

March 19, 2014

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

RE: FINRA Communications with the Public Rule Proposals

Dear Ms. Asquith:

The Leaders Group, Inc. appreciates the opportunity to comment on the CARDS proposal.

We are particularly concerned how FINRA would gather information on direct held accounts. As with many other firms, much of our business is conducted on an application way basis directly with mutual funds and insurance carriers. While initial purchase information is available to the firm, typically redemptions, exchanges or transfers out of the accounts are not reported to the firm, so not the data is not in the firm's records. No common data format has been set out by product sponsors, so asking for standardized data files is not feasible and little value could be placed on differing data sets.

Almost all member firms use different data management systems, so finding a common set of data points would be very difficult. The cost of converting data to a standardized format is cost prohibitive. The costs would include systems changes as well as personnel costs. The magnitude of the costs across all firms would be very large.

In addition to the above points, I would like to raise concerns about the cyber security aspect of FINRA collecting and maintaining the volumes of information. As financial institutions have been hacked, so to could FINRA systems be hacked. Even with the scaled back proposal to eliminate customer identification data, the security concerns are still present.

While straight clearing firm data might be valuable with the large wirehouse model firms, for the majority of FINRA member firms, the product mix of non-exchange traded products would make it very challenging to apply a uniform analysis standard to the data.

Thank you for the opportunity to comment.

Sincerely,



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