

June 29, 2009

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

In re: Proposed Consolidated FINRA Rules Governing Suitability and Know-Your-Customer Obligations – Regulatory Notice 09-25

Dear Ms. Asquith:

Taurus Compliance Consulting, LLC appreciates the opportunity to comment on the Consolidation of the FINRA Rule Governing Suitability and NYSE Know-Your-Customer (KYC) Obligations pursuant to Regulatory Notice 09-25.

Taurus Compliance Consulting, LLC, hereby known as “Taurus”, generally encourages all proposals which create or consolidate sensible obligations and rules for a member firm in accordance with the development of the FINRA Consolidated Rulebook. Taurus strongly believes that streamlining and consolidation is beneficial in providing clarity to the industry and will assist our clients in the development and implementation of more uniform policies, procedures and compliance controls.

Proposed FINRA Rules 2111 and 2090 consolidate and clarify NASD Rule 2310 and NYSE 405 as well as codify the long standing SEC and FINRA interpretations in NASD IM 2310-3. The proposed rule addresses customer suitability obligations and the know-your-customer obligations while eliminating duplicative provisions of each.

I. The Proposed Rules

Taurus supports the proposal to apply suitability obligations to both recommended transactions and investment strategies involving a security or securities. While there may be occasions when a clear distinction between the two can be made, that is not the norm and such a distinction is usually not apparent. Furthermore, a particular transaction is often times the result of an investment strategy. The codification of 1. Reasonable Basis Suitability; 2. Customer Specific Suitability; and, 3. Quantitative Suitability would add a degree a clarity that exceeds an Interpretive Memo and consequently is an action that Taurus encourages.

Taurus would also like to encourage expanding suitability obligations to all recommendations of investment products, services and strategies made in connection with a firm’s business,

regardless of whether the recommendations involve securities. Such obligations need to be consistent with a particular firm's outside business activities policy and selling-away prohibitions. While Taurus would like to caution against any regulation that is over-reaching, it would not seem reasonable to make an "approved" non-securities recommendation that is inconsistent with a customer's overall suitability profile.

A firm should not be held accountable for every piece of information about a customer that might be available as the customer needs to play the primary role in providing the relevant information. However, reasonable efforts to obtain information and to consider information already known to the firm should be part of the suitability process. Member firms should consider a suitability profile form that specifically asks the customer to provide any other information that would help the member firm to determine suitability.

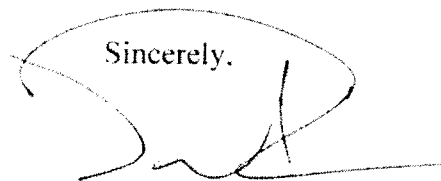
2. Institutional Customer Exemptions

Taurus believes that the exemptions detailed in NASD IM-2310-3 should remain as part of the new consolidated rule book but cautions against allowing an institution "[t]o forego the protection of the customer-specific obligation of the suitability rule". Such a waiver seems to be an invitation for suitability disputes, confusion and a step backwards.

Taurus Compliance Consulting, LLC exists to provide our clients with the knowledge and expertise necessary to have the most robust and practical compliance structure. 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
General Counsel