally purchased on margin, your profit or loss is determined by the sale proceeds less the amount you owe your broker for the margin loan. You receive all the net profit or assume all the loss depending on the profitability of the sale.

If the price of the stock goes up. Typically, in a margin account, you pay only a portion of the purchase price of the stock, but you receive 100% of the net profit. For example, you buy \$10,000 worth of marginable stock when the federal margin requirement is 50%. You would deposit \$5,000 in your margin account, and the broker would loan you \$5,000. Your account would have a market value of \$10,000, a debit balance of \$5,000, and equity of \$5,000. If your stock is worth \$12,000 when you sell it, you would receive the proceeds from the sale of the stock less the margin loan (plus any accrued interest, commissions and SEC fees) or \$12,000 minus \$5,000. You would have a credit balance in your account of approximately \$7,000 — or \$2,000 more than you originally deposited.

If the price of the stock goes down. Typically, in a margin account, you pay only a portion of the purchase price of the stock, but you take 100% of the loss. As in the example cited above, you buy \$10,000 worth of marginable stock when Regulation T is 50%. You would deposit \$5,000 in your margin account and the broker would loan you \$5,000. Your account would have a market value of \$10,000, a debit balance of \$5,000, and equity of \$5,000. If your stock is worth \$8,000 when you sell it, you receive the proceeds from the sale of the stock less the margin loan, accrued interest, commissions and SEC fees, or \$8,000 minus \$5,000. You would have a credit balance in your account of approximately \$3,000 — or \$2,000 less than your original investment.

16. Investing in initial public offerings is speculative and risky and is only appropriate for certain clients. TD Ameritrade, Inc. strongly encourages you to obtain a copy of the IPO prospectus, and read it carefully before you invest or send money.

17. A six-business-day hold is placed on any funds deposited into your account via check. A three-business-day hold is placed on any funds deposited electronically via Automated Clearing House (ACH). Additionally, funds deposited via ACH can only be withdrawn to the originating account in the first 60 days after the account is opened. There is no hold on funds deposited via wire transfer. You will be authorized to trade certain securities with these funds; however, no withdrawals of these funds can be made during the three- or six-business-day hold period.

WITHDRAWALS

You may withdraw either the cash or the available funds from your margin account. The cash may be withdrawn from your margin account at any time, subject to the availability of any newly deposited funds.¹⁷

The available funds in your margin account are composed of the cash balance in the account, if there is one, plus the amount of money available from a margin loan on your marginable securities. As stated above, you may withdraw the available funds from the account. The amount available for withdrawal is subject to the preservation of \$2,000 equity and the lesser of the SMA balance (see Glossary) or maintenance excess in the account.

For example, assume you open an account with \$20,000 in cash and purchase \$30,000 worth of a marginable security priced at \$20 per share. The SMA balance is \$5,000 and the maintenance excess is \$11,000. The amount you could have withdrawn at this time is \$5,000. However, if you did not place any further trades and the stock fell to \$10 per share, the SMA balance would remain at \$5,000 and the maintenance excess would now be \$500, thus you could only withdraw \$500.

The same rules apply to the withdrawal of stock from your margin account.

SUBSTITUTIONS

Substitution is the buying and selling of marginable securities in a margin account on the same trading day. Since the stocks will settle on the same business day, for each dollar value of securities sold, an equal dollar amount of marginable securities can be purchased, assuming that the securities are both marginable and have the same maintenance requirements. Please refer to our Web site or consult a Client Services representative to determine if a security has a special, more stringent margin requirement.

If your purchase exceeds the amount of the sale, you are required to deposit the initial requirement of the Federal Reserve Board (FRB) — currently 50% — on the difference between the funds received and the funds needed to purchase the new security. The funds available in your margin account will be used to reduce part or all of the federal requirement. To see how this works, review the following example:

(Assume that the initial FRB requirement is 50%, the equity in your margin account is 30%, and you have no additional funds in your account.)

| Action | # of Shares | Price | Value |
|-------------|-------------|-------|---------|
| Sold XYZ | 100 | \$45 | \$4,500 |
| Bought ABCD | 100 | \$75 | \$7,500 |

The difference is \$3,000. Since $\$3,000 \times 50\% = \$1,500$, the amount you need to deposit is \$1,500.

If the amount of the sale exceeds the amount of the purchase, you may not be required to deposit additional funds to meet the initial margin requirement for the security that is purchased. The funds received from the sale will be credited to the account and will be available to purchase the new security. Therefore, the initial margin requirement for the new security will be satisfied from the sale proceeds, assuming that both marginable securities have the same maintenance requirement.

Please remember that maintenance requirements will apply at all times. Any portfolio change may increase the maintenance required and result in a margin call.

Different margin requirements apply to day trades. Please contact a Credit Risk analyst for more information.

SHORT SELLING

If you think that a stock will fall in price, you may be able to make a profit by short selling. Short selling is borrowing a stock from your brokerage firm and immediately selling it. You are speculating that you will be able to purchase the stock back at a lower price and replace the borrowed shares, pocketing the difference between the higher selling price and the lower repurchase price (less any commissions, interest charges or SEC fees). Short selling is a trading strategy that attempts to take advantage of a falling market.

The following should be considered when short selling a stock:

- Historically, stock prices rise over time.
- The risk of loss on a short sale is potentially unlimited since there is no limit to the price increase of a security.
- You are liable for any dividends, stock splits or spin-offs paid on the borrowed stock.
- You may be required to cover the short position at an unfavorable price.
- You do not earn interest on the proceeds from short selling a security.

Short selling can occur only in an account that has margin privileges and meets the minimum equity requirement of \$2,000. All orders to sell short a security must be so designated.¹⁸

Certain circumstances may prevent TD Ameritrade, Inc. from placing an order to establish, or from continuing to maintain, your short position. A short sale will not be placed if the stock cannot be borrowed. TD Ameritrade, Inc. must ask the lending brokerage firm to locate the shares requested for your order.¹⁹ All orders to short sell a security are subject to SEC and FINRA execution rules.

If the lending brokerage firm requests that the borrowed shares be returned, your brokerage firm must buy in the shares which you are short, close out your short position, and deliver those borrowed shares back to the lending brokerage firm regardless of the profit or loss to you. There can be no guarantee that the brokerage firm can continue to maintain a short position for an unlimited duration of time.

When you short sell a stock, TD Ameritrade, Inc. retains the proceeds of the sale, and the Federal Reserve Board requires that you make an initial deposit based on the net proceeds of that sale. The initial margin is usually the same as the percentage of the total amount you would deposit in your account for a long margin purchase.

For example:

| Action | # of Shares | Price | Value | Margin % | Deposit |
|----------------|-------------|-------|----------|----------|---------|
| Sell short JKL | 100 | \$100 | \$10,000 | 50% | \$5,000 |

In addition to the initial federal requirements, established maintenance requirements apply to short sales. Marginable stocks priced at more than \$16.67 per share have a 30% margin maintenance requirement when sold short. Marginable stocks priced between \$5.01 and \$16.67 will have a \$5-per-share requirement when sold short. Please review the "Margin Requirements" section or consult with a Client Services representative to determine if a stock will have a 30%, \$5-per-share or other maintenance requirement. In addition, for all short sale transactions, TD Ameritrade, Inc. requires a minimum equity in the account of \$2,000 in cash or marginable securities.

18. Equity is determined by the market value of your marginable stocks minus the amount loaned to you by your brokerage firm, but is computed differently when a short position is maintained in the account. The equity is computed by adding the cash balance in the account to the market value of the "long" security positions, and then subtracting the current market value of the "short" security positions and the margin loan balance. For more information, please see the "Margin Requirements" section or consult with a Client Services representative.

19. This may necessarily delay the processing of your order. Please refer to the Client Agreement for more information.

20. Treasuries that have a maturity of more than five years will require a minimum of 3% of face value.

BONDS AND DEBT SECURITIES

Convertible bonds

Because convertible bonds give investors the choice to convert them into company stock instead of receiving a cash payment, the initial margin requirements are the same as for marginable stock, 50% of the market value. In addition, a maintenance equity of 30% of the market value must be maintained at all times.

Registered nonconvertible bonds

Listed bonds are eligible to be purchased on margin. The initial margin requirements on listed bonds are the greater of 30% of the market value or 7% of face value. In addition, a maintenance equity of 25% of the market value or 7% of face value, whichever is greater, must be maintained at all times.

Municipal bonds

The initial and maintenance requirement for municipal bonds is the greater of 20% of market value or 7% of face value.

Federal government securities

The principal and interest of these securities is a direct obligation guaranteed by the U.S. government. Initial requirements and maintenance on U.S. Treasury notes, bonds and bills will depend on the length of time until maturity. One to 20 years to maturity requires 5% of market value, and 10% is required when maturity exceeds 20 years.²⁰

Government agency securities

The initial requirement for government agency securities — notes and bonds — is 25% of the market value. Also, a maintenance equity of 25% of the market value is required at all times.

Please note that only investment-grade bonds are marginable, such as Moody's BAA or better and S&P BBB or better.

OPTIONS

The last portion of this Margin Handbook is devoted to a discussion of options. In particular, we will address the margin requirements applicable to the most common options transactions. This discussion is intended for general reference and education only. TD Ameritrade, Inc. does not recommend any investment product nor recommend that you include options trading in your investment strategy. **Due to the inherent risks involved, and the complexities of certain options transactions, options are not suitable for all investors.**

To learn more about options, you may contact the Chicago Board Options Exchange, 400 South LaSalle Street, Chicago, IL 60605 (www.cboe.com) or The Options Clearing Corporation, One North Wacker Dr., Suite 500, Chicago, IL 60606 (www.optionsclearing.com). **And for a detailed description of options transactions and their risks, please refer to "Characteristics and Risks of Standardized Options," a disclosure document published by The Options Clearing Corporation.**

You may contact a Client Services representative to receive a copy of this document or by mailing your request to 1005 N. Ameritrade Place, Bellevue, Nebraska 68005.

Options are a contract specifying the terms by which an asset may be traded. The terms of an options contract provide:

- The rights and obligations assumed by the investors,
- The security to be traded and the number of shares or value to be delivered for each options contract,

- The price at which the owner of an option can purchase (call) or sell (put) the underlying stock, known as the "strike price,"
- The manner by which the contract's rights can be exercised, and
- The date on which the options expire.

The investor who purchases an options contract is known as the options "owner" or "holder." By purchasing an option, the owner is granted the right to buy or sell a specific security or index value at the strike price by the expiration date. A **call** option grants the right to buy an asset. A **put** option grants the right to sell an asset. Depending upon the options owner's strategy and the price of the underlying security, the options owner may sell and close the options position,²¹ exercise the options contracts or let the options expire.²² However, if the options contracts are "in-the-money" by a certain amount, exercise will be automatic at expiration.²³ The options transactions permitted in an IRA are the writing of covered calls, the writing of cash secured puts, if qualified, the purchase of a call or put as well as creating spreads.

The investor who sells an options contract is known as the options "seller" or "writer." By selling and establishing a short options position, the options writer is obligated to trade an asset at the strike price, if assigned on the contracts.²⁴ Depending upon the style of option, the options writer may be subject to assignment at any time during the options contract period. A **call** option obligates the options writer to sell an asset. A **put** option obligates the options writer to buy an asset. The options seller may buy and close the options position before assignment or expiration.²⁵

Equity options are available on most listed and NASDAQ securities. Normally, stock options have a deliverable of 100 shares of the underlying security per contract. By contrast, index options have a cash settlement and typically a multiplier of \$100 per contract. The deliverable for an equity or index option may change as the result of a stock split, reverse stock split, stock dividend, merger or other action. Please contact a Credit Risk analyst with any questions regarding the multiplier or deliverable on your options contracts.

Again, the "strike price" is the fixed dollar amount at which the options investors agree to trade the asset or index value.

The options owner has the right to exercise his/her options contracts and to purchase or sell the underlying security or index value. The style of option determines when the contracts may be exercised. "American-style" options can be exercised at any time prior to expiration. Most equity options are American-styled. "European-style" options can only be exercised during a specified exercise period before expiration. Typically the exercise period coincides with the expiration date. Index options may be European-styled.

As with any contract, the rights and obligations expire after a specified time — the options expiration date. It is important that options owners and holders recognize the distinction in the style of options. The rights granted by the options contracts will be forfeited if the options owner fails to exercise his/her rights in the appropriate manner. The options writer will be obligated to deliver shares of stock or funds if assigned on the options contracts. Please review the "Options Exercise and Assignment" on Page 14 for more information or contact a Client Services representative.²⁶

21. If a secondary market in the options becomes unavailable, the options owner could not engage in closing transactions.

22. The options owner may lose his/her entire investment if, during the options contract period, the price of the underlying security trades in an opposite direction than what the options owner anticipated, and the options contracts lose all or a significant portion of their value.

23. Please review "Options Exercise and Assignment" on Page 14.

24. An uncovered options writer may be exposed to potentially unlimited losses.

25. If a secondary market in the options becomes unavailable, the options seller could not engage in closing transactions, and would remain obligated until expiration or assignment.

26. Please review the Client Agreement.

27. TD Ameritrade, Inc. reserves the right to impose a maintenance requirement on covered LEAPS® (Long-Term Equity Anticipation Securities). Before engaging in an investment strategy involving a covered LEAPS position, please consult your Credit Risk analyst for more details.

28. Our clearing firm may impose more stringent margin requirements on the underlying security. The higher maintenance requirement on the security may increase the requirement on the uncovered equity option. To learn which securities currently have a higher maintenance requirement, please log on to your account.

BUYING EQUITY OPTIONS

The buyer of long options must pay 100% of the purchase price. Cash or equity is required to be in the account at the time the order is placed. Regulation T and maintenance requirements are also 100%.

Writing a covered call means selling the right to another party to buy a security from you at a specific price until the expiration date. By establishing a short call position, the writer of the call option assumes an obligation to sell a security if assigned on the options contract. If the call-options writer owns the underlying deliverable shares, they're "covered." If assigned, you can deliver your shares of the security instead of purchasing them on the open market. Therefore, the writer of a covered call is not required to come up with additional funds.²⁷ The backing for the call is the stock. The underlying security for the covered call can never be valued higher for margin-requirement purposes than the strike price of the short call.

Writing a cash-secured put means you are creating an obligation to purchase the underlying security at the strike price until the expiration date. The writer of the put options assumes the obligation to purchase the underlying security if the options contracts are assigned. If the put-options writer maintains a cash balance equal to the total exercise value of the contracts, the put contracts are "cash-secured." If the option is assigned, the put-options writer purchases the security with the cash that had been held to cover the put.

Writing a covered put means you are creating an obligation to purchase the underlying security at the strike price until the expiration date. The writer of the put options assumes the obligation to purchase the underlying security if the options contracts are assigned. If the put-options writer has sold short the underlying deliverable shares, the put contracts are "covered." If the option is assigned, the put-options writer purchases the security and delivers it to the lending brokerage firm to "cover" the short equity position. The short stock can never be valued lower, for margin requirement purposes, than the strike price of the short put.

Uncovered equity options

Because writing uncovered — or naked — options represents greater risk of loss, the margin account requirements are higher. The writing of uncovered puts and calls requires an initial deposit and maintenance of the greatest of the following three formulas:

- 20% of the underlying stock²⁸ less the out-of-the-money amount, if any, plus 100% of the current market value of the option(s).
 - For calls, 10% of the market value of the underlying stock PLUS the premium value. For puts, 10% of the exercise value of the underlying stock PLUS the premium value.
- or
- \$50 per contract plus 100% of the premium.

For example:

Example 1

Action: Sell six uncovered puts on PQR Corp.
Deliverable Per Contract: 100 Shares of PQR
Price of Security: \$81.25
Market Strike Price: \$80
Options Premium: \$2.50

20% Calculation

| | | |
|---|---|-----------------|
| Percentage of Stock Value: 20% x [\$81.25 x (6 x 100)] | = | \$9,750 |
| Out-of-the-Money Amount: (\$80 - \$81.25) x 600 | = | -\$750 |
| Current Market Value of the Option: \$2.50 x 600 | = | \$1,500 |
| Total Requirement | | \$10,500 |

10% Calculation

| | | |
|---|---|----------------|
| Percentage of Exercise Value: 10% x [\$80 x (6 x 100)] | = | \$4,800 |
| Current Market Value of the Option: \$2.50 x 600 | = | \$1,500 |
| Total Requirement | | \$6,300 |

\$50 plus premium Calculation

| | | |
|---|---|----------------|
| \$50 x 6 contracts | = | \$300 |
| Current Market Value of the Option: \$2.50 x 600 | = | \$1,500 |
| Total Requirement | | \$1,800 |

In the first example, the 20% maintenance requirement would be used.

Example 2

Action: Sell six uncovered puts on PQR Corp.
Deliverable Per Contract: 100 Shares of PQR
Price of Security: \$81.25
Market Strike Price: \$70
Options Premium: \$0.75

20% Calculation

| | | |
|---|---|----------------|
| Percentage of Stock Value: 20% x [\$81.25 x (6 x 100)] | = | \$9,750 |
| Out-of-the-Money Amount: (\$70 - \$81.25) x 600 | = | -\$6,750 |
| Current Market Value of the Option: \$0.75 x 600 | = | \$450 |
| Total Requirement | | \$3,450 |

10% Calculation

| | | |
|---|---|----------------|
| Percentage of Exercise Value: 10% x [\$70 x (6 x 100)] | = | \$4,200 |
| Current Market Value of the Option: \$0.75 x 600 | = | \$450 |
| Total Requirement | | \$4,650 |

\$50 plus premium Calculation

| | | |
|---|---|--------------|
| \$50 x 6 contracts | = | \$300 |
| Current Market Value of the Option: \$0.75 x 600 | = | \$450 |
| Total Requirement | | \$750 |

In this second example, the 10% maintenance requirement would be used.

Minimum Equity Requirements

For uncovered equity call options, the minimum equity required is \$5,000 in marginable securities or cash. For uncovered equity put options, the minimum equity required is the maximum potential loss for all uncovered equity puts in the account. The minimum equity required to write uncovered index options is \$5,000.

EQUITY SPREADS

A "spread" is a position taken in two or more options contracts with the intent of profiting from or reducing the risk of loss from a sudden market shift in the underlying security or index. A spread position is created by buying and selling options of the same type (calls or puts) for the underlying security or index, which have different exercise prices and/or expiration dates. A "call spread" is a long call and a different short call on the same security or index. A "put spread" is a long put and a different short put on the same underlying security. In either case, the short options must expire before, or at the same time as, the long options contract.

This is an example of a debit spread:

Action: Buy eight calls PQR Corp.

Date: October

Price/Share: \$58.50

Market Strike Price: \$60

Options Premium: \$4.50

Action: Sell eight calls PQR Corp.

Date: October

Price/Share: \$58.50

Market Strike Price: \$70

Options Premium: \$1.25

The investor paid more in premiums than was received in premiums from the simultaneous sale of the options contracts. The short call options have a strike price which is higher than the long side. The initial requirement is calculated by multiplying the difference between the premium paid for the long contracts and the premium received by selling the short contracts by the number of shares deliverable for the options contracts:

$$(\$4.50 - \$1.25) \times 800 = \$2,600$$

This is an example of a credit spread:

Action: Buy eight calls PQR Corp.

Date: October

Price/Share: \$58.50

Market Strike Price: \$70

Options Premium: \$1.25

Action: Sell eight calls PQR Corp.

Date: October

Price/Share: \$58.50

Market Strike Price: \$60

Options Premium: \$4.50

The simultaneous sale of the contracts results in a credit to the investor's account, since more money is received from the options' premiums than is paid for them. Since the short side on these calls has a strike price which is less than the long side, initial and maintenance requirements are computed as the difference between the strike price of the long and short options multiplied by the number of shares deliverable:

$$(\$70 - \$60) \times 800 = \$8,000$$

For this spread position, the total requirement is \$8,000. Since proceeds of \$2,600 are received in the transaction, an additional deposit of \$5,400 is required to satisfy the margin requirement.

EQUITY STRADDLES

A straddle generally involves purchasing or writing both a call and a put on the same stock or index with options that have the same expiration date.

Long straddles

Margin requirements for purchasing long straddles are the same as for buying any other long options contracts: 100% of the purchase price for each side of the straddle.

Example of a long straddle:

Action: Buy five puts STUE Corp.

Date: March

Price/Share: \$39.25

Market Strike Price: \$40

Options Premium: \$2.50

Action: Buy five calls STUE Corp.

Date: March

Price/Share: \$39.25

Market Strike Price: \$40

Options Premium: \$1.75

Since this is a long straddle, the margin requirements are 100% on each position.

| | | |
|-----------------------|---|---------|
| Long Put Requirement | | |
| \$2.50 x (5 x 100) | = | \$1,250 |
| Long Call Requirement | | |
| \$1.75 x (5 x 100) | = | \$875 |
| Requirement | | \$2,125 |

Short straddles

For short straddles, the potential for risk is unlimited. The total margin requirement is the greater of the uncovered requirement for the calls or puts, plus the value of the premium received on the other, non-holding side of the straddle.

Example of a short straddle:

Action: Sell 10 calls VWX Corp.

Date: April

Price/Share: \$72.25

Market Strike Price: \$70

Options Premium: \$5

Action: Sell 10 puts VWX Corp.

Date: April

Price/Share: \$72.25

Market Strike Price: \$70

Options Premium: \$1.50

Since this is a short straddle, the uncovered margin requirement on each side of the straddle is computed separately.

Short calls

| | | |
|---|---|-----------------|
| Percentage of Stock Value: $20\% \times (\$72.25 \times 100) \times 10$ | = | \$14,450 |
| Out-of-the-Money Amount: | = | -0- |
| Short Call Side: Current Market Value of the Option: ($\$5 \times 1,000$) | = | \$5,000 |
| Total Requirement | | \$19,450 |

Short puts

| | | |
|--|---|-----------------|
| Percentage of Stock Value: $20\% \times (\$72.25 \times 100) \times 10$ | = | \$14,450 |
| Out-of-the-Money Amount: ($\$70 - \72.25) $\times 1,000$ | = | -\$2,250 |
| Current Market Value of the Option: ($\$1.50 \times 1,000$) | = | \$1,500 |
| Total Requirement | | \$13,700 |

The total margin requirement on this straddle is computed as follows:

| | | |
|----------------------------------|---|-----------------|
| Greater Requirement (calls) | = | \$19,450 |
| Value of Non-Holding Side (puts) | = | \$1,500 |
| Total Requirement | | \$20,950 |

INDEX OPTIONS

A "stock index" is a method of reflecting — in a single number — the relative market values of many different stocks in comparison to themselves over time. Stock indexes are compiled and published by various sources, including securities exchanges. An index may be designed to be representative of the stock market as a whole, a broad market sector (such as industrials) or a particular narrow industry (such as electronics). An index may be based on the prices of all — or only a sample — of the stocks whose value it is intended to represent. Like a cost-of-living index, a stock index is ordinarily expressed in relation to a base established when the index originated.

Exchange-traded options on stock indexes — index options — are based on the same principles as listed stock options and may be used for similar purposes. They settle on a cash basis, and the multiplier per contract is normally \$100. The main difference, from the investment standpoint, is that index options are designed to permit investors to profit from — or

protect against — price movements in the stock market in general (or in particular market segments) rather than in individual stocks. By providing a means of hedging against the risk of adverse developments in the stock market as a whole, or in particular market segments, index options offer investors an enhanced opportunity to "fine tune" the risk-reward characteristics of their portfolios.

These differences, and others such as the high strike prices, the cash deliverable, the volatility of the index, the exercise style of the options contracts and the complexities of options strategies, create an inherently risky investment vehicle. Index options should be traded only by the most experienced and knowledgeable investors who are prepared to closely monitor market conditions, and who are financially prepared to assume potentially substantial losses. Investors should read completely and understand the options disclosure document, titled "Characteristics and Risks of Standardized Options" before incorporating trading index options into their investment strategy.

Margin requirements on index options

There are two classes of index options. An index within a particular industry is an **industry index** (narrow-based), while a **market index** (broad-based) covers a series of industries.

A minimum equity of \$5,000 is required to maintain a short index straddle or an uncovered index options position.²⁹ To purchase an options position, either the cash or the equity requirement must be in the account at the time the order is placed.

Buying long index options

The buyer of a long index option must pay 100% of the purchase price of the options contract. Regulation T and maintenance requirements are both 100%.

Index spreads and straddles

The margin requirements to create spreads and straddles are computed in the same manner as those for equity options.³⁰

For detailed information, please refer to the "Equity Spreads" and "Equity Straddles" discussions, which begin on Page 11 of this handbook.

Uncovered index options

For index options, whether calls or puts, broad-based or narrow-based, carried as short uncovered positions in the account, the maintenance requirements are calculated using the same formula as used for uncovered equity options.³¹ The initial deposit and maintenance requirements must equal 20% of the current index value minus the out-of-the-money amount, if any, plus the premium amount received. This amount must meet or exceed a minimum amount equal to 10% of the current index value times the index multiplier, plus the option's market value.

29. Short index straddle transactions require a minimum of \$5,000 equity.

30. Please see "Uncovered equity options" on Page 9. Remember, uncovered index options transactions require a minimum of \$5,000 equity.

31. Please see "Uncovered equity options" on Page 9. Remember, uncovered index options transactions require a minimum of \$5,000 equity.

For example:

Action: Write 10 uncovered broad-based index call options

Index Multiplier: 100

Index Value: \$257.14

Strike Price: \$260

Premium: \$4.25

20% Calculation

Percentage of Index Value:
20% x (\$257.14 x 1,000) = \$51,428

Out-of-the-Money Amount:
(\$257.14 - \$260) x 1,000 = -\$2,860

Contract Value:
(\$4.25 x 1,000) = \$4,250

Total Requirement \$52,818

10% Calculation

Minimum Percentage of Index Value:
10% x (\$257.14 x 1,000) = \$25,714

Contract Value:
(\$4.25 x 1,000) = \$4,250

Total Tentative Requirement \$29,964

An example of deep out-of-the-money index options:

Action: Write 20 uncovered broad-based index put options

Index Multiplier: 100

Index Value: \$321.30

Strike Price: \$280

Premium: \$1

20% Calculation

Percentage of Index Exercise Value:
(\$321.30 x 2,000) x 20% = \$128,520

Out-of-the-Money Amount:
(\$321.30 - \$280) x 2,000 = -\$82,600

Contract Value:
(\$1 x 2,000) = \$2,000

Total Tentative Requirement \$47,920

Since the option is well out-of-the-money, the 10% minimum must be tested:

10% Calculation

Minimum Percentage of Index Exercise Value:
10% x (\$280 x 2,000) = \$56,000

Contract Value:
(\$1 x 2,000) = \$2,000

Total Minimum Requirement \$58,000

The margin requirement for this naked options position will be \$58,000, the greater of the 10% and 20% calculations.

SPECIAL STATEMENT FOR WRITING UNCOVERED OPTIONS

There are special risks associated with writing uncovered options which expose the investor to a potentially serious risk of loss. Therefore, this type of strategy may not be suitable for all investors who have option privileges in their account.

1. The potential loss of uncovered call writing is unlimited. The writer of an uncovered call is in an extremely risky position, and may incur large losses if the value of the underlying instrument increases above the exercise price.
2. The risk of writing uncovered put options is substantial. The writer of an uncovered put option bears a risk of loss if the value of the underlying instrument declines below the exercise price. Such loss could be substantial if there is a significant decline in the value of the underlying instrument.
3. Uncovered options writing may be suitable for only the most knowledgeable investor who understands the risks, has the financial capacity and willingness to incur potentially substantial losses, and has sufficient liquid assets to meet applicable margin requirements. In this regard, if the value of the underlying instrument moves against the writer's uncovered options position, the investor's brokerage firm may request significant additional margin payments. If the investor does not make such margin payments, the brokerage firm may forcibly liquidate stock or options positions in the investor's account, with or without prior notice, in accordance with the investor's margin agreement.
4. For straddle and strangle writing, where the investor writes both a put and a call on the same underlying instrument, the potential for risk is unlimited.
5. If a secondary market in options were to become unavailable, investors could not engage in closing transactions, and an options writer would remain obligated until expiration or assignment.
6. The writer of American-style options is subject to being assigned an exercise at any time after he has written the option until the option expires. By contrast, the writer of a European-style option is subject to assignment only during the exercise period, normally the expiration date.

It is expected that you will read the booklet, "Characteristics and Risks of Standardized Options," available from your Credit Risk analyst.³² In particular, your attention is directed to the chapter titled, "Principal Risks of Options Positions." This statement is not intended to enumerate all of the risks entailed in writing uncovered options. You should also read your Client Agreement.

32. To obtain a copy of the options disclosure document, call a Client Services representative or request one by mail at 1005 N. Ameritrade Place, Bellevue, NE 68005.

OPTIONS EXERCISE AND ASSIGNMENT

On options expiration day (the Saturday immediately following the third Friday of each month), it is our firm's policy to automatically exercise all long equity options contracts that are at least \$0.01 in-the-money, and all long index options contracts that are at least \$0.01 in-the-money.³³ To exercise options outside of these parameters, or to decline the automatic exercise of options within these parameters, options owners must notify a Client Services representative of their instructions. This notification must occur by 4:30 p.m. ET on the last trading day for the options contracts. It is the responsibility of the investor to have sufficient buying power in the account to exercise a long call options contract, and to have the stock in the account to exercise long put options. TD Ameritrade, Inc. reserves the right to close out options positions that pose risk if exercised or assigned. If you do not have sufficient buying power to cover any possible exercises or assignments, please deposit funds or close out your position before the close of market on the Friday prior to expiration. Please contact a broker or refer to your account's position page to confirm options assignments for your account.

TD Ameritrade, Inc. receives assignment instructions from the Options Clearing Corporation (OCC) and uses a lottery system to randomly assign individual brokerage accounts that are short the options position. A more detailed description of the random allocation procedure is available on request or online in the Help Center.

SUBSTITUTE PAYMENTS

In May 2003, the Jobs and Growth Tax Relief Reconciliation Act of 2003 was signed into law. The new act includes a reduced tax rate on "qualified dividends" paid by corporate issuers. Qualified dividend income will be taxed at the long-term capital gains rate (generally 15%) rather than the ordinary rate (35% maximum) as long as you satisfy a 60-day holding period.

On February 19, 2004, the IRS announced the acceptance of the Technical Corrections Bill. To qualify for the lower tax rates, the taxpayer must now hold the dividend-paying stock for at least 61 days during the 121-day period beginning 60 days before the ex-dividend date – the first date the buyer will not be entitled to receive that dividend.

There are also situations where investors receive "payments in lieu" of dividends on stocks a broker has borrowed as part of its securities lending practices, that do not qualify for the reduced rate. As TD Ameritrade, Inc. may borrow your dividend-paying stock in the normal course of business, you may receive a "payment in lieu" of dividends instead of a qualifying dividend. Should this occur, TD Ameritrade, Inc. will compensate your account, at its discretion, the difference between the long-term capital gains rate of 15% and the maximum 35% ordinary rate. We will also include the additional tax due on the difference (or a "gross-up"). We will calculate the gross-up as the difference between the 35% ordinary rate and the 15% capital gains rate divided by 65% — resulting in a premium payment of 30.77% on the "payment in lieu."

Since individual tax situations may differ, TD Ameritrade, Inc. cannot precisely calculate the additional tax costs you may incur. Therefore, this payment may not be an exact reimbursement of your potential tax liabilities incurred as a result of the "payment in lieu."

As your account is self-directed, we're not allowed to give you tax advice. Please contact your tax advisor with any questions about the effects this tax law change may have on your account.

Our firm reserves the right to change these requirements in total, or with respect to specific securities, without prior notice. (In all cases, the firm's requirements will equal or exceed requirements mandated by the regulatory bodies.) Please see the Client Agreement for more information.

MARGIN IMPACT ON VOTING RIGHTS

You should be aware that when you buy shares on margin or borrow against your margin account, there is a possibility, under certain circumstances, that you may lose proxy voting rights for securities held in your margin account. There is also a possibility that you may lose certain tax benefits for dividends paid on those securities.

Pursuant to your margin agreement with us, when you have a debit balance in your margin account (whether it is as the result of margin purchases or through a loan for other purposes), TD Ameritrade, Inc. may lend your shares to other clients or other broker/dealers, subject to certain limitations. We may also hypothecate, which means we can pledge shares in your account as collateral for a loan at a bank. TD Ameritrade, Inc. reserves the right to determine which of your shares may be lent or pledged.

When your shares are lent, the right to vote those shares goes with them. Therefore, if a corporate vote in a company in which you own shares takes place while those shares are on loan, you may be unable to vote on them.

In addition, when your shares are lent past the ex-dividend date (the time between the announcement of the next dividend and the payment of it), you may be at risk of receiving "payments in lieu" of dividends. This means that the person borrowing the shares receives the dividend, and you receive a cash payment from TD Ameritrade, Inc. in an amount identical to the dividend. However, this cash payment to you is not considered a dividend for tax purposes. We must report it on your year-end statement as ordinary income, which may cause you to lose the benefit of the preferential tax rates on dividends.

Repaying the outstanding margin balance prior to a scheduled vote or payment of a dividend may resolve the problem.

If you have questions about this, please contact a Client Services representative.

33. If trading in an underlying security has been halted and trading does not resume before expiration, the option may not be automatically exercised. Exercise settlement values for index options are determined in a variety of ways. The settlement value may be determined by the closing prices of the index securities on the last trading day before expiration or by the opening prices of the index securities on expiration day. Please contact a Client Services representative for more information.

GLOSSARY

Available Funds — the maximum amount of money that could be withdrawn from a margin account without putting the margin account below minimum equity.

Bond — (1) a debt instrument; a security that represents the debt of a corporation, a municipality, the federal government or any other entity. A bond is usually long term in nature (10 to 30 years) and is to be repaid to the investor on a specified date; (2) an investment in a government or corporation that is structured very much like a loan, except that the payment is to individual bondholders rather than to a lending institution. Most bonds offer a regular, scheduled income, making them attractive to retirees and others living on an investment income.

Broker — (1) an individual who buys or sells securities for clients (a stockbroker); (2) on an exchange, one who executes public orders on an agency basis (a floor broker or commission-house broker); (3) as a slang term, a firm that executes orders for others (a brokerage firm).

Brokerage Firm — a partnership or corporation that is in business to provide securities services for a general marketplace.

Business Day — a day on which the exchanges are open for business.

Buying Power — in a margin account, the maximum dollar amount of marginable securities that the client can purchase or sell short without having to deposit additional funds.

Call (Option) — an options contract that gives the holder of the option the right (but not the obligation) to purchase, and obligates the writer to sell, a specified number of shares of the underlying asset at the given strike price on or before the expiration date of the contract.

Call Spread — the simultaneous buy and sell of a call-options contract on the same underlying security, but with different expiration dates, different exercise prices or both. The short option must expire before or on same date as the long option to be matched up as a spread.

Cash Account — an account in which all securities purchased must be paid for in full.

Cash-Secured Put — a put options position in which the options writer holds cash equal to the amount of money that would be needed to satisfy the obligation should the option(s) be assigned.

Cash Transaction — a settlement on the same day as the trade date.

Class — options of the same type — all calls or all puts — on the same security.

Closing Transaction — the transaction executed to close an options contract. The holder would sell to close, while the writer would buy to close.

Collateral — assets pledged to guarantee a loan, and which may be collected in case of default. Homes and cars are common examples of assets that can serve as collateral.

Common Stock — a security, issued in shares, that represents ownership of a corporation. Common stock owners may vote and receive dividends (after all other obligations of the corporation are satisfied).

Covered Call — a short call-options position in which the writer owns the number of shares of the underlying stock represented by the options contract.

Covered Put — a put-options position in which the options writer is also short in the corresponding stock.

Credit Balance — (1) the funds available to a client in a cash account; (2) the positive cash balance in a margin account; (3) the client's liability in a short account.

Day Trade — the purchasing and selling, or the short-selling and purchasing, to cover the same security in the same trading day within a margin account.

Debit Balance — the amount of loan in a margin account.

Deliverable — the predetermined quantity of a security or asset which is the subject of an options contract.

Equity — the portion in an account that reflects the client's ownership interest.

Excess Equity — equity in a margin account above that which is required by Regulation T.

Exercise Price — the price per share that the holder of a call option would pay to buy the stock from the writer; or the price the holder would receive should he sell the stock to the writer when exercising an option. See also "Strike Price."

Expiration — the day on which an options contract becomes void.

Expiration Month — the month in which an options or futures contract ceases to exist (expires).

Federal Reserve Board — the government agency that regulates credit.

Federal Reserve System — the nation's central monetary authority, and the Treasury Department's agent for selling new issues of Treasury bills, notes and bonds.

Government Bond — debt security issued by the U.S. government.

Hedge — to reduce the risk in one security by taking an offsetting position in a related security.

Holder — the buyer of an options contract when opening a new options position.

Hypothecation — a brokerage firm's pledging of margin securities at a bank to secure the funds necessary to carry an account's debit balance.

In-the-Money — a term used to describe options that the holder would profit from exercising. A "call" option is in-the-money if the strike price is less than the market price of the underlying security. A "put" option is in-the-money if the strike price is greater than the market price of the underlying security. For example, an XYZ "call" option with a strike price of \$52 is in-the-money when XYZ trades at \$52.01 or higher. An XYZ "put" option with a strike price of \$52 is in-the-money when XYZ is trading at \$51.99 or lower.

Index Options — a way designed to permit investors to profit from — or protect against — price movements in the stock market in general, or in particular market segments, rather than in individual stocks.

IRA (Individual Retirement Account) — a retirement savings plan whereby individuals with earned income may contribute a specified amount per year, based on their age and the IRA limits for that particular year. Contributions may be tax-deductible.

LEAPS® (Long-Term Equity Anticipation Securities) — long-term stock or index options with expiration dates up to three years in the future.

Liquidation — (1) closing out a position; (2) an action taken by the Margin Department when a client hasn't paid for a purchase.

Liquidity — (1) the degree of ease with which an investor can convert an asset into cash; (2) the characteristic of a market that enables investors to buy and sell securities easily.

Listed Options — an option that trades on a national options exchange.

Listed Securities — securities that trade on a national exchange.

Listed Stock — stock that has qualified for trading on an exchange.

Loan Value — the amount of money, expressed as a percentage of market value, that the client may borrow from the firm.

Long Market Value — the value of securities in a client's account.

Long Position — occurs when an individual owns securities. An owner of 100 shares of stock is said to be "long the stock."

Long-Term Bonds — bonds that mature in more than 10 years.

Maintenance Call — demand from the brokerage firm to the client for additional funds because the equity in the margin account has fallen below the minimum amount allowed by the firm.

Maintenance Requirement — the minimum amount of equity a brokerage firm requires margin clients to maintain in the account.

Margin — purchasing Treasury and agency securities with money borrowed from a bank or brokerage firm.

Marginable Securities — securities able to be purchased on margin or used as collateral for a margin account.

Margin Account (Stocks) — a leveraged account where the brokerage firm lends the account owner a portion of the purchase price for certain securities. The loan in the margin account is collateralized by the stock; and if the value of the stock drops, the owner will be asked to either put in more cash or sell a portion of the stock.

Margin Call — a demand upon a client to deposit money or securities with the brokerage firm when the value of the securities purchased on margin falls below the allowable level.

Margin Department — the department of a clearing brokerage firm that computes the balance that clients must maintain to avoid maintenance and margin calls.

Margin Requirement — the percentage of equity that must be deposited or maintained to purchase or hold a position on margin.

Minimum Maintenance — established by the exchanges' margin rules, the level to which the equity in an account may fall before the client must deposit additional equity. It is expressed as a percentage relationship between market value and equity.

Municipal Bond — a long-term debt instrument issued by a state or local government. It usually carries a fixed rate of interest, which is paid semiannually.

Mutual Fund — a pooling of many investors' money for specific investment purposes. A management company manages the fund, and is responsible for adhering to the purpose of the fund.

Naked Call — occurs when an investor sells a call(s) without owning the underlying securities and is not selling to close out a position.

NASDAQ (National Association of Securities Dealers Automated Quotations (System)) — a communication network used to store and access quotations for qualified over-the-counter securities.

New York Stock Exchange (NYSE) — a primary market for buying and selling securities.

Opening Transaction — refers to a client either buying or selling an options contract to open a new position.

Option — a contract that entitles the holder to buy (call) or sell (put) a predetermined quantity of an underlying security for a specific period of time at a pre-established price.

Options Class — the group of options, put or call, with the same underlying security.

Options Series — the group of options having the same strike price, expiration date, and unit of trading on the same underlying stock.

Options Clearing Corporation (OCC) — a clearing corporation owned jointly by the exchanges dealing in listed options. OCC is the central or main clearing corporation for listed options. Options traded on any SEC-regulated exchange can be settled through OCC.

Out-of-the-Money — a "call" option is out-of-the-money if the strike price is greater than the market price of the underlying security. A "put" option is out-of-the-money if the strike price is less than the market price of the underlying security.

Portfolio — (1) an individual's or institution's combined investment holdings, including cash, stocks, bonds, mutual funds and real estate; (2) a group of investments held by a single person or entity. Portfolios may include any number of types of investments, from real-estate holdings to high-tech stocks.

Put (Option) — an options contract that gives the holder the right to sell (or "put"), and places upon the writer the obligation to purchase a specified number of shares of the underlying security at the given strike price on or before the expiration date of the contract.

Quotation — the current bid price and the current ask price of a security.

Regulation T Call — a federal margin call for the deposit of the initial equity required under Regulation T of the Securities and Exchange Act of 1934.

Regulation T Excess — in a margin account, the amount by which the equity exceeds the current initial margin requirements of the positions held.

Regulation T (Reg T) — a Federal Reserve Board regulation that governs the lending of money by brokerage firms to clients.

Restricted Account — as defined by Regulation T, a margin account in which the debit balance exceeds the loan value. TD Ameritrade, Inc. may restrict an account for 90 days when a Regulation T call has not been satisfied by the due date.

Securities — a general term used to describe any kind of investment product, though it can also refer specifically to stocks and bonds.

Securities and Exchange Commission (SEC) — the federal agency responsible for the enforcement of laws governing the securities industry.

Sell/Write — an advanced options order that combines the short selling of an equity and the selling of a put option on the same underlying stock.

Series — all options contracts of the same class that also have the same unit of trade, expiration date and exercise price.

Short Account — account in which the client has short sold securities. Before a client may sell short, a margin account must be opened.

Short Position — a position in a client's account in which the client either owes securities to the firm or has some other obligation to meet.

Short Sale — the sale of securities that are not owned or that are not intended for delivery. The short seller "borrows" the stock to make delivery, with the intent to buy it back at a later date at a lower price.

SMA (Special Memorandum Account) — SMA is a separate margin account maintained by the brokerage firm. The SMA is the most misunderstood account in the brokerage industry. The main purpose of the SMA is to preserve the client's buying power. When the equity in an account exceeds the required 50% (for Regulation T), excess equity is created. This excess equity is known as SMA. When excess equity exists in a margin account, an entry is made to SMA. Once this entry is credited to the SMA, it remains there until used. It does not disappear even if the account loses the excess equity that created the SMA in the first place. Stocks held in a margin account that go up in price create SMA, but a later decrease in the price of the same stocks doesn't decrease the SMA.

Spread — the difference between the bid and offer sides of a quote.

Spread Order — an advanced options order that combines the purchase and sale of either puts or calls on the same underlying security.

Stock — (1) a share in the ownership of a company; (2) an investment product that represents part ownership in a corporation.

Straddle — simultaneous long or short positions of puts and calls having the same underlying security and same strike price.

Strangle — an options strategy that refers to writing a call and a put, with different strike prices, on the same underlying security.

Strike (Exercise) Price — the stated price per share for which the underlying asset may be purchased (in the case of a call) or sold (in the case of a put) upon exercise of an options contract.

Trade Date — the day a trade occurs. Trades generally settle (are paid for) one to five business days after the trade date.

Treasury Bills — obligations issued by the Department of the Treasury maturing in 13, 26 or 52 weeks.

Treasury Bond — long-term (10 to 30 years), fixed-interest government debt security.

Treasury Note — medium-term (one to 10 years), fixed-interest government debt security.

Uncovered Call — a short call-options position in which the writer does not own shares of the underlying stock represented by his options contracts. Also called a “naked” call, it is much riskier for the writer than a covered call, where the writer owns the underlying stock. If the holder of this call option exercises the option to call, the writer would be forced to buy the stock at market price. The nature of uncovered call options means that the writer’s risk is unlimited.

Uncovered Put — a short put-options position in which the writer either does not have a corresponding short stock position or has not deposited cash or cash equivalents equal to the exercise value of the put. Also called “naked” puts, the writer has pledged to buy the stock at a certain price if the holder of the option chooses to exercise it. The risk of writing uncovered put options is substantial.

Volatility — relative measure of a security’s price movement during a specific time. It is measured mathematically by the annual standard deviation of daily stock-price changes.

Writer — the seller of an options contract when opening a new options position.

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CHARACTERISTICS AND RISKS OF STANDARDIZED OPTIONS

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**CHARACTERISTICS AND
RISKS OF
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| TABLE OF CONTENTS | Page |
|--|------|
| CHAPTER I—INTRODUCTION | 1 |
| CHAPTER II—OPTIONS NOMENCLATURE | 5 |
| CHAPTER III—OPTIONS ON EQUITY SECURITIES | 18 |
| <i>Features of Stock Options</i> | 18 |
| CHAPTER IV—INDEX OPTIONS | 23 |
| <i>About Indexes</i> | 23 |
| <i>Features of Index Options</i> | 26 |
| CHAPTER V—DEBT OPTIONS | 29 |
| <i>Rates, Yields and Prices of Debt Securities</i> | 29 |
| <i>Treasury Securities</i> | 31 |
| <i>Yield-Based Options</i> | 32 |
| CHAPTER VI—FOREIGN CURRENCY OPTIONS | 35 |
| <i>Market for Foreign Currencies</i> | 36 |
| <i>Special Characteristics of Foreign Currency Options</i> | 37 |
| <i>Special Features of Dollar-Denominated Foreign Currency Options</i> | 38 |
| <i>Cross-Rate Foreign Currency Options</i> | 41 |
| <i>Special Features of Cross-Rate Options</i> | 42 |
| <i>Cash-Settled Foreign Currency Options</i> | 43 |
| CHAPTER VII—FLEXIBLY STRUCTURED OPTIONS | 45 |
| <i>Special Features of Flexibly Structured Options</i> | 46 |
| CHAPTER VIII—EXERCISE AND SETTLEMENT | 49 |
| <i>How to Exercise</i> | 49 |
| <i>Assignment</i> | 51 |
| <i>Settlement</i> | 51 |
| CHAPTER IX—TAX CONSIDERATIONS, TRANSACTION COSTS AND MARGIN REQUIREMENTS | 54 |
| <i>Tax Considerations</i> | 54 |
| <i>Transaction Costs</i> | 55 |
| <i>Margin Requirements</i> | 55 |
| CHAPTER X—PRINCIPAL RISKS OF OPTIONS POSITIONS | 57 |
| <i>Risks of Option Holders</i> | 58 |
| <i>Risks of Option Writers</i> | 62 |
| <i>Other Risks</i> | 67 |
| <i>Special Risks of Index Options</i> | 73 |
| <i>Special Risks of Debt Options</i> | 78 |
| <i>Special Risks of Foreign Currency Options</i> | 83 |
| <i>Special Risks of Flexibly Structured Options</i> | 87 |
| CHAPTER XI—SCOPE AND LIMITATIONS OF THIS BOOKLET | 89 |
| SUPPLEMENTS | |
| <i>December 1997</i> | 95 |
| <i>March 2000</i> | 96 |
| <i>January 2004</i> | 98 |
| <i>April 2007</i> | 100 |
| <i>May 2007</i> | 105 |
| <i>June 2007</i> | 114 |
| <i>June 2008</i> | 122 |
| <i>December 2009</i> | 148 |
| <i>May 2010</i> | 161 |

CHAPTER I

INTRODUCTION

This booklet relates solely to options issued by The Options Clearing Corporation ("OCC"), and all references to "options" in this booklet are applicable only to such options. As of the date of this booklet, options are traded on the United States markets listed on the inside front cover page and on the European Options Exchange in Amsterdam, The Netherlands. In the future, options may be traded on other markets within or outside the United States. The markets on which options are traded at any given time are referred to in this booklet as the "options markets."

OCC is a registered clearing agency, and each U.S. options market is a national securities exchange, that is subject to regulation by the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934. Foreign options markets, and their members, are not generally subject to regulation by the SEC or to the requirements of the securities or other laws of the U.S. and may not be subject to the jurisdiction of U.S. courts.

What is an option? An option is the right either to buy or to sell a specified amount or value of a particular underlying interest at a fixed exercise price by exercising the option before its specified expiration date. An option which gives a right to buy is a call option, and an option which gives a right to sell is a put option. Calls and puts are distinct types of options, and the buying or selling of one type does not involve the other.

EXAMPLE: An option to buy 100 shares of common stock of the XYZ Corporation at a specified exercise price would be an XYZ call option. An option to sell 100 shares of common stock of the XYZ Corporation at a specified exercise price would be an XYZ put option.

There are two different kinds of options—physical delivery options and cash-settled options. A physical delivery option gives its owner the right to receive physical delivery (if it is a call), or to make physical delivery (if it is a put), of the underlying interest when the option is exercised. A cash-settled option gives its owner the right to receive a cash payment based on

the difference between a determined value of the underlying interest at the time the option is exercised and the fixed exercise price of the option. A cash-settled call conveys the right to receive a cash payment if the determined value of the underlying interest at exercise—this value is known as the exercise settlement value—exceeds the exercise price of the option, and a cash-settled put conveys the right to receive a cash payment if the exercise settlement value is less than the exercise price of the option.

Each options market selects the underlying interests on which options are traded on that market. Options are currently available covering four types of underlying interests: equity securities, stock indexes, government debt securities, and foreign currencies. Options on other types of underlying interests may become available in the future.

Most options have standardized terms—such as the nature and amount of the underlying interest, the expiration date, the exercise price, whether the option is a call or a put, whether the option is a physical delivery option or a cash-settled option, the manner in which the cash payment and the exercise settlement value of a cash-settled option are determined, the multiplier of a cash-settled option, the style of the option, whether the option has automatic exercise provisions, and adjustment provisions. These standardized terms are generally described in Chapter II. Each U.S. options market publishes specification sheets setting forth the particular standardized terms of the options traded on that options market. (The options markets may also provide for trading in options whose terms are not all fixed in advance. Rather, subject to certain limitations, the parties to transactions in these options may designate certain of the terms. These flexibly structured options are discussed in Chapter VII of this booklet.)

Options having the same standardized terms are identical and comprise an options series. The standardization of terms makes it more likely that there will be a secondary market in which holders and writers of options can close out their positions by offsetting sales and purchases. By selling an option of the same series as the one he bought, or buying an option of the same series as the one he wrote, an investor can close out his position in that option at any time there is a functioning secondary options market in options of that series.

In some instances, options of the same series may be traded on more than one options market at the

same time. Options that are so traded are called multiply-traded options. Options traded on a U.S. options market may also be traded on a foreign options market. These options are referred to as internationally-traded options. Multiply-traded and internationally-traded options can ordinarily be purchased and written, and positions in these options can ordinarily be liquidated in offsetting closing transactions, in any of the options markets in which the options are traded. However, because premiums are affected by market forces, the premiums for identical multiply-traded or internationally-traded options may not be the same in all markets at any given time.

If an options market learns that a particular underlying interest no longer meets its requirements for options trading or is not eligible for trading in all U.S. jurisdictions, or if an options market decides to discontinue trading in a particular options series for another reason, the options market may stop introducing new options on that underlying interest and may in certain circumstances impose restrictions on transactions that open new positions in options series that have been previously introduced, although trading in the options series will ordinarily continue on at least one options market until its expiration.

Options generally are traded on U.S. options markets during normal day-time business hours of U.S. securities exchanges and for a short period afterward. However, trading in options may not be confined to those hours. Trading in evening and night trading sessions occurs in options on foreign currencies and may in the future occur in other types of options. Moreover, when there are unusual market conditions, an options market may authorize trading to continue for a substantially longer period than under normal conditions. Trading in an expiring option may close at an earlier time than trading in other options. Trading hours for options are also subject to change from time to time. Readers should ascertain the trading hours of the particular options they are interested in trading from the options markets where those options are traded. Readers should also be aware that trading in underlying interests is not confined to normal exchange trading hours. For example, underlying foreign currencies and debt securities are traded in international markets on virtually an around-the-clock basis, and underlying equity securities may be traded in foreign markets when U.S. markets are closed and in some U.S. markets after the close of their normal trading hours.

CHAPTER VIII

EXERCISE AND SETTLEMENT

Although most option holders and writers close out their options positions by an offsetting closing transaction, investors should nonetheless be familiar with the rules and procedures applicable to exercise. Such an understanding can help an option holder determine whether exercise might be more advantageous than an offsetting sale of the option. An option writer needs to understand exercise procedures because of the possibility of being assigned an exercise. Once an exercise of an option has been assigned to an option writer—even though he may not yet have been notified of the assignment—the writer can no longer effect a closing transaction in that option but must instead purchase or sell the underlying interest for the exercise price (or, in the case of a cash-settled option, pay the cash settlement amount).

HOW TO EXERCISE

The period during which an option is exercisable depends on the style of the option. This is discussed under "Style of Option" in Chapter II.

In order to exercise most options traded at the date of this booklet, action must be taken by the option holder prior to the expiration of the option. However, some options may be subject to automatic exercise. For example, capped options are subject to automatic exercise if the automatic exercise value of the underlying interest hits the cap price for the option, and certain other options are subject to automatic exercise at expiration if they are then in the money (or, in the case of some options, in the money by a specified amount).

To exercise an option that is not subject to automatic exercise, the holder must direct his brokerage firm to give exercise instructions to OCC. In order to ensure that an option is exercised on a particular day, the holder must direct his brokerage firm to exercise before the firm's cut-off time for accepting exercise

instructions for that day. Different firms may have different cut-off times for accepting exercise instructions from customers, and those cut-off times may be different for different options.

A brokerage firm's cut-off time for accepting exercise instructions becomes critical on the last trading day before an option expires. An option that expires unexercised becomes worthless. An option holder who intends to exercise an option before expiration must give exercise instructions to his brokerage firm before the firm's cut-off time for accepting exercise instructions on the last trading day before expiration. Many brokerage firms accept standing instructions to exercise, or have procedures for the exercise of, every option which is in the money by a specified amount at expiration. These procedures often incorporate by reference OCC's administrative procedures that provide for the exercise of every option that is in the money by a specified amount at expiration unless the Clearing Firm carrying the option in its accounts instructs OCC not to exercise the option. Investors should determine from their brokerage firm the applicable cut-off times, the firm's procedures for submitting exercise instructions, and whether any of their options are subject to automatic exercise. Investors should also determine whether the exercise of their options is subject to standing instructions of their brokerage firm, and, if so, they should discuss with the firm the potential consequences of such instructions.

In highly unusual circumstances (e.g., where a brokerage firm is unable to receive instructions from its customers), a firm may be authorized under applicable rules to make an exception to its regular cut-off time. However, in order for an option to be exercised, the brokerage firm must in any event pass on its customer's exercise instructions to OCC before expiration. OCC may allow exercises for a limited time after expiration in the unlikely event that OCC is unable to follow its normal procedures for receiving exercise instructions from Clearing Members on the expiration date. Subject to that very limited exception, OCC has no authority to extend the expiration of any option.

Once an exercise instruction is given by a Clearing Member to OCC, it cannot ordinarily be revoked except to correct a bona fide error that is specified in a request filed by the Clearing Member prior to a deadline specified in OCC's rules.

CHAPTER III

OPTIONS ON EQUITY SECURITIES

The term "stock options" is used broadly in this booklet to include not only options on common stocks but also options on all other types of equity securities, such as limited partnership interests, "American Depository Receipts" and "American Depository Shares" representing interests in foreign entities, and preferred stocks. Options are available on exchange-traded equity securities, on unlisted equity securities traded in the NASDAQ stock market and designated as national market system securities, and on equity securities traded both in the NASDAQ stock market and on exchanges. The NASDAQ stock market is primarily an inter-dealer trading system as contrasted with exchange auction markets.

Issuers of underlying equity securities do not participate in the selection of their securities for options trading (although some options markets may determine not to select an underlying security without the consent of the issuer of that security). Issuers of underlying equity securities have no responsibility regarding the issuance, the terms, or the performance of options, and option holders have no rights as security holders of such issuers.

The principal risks of holders and writers of stock options are discussed in Chapter X. Readers interested in buying or writing stock options should carefully read that chapter.

FEATURES OF STOCK OPTIONS

Each stock option generally covers 100 shares of the underlying security, although, as described below, the number of underlying shares may be adjusted as a result of certain events.

The exercise prices of the stock options that are traded at the date of this booklet are stated in U.S. dollars per share. The exercise price of an option must each be multiplied by the number of shares underlying the option in order to determine the aggregate exercise price and aggregate premium of that option.

EXAMPLE: An XYZ 40 call gives the buyer the right to purchase 100 shares of XYZ stock at a price of \$40 per share, or a total price of \$4,000.

In the future, stock options may, with regulatory approval, be introduced that have exercise prices in a foreign currency.

Adjustments may be made to certain of the standardized terms of outstanding stock options when certain events occur, such as a stock dividend, stock distribution, stock split, reverse stock split, rights offering, distribution, reorganization, recapitalization, reclassification in respect of an underlying security, or a merger, consolidation, dissolution or liquidation of the issuer of the underlying security. In the following discussion, there is a brief description of a number of general adjustment rules applicable to stock options that are in effect at the date of this booklet. Such rules may be changed from time to time with regulatory approval. An adjustment panel has the authority to make such exceptions as it determines to be appropriate to any of the general adjustment rules.

As a general rule, no adjustment is made for ordinary cash dividends or distributions. A cash dividend or distribution by most issuers will generally be considered "ordinary" unless it exceeds 10% of the aggregate market value of the underlying security outstanding. The options markets are considering an amendment to the general rules which, if adopted and approved by the regulators, would provide that a cash dividend or distribution by an issuer that is a closed-end investment company may not be considered to be "ordinary" if it exceeds 5% of such aggregate market value. Determinations whether to adjust for cash dividends or distributions in excess of those amounts are made on a case-by-case basis.

Because stock options are not generally adjusted for ordinary cash dividends and distributions, covered writers of calls are entitled to retain dividends and distributions earned on the underlying securities during the time prior to exercise. However, a call holder becomes entitled to the dividend if he exercises the option prior to the ex-dividend date even though the assigned writer may not be notified that he was assigned an exercise until after the ex-date. Because call holders may seek to "capture" an impending dividend by exercising, a call writer's chances of being assigned an exercise may increase as the ex-date for a dividend on the underlying security approaches.

As a general rule, stock dividends, stock distributions and stock splits can result in an adjustment in the number of underlying shares or the exercise price, or both.

EXAMPLE: An investor bought an XYZ 60 option—either a call or a put—and XYZ Corporation subsequently effected a 3 for 2 stock distribution. Instead of covering 100 shares of stock at an exercise price of \$60 a share, each outstanding option could be adjusted to cover 150 shares at an exercise price of \$40 per share.

However, when a stock distribution results in the issuance of one or more whole shares of stock for each outstanding share—such as a 2 for 1 stock split—as a general rule the number of underlying shares is not adjusted. Instead, the number of outstanding options is proportionately increased and the exercise price is proportionately decreased.

EXAMPLE: Before a 2 for 1 stock split, an investor holds an option on 100 shares of XYZ stock with an exercise price of \$60. After adjustment for the split, he will hold two XYZ options, each on 100 shares and with an exercise price of \$30.

An adjustment panel may make an exception to the general rule to adjust for stock dividends. For example, in cases where the issuer of the underlying security announces or exhibits a policy of declaring regular stock dividends that do not individually exceed 10% of the amount of the underlying security outstanding, an adjustment panel may determine to treat the stock dividends as though they were ordinary cash dividends and to make no adjustment for them.

As a general rule, adjustments in exercise prices are rounded to the nearest 1/8 of a dollar, and adjustments in the number of underlying shares are rounded down to eliminate fractional shares. In the latter case, the exercise price may be further adjusted to compensate for the elimination of the fractional shares.

Distributions of property other than the underlying security may require different adjustments. For example, outstanding options might be adjusted to include the distributed property.

EXAMPLE: If XYZ "spins off" its subsidiary ABC by distributing to its stockholders 2.5 shares of ABC

stock for each share of XYZ stock, outstanding XYZ options might be adjusted to require delivery of 100 shares of XYZ stock plus 250 shares of ABC stock.

Alternatively, the exercise prices of outstanding options might be reduced by the value, on a per-share basis, of the distributed property, as determined by the adjustment panel.

Events other than distributions may also result in adjustments. If all of the outstanding shares of an underlying security are acquired in a merger or consolidation, outstanding options will as a general rule be adjusted to require delivery of the cash, securities, or other property payable to holders of the underlying security as a result of the acquisition.

EXAMPLE: If XYZ is acquired by PQR in a merger where each holder of XYZ stock receives \$50 plus 1/2 share of PQR stock for each share of XYZ stock held, XYZ options might be adjusted to call for the delivery of \$5,000 in cash and 50 shares of PQR stock instead of 100 shares of XYZ stock.

When an underlying security is wholly or partially converted into a debt security or a preferred stock, options that have been adjusted to call for delivery of the debt security or preferred stock may, as a general rule, be further adjusted to call for any securities distributed as interest or dividends on such debt security or preferred stock.

When an underlying security is converted into a right to receive a fixed amount of cash, options on that security will generally be adjusted to require the delivery upon exercise of a fixed amount of cash, and trading in the options will ordinarily cease when the merger becomes effective. As a result, after such an adjustment is made all options on that security that are not in the money will become worthless and all that are in the money will have no time value.

As a general rule, adjustments are not made for tender offers or exchange offers, whether by the issuer or a third party, and whether for cash, securities (including issuer securities), or other property. This presents a risk for writers of put options, because a successful tender offer or exchange offer (whether by the issuer or by a third party) may have a significant effect on the market value of the security that the put writers would be obligated to purchase if the put options are exercised after the expiration of the offer.

As a general rule, adjustments will not be made to reflect changes in the capital structure of the issuer where all of the underlying securities outstanding in the hands of the public (other than dissenters' shares) are not changed into another security, cash or other property.

As a general rule, an adjustment that is made in an option will become effective on the ex-date established by the primary market for trading in the underlying security.

XYZ at a premium of \$5 a share) and invests the remaining \$4,500 in a relatively risk-free investment such as Treasury bills. (For purposes of this example, it is assumed that all of the calls are purchased when they have six months remaining until expiration, and that the risk-free investment bears interest at an annual rate of, say, 3.25%—which means that a \$4,500 investment will earn approximately \$73 in interest over six months.) Investor C invests his entire \$5,000 in 10 XYZ 50 calls.

If each option is held for six months and, if it is profitable, is either sold or exercised immediately before it expires, the following table illustrates the dollar and percentage profit or loss that each investor would realize on his \$5,000 investment, depending upon the price of XYZ stock when the option expires.

| Price of XYZ stock at expiration of option | Investor A | | Investor B | | Investor C | |
|---|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| | Profit or Loss | % Return | Profit or Loss | % Return | Profit or Loss | % Return |
| 62 | + 1,200 | + 24% | + 773 | + 15.5% | + 7,000 | + 140% |
| 58 | + 800 | + 16% | + 373 | + 7.5% | + 3,000 | + 60% |
| 54 | + 400 | + 8% | - 27 | - 0.5% | - 1,000 | - 20% |
| 50 | 0 | 0 | - 427 | - 8.5% | - 5,000 | - 100% |
| 46 | - 400 | - 8% | - 427 | - 8.5% | - 5,000 | - 100% |
| 42 | - 800 | - 16% | - 427 | - 8.5% | - 5,000 | - 100% |
| 38 | - 1,200 | - 24% | - 427 | - 8.5% | - 5,000 | - 100% |

The table demonstrates how increased leverage results in greater profit potential on the upside and greater risk of loss on the downside. Investor C, as the most leveraged investor, would realize the highest percentage return if the price of XYZ increased to 62, but would incur a 20% loss even if the price of XYZ increased to 54 (assuming he did not sell his options while they had significant remaining time value), and would lose all of his investment if the price of XYZ stayed at or below 50.

2. The more an option is out of the money and the shorter the remaining time to expiration, the greater the risk that an option holder will lose all or part of his investment in the option. The greater the price movement of the underlying interest necessary for the option to become profitable (that is, the more the option is out of the money when purchased and the greater the cost of the option) and the shorter the time within which this price movement must occur, the greater the likelihood that the option holder will realize a loss. This does not necessarily mean that an option must be worthwhile to exercise in order for a holder to realize a profit. Instead, it may be possible for the holder to realize a profit by selling an option prior to its expiration

for more than its original cost even though the option never becomes worthwhile to exercise. (The shorter the time remaining until expiration the less likely it is that this will be possible.)

3. Prior to the period when a European-style option or a capped option is exercisable, the only means through which the holder can realize value from the option (unless the capped option is automatically exercised) is to sell it at its then market price in an available secondary market. If a secondary market for such an option is not available during the time the option is not exercisable, it will not be possible for its holder to realize any value from the option at that time.

4. The exercise provisions of an option may create certain risks for the option holders. If the option does not have an automatic feature, a holder who wishes to exercise must assure that action is taken in a timely manner. See the discussion of "How to Exercise" in Chapter VIII.

On the other hand, if the option has an automatic exercise feature—such as one that will cause the option to be automatically exercised at the expiration if it is in the money by a specified amount—the option may be exercised at a price at which the holder would not voluntarily choose to exercise in view of the transactions costs of exercise or other factors. The transaction costs associated with the exercise could even exceed the cash settlement amount of the option, with the result that the holder would realize a net loss from the exercise. Conversely, an option that has a cash settlement amount that is less than the threshold amount cannot be exercised even though the option holder's transaction costs may be low enough to permit the option to be exercised profitably. In such a case, the option may expire unexercised.

The automatic exercise feature of capped options imposes a maximum value that a holder of these options can receive. Even if the option holder expects the value of the underlying interest to continue to move in a favorable direction prior to its expiration, the automatic exercise feature will prevent the holder from realizing any gain from the option in excess of the cap interval times the multiplier for the option.

5. The courts, the SEC, another regulatory agency, OCC or the options markets may impose exercise restrictions. While an American-style option can normally be exercised at any time prior to its expiration,

OCC and the options markets have authority to restrict the exercise of options at certain times in specified circumstances. The options markets often exercise such authority with respect to an option in which trading has been halted. If a restriction on exercise is imposed at a time when trading in the option has also been halted, holders of that option will be locked into their positions until either the exercise restriction or the trading halt has been lifted.

Exercise restrictions imposed by OCC and the options markets affecting cash-settled options generally cannot be continued in effect beyond the opening of business on the last trading day before their expiration. Such exercise restrictions affecting physical delivery options generally cannot be continued beyond the opening of business on the tenth business day before their expiration, but with one important exception. If OCC determines that the available supply of a security underlying a physical delivery option appears to be insufficient to permit delivery of the security by the writers of all outstanding calls in the event of exercise, or that foreign government restrictions would prevent or unduly burden the orderly settlement of exercises of foreign currency options, OCC may indefinitely prohibit the exercise of puts by holders who would be unable to deliver the underlying security. The holder of such a put could lose his entire investment in the option if the prohibition remained in effect until the put's expiration and the holder was unable either to acquire the underlying interest or to sell his put in the market. The put holder might be unable to do either because the very event that caused OCC to impose the exercise prohibition—*e.g.*, a suspension of trading in an underlying stock—might not only make it difficult or impossible to obtain the underlying interest, but might also impair the market in options on that interest.

It is also possible that a court, the SEC or another regulatory agency having jurisdiction would impose a restriction which would have the effect of restricting the exercise of an option. In such a case the option would not be exercisable until the restriction was terminated. In the remote possibility that the restriction were to remain in effect until the expiration of the option—which has never yet occurred—the option would expire worthless, and the holder would lose the entire amount that he paid for the option.