



PACIFIC SELECT DISTRIBUTORS

July 30, 2010

VIA EMAIL: pubcom@finra.org

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

Re: Regulatory Notice 10-25: Registration and Qualification Requirements for Certain Operations Personnel

Dear Ms. Asquith:

We are submitting this letter in response to a request for comments contained within Regulatory Notice 10-25, "Registration and Qualification Requirements for Certain Operations Personnel".

We believe the creation of an additional registration category is unnecessary to ensure additional customer protection. Many of the individuals for which registration would be sought do not work directly with or for customers. Additionally, some of the functions noted are defined by an individual business's needs and requirements. Those functions may involve risk that is determined and born by the individual enterprise. Others truly involve back office and operations. Organizations should already have checks and balances to review all the covered activities. Additionally, significant transgressions by individuals may involve criminal liability on the part of the individuals. Finally, FINRA would likely already have jurisdiction over the covered activities (as they related to the securities business) as well as any potential securities related violations by individuals at FINRA member firms as "associated persons". Therefore, adding a FINRA licensing and ongoing continuing education requirement appears to be of little benefit as it relates to FINRA's primary mission of customer protection.

We propose that FINRA instead look to add the supervision of covered areas and functions as a requirement within a broker-dealer's written supervisory procedures and/or supervisory controls in lieu

of creating an additional registration category requiring the registration of a number of individuals (which would take place only after the expenditure of much time and expense). This would have the added benefit of having firms identify areas unique to their organization and documenting procedures to ensure such areas are addressed. Registered principals should be designated as being ultimately responsible over such areas.

We also note and support that any individuals that are identified as working in covered areas and subject to direct supervision by registered individuals should be fingerprinted. Fingerprinting would ensure any criminal or other background issues of employees would be disclosed to the employing firm.

Pacific Life Insurance Company (the parent of Pacific Select Distributors, Inc. (PSD)) is a member of the Committee of Annuity Insurers (CAI). We understand the CAI intends to provide comments regarding Notice 10-25. Should you wish to go forward with the creation of a new registration category, PSD supports the comments noted by the CAI and requests that you give them your careful consideration.

We appreciate the opportunity to provide input on the proposal. Please contact the undersigned if you have any questions.

Sincerely,

/s/

S. Kendrick Dunn
Assistant Vice President