

Dominion Investor Services is in favor of restricting sales contests and non-cash compensation arrangements that have the potential to influence a registered representatives' suitability determination in favor of products offering "kicker" compensation. Such rules should be in place across all lines of securities products. A sales contest that equally weights "total dollar volume" or all production equally gives NASD Members the opportunity to spark activity in their sales force without creating strong incentives and conflicts of interest affecting suitability.

Paragraph (a) (6): Comment on the proposed definition of "sales contest" – While this is the most common definition of "sales contest," NASD may wish to consider addressing a related issue such as temporary "stair-step" commission structures where commission rate "A" applies to sales of certain products below a certain sales-dollar threshold and commission rate "B" applies to sales above the threshold. Such a structure could create the same concern this rule revision is attempting to address without officially being termed a "sales contest."

Paragraph (b)(3)(A): Non-Cash Compensation Records - The rule is not clear on which member should be maintaining which records and how the records should be maintained or for how long. Are the records required to be maintained by the member sponsoring the meeting/event, or the member whose associated person is attending or both? This firm currently places the sponsoring firms' completed pre-approval request in the attending representatives file. Is this sufficient or is a separate spreadsheet required? Today, most such pre-approval letters come pre-conditioned that we not inform the representative because they may not actually get invited to attend the event.

Paragraph (b)(3)(B): Meeting Pre-Approval & Conditions – For clarity, we recommend changing the paragraph to read "associated persons **must** obtain **their** members prior **written** approval to attend the meeting and attendance by a member's associated persons is not preconditioned by the **offering** member on the achievement of a sales target;"

Thank you for giving our firm an opportunity to provide comment.

Respectfully,

Kevin P. Takacs

CCO DOMI/DFA

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