

MEMORANDUM

November 10, 2010

TO: File No. 4-606

FROM: Leila Bham
Division of Trading and Markets

RE: Section 913 of the Dodd-Frank Wall Street Reform Act of 2010 (the “Act”)

On November 10, 2010, Jennifer McHugh of the Chairman’s Office; Lourdes Gonzalez, Dan Fisher, and Leila Bham of the Division of Trading and Markets; Doug Scheidt, David Grim, Sara Crovitz, Sarah ten Siethoff , Holly Hunter-Ceci, Matthew Goldin, Sarah Bessin, Michael Spratt and Parisa Haghshenas of the Division of Investment Management; Mavis Kelly, James Reese, and Brian Snively of the Office of Compliance Inspections and Examinations; Rich Ferlauto of the Office of Investor Education and Advocacy; Kristin J. Kaepplein and Matthew Kozora of the Division of Risk, Strategy and Financial Innovation; and Sarah Buescher and Bob Bagnall of the Office of the General Counsel, met with Ellen L.S. Koplow, General Counsel; Albert G. “Skip” Schweiss, Managing Director, Business Development; Gilbert R. Ott, Jr., Deputy General Counsel; and John S. Markle, Deputy General Counsel, of TD Ameritrade. At the meeting, the TD Ameritrade representatives discussed the issues listed on the attached agenda that they provided in advance of the meeting.

Proposed Agenda:

- A. TD Ameritrade's 7 million client accounts, holding over \$355 billion in assets, use the Firm for a wide range of services: self-directed brokerage; fixed income investment recommendations; and investment advisory. During the fiscal year ended September 2010, the Firm's clients placed an average of 372,000 trades per day.
- B. Although most client interactions are online, TD Ameritrade clients also conduct business in person or over the phone with personnel located in 105 branches and two large call centers.
- C. Twenty-six percent of TD Ameritrade clients have more than one account with the Firm, and client objectives can vary widely from account to account.
- D. Any changes to the standard of care applicable to brokers must recognize the varied services and business models in the brokerage industry. For our clients, this means allowing them the freedom to choose the services they seek at reasonable prices.
- E. The Dodd-Frank Act notes in the provision establishing the authority of the Commission to promulgate a new standard of care for brokers, that the Act shall not "require a broker or dealer or registered representative to have a continuing duty of care or loyalty to the customer after providing personalized investment advice about securities." In the event that the Commission conducts a rulemaking after the completion of its IA-BD Study, we would like to discuss the importance of this provision to the Firm's clients.
- F. TD Ameritrade fully supports clear and plain English disclosures to ensure clients understand the relationship they have with their financial providers. Attached hereto is an example of the plain English disclosure TD Ameritrade provides to clients when they seek investment advisory services from the Firm.
- G. Section 914 of the Dodd-Frank Act directs the Commission to review the need for enhanced examination and enforcement resources for investment advisers, including the advisability of designating a self regulatory organization to augment the Commission's efforts. We would like to share the views of our adviser clientele on this aspect of the Act. TD Ameritrade provides services to over 4000 independent registered investment advisers on its institutional platform.