

December 10, 2007

Melanie Lubin
OAG, Securities Division
200 Saint Paul Place
Baltimore, MD 21202-2020
mlubin@oag.state.md.us

Rex Staples
NASAA
750 First Street, NE
Suite 1140
Washington, DC 20002
rs@nasaa.org

Re: NASAA Model Rule on the Use of Senior Specific Certifications and
Professional Designations

Dear Ms. Lubin and Mr. Staples:

Wachovia Securities, LLC ("Wachovia") appreciates this opportunity to comment on NASAA's proposed model rule on the use of Senior-Specific Certifications and Professional Designations.

Wachovia is a full service brokerage firm serving clients in 50 states and the District of Columbia. Wachovia assists its clients with a suite of financial services. For many of these clients, their relationship with Wachovia is an integral part of their overall retirement, estate or financial planning. Accordingly, Wachovia has been extremely attentive to issues concerning the older investor, and we share NASAA's concern regarding the appropriate use of certifications and designations.

Wachovia has undertaken numerous educational initiatives directed at both its associates and older investors, including efforts to increase understanding of the numerous types of financial relationships and the meaning of professional designations. The firm has created publications aimed at Wachovia clients and potential investors, including its *Guide to Financial Protection of Older Investors ("Older Investors")*¹, a frank review of

¹ <http://www.wachoviasec.com/pdfs/education/GuideforOlderInvestors.pdf>

other accreditation organizations invites Administrators to implement the model rule in a non-uniform manner.

Consequently, we urge NASAA to reconsider the proposed rule as currently drafted. If NASAA determines to move forward with the proposed model rule, we recommend that NASAA make the following changes.

First, we believe that there are key components to the model rule which require further definition and clarification. The model rule does not define the terms "designation," "self-conferred certification or professional designation," or "certification." In order for a firm to comply with the proposed rule, it will be important to understand the meaning of those terms. For example, would a firm-created designation be a "self-conferred" designation, or would the term be limited to a designation conferred by an individual upon himself?

Second, in light of our comments concerning the general regulatory oversight already exercised over firms, it is our position that a firm should be permitted to confer upon appropriate associates in-house created designations without further approval of an "accrediting organization". Of course, any such firm-created designation should be sanctioned under the model rule only in those instances where the firm requires participation in a substantive in-house training program and has adopted robust policies and procedures regarding the conferral and use of the particular designations.

Third, we believe the model rule should provide more flexibility in the use of job titles. An organization-bestowed title should not be limited to recognizing an individual's seniority or area of specialization. Although we cannot anticipate all titles that might be used, we recommend that the model rule permit an organization to use titles recognizing an individual's status and business focus within the organization where the organization can provide justification and support for the title.

Finally, Section 5 of the model rule appropriately creates a safe harbor for bona fide academic credentials related to seniors or retired investors. The model rule correctly assesses that if the federal government determines that an entity is a qualified academic institution, it would be unwieldy and anomalous to have various state securities administrators pass judgment on one university's educational standards. Unfortunately, language in Section 5 grants the state administrator broad and relatively unfettered discretion to negate the safe harbor.⁵ We recommend that NASAA delete the language after the word "unless" to create a true safe harbor. Should a person whose degree puts him or her within the safe harbor yet nonetheless commits a misdeed, a state securities Administrator will always have the ability to pursue a claim under state securities laws.

⁵ "unless the facts and circumstances associated with the provision or use of such degree or certificate indicate that it improperly suggests or implies certification or training beyond that which the degree holder or certificate holder possesses, or that it otherwise misleads investors."

We appreciate the opportunity to comment on the proposed model rule. We would be pleased to meet with you to answer any questions regarding this important subject.

Respectfully submitted,

A handwritten signature in black ink that reads "Ronald C. Long". The signature is written in a cursive style with a prominent flourish at the end of the word "Long".

Ronald C. Long