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FINRA
Notice to Members

February 19, 2009

Ms. Marcia E. Asquith
Office of the Corporate Secretary
FINRA
1735 K Street, NW
Washington, D.C. 20006-1506

Re: FINRA Regulatory Notice 09-03; Financial Responsibility
and Related Operational Rules

Dear Ms. Asquith:

T. Rowe Price Investment Services, Inc. ("TRPIS") appreciates the opportunity to comment on the above-referenced proposed rule change. TRPIS is a registered broker/dealer under the Securities Exchange Act of 1934 and a FINRA member firm. It acts as principal distributor of the T. Rowe Price family of funds ("Price Funds"). The Price Funds are offered directly to retail investors as well as through financial intermediaries such as broker/dealers, insurance companies, banks and plan recordkeepers. As of December 31, 2008, the Price Funds held assets of \$164.4 billion. TRPIS also provides brokerage services to Price Fund shareholders and other retail customers as an introducing broker through its Brokerage Division and offers two proprietary no-load variable annuity products (a deferred and an immediate payout variable annuity) and Section 529 College Savings Plans for two different states.

TRPIS generally supports the proposed consolidation of certain NASD and NYSE financial responsibility and related operational rules. However, we believe that additional guidance regarding the operation of proposed FINRA Rule 4523(a) is necessary.

TRPIS is a consolidated subsidiary of a large financial services complex that has many corporate affiliates. The entire corporate general ledger for these affiliated entities is computerized and financial information comprised of a few thousand accounts is sent to the various entities in the complex. TRPIS is an audited subsidiary of this complex and files annual audited financials with the SEC and FINRA. The financial statements are prepared and reviewed by a Financial and Operations Principal with supporting documentation. A financial reporting staff member and manager are assigned to review each of the balance sheet accounts of the entire corporate general ledger.

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Proposed FINRA Rule 4523(a) appears to require a member to designate an individual to be responsible for *each* general ledger bookkeeping and similar account used by the member and to control and oversee entries into each of these accounts. The proposed rule also appears to require a supervisor to review each account at least monthly to determine that it is current and accurate and that any items that become aged or uncertain as to resolution are promptly identified for research and possible transfer to a suspense account or accounts. This rule, if adopted, would be new to non-NYSE firms like TRPIS.

Before TRPIS can provide comment on subsection (a), it needs additional clarification about the proposed subsection's scope and applicability. We would like confirmation that the intent of this proposed provision is to cover only those balance sheet general ledger accounts used by the member and not to general ledger accounts of the complex that may feed data into the member's balance sheet and income statement accounts.

If you have any questions regarding this letter, please do not hesitate to contact me.

Very truly yours,


Sarah McCafferty

cc: Ms. B. O'Connor
D. Oestreicher, Esquire