

With respect to proposal (1) Amending the MVRP to include failure to timely submit amendments to the Form U5, I would support such an amendment on the grounds that member firms conducting pre-employment checks on brokers need to be able to rely on the information provided by prior employers. When performing the required background checks on applicants, we are often frustrated by the limited amount of information non-member employers are willing to provide. This problem is compounded when member firms fail to amend a previously employed representative's Form U5 to report events that could materially affect our decision to hire a particular rep. The industry as well as the investing public stands to benefit from any rule change that results in the most accurate and current information being made available to those with a legitimate "need to know".

Regarding proposal (2), the mechanism described in connection with the proposed creation of an Inactive Disclosure Review registration status sounds imminently fair. The proposal appears to contain adequate human intervention, and enough interpretive "wiggle room" to minimize the imposition of this new inactive status in all but the most deserved situations. As in (1) above, the benefits gained from creating a mechanism to compel compliance with the existing rules outweigh the possible inconvenience visited upon those who fail to respond. A CRD or BrokerCheck system containing obsolete information (or lacking key data needed to make fair and balanced evaluations of brokers and firms) serves no one.

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