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December 14, 2010

Marcia E. Asquith
Office of the Corporate Secretary
FINRA
1735 K Street, NW
Washington, DC 20006-1506
pubcom@finra.org

Re: Notice 10-54 Disclosure of Services, Conflicts and Duties

Dear Ms. Asquith:

I am submitting this comment regarding Notice 10-54 Disclosure of Services, Conflicts and Duties. I respectfully request that FINRA reconsider the broad scope of the proposal both in the information that must be provided to the clients as well as the business models this would encompass. While I agree that disclosure is an integral part of our business, I think that this proposal, in its current form, would be too burdensome for the client and too time consuming for small firms to properly execute.

Since our industry provides for a broad range of business models and sizes, a one-size-fits-all approach would not be beneficial. For small introducing firms, the amount of resources required to provide the client with an acceptable, plain English disclosure would have a massive impact. The amount of detail that must be included in the form will be onerous for the client to review as well as for the firm to produce. Since a client is both a client of the Introducing Broker Dealer as well as the Clearing Firm, then the client would receive two disclosure documents that could be vastly different in their approaches as well as the information provided. We currently provide through our firm and our Clearing Firm a minimum of 25 pages of reading material, forms and disclosures for new clients. Increasing the number of items an already overwhelmed client receives will not assist them in fully understanding our business.

The information that FINRA has indicated would need to be included in the document is vast: all the products, services, fees and any limitations that the firm may have in providing said products and services. Due to the nature of the Financial Services industry, the number and types of products offered are constantly changing. Even as a small firm, if we limit the number and scope of our products, I don't think that a

straightforward description of stocks and options will cover what FINRA is indicating in the Notice.

With regard to fees, would we need to disclose fees charged by other entities? For example, the fees that FINRA, SEC and exchanges charge on transactions. Would we disclose this to the client along with a description of the service provided for the fee? Who would be responsible for this disclosure if we do not markup, control, apply or institute the fees? Again, the range of the proposal could result in an unwieldy, taxing document for the client.

The definitions of conflicts need to be clearer. FINRA states that the firm would need to disclose conflicts that may arise in meeting the competing needs of multiple customers and how the firm manages such conflicts. In my mind, this statement is extremely vague. What competing needs are being referred to in this statement, the differing objectives of clients, the amount of time required to service clients? How would we even address this in a disclosure document?

Under the heading "Limitations on the duties a firm owes to its customer," the door is open for a firm to restrict what they owe a customer. Again, this presents a broad range of duties that could be included in this statement. The perception by the client may not be a positive one. As our industry is currently suffering from an overall negative perception, I do not think that furthering that image would be beneficial to anyone.

In conclusion, I think that the scope of the document, the details that would need to be included, and the reluctance of clients to read additional documents does not benefit either the client or the firm. We do need to disclose information to our clients in a manner that is productive and valuable. Another lengthy form covering a myriad of disclosures is not the answer. A solid relationship with the client from the inception to termination is what is needed for the entire industry.

Respectfully,

A handwritten signature in cursive script that reads "Alesia A. Mullis".

Alesia A. Mullis
Chief Compliance Officer