

To Whom It May Concern:

I applaud the forward thinking of this NtM in considering the effects of a Pandemic or Global business disruption. Because rules and regulations sometimes can become inflexible we should always be concerned with flexibility when presented situations that are out of our normal control.

With this in mind, I would urge you to consider including as much flexibility as possible in the rules when confronted with a major business disruption. Things such as 'common sense,' 'prudent man rule,' 'best efforts,' or 'reasonableness tests' should be the thrust when attempting to comply with normal regulatory items during a major business disruption.

Even the most comprehensive document one might imagine could not possibly cover every conceivable situation for every single disruption. Even if such a comprehensive work could be achieved, it would be too unwieldy to provide to the members. It would be also be unusable due to its volume and complexity.

One example I can provide to illustrate my request involves filing monthly FOCUS reports. If normal monthly reports cannot be filed by regular filing deadlines due to whatever reasons are associated with the business disruption affecting large areas or the world, then 'reasonableness' should prevail. If the member firms affected have always abided by filing deadlines, if historical reports show the correct capital levels without exception and if there have been no close calls or red flags or other events to tarnish public or regulatory perception of the firm, then reports that are filed late or in a catch-up fashion when the crisis is diffused or alternate means of filing are established should be 'excused' from normal deadlines. Additionally, any penalties or other consequences associated with late filing or non-filing should be suspended during the crisis period.

My request is to use as much language as necessary to convey the importance of regulation but at the same time provide the flexibility to survive as a functioning entity to your members while still protecting the interests of the investing public. Finally, provide guidance to examiners that review filings or perform examinations after such a disruption to apply these type of reasonableness tests before citing a member for failure to follow the rules and regulations.

Thank you for your attention to this comment.

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