

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

Re: Comment to Proposed Changes to Part 248-Regulation SP: Privacy of Consumer Financial Information and Safeguarding Personal Information – File Number S7-06-08

Dear Ms. Morris:

Please consider the following comments regarding proposed changes to Reg S-P. I have had the opportunity to work as a Registered Representative, Broker Dealer executive and as a Consultant to Independent Broker Dealers and Financial Institutions, (primarily Credit Unions). I have helped both financial institution programs and independent financial advisors transition from one broker dealer to another. In addition, as a practicing financial advisor and Registered Representative I have myself changed broker dealers several times in my 25 year career. Many of the clients I have today have been with me for 15 years or more and have changed firms with me several times.

I have two main points:

1. Large Brokerage Firms (such as those using the protocol currently), Independent Broker Dealers and Financial Institution (Bank & Credit Union) Brokerage programs represent three different models of doing business. The protocol and rule needs to be flexible enough to recognize the significant differences in these models.
2. In the end, the investor/consumers' greatest needs must govern. While Reg S-P Privacy concerns are extremely important, what matters most is that the investor is able to do business with the person/entity they trust the most. In my experience, in Independent Broker Dealer situations this is almost always the Registered Representative. In Financial Institution situations, it is usually the Financial Institution.

I also offer two solutions which might be considered:

1. Recognize as a valid exception those Financial Institution programs where the Registered Representative explicitly acknowledges in their independent contractor registered representative agreement that the client accounts are the exclusive property of the financial institution. In these instances the Registered Representative knows upfront they have no ownership of the client relationships and should not be permitted to take or share this information with any broker dealer they move to without the express consent of the broker dealer and/or the financial institution they are leaving.

2. Require the old broker dealer and/or financial institution, upon request of the client, to notify the client of the contact information for the Registered Representative and the new firm he/she is associated with.

It is my belief these simple solutions would effectively balance privacy considerations with the reality of client/registered representative relationships and financial institution investment program structures.

Thank you for the opportunity to comment on this proposed rule.

Sincerely,

Steven R. French, CFP®  
President, MemberMap LLC