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January 10, 2018

Via pubcom@finra.org

Jennifer Piorko Mitchell
Office of the Corporate Secretary FINRA
1735 K Street, NW
Washington, DC 20006-1506

Re: FINRA Regulatory Notice 17-38

Dear Ms. Mitchell;

I strongly support the rule changes proposed by the regulatory notice referenced above, which recognize advances in technology as well as flexible work arrangements deployed in BDs across the country. I concur that the practicality and efficiency of conducting onsite examinations of remotely located branches is often disproportionately costly and burdensome in the context of risk.

The statistics provided by FINRA to demonstrate the beneficial impact of the rule proposal provide a sound foundation for FINRA's definition of a "qualifying office" as per proposed 311.15(b)(1), which limits the number of associated persons to three. Other factors incorporated into the proposed definition are reasonably tied to risk.

My comments below are provided in specific response to FINRA's request:

1. How does the firm currently fulfill its obligations under Rule 3110(c) for those offices or locations at which few associated persons reside and limited or low-risk activities occur? In what way(s) would the use of remote inspections impact the firm's current inspection process or practices?

The rule proposal would benefit Tessler Capital Partners by providing relief from unnecessary travel expenses and other costs related to onsite inspections. Because TCP deploys a cloud based archiving system and maintains regular electronic communication with its representatives, there would be no compromise to the quality of examinations.

2. Should a firm with a disciplinary history of supervisory violations or other investment-related violations be able to avail itself of the option to conduct remote inspections?

I believe that a firm should be able to overcome a history of prior supervisory violations, and be permitted to avail itself of the option to conduct remote

inspections, based on qualitative criteria that might include new principals and/or supervisory organizational structure or other remedial actions.

3. Are there other criteria for a “qualifying office” that should be considered?

I believe the criteria as proposed is mostly adequate. I suggest that FINRA consider amending its criteria in 3111.15(b) to include “or as any investment-related outside business activity” to capture outside activities that may add complexity or risk to the location. Otherwise, I do not believe there is any value to adding criteria tied to prior visits, video conferencing, or physical distance from the home office. I believe firms are in the best position to determine what additional steps, if any, would serve to mitigate risk at their firms. Rather than incorporate additional qualifications, I believe FINRA should take steps to capture and share relevant best practices, such as through a subsequent regulatory notice or inclusion of the topic at a conference.

4. The proposal seeks to limit the number of associated persons designated to a qualifying office to three. Is this threshold reasonable? If not, why not? Is there a more appropriate threshold and why?

As noted above, the statistics provided by FINRA in the notice adequately satisfy my curiosity regarding what may otherwise seem to be an arbitrary threshold. I believe that ongoing tracking is appropriate, for purposes of reevaluating the threshold at a later date.

5. Are there criteria for a qualifying office that should be excluded?

I believe the criteria as proposed are meaningful in the context of risk assessment.

6. Does the proposal have any potential negative impacts on a firm’s ability to fulfill its obligations under Rule 3110(c)?

I do not believe there are any potentially negative impacts.

7. Are there any material economic impacts, including costs and benefits, to investors, issuers and firms that are associated specifically with the proposal?

I believe that the economic impacts of the rule proposal are favorable to firms.

Thank you for the opportunity to comment on FINRA’s rule proposal. Please contact the undersigned if you have any questions or require clarification.

Best regards,
//Lisa Roth//

Lisa Roth, President