



3330 190th NE Drive, Suite 1418, Aventura, Florida 33180

April 22, 2009

Marcia E. Asquith
Senior Vice President and Corporate Secretary
1735 K Street, NW
Washington DC 20006-1500

In re: *Proposed Consolidated FINRA Rule 5320*

Dear Ms. Asquith:

Taurus Compliance Consulting, LLC appreciates the opportunity to comment on proposed FINRA Rule 5320, which would consolidate NASD IM-2110 and NASD Rule 2111 as well as harmonize with NYSE Rule 92. The new FINRA Rule 5320, as detailed in Regulatory Notice 09-15, is a prohibition against trading ahead of customer orders.

Taurus Compliance Consulting, LLC, hereby known as "Taurus", generally encourages proposals which simplify trading and order handling rules to promote market efficiency. Furthermore, Taurus strongly believes such streamlining, simplification, and consolidation is beneficial to the industry and will assist our clients in the development and implementation of more uniform policies, procedures and compliance controls.

1. Proposed FINRA Rule 5320: Integration of IM-2110-2 and Rule 2111

FINRA Proposed Rule 5320 is precisely the type of new rule that should facilitate more efficient trading, customer protection and a clearer framework for member firms to design compliance programs that withstand regulatory scrutiny. It should be noted that the extension of the rule to include OTC equity securities needs to account for a reasonable amount of time for member firms to implement appropriate controls and remain open for reconsideration if the costs of such controls prove to be excessive.

2. Proposed FINRA Rule 5320.01: Large Orders and Institutional Account Exceptions

FINRA has further requested comments on proposed Rule 5320.01 regarding the exceptions for large orders and institutional accounts, specifically the differing approaches taken by NYSE Rule 92 and NASD Rule 2111. Taurus believes that NYSE Rule 92 provides the clearest and most cost effective methodology for firms trading ahead of or alongside an order.

The ability to obtain a one-time affirmative consent from a trading partner would increase the likelihood of compliance with Rule 5320 throughout the trading day rather than requiring a burdensome process to obtain multiple confirmations.

Taurus also advocates that elements of NASD IM-2110-2 be incorporated into FINRA Rule 5320, requiring that all terms and conditions are clearly disclosed and explained to the customer or trading partner placing the order. When a customer has been fully informed of these terms and conditions, they can then decide whether to give the executing firm affirmative consent or require that permission be sought for each trade.

The combination of the one-time affirmative consent option present in NYSE Rule 92 as well as the disclosure requirements of NASD IM-2110-2 should ensure that both the customer and the order execution firm have reached an informed understanding of the conditions of the trade, while providing adequate customer protection and also simplifying the executing firm's compliance obligations.

3. Proposed FINRA Rule 5320.02: Codification of the “no-knowledge” Interpretation to include the Market-Making Desk

FINRA is considering a requirement to separately identify the trading activity by “walled-off” desks for purposes of regulatory reporting such as OATS and/or assigning a separate market participant identifier (MPID) for automated trading.

Taurus would like to caution against any requirement that imposes a significant burden on the infrastructure of an automated trading platform. While the intent of 5320.02 is to further promote customer protection, the benefit may be outweighed by the technology changes required for implementation.

Taurus Compliance Consulting, LLC exists to provide our clients with the knowledge and expertise necessary to have the most robust compliance structure possible. We constantly strive to strike a balance between customer protection and market efficiency. As stated earlier, Taurus is a proponent of rule proposals that streamline, simplify, and clarify the compliance obligations of a member firm.

Please feel free to contact me at 1.800.388.8822 (Ext. 125) or drome@tauruscompliance.com if you have any questions or would like to further discuss this proposed rule change. Thank you again for the opportunity to comment.

Sincerely,



Daniel C. Rome, Esq.
General Counsel