The proposal to eliminate the "5% Policy" in the new consolidated rule book, is long over due. FINRA examiners have been questioning 3% mark-ups and mark-downs for a decade. As pointed out in 11-08, the average mark-ups and mark-downs are substantially below the 5% level. Something more like 2% would be more to the point. More could be allowed providing the B/D can justifiy it, but the burden of proof would be with the B/D.

As to the suggestion that firms be required to issue clients commission schedules for retail stock transactions, I find this to be counter productive in an era of negotiated commissions. Simply stated, if it ain't broke, don't fix it!

Concerning obtaining customer consent to charge commissions if the broker missed the market and trades with the customer on a principle basis, if the broker and/or the B/D misses the market, the client is entitled execution due him/her/it. I really think these kinds of things are adequately covered in other parts of the Consolidated Rule Book. Let's not be redundant.

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