

12555 Manchester Road
St. Louis, MO 63131-3710
314-515-2000
www.edwardjones.com

Edward Jones

July 24, 2015



FINRA
Attn: Marcia E. Asquith, Office of the Corporate Secretary
1735 K Street, NW
Washington, DC 20006-1506

Re: FINRA Regulatory Notice 15-20 – Qualification Examination Restructuring

Dear Ms. Asquith:

Edward Jones appreciates the opportunity to submit comments on FINRA's concept proposal to restructure the current representative-level qualification examination program into a format whereby all potential representative-level registrants would take a general knowledge examination (Securities Industry Essentials Examination – "SIE") and an appropriate specialized knowledge examination to reflect their particular registered role.

Edward Jones is one of the largest financial services firms in the United States, serving the needs of over seven million investors through personalized service provided by over 13,500 financial advisors. We focus on serving the needs of the long-term individual investor by promoting an investment philosophy that emphasizes quality and diversification.

We provide the following comments for your consideration.

Edward Jones Supports FINRA's Concept Proposal

Edward Jones supports FINRA's proposal to restructure the current representative-level qualification examination program and appreciates FINRA's recommendations to streamline the format by minimizing duplicative testing of general securities knowledge on examinations. We believe the proposed format will facilitate the ability of individuals to move around financial services firms and ensure that the content for the specialized examinations will be more tailored to the registrant's particular role. We also believe that permitting individuals to take the general knowledge examination without taking the specialized examination will encourage broader and deeper knowledge of the securities industry across all employee levels of the firm.

Edward Jones supports FINRA's proposal to permit individuals not associated with a member firm to take the general knowledge examination (SIE)

Edward Jones commends FINRA's forward-thinking approach in proposing to permit individuals not associated with a member firm to take the general knowledge exam. The securities industry must find ways to recruit more financial advisors, particularly given the investment needs of baby boomers approaching or in retirement, and this proposal should help facilitate that growth.

It is well-documented that financial advisors across the industry are aging. A 2014 Cerulli Associates Report found that the average age of financial advisors is 51 and nearly one-third plan to retire or leave the industry during the next decade. Equally concerning, a report from Accenture found that only five percent of advisors are less than 30.

We believe the ability of individuals to sit for the general knowledge examination prior to association with a member firm will provide a pathway for individuals considering career opportunities in the securities industry, whether they are recent college graduates or midlife career-changers. In 2014, approximately 75% of Edward Jones financial advisor recruits were career changers.

Should FINRA move forward with this proposal, we would encourage FINRA to look for opportunities to build awareness of the ability of non-associated individuals to take the general knowledge examination. We would particularly encourage FINRA to reach out to colleges and universities and organizations such as the U.S. military to promote this real world training and opportunities in the securities industry.

Edward Jones supports FINRA's proposal permitting the Series 6 examination to meet the requirements of the general knowledge examination and encourages FINRA to engage with NASAA to consider similar treatment of the Series 65 examination

Edward Jones supports FINRA's proposal to permit individuals who are registered as Investment Company and Variable Contracts Products Representatives (Series 6) to become General Securities Representatives by completing the Specialized Series 7 examination. We believe it is much more likely that insurance and annuity professionals would consider opportunities in the securities industry if they only need to complete the specialized knowledge examination.

Similarly, we would encourage FINRA to engage in a dialogue with NASAA regarding the content of the Series 65 examination. The securities industry has witnessed in recent years a migration of financial professionals to registered investment advisers. Our experience indicates that some of these individuals would like to return to the securities industry, but we believe such a move is unlikely if they need to complete both the general and specialized knowledge examinations contemplated by this proposal.

As FINRA continues to review fundamental changes to the examination qualification requirements, we encourage FINRA to consider whether the Series 65 examination

could be updated in conjunction with the development of the Specialized Series 7 examination so that individuals working for registered investment advisers could demonstrate the aptitude and knowledge necessary to work as registered representatives in the securities industry.

Edward Jones supports FINRA's proposed phased implementation approach

Edward Jones supports FINRA's phased implementation approach of changes to the representative-level qualification examination program and commitment to evaluating the structure of the principal-level examinations in the future. We are cognizant this is a concept proposal, however, we will need significantly more information from FINRA regarding this restructuring prior to implementation to fully assess the impact of these proposed changes on our recruiting, onboarding and new financial advisor training programs. We believe changes to the principal-level examination program are also warranted, but recommend FINRA focus on the proposed changes to the representative-level qualification examination program prior to undertaking this additional review.

FINRA should continue to maintain an examination waiver review process

Edward Jones commends FINRA's continued support for a robust qualification examination waiver review process. Irrespective of the proposed changes, we believe individuals who have extensive experience in the securities industry, commendable compliance records and documented efforts to stay current on industry rules and regulations should, under appropriate circumstances, continue to be considered for reinstatement without requiring completion of representative-level examinations.

Conclusion

Edward Jones strongly supports FINRA's proposed changes to the representative-level qualification examination program. We appreciate the opportunity to provide comments on this concept proposal and look forward to working with FINRA on the program's design and implementation. If you have any questions regarding the comments contained in this letter please contact me at 314-515-9711.

Sincerely,



Jesse Hill
Principal
Legal – Government and Regulatory Relations