

6 May 2008

Nancy M. Morris  
Securities & Exchange Commission  
100 F Street NE  
Washington DC 20549-1090

Re: Request for Comment- S7-06-08 Regulation S-P

Dear Ms. Morris:

Thank you for the opportunity to comment on the Proposed Amendments to Regulation S-P ("Proposal"). This particular Proposal has far reaching affects on our clients' portability, our registered representative's portability and our long- standing business model.

PlanMember Securities Corporation (PSEC) is an SEC registered broker/dealer and investment advisor and member of FINRA, providing retirement plan products and services. For over 20 years, the company has been a 403(b) industry leader in personalized retirement planning and investment advisory services. The PSEC sales force is comprised of approximately 350 independent registered representatives, qualified as investment adviser solicitors and operates across 50 states. While PSEC is the broker/dealer of record on greater than 90,000 accounts and is the investment adviser on more than 33,000 accounts, the registered representatives have built long standing relationships with the clients (separate and apart from PSEC) for which PSEC facilitates portability upon transition of the registered representative to another broker/dealer.

In most client relationships, the registered representative had already obtained personal and financial information from the client prior to opening a PSEC account (to include address, telephone number, spousal, employment, SSN, tax rate, DOB, net worth, investment objective, other account holdings, etc). Representatives maintain this information in a client file to properly service and support their client. To claim that this previously gathered personal and financial client information is not the registered representative's but is exclusively maintained by PSEC, is unsupportable and ignores the long standing and trusted relationship of a financial advisor and his/her clients. As written, the Proposal would allow a prior firm to share client formation with a successor firm but, would not expressly allow a transitioning registered representative to share information with his new broker/dealer. Thus, a registered representative, working out of his home or an independent office, would be forced to lock his file drawer and throw away the key or turn a blind eye to its contents in order not to violate Reg S-P. This obvious issue deserves attention if only to acknowledge the practical matter.

As a result of such preposterous actions, a registered representative lacking any client information, would be unable to comply with applicable state and federal securities rules and regulations, respond to regulatory inquiries nor defend himself against customer complaints originating from his prior firm. Specifically, FINRA Rules 3010, 3110 and 2310 and SEC Rules 17a-3 and 17a-4 require the keeping and maintenance of applicable books and records. The state fiduciary duty laws require that an investment adviser representative provide prudent investment advisory services to its clients which includes periodic contact with the client to update personal and financial information and to keep the client on financial track, which the representative cannot do without the contact information maintained in the file.

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Additionally, a representative must maintain client file documents and notes in order to defend himself against any claims that are brought by a client from his previous firm. Without such documentation, the representative would be forced to subpoena any required records from his former broker/dealer who may or may not have all the applicable documents and who may or may not object to disclosure of such documents.

In order for the Proposal to fulfill the objective of providing consumers with choices and departing advisors with legal certainty, the exception must be absolute. Departing financial advisors should have the right to avail themselves of the exception and utilize the client's name, address, telephone number, e-mail information, and a general description of the client's account and products held to contact the clients and inform them of the broker's transfer, provide the investor the choice to follow the broker, and facilitate account portability without interference from their prior broker/dealer.

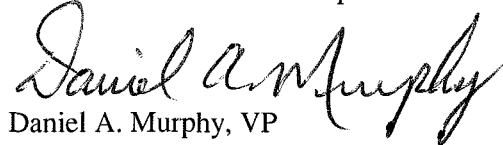
It is also our hope that the Commission will address its views on whether positive client consent to permit the representative to have confidential client information, i.e., date of birth, SSN/TIN, account numbers, would be acceptable under Regulation S-P. Would it then be permissible for the representative to take that authorized confidential information to another broker/dealer? Additionally, we would like the Commission to provide guidance as to the former broker/dealers obligations under Regulation S-P to actually deliver client information to the new broker/dealer.

Finally, in addition to the above mentioned shortcomings of the Proposal, the Proposal inaccurately establishes the date of "separation from employment" as the deadline for the departing financial advisor to provide his broker-dealer a written record of the information that will be disclosed to the new firm under the exception. This language must be changed so that it accurately reflects the independent contractor status of financial advisors associated with independent broker-dealer firms.

Again, we appreciate the opportunity to comment on this very important issue that stands before the industry. Please contact me should you have questions or require any additional information.

Sincerely,

PlanMember Securities Corp.



Daniel A. Murphy, VP  
Chief Compliance Officer