



December 31, 2021

Vanessa A. Countryman
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Proposed Amendments to the Electronic Recordkeeping Requirements for Broker-Dealers, Security-Based Swap Dealers, and Major Security-Based Swap Participants, File No. S7-19-21

Dear Ms. Countryman:

Since 2001, 17a-4, llc has provided Designated 3rd Party (“D3P”) services (Rule 17a-4(f)(3)(vii)) to over 800 Broker/dealers. We have also provided expert witness testimony and guidance on numerous occasions to the Securities & Exchange Commission on matters involving archiving and electronic records compliance.

Though clients are required to obtain a Letter of Undertaking to file with their Designated Examining Authority (“DEA”), we have found the real value for clients is in our regular meetings in which the client’s compliance and IT teams are brought together to discuss and ensure that:

- Both teams understand how electronic compliance records are retained internally including access, Rule 17a-4(f) requirements, disposition, and a review of legal holds;
- The client follow industry ‘best practices’ as to collection and capture of metadata;
- The client monitors for unauthorized use of messaging platforms and other rogue IT applications;
- Settings for either on-premises storage or cloud platforms conform with requirements of Rule 17a-4.
- The client signs-off on a document summarizing the platforms used to conduct business. This report is often then used by the compliance team in their FINRA 3130 annual meeting.

We have long understood how the concepts of ‘independent access’ and security concerns of financial institutions are in conflict. However, many of our clients are migrating their archive to the cloud (Microsoft’s 365 (“M365”) and Google’s Cloud Storage (“GCS”)) which now offers a viable option to reconcile these requirements.

For instance, we ask our M365 clients to provide us a cloud account with access to compliance records allowing for:

- All D3P searches will be captured on Audit logs for review by the firm's CISO;
- The updating of documentation describing how to search for difficult record types including issues such as capturing White Boards and other content in Microsoft Teams, Zoom break-out rooms, Webex Meeting Chats, etc.;
- Legal assistance for productions in accordance with the SEC Enforcement Manual Section 3.2.7.3 Format for Electronic Production of Documents;
- Transitioning the responsibility for the retention of compliance records in the case that a client discontinues operations.

As with financial records, we have long believed that an independent 3rd party working together with both IT and compliance teams provides a valuable service to financial institutions and their respective DEAs. Many times in the course of our D3P reviews, we have found that compliance officers are not aware that certain types of content are not being captured or that Bloomberg records are archived by a user's @**bloomberg.net** account rather than his or her corporate account.

The complexity of on-line meeting, messaging, collaboration platforms such as Microsoft Teams, Zoom and Slack and the tools to capture all user content from these platforms is extremely confusing and ever changing. It is challenging for compliance teams to stay on top of technology changes and need IT and consulting resources to ensure that records are maintained in accordance with industry regulations and 'best practices.' Compliance records are the lifeblood of compliance, supervision and the ability for a DEA to monitor and regulate a financial institution.

Respectfully,



C. Douglas Weeden
General Counsel