

In response to:

1. MRVP

Should NASD amend IM-9216 (MRVP) to include failure timely to submit amendments to the form U5 (as required by article V, Section 3(a) of the NASD by-laws), to be consistent with existing provisions regarding the failure timely to submit amendment to forms U4 and BD? Yes, with a change from dollar amount weighted fine to percentage of assets under management to encourage compliance.

1. Inactive Disclosure Review

(a) Should NASD adopt a rule creating an Inactive Disclosure Review registration status for registered persons whose employing member fails timely to report or update a disclosure item on behalf of the registered person and / or fails to provide requested documentation to NASD staff (and fails to provide adequate justification for failing to make such a report)?

Yes, though the wording should read Inactive Representative review. This way the status carries more weight.

(b) If so, do the proposed 30-day and supplemental 10-day notice provisions provide adequate time for members to report matters or otherwise resolve deficiencies?

I have had a lot of experience with parties that are very slow to respond to written requests either by workload or delegation. I believe that the current time frame is adequate. But I would suggest that email request be sent and recorded with return receipt that way there can be no question that the request was sent and received.

That would allow for exceptional conditions for extensions.