Although I think the intended goal of this Proposal is noble, it is unnecessary. I believe that there are already enough laws, rules and regulations on the books that will curtail the perceived harm that you believe is brought about by a Rep changing jobs in order to earn more money. Nearly everyone that I know, regardless of profession or type of job, would like to earn more money if they could continue to do the same job that they are already doing—just at a different company. In many cases, the Rep simply changes the name on his or her door and the name on his or her stationery, to reflect the new broker-dealer affiliation.

There are already enough rules, laws and regulations that address suitability, churning, unauthorized trading, excessive mark-ups and mark-downs, excessive commissions and service fees, and falsifying books and records (misrepresentation and fraud), that strive to achieve the goal of fair dealing with a customer.

Rep compensation should be irrelevant if ethical and compliant behavior is the goal. To automatically equate more compensation with unethical conduct is an unfair correlation.

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