



April 27, 2018

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

Re: **Regulatory Notice 18-08: Outside Business Activities**

Dear Ms. Mitchell:

M Holdings Securities, Inc. (“M Securities”) is pleased to submit the following comments in support of the proposed amendments to FINRA Rule 3270 (Outside Business Activities of Registered Persons) and FINRA Rule 3280 (Private Securities Transactions of an Associated Person) set forth in Regulatory Notice 18-08.

M Securities is a dually registered, nationally independent broker-dealer and registered investment adviser. M Securities has 762 registered representatives in 219 offices in 50 states. As an independent broker-dealer, M Securities permits its associated persons to affiliate with an unaffiliated third-party registered investment adviser (“Hybrid RIA”).

M Securities supports the limitation of outside business activity reviews to investment-related activity. We believe this limitation will allow compliance personnel more time to dedicate to those activities that cause a greater risk of interference with or otherwise compromise a registered person’s responsibilities to customers.

M Securities believes that the consolidation of current Rule 3270 and 3280 would create an opportunity for firms to streamline internal processes.

M Securities believes that the proposed amendments to Hybrid RIA oversight would provide for appropriate safeguards for investors while still providing meaningful oversight guidelines for the broker-dealer. M Securities believes it is important to perform due diligence on a Hybrid RIA. As Hybrid RIAs are subject to a separate regulatory regime, we believe we can effectively oversee the outside activity through the initial due diligence required by the proposed rule and otherwise as may be determined appropriate by the member firm after a risk-based analysis of the Hybrid RIA is performed.

Thank you for the opportunity to comment on this Regulatory Notice.

Best regards,

Sara Andres  
Vice President, Compliance, Risk, Supervision & Regulatory Affairs