

# MONUMENT GROUP

Electronic Submission

May 12, 2025

Jennifer Piorko Mitchell  
Office of the Corporate Secretary  
FINRA  
1700 K Street, NW  
Washington, DC 20006

Re: Notice 25-05: FINRA Requests Comment on a Proposal to Reduce Unnecessary Burdens and Simplify Requirements Regarding Associated Persons' Outside Activities

Dear Ms. Mitchell:

This letter is submitted in response to the request for public comments by the Financial Industry Regulatory Authority ("FINRA") with respect to its proposal to streamline and reduce unnecessary burdens regarding associated persons' (including registered persons') outside activities. We greatly appreciate FINRA's proposal to replace FINRA Rule 3270 and FINRA Rule 3280 with a single rule (the "Proposal").

By way of background, Monument Group is an independent broker-dealer registered with the Securities and Exchange Commission and a member of FINRA. Our principal business is to act as a placement agent in primary offerings and secondary sales of interests in private funds. As such, our registered representatives seek capital for our clients solely from institutional investors.

**(i) *Support for the Proposal's elimination of "white noise" with a focus on Investment Related Activities***

The burden of monitoring low-risk activities (such as coaching a sports league) poses outsized compliance obligations for firms and yet results in little-to-no meaningful investor protections. Therefore, we support the limits on the Proposal's scope to outside activities that are investment-related.

**(ii) *Request for Clarification: "Investment-Related Activity"***

Although we strongly believe that limiting the scope to outside activities that are investment-related is a step in the right direction, we note that, like many of the other commenters, the definition of "Investment-related activity" is overly broad and detracts from the ultimate goal of simplifying and streamlining the requirements regarding associated persons' outside activities.

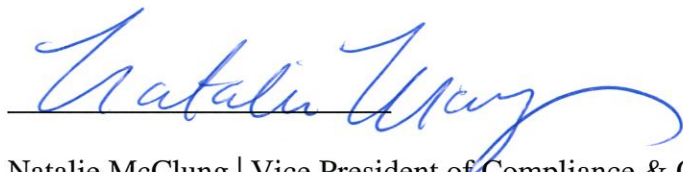
For example, if a crypto asset is offered for purchase or sale by a FINRA member firm other than the employer member, it is captured under FINRA Rule 3210 and thus exempted from the Proposal<sup>1</sup>. If a crypto asset is separately regulated, by e.g. the Commodity Futures Trading Commission (“CFTC”), we agree with the comment provided by Mr. John Peter Purcell that FINRA cannot (and should not) mandate the supervision of assets that fall outside of the scope of a non-CFTC registered broker-dealer’s permitted activities<sup>2</sup>. This is particularly important with respect to the ongoing monitoring obligations required in the Proposal. Many non-CFTC registered broker-dealers are not equipped to either (i) develop specified conditions to be put in place in connection with an outside securities transaction not for selling compensation or (ii) supervise the participation in an outside securities transaction for selling compensation as if it were executed on behalf of the member.

We have similar reservations with respect to the unqualified inclusion of commodities, real estate, banking and insurance. Therefore, we respectfully request clarification regarding the scope of “Investment-related activities” as defined in the Proposal.

*(iii) Conclusion*

We appreciate FINRA’s thoughtful review of the existing rule framework and the Proposal’s pragmatic consideration of a scope limited to outside business activities that are investment-related. Thank you for considering our comments.

Very truly yours,



Natalie McClung | Vice President of Compliance & Operations

**Monument Group, Inc.**

500 Boylston Street, Suite 1150

Boston, MA 02116

[www.monumentgroup.com](http://www.monumentgroup.com)

---

<sup>1</sup> Regulatory Notice 25-05, Section “Investment-Related Activities” and Attachment A (Proposed Rule, Section 3290(g)(3)(a)).

<sup>2</sup> See Bitcoin example provided in Section (I.) of the comment letter by Mr. John Peter Purcell of PKS Investments, dated April 10, 2025.