

- The proposed rule 3190(b) states that a member firm provide an ongoing due diligence for third party service providers

Sirs,

This may be very difficult for small firms to accomplish. In many cases we are struggling just to stay in business, are sourcing discount vendors and have virtually no control or ability to influence the vendors.

Would we be required to supervise our landlords' janitorial or repair staff?

We have no power to influence our telephone, internet or web hosting companies. For instance, Verizon or Cox, would most likely pay no interest to our inquiries, they don't need our small business. I can hardly see myself telling our current vendors we are required to "supervise" them, they would probably laugh at us. If we are compelled to change vendors to "approved" vendors, I would imagine the costs would be substantially higher, and most likely, early termination or contract cancellation fees from current vendors would be assessed.

I may be interpreting the rule incorrectly, however, the above comments are my feelings as a small business operator.

Regards,

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