



10 March 2011

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

Re: Regulatory Notice 11-04, Private Placement of Securities

Dear Ms. Asquith,

Colonnade Securities LLC  
125 S. Wacker Drive  
Suite 3020  
Chicago, IL 60606

You have solicited comments on the above referenced proposal.

Regulatory Notice 11-04 states, "The offering may proceed while FINRA staff reviews the offering document. Of course, if FINRA staff determines that an offering document presents an apparent investor protection issue, the responsible member should expect FINRA staff to contact the broker-dealer concerning the matter, whether or not the offering has already commenced."

Telephone  
312.425.8160

I have three related questions:

Facsimile  
312.425.8146

- (a) Is FINRA's staff qualified to recognize "an apparent investor protection issue"?
- (b) If FINRA assumes this responsibility, isn't it reasonable to assume FINRA will be named in litigation by buyers of private placements who feel that FINRA didn't take appropriate action and protect them?
- (c) Who will bear the cost of FINRA's litigation?

[www.coladv.com](http://www.coladv.com)

Very truly yours,

Stuart Miller  
Managing Director  
Colonnade Securities LLC  
312.425.8145

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