

IN THE MATTER OF: THE SECURITIES ACT

-and-

**IN THE MATTER OF: DATEK ONLINE BROKERAGE SERVICES
LLC, AMERITRADE, INC., AND TD
WATERHOUSE INVESTOR SERVICES, INC.**

**STATEMENT OF ALLEGATIONS OF
STAFF OF THE MANITOBA SECURITIES COMMISSION**

Staff of The Manitoba Securities Commission makes the following allegations:

1. Datek Online Brokerage Services LLC ("Datek") is a limited liability company organized under the laws of New York and is registered as a broker-dealer with the United States Securities and Exchange Commission (the "SEC") and in all of the states of the United States. It operates a web-based internet securities trading service from its offices in New Jersey. Datek is not registered in Manitoba or elsewhere in Canada to trade in securities.
2. Ameritrade, Inc. ("Ameritrade") is a company incorporated in Nebraska. It operates a web-based internet securities trading service from its offices in Nebraska. Ameritrade is not registered in Manitoba or elsewhere in Canada to trade in securities.
3. TD Waterhouse Investor Services, Inc., ("TD Waterhouse US") is a corporation organized under the laws of New York. It is registered as a broker-dealer with the United States Securities and Exchange Commission and is a broker-dealer in all 50 states, the District of Columbia and Puerto Rico. TD Waterhouse US operates a web-based internet securities trading service from its offices in New York, New York. TD Waterhouse US is not registered in Manitoba or elsewhere in Canada to trade in securities.
4. The securities trading websites operated by Datek, Ameritrade, and TD Waterhouse US are accessible over the internet to residents of Canada. Residents of Canada can log onto these websites and open an account with Datek, Ameritrade and/or TD Waterhouse US, as the case may be, for the purpose of trading securities in the organized markets in the United States.
5. Since at least January 1999, Datek, Ameritrade and TD Waterhouse US have, on behalf of residents of Manitoba, executed trades in securities in the organized markets in the United States without being registered in Manitoba to do so, contrary to section 6 of the *Securities Act*.
6. The conduct alleged above contravenes Manitoba law and is contrary to the public interest.
7. Staff reserves the right to make such further and other allegations as Staff may submit and the Commission may allow.

DATED at Winnipeg, Manitoba this 18th day of June, 2001.

"Douglas R. Brown"
Director, Legal and Enforcement

TO: McCarthy Tétrault
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