

June 24, 2010

Zelman Partners LLC – CRD #145187
Comments on Regulatory Notice 10-25

To whom it may concern:

I think the spirit of Regulatory Notice 10-25 makes sense, however, I feel this rule will unfairly discriminate against the smaller broker dealers who outsource many of the functions listed as covered functions. For example, I am sure all small broker dealers (less than 20 employees) outsource their IT function. I do not know how feasible it would be to expect IT Service Companies' employees to get their licenses so they can service broker dealer clients. Most IT professionals do not understand the world of finance, the way a trade settles, prime brokerage agreements, new account procedures, accounting related activities, segregation of duties and/or regulatory reporting. I do not think it is fair to ask an IT professional to obtain a license where 95% of the exam content is not even remotely related to their field of practice. It would also be an added expense to the broker dealer as I am sure the IT firm would bill all time spent related to taking the licensing exam and firm/regulatory CE. This is one example of many where I do not think it is fair or reasonable to ask someone to obtain a license that would allow them to conduct one activity out of dozens that they would be required to be tested on.

Thank you for soliciting feedback related to Regulatory Notice 10-25.

Sincerely,

Stephen H. Wank