

This comment is submitted by Wachtel & Co., Inc, a small firm serving primarily sophisticated investors.

My family has managed our firm since 1961. Over that period--50 years--I know of no instance in which a statement of the type you propose would have been helpful to the firm or its clients. In my personal experience of 25 years, I have never heard a client request a written statement of this type. Accordingly, I believe the use of such written disclosure should be voluntary by firm. Those firms that serve the general public or that may have communication problems with their clients will undoubtedly want such statements, and may well already have them in place. That would not apply to this firm, where communication is tightly controlled by the principals.

As an industry matter, if FINRA would like investors to be able to compare one firm with another, this would best be accomplished with a uniform "check the box" format in which the alternative disclosures were written by FINRA and the firms could check off those that applied (individualizing where appropriate). This would also be the easiest format for firms to implement.

Our primary concern is that any requirement be as easy as possible to understand and put in place. Any new burden on small firms should be viewed in light of the staggering load of new rules already in the pipeline (cost basis reporting is our greatest current challenge). We do not believe a written disclosure statement would be beneficial to our clients. However, if such a requirement is in the offing, we request in the strongest possible terms that FINRA focus on a process that will minimize the cost, burden and complexity of such an effort.

We appreciate the opportunity to submit these comments.

Sincerely,

Bonnie K Wachtel