



Financial Industry Regulatory Authority

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Elizabeth M. Murphy
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: File No. SR-FINRA-2009-058 – Response to Comments

Dear Ms. Murphy:

On August 24, 2009, FINRA filed with the Securities and Exchange Commission (“SEC” or “Commission”) SR-FINRA-2009-058, a proposed rule change to adopt FINRA Rule 2232 (Customer Confirmations) in the consolidated FINRA rulebook (“Consolidated FINRA Rulebook”). The SEC published the proposed rule change for notice and comment on September 14, 2009¹ and received three comment letters.² This letter responds to the comments that were submitted.

The commenters³ generally supported FINRA’s proposed consolidated rule. The commenters requested that FINRA revise the proposed rule’s provisions as to settlement date disclosure. Specifically, as originally proposed, FINRA Rule 2232 would require that all confirmations given or sent to a customer pursuant to the rule must set forth the settlement date of the transaction. The commenters expressed concern that the proposed

¹ See Securities Exchange Act Release No. 60669 (September 14, 2009), 74 FR 48107 (September 21, 2009) (Notice of Filing of Proposed Rule Change; File No. SR-FINRA-2009-058).

² See Letter from Tamara K. Salmon, Senior Associate Counsel, Investment Company Institute (“ICI”), to Elizabeth M. Murphy, Secretary, SEC, dated October 9, 2009; letter from Clifford E. Kirsch and Susan S. Krawczyk, Sutherland Asbill & Brennan LLP, on behalf of Committee of Annuity Insurers (“CAI”), to Elizabeth M. Murphy, Secretary, SEC, dated October 13, 2009; and letter from Jonathan Feigelson, SVP, General Counsel, TIAA-CREF Individual & Institutional Services, LLC (“TIAA-CREF”), to Elizabeth M. Murphy, Secretary, SEC, dated October 13, 2009, available at <<http://www.sec.gov/comments/sr-finra-2009-058/finra2009058.shtml>>.

³ All references to commenters in this letter are to the commenters as listed in note 2.

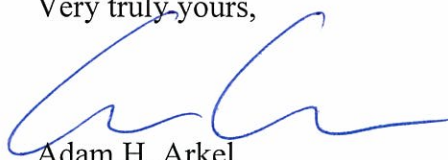
rule would apply to transactions in mutual funds⁴ and variable annuities.⁵ The commenters further suggested that settlement date disclosure on confirmations for such transactions is not necessary from the standpoint of investor protection and is potentially burdensome to members.

In response, FINRA has revised proposed FINRA Rule 2232 to clarify that the requirement to set forth the settlement date of the transaction applies only with respect to transactions in any NMS stock, as defined in Rule 600 of SEC Regulation NMS, or any security subject to the reporting requirements of the FINRA Rule 6600 Series, other than direct participation programs as defined in FINRA Rule 6642.⁶ FINRA believes the proposed rule, as revised, more clearly articulates FINRA's intention to apply the requirement to disclose the settlement date on customer confirmations to transactions in traditional equity securities, whether traded on an exchange or over-the-counter, where disclosure of the settlement date serves the purpose of investor protection. FINRA has further made other minor changes to the proposed rule in the interest of clarity.

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FINRA believes that the foregoing responds to the material issues raised by the commenters to this rule filing. If you have any questions, please contact me at (202) 728-6961; email: adam.arkel@finra.org. The fax number of the Office of General Counsel is (202) 728-8264.

Very truly yours,



Adam H. Arkel
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⁴ ICI and TIAA-CREF.

⁵ TIAA-CREF and CAI.

⁶ See Amendment No. 1 to SR-FINRA-2009-058, available at: <<http://www.finra.org/Industry/Regulation/RuleFilings/2009/P119839>>.