

To Whom It May Concern:

I am a licensed registered representative with Multi Financial Securities Corp. I have been licensed since 1978. I have been an independent my whole career. I pay corporate taxes and operate and independent R.I.A since 1994. As a company between broker dealer business and RIA business we oversee and advise on approx 100m of our valued clients assets. I believe when an independent advisor decides to change broker dealers that the current system is a mess. The negative consent that broker dealers are allowed to provide is interpreted by many broker dealers as a violation of the patriot act.

I believe I have a simple solution for the independent advisor to change broker dealers if they choose to do so. Here is my suggestion if the advisor is going to change broker dealers.

- 1- Advisor obtains a letter from their clients signed by the clients that says they are aware that their rep is changing broker dealers from x to y broker dealer. The letter also says that they allow the advisor to transfer all accounts and private information from X broker dealer to y broker dealer. Each client that wants to transfer with the rr signs this letter.
- 2- Once the advisor has this letter in hand from each client then the RR keeps the original in the client file. A copy is then sent to the old broker dealer as well as the new broker dealer.
- 3- The new broker dealer sends and acknowledgment to the old broker dealer that they are accepting all clients information and account transfer of RR to there broker dealer.
- 4- The old broker dealer once receiving the client consent and new bd acknowledgment letter that they are accepting all accounts and client information for transferring RR has to release and transfer all client Accounts to the new broker dealer.

This would be a very easy a clean process. It would also protect the client and the RR and the broker dealers. The client accounts could not be moved without there written consent. As an independent business man for over 30yrs, I think it is incredible the hoops you must jump thru to move your business from one bd to another. Most of the bd's will not provide a block transfer or negative consent as they want to keep you captive. This is wrong as they do not have the client relationship. The independent advisor does. The independent advisor pays all of his own expenses to procure a client and all the expenses to keep this client on track.

I believe the the wirehouse scenario as well as the banking community are a different animal. These entities provide offices and pay overhead for the RR and I cannot comment on these entities as I do not have experience in this environment.

I would be more then happy to share my thoughts as well as work with the powers to be to draft these letters for the benefit of the independent advisor. Broker dealers that work with independent advisors do not want orphan accounts they cannot service. Broker Dealers should work under the same guise as the RR. The RR has to earn the clients business thru service and continual guidance and advise. The broker dealer should have to continue to also provide guidance and service with the RR and the RR would then have no reason to change Broker Dealers.

I hope for the sake of the client,RR, and broker dealer we can create a streamline approach to this matter as it does not exist now. In my opinion it is all slanted in favor of the broker dealer community.

It should be fair for the client, the independent RR who runs his-her own business (small business owner paying all of his-her own expenses) and of course the client who has the business and in many cases personal relationship with the RR an not the broker dealer.

I will look forward to your comments and should you wish to speak to me I can be reached at (732-695-2100 ext 108) Thank you in advance for your consideration to this matter.

Sincerely,

Stephen W. Richman