



May 27, 2008

Via E-Mail
Marcia E. Asquith
Office of the Corporate Secretary
FINRA
1735 K Street, NW
Washington, DC 20006-1500

Re: Regulatory Notice 08-20 - Proposed Changes to Forms U4 and U5

Dear Ms. Asquith:

Nationwide Financial Services, Inc. (the "Company")¹ appreciates the opportunity to submit its comments concerning the proposed changes to Forms U4 and U5 set forth by FINRA in the above-referenced Regulatory Notice.

The Company supports the proposed changes to Forms U4 and U5 and FINRA's efforts to provide assistance to member firms.

Proposed Revisions to Question 14I on Form U4 and Question 7E on Form U5 to Require the Reporting of Allegations of Sales Practice Violations Made Against a Registered Person in a Civil Lawsuit or Arbitration in Which the Registered Person is Not a Named Party.

The proposed changes would require the reporting of alleged sales practice violations made by a customer against persons identified in the body of a complaint or arbitration, even when those persons are not named as parties. The Company believes that allegations of sales practice violations against a registered person in an arbitration or litigation proceeding should be disclosed, notwithstanding the fact that such registered person has not been named as a party in the proceeding. Such information should be made available to regulators and to prospective broker-dealer employers through the CRD system. Accordingly, the Company supports the proposed revisions to Form U4, Questions 14I (2), 14I (3) and Form U5, Questions 7E (2), 7E (3).

Proposed Revisions to Question 14I on Form U4 and Question 7E on Form U5 to Raise the Dollar Threshold from \$10,000 to \$15,000.

¹ The Company is submitting this comment letter on behalf of its broker-dealer affiliates, each of which is a FINRA member firm.

The Company agrees that higher settlement amounts are being seen for customer complaints and is in support of raising the minimum reporting threshold for settlements to \$15,000. Additionally, the increased threshold would align with Rule 3070(a)(7) and 3070(a)(8), which have a settlement threshold of \$15,000.

Proposed Revisions to the Initial Form U5 to Allow Firms to Amend the “Reason for Termination” and the “Date of Termination”

The Company welcomes the opportunity to amend the Reason for Termination and Date of Termination sections of Form U5 without being directed by a court order or arbitration award when it is appropriate to do so. As indicated in the Regulatory Notice, many requests to amend the reason/date of termination are due to administrative errors. The Company would like to be able to easily rectify a disclosure issue that was caused by a clerical or administrative error.

Technical, Conforming and Other Changes to Forms U4 and U5

The Company supports the proposal to change the “free text” fields to discrete fields which, in conjunction with the completeness check, will ensure completeness. A completeness check will significantly reduce the amount of not-in-good-order (“NIGO”) applications as well as outstanding disclosure letters sent from FINRA.

The Company also supports the use of an optional certification checkbox that would enable firms to affirmatively represent that (i) all required disclosure has been reported on a person and (ii) his/her records are current at the time of termination.

We appreciate the opportunity to provide our comments. Please let us know if we can provide any further assistance. If you have any question, please contact the undersigned at (614) 677-1643.

Very truly yours,

James Rabenstine

James Rabenstine
Vice President, Broker-Dealer Operations
Office of Compliance