

**From:** Christine Denham [Christine.Denham@RaymondJames.com]  
**Sent:** Friday, June 26, 2009 10:17 AM  
**To:** Comments, Public  
**Subject:** Comment Letter RE: Reg Notice 09-25

Dear Ms. Asquith or To Whom It May Concern,

I would like to voice my personal opinion about proposed rules governing suitability and the "Know-Your Customer" obligations.

First, I understand that the proposed rule would separate each investment from the overall portfolio and that suitability tests would need to be run on individual investments. I strongly oppose this measure and I can think of several examples where this would actually harm the customer, not protect them. For example, if an older client wants to stretch his or her IRA to a much younger beneficiary, the investment strategy for growth would look very different from investment choices for an older customer. Another example may be for a retiree who does not want their nest egg to outlast their retirement. The investment strategy, or a particular security choice, may be more aggressive than appropriate for a particular age category. However, it is also a disservice for us to knowingly make recommendations where the expected rate of return will never accomplish the client's goals. Finally, there are specific tax benefits that may apply to certain accounts that may explain why an account may be more or less aggressive than others. Earnings come out of a Roth IRA tax free. It is our general practice that these assets are the last to be used for income. Therefore, the Roth account may have a more aggressive allocation and a longer time horizon than taxable accounts or even a Traditional IRA.

Secondly, I believe it is premature for FINRA to finalize a rule such as this. Congress is currently discussing a broader standard of care for clients of independent financial advisors. Finalizing a new FINRA regulation at this time may only complicate matters once Congress comes to a conclusion about the SEC's overall jurisdiction concerning clients of independent financial advisors.

Thank you for reading and working for the best resolution for our clients.

Sincerely,

**Christine Denham CFP<sup>®</sup>, MBA**

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