



July 13, 2015

Marcia E. Asquith
Senior Vice President and Corporate Secretary
FINRA
1735 K Street
Washington, DC 20006
Via email: pubcom@finra.org

RE: FINRA Regulatory Notice 15-19 Request for Comment

Dear Ms. Asquith:

The Leaders Group, Inc. appreciates the opportunity to provide you with comments with respect to the Financial Industry Regulatory Authority (FINRA) proposed rule to require a member firm that hires a registered representative to provide an educational communication to persons who are customers of the representative's previous firm and whom the representative's new firm is seeking to have transfer investment assets to the new firm, as discussed in Regulatory Notice 15-19 (the Proposed Rule)..

While we agree that customers should be informed if a representative is receiving cash compensation as a recruitment inducement to change firms; and customers should be informed if the transfer will cause them charges or changes to their accounts, the proposal may cause undue confusion for the customers when a simple change of broker dealer of record is all that is requested and no costs to the customer will be incurred.

In the independent contractor model broker dealer, recruitment bonuses and forgivable loans are not common. Representatives most often change firms to benefit their clients and their practices. The platforms and products offered by the new firm are often more beneficial to the customer. When assets are held away, as in the case of variable insurance products and direct help mutual funds, no changes are made to the accounts; just the broker dealer of record is changed.

We particularly have concerns about the means and timing of the delivery of such communication. In firms with remote locations, meeting the three day requirement would be difficult to meet because of transmission time to the OSJ. Incorporating the communication into the SEC required 17a-3 verification letters would be a potential solution to this and would not add substantial direct or indirect costs to the recruiting firm. No matter the timing of delivery, the educational communication should be reduced to one page to increase the likelihood of being read and comprehended by customers and to reduce the burden on environmental resources.

Thank you for the opportunity to comment on this important proposal.

Sincerely,

Z. Jane Riley, CSCP®
Chief Compliance Officer
The Leaders Group, Inc.