



FARMERS
FINANCIAL SOLUTIONS

April 3, 2012

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

RE: Regulatory Notice 12-10 FINRA - Request for Comments

Dear Ms Asquith:

Pursuant to FINRA's request for comments on ways to facilitate and increase investor use of BrokerCheck information, potential changes to the information disclosed, the format in which the information is presented and strategies to increase investor awareness of BrokerCheck, Farmers Financial Solutions, LLC offers the following comments:

Information displayed

The information currently provided allows investors to make informed decisions regarding any individual Registered Representative's background and does not require amendment. In our opinion, simply adding more information is not likely to increase usage.

It has been suggested that Brokercheck be linked to other web sites. Such disclosure should be limited to a general statement that Representatives may also be licensed or registered with other regulators depending on the products and/or services offered, either through their member firm or as an outside business activity. Such web site links should be limited to "investment related" regulators' general web sites, consistent with the definition included in the U-4 instructions (insurance, commodities, banking, real estate, investment advice or securities regulators).

With regard to the posting of professional designations and education, professional designations should not be provided, as inclusion is likely to be considered by the public as an implied or expressed endorsement of a particular designation. In addition, verification of current standing would be impractical and likely to be inaccurate. Since there are no requirements for a particular educational background to be registered,

such disclosures would not be appropriate nor necessarily provide investors useful information with respect to an individual's ethical behavior or professional experience.

As for publishing test scores, there is no study that we are aware of that indicates any correlation between tests scores and ethical or professional behavior of a Registered Representative. In addition, many long term industry veterans have taken their examinations so long ago that any test results are simply irrelevant. The fact is that these examinations like other professional examinations set a minimum standard for entrance into the profession but are not reflective of experience or ethical behavior.

FINRA should also consider that a number of Registered Representatives may not speak or read English as a first language. These individuals may have had challenges in passing such examinations but may serve their clients with the highest ethics and professionalism, regardless of their test scores.

Lastly, while the securities industry continues to set the standard for self-regulation and public disclosure, no other profession (i.e. attorneys, medical providers, CPAs, insurance producers, general contractors, etc.) have their professional licensing test scores posted in a public forum. The test status should remain at the current disclosure level, indicating only the examinations passed and not the individual scores.

Report Design, Format and Content

The current report format is satisfactory; however, should contain a link to a glossary of industry terms. The glossary should have an option to print with the report but not otherwise automatically print.

The current system using a secure "FINRA BrokerCheck Authentication" can be difficult for some users, especially seniors or those with impaired vision, and appears from the consumers' perspective as unnecessary since the information is already public.

Customer complaints listed should also show the comments posted by Registered Representatives as indicated on the Form U-4 DRP. In the interest of providing timely information, complaints not involving forgery, theft, conversion or misappropriation of funds or securities should be removed after ten years.

Employment or registration histories should not indicate whether terminations were for cause or voluntary as this may prejudice customer complaint resolutions and will likely increase litigation exposure for member firms. Comments made by certain member firms on a Registered Representative's Form U-5 and posted on BrokerCheck may be inaccurate, misleading or have been misused in disputes between certain member firms and Registered Representatives. Terminated individuals may have very little opportunity to have such firm's comments changed or post a rebuttal, thereby causing

permanent damage to the Registered Representative's professional and personal reputation.

With respect to a member firm's disclosure events, a matrix setting forth the number and types of disclosure events would in fact be more confusing to consumers. Often times the public may not be familiar with the industry terms and the technical requirements broker-dealers are subject to. Member firms may have alleged violations that have been settled with various regulators that did not directly involve customers. Violations should be categorized simply as having direct customer impact or not. Violations that did not directly impact customers should be removed after 5 years. Those disclosure events that did have a direct impact to customers may be shown for a longer period of time. In addition the description of any such disclosure events posted should be subject to a "plain English" standard.

Investor Awareness of Broker-Check

Use of print and broadcast media has not proven to increase awareness or usage. In addition, past attempts at broadcast or print media left some member firms and Registered Representatives displeased with the impression communicated by such ads. Requiring disclosure of Brokercheck at the time of opening of an account is in most cases "after the fact". While consumers may request mailed copies of such reports, most consumers access the information on-line. We believe that a typical consumer, when looking for a Registered Representative or firm is most likely to use a search engine such as Google, Bing, Yahoo, etc. When the word "background check" is included, the FINRA BrokerCheck usually comes up first or at least on the first page. However, the public may not typically use "background check" in their searches but simply search on "financial advisors" or "stockbrokers" or other similar generic terms. Such searches do not usually list BrokerCheck on the initial results page, if at all, in the listed results.

FINRA should work directly with the most widely utilized search engines to ensure that the FINRA BrokerCheck shows up early in a consumers' typical online search whenever "financial advisor", "stockbroker" or other commonly used search words are used.

Commercial Use

Currently a number of web based companies have established online services and have published various lists of registered representatives and member firms without the knowledge and consent of the Registered Representatives or member firms. For the most part, these companies are simply in the business of soliciting Registered Representatives to pay for an enhanced listing in their respective referral programs. No background checks are usually done and the referral is strictly by zip code or other territory. Registered Representatives are agreeing to internet advertisement without

recognizing what they have contracted for, many times without their firm's knowledge, approval or ability of the member firm to retain such electronic records.

These private vendors are solely looking to generate fee income from Registered Representatives while consumers have no knowledge of the relationship or motivation of such companies. FINRA should not provide BrokerCheck information to for-profit companies for such commercial use.

As always, we appreciate the opportunity to comment.

Sincerely,



Steve Klein
Chief Compliance Officer
Farmers Financial Solutions, LLC