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March 27, 2009

Elizabeth H. Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549-1090

RE: FINRA's Proposed Investment Banking Classification
File No. SR-FINRA-2009-006
SEC Release 34-59484

Dear Ms. Murphy:

Midwest Business Brokers and Intermediaries Association ("MBBI"), an Illinois not-for-profit corporation, submits these comments concerning FINRA's proposal to establish a new registration category of "Limited Representative-Investment Banking." We have reviewed FINRA's proposal and are pleased to give our Association's support to adoption of the category.

MBBI is a professional association of approximately 400 business brokers, intermediaries, attorneys, accountants, commercial lenders, appraisers, and other professionals in the Midwest who have an interest in the sale and purchase of middle and lower middle market businesses. MBBI's mission is to promote professional and ethical excellence in the business broker and intermediary profession and its related advisory community in order to enable our members to serve clients more effectively. MBBI focuses on enhancing the professional and ethical image of business brokers and intermediaries, educating our members in maintaining high standards of professional service and performance, being the voice of the business broker and intermediary community in dealings with regulatory authorities, and communicating both within our professional community and outside it to promote better working relationships with our members and the business community in general.

As we understand the FINRA proposal, it is directed toward registration and regulation of investment bankers who advise on or facilitate debt or equity securities offerings through private placement or public offerings, or who advise on or facilitate mergers and acquisitions, including rendering of fairness, solvency, or similar opinions.

Section 1032(i)(2)(B) of the proposed rule change states, however, that a person is *not* required to register as a Limited Representative-Investment Banking if such person's activities are limited to effecting private securities offerings. Thus, only investment bankers who are involved in both public offerings and private placements will be required to register under the rule. We acknowledge that public offerings involve high dollar values, and large and multi-national mergers, acquisitions, and syndications, all of which pose substantially greater risks to public investors than private offerings. In addition, those types of transactions can bear the costs associated with registration under the FINRA proposal. We support regulation in this context.

The business of our members, however, is not in the public markets. Rather, MBBI members assist the tens of thousands of middle and lower middle market businesses which are not and cannot be traded on the public markets. These businesses sell at modest transaction values. They provide the greatest number of jobs for our citizens, and also the greatest growth in jobs.

To maintain the economic viability of these businesses, their owners need to have a means to achieve liquidity – that is, to convert their equity interest to cash, just as investors in the public markets can convert their stock to cash by selling it on the exchanges. Our clients deserve the same opportunity. The function of MBBI's members is to provide a method for achieving that liquidity, and at the same time, also to help those interested in buying a business to be able to buy it.

Adoption of the FINRA Limited Representative-Investment Banking registration category is good for the public markets, but it does nothing to legitimize the role of the merger and acquisition broker in the middle and lower middle market. Therefore, we strongly encourage the SEC Commissioners to advance the proposed rule making that has been presented to the SEC Division of Trading and Market Staff by the Alliance of Merger and Acquisition Advisors, with the support of MBBI, the International Business Brokers Association, and other leading merger and acquisition associations. This rule making would create a federal registration exemption and simplified system of state regulation for mergers and acquisitions intermediaries and business brokers for small to medium size businesses. FINRA membership would not be required under these proposals. The proposals would also codify into an SEC rule the staff's position in the *Country Business, Inc.* no action letter issued in November 2006.

We ask you to heed the urgent needs of small and medium size businesses discussed in the rule making proposals presently under consideration by the staff of the Division of Trading and Markets. Facilitating the liquidity of capital among small and medium business sellers and buyers is absolutely critical to the recovery of our nation's economy and a reemployment of thousands of workers.

Sincerely,

Midwest Business Brokers and Intermediaries Association

By

A handwritten signature in black ink that reads "Michael B Ribet". The signature is written in a cursive style with a large, stylized "B" and a long horizontal line extending from the end of the name.

Michael Ribet, Past President, Member of the Board
of Directors and Member of Legislative Committee

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