



D.A. Davidson & Co.
Davidson Trust Co.
Davidson Investment Advisors
Davidson Fixed Income Management
Davidson Travel

Larry T. Martinez
Senior Vice President, General Counsel
and Chief Administrative Officer

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CONFIDENTIAL

January 29, 2008

Ms. Melanie Senter Lubin
Securities Commissioner
Office of the Attorney General
Division of Securities
200 Saint Paul Place
Baltimore, MD 21202-2020

To the State Superintendent/Commissioner of Securities Regulation:

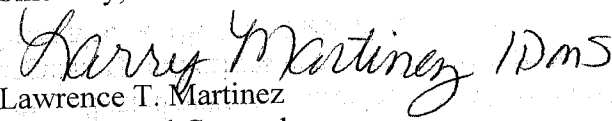
D.A. Davidson & Co. is a licensed broker-dealer in your state. This is to inform your Department that D.A. Davidson & Co. has notified approximately 230,000 current and former clients that a company database was illegally accessed by a third party through a sophisticated network intrusion. We have notified law enforcement and our principal regulatory authorities and are closely monitoring and assisting with the investigation. We have also notified the three principal credit reporting bureaus.

Attached are the forms of notice sent to affected customers or former customers, which includes information on what actions consumers may take to protect themselves from fraud and identity theft, how to request that fraud alerts be placed on their individual credit files, and offers to provide to them, at our expense, a one-year enrollment to a three-bureau credit monitoring service, if they choose to access it.

The incident affected some customers residing in every state; however, the large majority of the affected customers reside in the western states, notably, Montana, Washington, Idaho, Oregon, and Wyoming.

Please contact me directly at 406-268-3056 if you have any questions.

Sincerely,


Lawrence T. Martinez
SVP, General Counsel