

Comment for file

NOV - 4 2010

FINRA
Notice to Members

Regulatory Notice

10-54

Disclosure of Services, Conflicts and Duties

October 2010

FINRA Requests Comment on Concept Proposal to Require a Disclosure Statement for Retail Investors at or Before Commencing a Business Relationship

Notice Type

- > Request for Comment

Comment Period Expires: December 27, 2010

Suggested Routing

- > Compliance
- > Legal
- > Operations
- > Registered Representatives
- > Senior Management

Executive Summary

FINRA requests comment on a concept proposal to require member firms, at or prior to commencing a business relationship with a retail customer, to provide a written statement to the customer describing the types of accounts and services it provides, as well as conflicts associated with such services and any limitations on the duties the firm otherwise owes to retail customers.

Key Topics

- > Conflicts of Interest

Questions concerning this Notice should be directed to:

Referenced Rules & Notices

- > NASD Rule 3110
- > Regulatory Notice 09-34

- > Philip Shaikun, Associate Vice President, Office of General Counsel, at (202) 728-8451.

Action Requested

FINRA encourages all interested parties to comment on the proposal. Comments must be received by December 27, 2010.

Member firms and other interested parties can submit their comments using the following methods:

- > Emailing comments to pubcom@finra.org; or
- > Mailing comments in hard copy to:
 Marcia E. Asquith
 Office of the Corporate Secretary
 FINRA
 1735 K Street, NW
 Washington, DC 20006-1506

YES, THE MEMBER FIRMS SHOULD DISCLOSE CONFLICTS OF INTEREST IN SUCH THINGS AS "PAY TO PLAY" WHEN MANY LARGE FIRMS ONLY USE CERTAIN MUTUAL FUNDS OR VARIABLE ANNUITY CONTRACTS THAT REWARD THEM AND THEIR REPRESENTATIVES FOR RECOMMENDING SAID MUTUAL FUND OR VARIABLE ANNUITY.

MY COMMENTS

*William C Burnside
 PRESIDENT + OWNER*



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