



WALL STREET FINANCIAL GROUP

Member FINRA, SIPC

July 22, 2010

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

RE: Regulatory Notice 10-25 Registration and Qualification Requirements for Certain Operations Personnel

Dear Ms. Asquith,

Thank you for the opportunity to comment on the proposed registration and qualification requirements for operations personnel.

While we appreciate FINRA's continued desire to effectively monitor and regulate all individuals involved in the securities industry, we do believe that there are some points of the proposed regulation that need to be considered and addressed.

In Regulatory Notice 10-25, FINRA mentions that the examination being considered for Operations Professionals is not meant to be a competency exam but more of a way for FINRA to test if certain Operations Professionals have a working knowledge of the industry. If the exam is not designed to test for competency, it does not seem to serve as an essential function and should not be required. FINRA could still require Operations Professionals to register with Broker Dealers via the CRD as a means of tracking and monitoring those individuals. Also, FINRA should take into consideration that Operations Professionals may already be listed on the CRD as Non-Registered Fingerprinted individual. If FINRA still feels an examination is necessary, we urge FINRA to consider grandfathering those individuals who already have an extensive background in the operational areas mentioned, prior to the effectiveness of the rule.

It would greatly benefit Broker Dealers, if FINRA could provide more specific examples and definitions of the covered functions currently listed in the proposed regulation. Some of the covered functions seems to incorporate multiple individuals at the firm and do not appear to meet the purpose of the proposed rule. The more clarity that FINRA provides regarding covered functions, the easier it will be for Broker Dealers to assess which individuals will be impacted.

FINRA should also take into consideration that many independent Broker Dealers, including Wall Street Financial Group, Inc., operate as introducing broker dealers, sharing many responsibilities, including several of the covered functions (i.e. margin, prime brokerage, maintenance, reinvestment, disbursement of funds, etc.). Additional guidance needs to be provided to Broker Dealers facing these types of situations to allow for ease of



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understanding and help in determining again, which individuals would fall under the scope of the proposed regulation.

Finally, we believe that a time period of six to nine months to implement the proposed changes is too short. Firms need adequate time to assess the impact of the new rule, and determine which individuals will need to complete the testing and registration component of the regulation. We believe that an eighteen month time period would be more suitable, especially considering the amount of time individuals would need in order to study and prepare for the examination, and successfully pass it before the time period ends.

Thank you for the opportunity to comment on the proposed changes. We are committed to the ongoing reevaluation of industry rules and guidelines for the purposes of protecting the investor and staying current with industry's changing needs. We appreciate the SEC's and FINRA's efforts in these areas as well.

Sincerely,

Nancy Kay
Chief Compliance Officer
Wall Street Financial Group, Inc.

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