

From: Anonymous
Subject: Incentive-Based Compensation

Comments:

I'm writing because my family and I were affected greed of Wall Street for over 25 years.

I was given early retirement in 1986 from Exxon with a my 401(k) and a lump sum for my defined benefit package. I then began my warfare with brokers and their companies. Their incentives and mine were in conflict; they wanted their commissions, trade by trade; I wanted long term growth with moderate calculated risk.

I shifted companies several times. Through 2002, my brokers tried to sell me Enron stock three time, several awful REITs, Worldcom, *.com IPOs, etc. I was always given "marketing half truths" and wildly optimistic projections. Citi Corp did its best to get me into mortgage derivatives, dicey trading schemes, etc. In spite of my vigilance, they nicked me for \$200k of what I thought were safe investments. (When I avoided their advice, I did very well.) Only recently have been able avoid their belief that my IRA was their private piggy bank. This was only possible through self-directed on-line portfolio management with independent subscription information (not advice).

I certainly recommend serious taxes on short term trading, all the way from ms to day trading and beyond. As an overall index goal, Wall Street profits must be reduced a mid to lower single digit percentage of the profits of our Gross Nation Corporate Profits. (They produce no added value, only expense or vigorish.) There must be a clear customer value for each and every financial product, not some contorted scheme to hide obscene WS gain.

Off topic, all considerations should be looking over the shoulder at the unconscionable income discrepancy ie "Will it exacerbate the already over the top financial sector compensation?"

Thank you for considering my comments.