I think proposed FINRA Rule 2030 should retain the language of NYSE Rule 435, which states that the rumor should be "of a sensational character". There are rumors every day during trading hours about various companies. To ask member broker-dealers to police not only themselves but the public (as seems to be implied) is overly burdensome. The proposed Rule should be clear that if there is any obligation to report rumors "of a sensational character"—that such obligation should only apply to rumors that are being circulated by securities professionals. The public domain is rampant with rumors about all sorts of things that might affect securities prices, (just check the Web).

I'm not sure why a rule about rumors should apply to all securities—it makes sense that such a rule might apply to publicly-traded securities, but I don't understand the rationale why illiquid or non-traded securities should be covered. In contrast, NYSE Rule 435 is focused on those securities that trade on the Exchange.

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