

Comments to proposed FINRA Rule 3210:

We are a very small nickel broker/dealer that deals with only one product and holds no customer accounts. Currently, all of our 5 registered persons are required to notify Compliance of the opening of any personal brokerage account in their names or in the names of their spouses or others whose accounts they have control over. Compliance then sends a letter to the executing member to provide confirmations and monthly statements to Compliance in hard copy. Upon receipt of the information, Compliance reviews each confirmation and monthly statement and initials and dates it as record of review. These are then stored in a file. Each registered person is also required, as a part of their annual certification, to indicate any personal securities accounts they have at any other brokerage firms.

We have been keeping all of these confirmations and statements indefinitely, but it is presenting a storage problem. As far as addressing the information gathering methodologies, it would be very helpful if the retention requirements were defined. In particular, it would be very helpful if confirmations were only required to be kept on file until monthly statements (which contain the transactions reported on the confirmations received for that month) have been received and reviewed. At that point the confirmations would be compared to the statement and then destroyed, and the monthly statement initialed and retained to indicate this. It would cut down on the amount of storage capability required.

Thank you.

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