

Simcha Ben Yaakov
Long Island, New York



November 24, 2015

Ms. Marcia E. Asquith
Office of the Corporate Secretary
FINRA
1735 K Street
Washington, DC 20006-1506

Re: Regulatory Notice 15-37, FINRA Rule 4512 and FINRA Rule 2165

Dear Ms. Asquith:

I applaud FINRA for taking this step. Although nothing will eradicate financial abuses of seniors, the adoption of the new proposals may have positive consequences.

I would like to add several comments which FINRA may elect to include in the final version.

1. The rules should state that the disbursements which can put on hold include payments to an account holder's bank. In my experience, assets are often transferred from the BD to the account holder's bank, from which point they are then withdrawn or transferred yet again. While transfers to banks is clearly a subset of disbursements, specifically telling compliance and supervisory personnel that the new rule would apply in that circumstance can only have a positive effect.
2. FINRA should address those instances in which the customer's account has check writing privileges. While only someone known to the BD can ask for a check to be issued from an account, anyone with physical access to the checks can use them. All of us know that no one verifies signatures. It is not clear from the proposed text if the broker-dealer will be authorized to place a temporary hold on that type of withdrawal. In a similar vein, do the proposals apply to credit or debit cards associated with brokerage accounts? Can they be blocked?
3. Just as FINRA expects RRs and BDs to disclose relevant risks, FINRA should disclose that the safe harbor provisions only extend to actions which FINRA might bring. Payees of a check which has been stopped or some similar act made in good faith under the proposals may incur financial harm. Despite good intentions, actions can create liabilities for a BD. FINRA will not insure BDs for those acts, nor should they, but FINRA should explain the limitations of the safe harbor provisions.

Best regards,

A handwritten signature in blue ink, appearing to be "Simcha Ben Yaakov".