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STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL
SECURITIES DIVISION

WRITER'S DIRECT DIAL NO.

(410) 576-7037

October 21, 2009

Mr. Laurent LaBrie
5 Pleasant Ridge Drive #PH-5
Owings Mills, MD 21117

RE: TD Ameritrade
Our File No. 2009-0395

Dear Mr. LaBrie:

The Securities Division has received a response from TD Ameritrade ("TDA") to the Securities Division's request for additional information regarding your UDR options investments.

Regarding the call that TDA represents was made to you on January 16, 2009, the firm provided another copy of the record created by the firm's representative, Randall Howell, documenting that an outbound call was made in an attempt to notify you of the situation involving UDR. The record states that the line called was "busy" and that the representative was "[u]nable to reach client." There is no information regarding what number was called, however, TDA stated that it has two numbers on file for you, *i.e.*, 410/328-7689 and 410/363-0565.

Regarding calls between you and TDA's representative, the firm provided me with a CD of your incoming calls to the firm on December 2, 5 and 18, 2008. The December 2 and 18, 2008 calls did not involve UDR. The December 5th call, however, related to UDR. The recording reflects that you called the firm because you noticed that the UDR puts were listed in your account as having no value. The phone representative put you on hold to explore the reason behind that and when she returned she advised that the options had no value listed because there was no trading volume for the options. You asked specifically whether the issuer went bankrupt and the representative said no, the option could still be traded and you said that that "assuages my fears a little bit." There was no discussion about exercising the option.


Regarding whether the UDR options were actually exercised, it appears that further explanation is necessary. TDA wrote as follows:

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TD Ameritrade recognized that an error was made in the posting of the UDR option exercise recorded in Mr. LaBrie's account on January 20, 2009. The exercise in which a short of 800 UDR shares was placed in Mr. LaBrie's [account] was reversed on January 20, 2009, however the exercise was posted in error again that same day. Please note the short 800 share position was in book entry form only as the option was not actually exercised. No short position truly existed.

Mr. LaBrie bought to cover the incorrectly posted short position on March 17, 2009 at a price of \$7.40. Thus Mr. LaBrie covered shares which he was not actually short. TD AMERITRADE realized the posting error on March 20, 2009 and removed the buy to cover [the] order from Mr. LaBrie's account. The 800 shares of UDR was moved to a TD AMERITRADE error account and sold on March 27, 2009 at \$7.96. Please note, the position would have been moved to an error account regardless of the trading price as the error was made by TD AMERITRADE and subsequently corrected by TD AMERITRADE. However, as \$448 was made on the trade correction, as a courtesy I have submitted a cash credit to Mr. LaBrie's account for that amount.

I trust that you will find the foregoing information helpful in determining your course of action with respect to this matter. Should you have any questions, please contact me at 410/576-7037.

Sincerely,

Julie L. BelClaire
Assistant Attorney General