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April 25, 2023

Via ELECTRONIC Mail (rule-comments@sec.gov)

Secretary  
U.S. Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

**Re: Proposed Rule Change to Adopt Supplementary Material.19 (Residential Supervisory Location) Under FINRA Rule 3110 (Supervision); File No. SR-FINRA-2023-006, Release No. 34-97237**

Dear Secretary,

MML Investors Services, LLC (“MMLIS”) appreciates this opportunity to provide the Securities and Exchange Commission (the “Commission” or “SEC”) with comments in response to the Financial Industry Regulatory Authority Inc.’s (“FINRA”) File No. SR-FINRA-2023-006: Proposed Rule Change to Adopt Supplementary Material .19 (Residential Supervisory Location) under FINRA Rule 3110 (Supervision) (the “Proposal”).<sup>1</sup>

On August 23, 2022, MMLIS provided comments and expressed its general support with respect to FINRA’s prior proposal (File No. SR-FINRA-2022-019). Once again, MMLIS would like to take this opportunity to thank the SEC, FINRA, NASAA, and their respective staffs for their efforts and responses during times of uncertainty due the COVID-19 pandemic. MMLIS applauds the significant effort that FINRA and its staff have invested in the re-drafting of the Proposal and thanks FINRA for working with its fellow regulators and the industry to craft the Proposal.

MMLIS is a subsidiary of Massachusetts Mutual Life Insurance Company (“MassMutual”). MMLIS is MassMutual’s retail broker-dealer and is headquartered in Springfield, Massachusetts. The firm offers

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<sup>1</sup> FINRA, *Proposed Rule Change to Adopt Supplementary Material. 19 (Residential Supervisory Location) under FINRA Rule 3110 (Supervision)*, File No. SR-FINRA-2023-006, Release 34-97237(March. 31, 2023), [SR-FINRA-2023-006-federal-register-notice.pdf](#).

a variety of investment products and services to retail clients, including mutual funds and variable products.

**Comments from MMLIS:**

MMLIS would like to express its support of FINRA's Proposal to adopt Supplementary Material .19 under FINRA Rule 3110. Since the height of the pandemic, most companies have adopted a hybrid work environment, with most employees splitting their working hours between their firm's office and a remote location or working entirely remotely. These remote locations are generally located in a personal residence. As FINRA noted in its Proposal, the proposed changes provide the opportunity to create a regulatory framework in which member firms can capably continue to carry out their obligation to effectively inspect the supervisory activities taking place at an office or residential location, subject to the proposed controls, on a regular periodic schedule without diminishing investor protection.

In addition, in MMLIS' experience, this flexibility in alternative work arrangements has been crucial to the recruitment and retention of qualified individuals within our industry. MMLIS believes the Proposal will enable firms to recruit underrepresented talent more effectively, particularly where firms may be in locations that do not have a local source of diversity.

*FINRA's Remote Inspections Pilot Program*

MMLIS encourages the SEC to consider the Proposal in conjunction with FINRA's related proposal concerning the Remote Inspections Pilot Program<sup>2</sup> given that the shift towards remote work is only growing and member firms are adopting permanent remote work arrangements, even after COVID-19. The proposed Pilot Program would mitigate potential disruptions to the current hybrid work arrangements that have developed since the pandemic. Further, MMLIS believes that the Proposal, as drafted, preserves investor protection through the proposed safeguards while also providing FINRA the opportunity to gauge the effectiveness of remote inspections as part of a modernized, reasonably designed supervisory system that reflects the current work environment and availability of technologies that did not exist when the on-site inspection requirements were originally conceived.

**Conclusion**

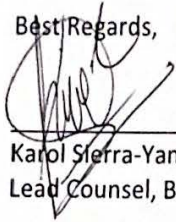
MMLIS appreciates the opportunity to provide comments on the Proposal and urges the SEC, FINRA, and NASAA to continue the path towards formalizing it. MMLIS thanks FINRA and its staff for their efforts on the Proposal, its changes represent a solid step forward in modernizing FINRA's rules and recognizing the continued importance to hybrid work.

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<sup>2</sup> FINRA, *Proposed Rule Change to Adopt Supplementary Material .18 (Remote Inspections Pilot Program) under FINRA Rule 3110 (Supervision)*, File No. SR-FINRA-2023-007 (Text of the proposed Rule Change [SR-FINRA-2023-007\\_0.pdf](#)).

If you should have any further questions, please do not hesitate to contact me.

Best Regards,

A handwritten signature in black ink, appearing to read 'Karol Sierra-Yanez', is written over a horizontal line. The signature is stylized and somewhat cursive.

Karol Sierra-Yanez

Lead Counsel, Broker-Dealer and Investment Advisor Practice Group