



Office of the Corporate Secretary-Admin.

JUN 29 2009

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FINRA  
Notice to Members

June 23, 2009

TO: FINRA  
Marcia E. Asquith

RE: FINRA Regulatory notice 09-25

I am a licensed insurance professional and registered representative. I am writing to you because I strongly object to expanding FINRA's suitability obligations to recommendations that do not involve securities.

At the outset, let me clearly state that I firmly believe that people who promote unsuitable sales and engage in misleading sales practices should be aggressively prosecuted and subject to meaningful sanctions. However, FINRA does not have jurisdiction over products and services which are not securities, and neither FINRA nor broker/dealers have the resources or product-specific expertise necessary to oversee non-securities transactions. FINRA's authority should not be expanded to include non-securities products and services.

Another reason why the expansion of FINRA's suitability obligations is unwise is that insurance and other non-securities products are already subject to comprehensive regulation at the state level, through the efforts of state insurance departments and other state regulators. The application of FINRA rules to these products could result in conflicting and confusing regulatory requirements which will detract from the goal of consumer protection.

Finally, policymakers on Capitol Hill, in the Administration, the SEC, and FINRA, as well as private sector stakeholders, are currently debating issues concerning the standard of care which broker/dealers and investment advisors owe to their clients and considering whether such standards should be expanded or changed going forward. It would be inappropriate for FINRA to expand or revise current suitability requirements while this debate is underway, since further broader-scale changes may be made within a matter of months.

For the reasons stated above, I urge you not to expand FINRA's suitability obligations to include recommendations that do not involve securities. Thank you for considering my views on this issue.

Sincerely,

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