

Comment of proposal to extend restrictions on acceptance of extra cash and non-cash compensation.

I wholeheartedly agree with abolishing sales contests for the sale of securities. Despite a client being suitable for an investment the extra incentive to Registered Representatives or Investment Advisors taints our profession and can leave the impression, if known by the customer, that they have been sold a security because of the extra incentive payment. At a minimum the extra incentive payment should be required to be disclosed to each customer but I prefer banning such practices. If you think about it, the extra incentive to sell one sponsor's security instead of another's is a promotional tool and attempt by product sponsors to distinguish their offering from competing products on an artificial basis. Ideally, compensation to firms and registered reps alike should be the same on by product category so that for example whatever mutual fund or variable annuity was recommended compensation to the seller should not be a factor.

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