



Madison Avenue Securities, Inc.

July 18, 2012

*** Via Email ***

Elizabeth M. Murphy, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

RE: FINRA Proposed Fee Increases - File Numbers SR-FINRA-2012-028, SR-FINRA-2012-029, SR-FINRA-2012-030 and SR-FINRA-2012-031

Dear Ms. Murphy:

On June 28 and 29, 2012, the SEC published in the Federal Register requests for comment on a series of proposed FINRA fee increases pursuant to FINRA's Regulatory Notice 12-32. The proposals would dramatically increase the fees FINRA charges for branch office registrations, new member applications, continuing membership applications, Central Registration Depository filings and the review of advertising and sales literature. As a FINRA member firm, we welcome the opportunity to comment on these proposed fee increases.

In the plainest and strongest terms possible, we object to the proposed fee increases and ask you to abrogate them pursuant to Section 19(b)(3)(C) of the Securities Exchange Act of 1934. We can appreciate FINRA's need for adequate resources generally. However, we believe that such increases have not and cannot be justified in this instance.

As outlined in the Notice, FINRA has proposed enormous fee increases while offering only the most cursory of justifications for them. Obviously, the proposed fee increases will substantially increase the costs associated with our basic operations. They will also fall disproportionately on us as a small broker-dealer firm. Since small B-D profit margins are already vanishingly small (averaging 1.7 percent according to a prominent industry study), since many small B-Ds are already failing, and since many financial advisors are already leaving the business in these difficult economic times, the proposed increases – which will of course have to be passed along to financial advisors and their clients – will have the unintended impact of restricting the availability of financial advice, products and services to investors by increasing the cost of services, by pushing more B-Ds and advisors out of the business, and by raising the industry's economic barriers to entry.

As a consequence, the proposed increases – particularly since they are so high – should only be granted based upon clearly demonstrated need. No such demonstration has been made. We believe that no such demonstration can be made. Accordingly, they should not be sustained. As a FINRA-member firm, we want FINRA to succeed. We also welcome appropriate regulation so as to protect the public. But the proposed fee increases are unsupported and are simply too high to be either fair or reasonable. We ask that you abrogate them.



Madison Avenue Securities, Inc.

Respectfully submitted,
Madison Avenue Securities, Inc.

By: Wayne Talleur
Wayne Talleur, President