

November 5, 2018

Via ELECTRONIC Mail (pubcom@finra.org)

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

Re: Regulatory Notice 18-26: Continuing Education Program

Dear Ms. Mitchell:

Please accept this submission as MML Investors Services, LLC's ("MMLIS") comments in response to FINRA's Regulatory Notice 18-26: FINRA Requests Comment on Enhancements Under Consideration by the Securities Industry/Regulatory Council on Continuing Education ("RN 18-26" or the "Notice.")

MMLIS is MassMutual's retail broker-dealer and is headquartered in Springfield, Massachusetts. The firm's 8,500 registered representatives offer a variety of investment products and services to retail clients, including mutual funds and variable products.

Comment from the Firm

In RN 18-26 FINRA requests comment on enhancements to the Securities Industry Continuing Education Program ("CE Program") under consideration by the Securities Industry/Regulatory Council on Continuing Education ("CE Council").

MMLIS supports the CE Council in its efforts to enhance the CE Program. MMLIS believes the enhancements under consideration are responsive to the needs of member firms. Please see MMLIS' responses to the twenty (20) specific questions that were included at the end of the Notice.

Regulatory Element

Question 1: In order to increase the timeliness of Regulatory Element content, the CE Council is considering recommending moving to an annual requirement. Although the transition would reduce the amount of content included in a session to approximately one-third of the current program, the increased frequency could result in increased effort required to monitor participation. What are the potential impacts of this transition to firms?

Response to Question 1: MMLIS believes an annual requirement would increase the effectiveness and relevancy of the Regulatory Element. The subject matter of the Regulatory Element could better reflect the current important issues for the industry. However, the increased effort required to monitor participation would place a significant burden on large firms. To simplify the administrative process, FINRA should consider applying a consistent annual deadline rather than a deadline that is based off of the date of an associate's qualifying exam.

Question 2: The CE Council has discussed with FINRA possible enhancements to the CRD system and the Financial Professional Gateway. Would enhanced reporting and automated notification functions help mitigate the additional efforts required to monitor participation of an annual Regulatory Element requirement? What other system enhancements would firms find helpful?

Response to Question 2: Enhanced reporting and automated notification functions would help mitigate the additional efforts required to monitor participation of an annual Regulatory Element. It would be helpful for firms to be able to view the Regulatory Element status of its covered persons on an individual and office level.

Question 3: The CE Council is considering narrowing the focus of the Regulatory Element to rule changes and significant regulatory issues. Does this seem like an appropriate focus? Are there other topics that should be included within the Regulatory Element?

Response to Question 3: MMLIS believes the main focus of the Regulatory Element should be rule changes and significant regulatory issues. However, a portion of the Regulatory Element should address (i) basic core industry knowledge, and (ii) ethics and professional responsibility. Perhaps there could be different modules addressing these topics that are required on a rotating basis.

Question 4: The CE Council is considering adoption of a modular structure in place of the current Regulatory programs. Does this seem like a good way to increase the relevance of the Regulatory Element content? Are there concerns with determining relevance of topics based on registrations held, keeping in mind this will have a de minimis effect on the time required to complete the annual course?

Response to Question 4: MMLIS believes that a modular structure would increase the relevance of the Regulatory Element content. There should be a menu of options for associates to select from, with a description of whom each module might be appropriate for based on experience and job responsibilities. FINRA should consider providing Firms with the opportunity to select which modules are appropriate for its individual associates.

Question 5: The CE Council is exploring the possibility of publishing the Regulatory Element topics for the coming year in advance of introducing such topics. If this information were available, would firms factor it into their Firm Element training plans? How much detail would be necessary for it to be useful? How early would the CE Council need to publish the information to allow for timely alignment with Firm Element planning activities?

Response to Question 5: If the CE Council published the Regulatory Element topics for the coming year in advance of introducing such topics, MMLIS would factor it into its Firm Element Training plans. MMLIS believes this would be a useful enhancement. Having this information earlier would help MMLIS to avoid redundancy in its CE offerings and would assist MMLIS in developing a Firm Element program specific to MMLIS' business model. A high level bulleted outline would provide enough information to be useful. The CE Council would need to publish the information in September/October to allow for timely alignment with MMLIS' Firm Element Planning activities.

Firm Element

Question 6: Is the current Firm Element Advisory (FEA) useful? Do firms reference the FEA when planning their training programs? Which aspects of the FEA are most helpful? Are there other resources the CE Council should provide to help firms meet their Firm Element requirements?

Response to Question 6: MMLIS utilizes the FEA when planning its training program. MMLIS would find the FEA more useful if it included a prioritization of topics.

Question 7: How much Firm Element training does the typical covered person receive? Are electronic and in-person courses the standard format for delivering Firm Element training? Do most courses include an assessment component? What other learning activities do firms commonly use to meet Firm Element requirements?

Response to Question 7: At MMLIS the conventional covered person receives between 3-4 hours of Firm Element training. This typically includes the annual compliance meeting, annual attestation, and an additional 4-6 courses that are between 20-

30 minutes each. At MMLIS, electronic courses are the standard. MMLIS has found that electronic courses are more likely to provide covered persons with a consistent experience and message. They are also easier to track and require fewer administrative resources. Most courses do not include an assessment component.

Question 8: Is Firm Element generally limited to covered persons? Do firms typically offer similar amounts of training to registered persons who are not covered persons? Do firms offer similar training opportunities to unregistered persons? Should the Firm Element requirement apply to all registered persons? What types of training do covered persons undertake that should be included as Firm Element training?

Response to Question 8: At MMLIS, only covered persons are required to complete the Firm Element. The Firm Element is available to other registered persons, but it is not required. There is required training for other registered persons covering topics such as AML and privacy. MMLIS believes that the Firm Element should remain appropriately focused on persons interacting with the public.

Question 9: How could the CE Council communicate reasonable expectations for amounts of Firm Element without introducing an onerous process? Are there other ways to ensure firms provide adequate training to securities professionals?

Response to Question 9: MMLIS believes the current process is working and no change is necessary.

Question 10: Aside from Firm Element, what are the most significant regulatory training courses used by firms? Do firms include these other requirements as part of their Firm Element training programs?

Response to Question 10: Aside from Firm Element, some of the most significant regulatory training courses used by MMLIS are AML, Know Your Customer, DOL, elder abuse and NAIC. All of these training topics, other than NAIC, have been part of the larger Firm Element plan, which includes broader topics such as cybersecurity, suitability, product training, etc.

Question 11: Do most firms maintain training programs to ensure associated persons meet the requirements of non-regulatory credentialing programs? Which credentialing programs have the most significant impact on firm training programs? Do firms include these training requirements within their Firm Element training plans? Are there credentialing programs with which the CE Council should consider establishing formal reciprocity agreements?

Response to Question 11: MMLIS does not maintain training programs to ensure associated persons meet the requirements of non-regulatory credentialing programs and they do not have an impact on MMLIS' firm training program.

Question 12: How often do firms use content from third-party training providers to meet their Firm Element requirements? Would a centralized content catalog with offerings from multiple providers be beneficial for the industry?

Response to Question 12: Periodically, MMLIS has used content from third-party training providers to meet Firm Element requirements. A centralized content catalog with offerings from multiple providers could be beneficial for the industry, depending on the details. Before a centralized catalog is made available, the following questions (among others) would need to be addressed: (i) Would the training be administered by the third-parties? (ii) How would pricing and access work? (iii) Would tracking completion work any differently? (iv) Would the trainings be off-the-shelf or could firms modify them with firm specific content?

Maintaining Qualification Status Post Termination

Question 13: Should the CE Council pursue a recommendation to allow previously registered individuals to maintain their qualification status while away from the industry? Does a CE program seem like an appropriate way to accomplish this?

Response to Question 13: MMLIS strongly supports the CE Council pursuing a recommendation to allow previously registered individuals to maintain their qualification status while away from the industry, and to accomplish this through a CE program.

Question 14: If the CE Council recommended introducing a CE program that allowed individuals to maintain their qualification status while outside the industry, how much CE would be sufficient?

Response to Question 14: If the CE Council recommended introducing a CE program that allowed individuals to maintain their qualification status while outside the industry, MMLIS believes that the same CE requirement that applies to an active registered person would be sufficient.

Question 15: If the CE Council recommended introducing such a program, should it impose an experience requirement for individuals to be eligible? If the CE Council recommended establishing a minimum duration of prior registration, what would be a reasonable requirement?

Response to Question 15: If the CE Council recommended introducing a CE program that allowed individuals to maintain their qualification status while outside the industry, MMLIS does not believe it should impose an experience requirement for individuals to be eligible. If the CE Council decides to impose an experience requirement, MMLIS would appreciate the opportunity to provide input on what a reasonable requirement would be.

Question 16: Should there be a limit to how long a previously registered individual could maintain their qualification status via the CE program under consideration? If so, what duration is appropriate?

Response to Question 16: MMLIS does not believe there should be a limit to how long a previously registered individual could maintain their qualification status via the CE program under consideration. If the CE Council decides to impose a limit, MMLIS would appreciate the opportunity to provide input on what duration would be appropriate.

Question 17: Should the program allow previously registered individuals to maintain their qualification status while associated with a firm but working in a capacity that does not require registration? How would this interact with the expanded opportunity for an associated person to hold a permissive registration?

Response to Question 17: MMLIS believes that the program should allow previously registered individuals to maintain their qualification status while associated with a firm but working in a capacity that does not require registration. This should replace permissive registration.

Question 18: How important is maintaining the two-year termination rule if individuals are able to maintain qualification status while away from the industry? Is the opportunity for individuals to complete lapsed CE when re-registering within two years of termination a sufficient replacement for the two-year termination rule?

Response to Question 18: If individuals are able to maintain qualification status while away from the industry, MMLIS does not believe it is important to maintain the two-year termination rule. However, individuals should be required to remain current with CE, but be permitted to miss one CE cycle which must be satisfied upon reinstatement. FINRA should also consider requiring such individuals to keep their Form U4s up to date and accurate.

Question 19: In developing a specific recommendation to change the industry CE requirements, what are the most important issues for the CE Council to consider?

Response to Question 19: MMLIS believes the following are the most important issues for the CE Council to consider in developing a specific recommendation to change the industry CE requirements:

1. FINRA should consider applying a consistent annual deadline for CE requirements rather than a deadline that is based off of the date of an associate's qualifying exam.
2. CE should be relevant for a person's job responsibilities.
3. CE should address the current issues facing the industry.
4. Any proposal should allow for easy streamlined administration by Firms.

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5. As decisions are made about the implementation of any enhancements, the CE Council should be mindful that firms should be provided with as much lead time as possible regarding any changes.
6. Careful thought should be given to the ongoing communication plan, including how to reach individuals who are not associated with a firm.

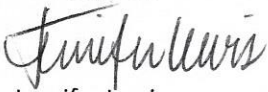
Question 20: Are there alternative approaches, other than the ideas discussed here, that the CE Council should consider? What are the relative benefits and costs of any alternative approach?

Response to Question 20: MMLIS does not have feedback on alternative approaches at this time.

Conclusion

MMLIS appreciates the opportunity to comment on the enhancements under consideration. As discussed above, MMLIS is supportive of many of the enhancements under consideration. If you should have any questions regarding these comments, please do not hesitate to contact me.

Best regards,



Jennifer Lewis

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