



WOODFOREST

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September 4, 2009

Florence E. Harmon
Deputy Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

RE: File Number SR-FINRA-2009-047

Dear Ms. Harmon,

Thank you for this opportunity to comment on the proposed changes to NASD Rule 2350 and its conversion to FINRA Rule 3160; Networking Arrangements Between Member Firms and Financial Institutions.

As background on myself, I am a registered representative with a member firm that has an arrangement with the financial institution that employs me to provide investment services to customers, stockholders and directors of the financial institution. I have been in this position since 2003. I also serve on FINRA's District 6 Business Committee and am in the second year of my three year term. I have been a registered representative since 1983, served as a branch office manager from 1987 – 1998 and worked on several compliance related committees with the member firms with which I have been associated.

That being said, I have three suggestions/comments about the proposal the SEC has put out for comments.

The first suggestion/comment centers around item (1) Setting. While I totally agree with the intent, it is the potential implementation of that intent I find troublesome. Within today's physical facilities, many financial institutions are utilizing joint space for all aspects of their services provided to their customers. While these institutions have kept separate their financial services units and have provided extensive signage as required under 2350, they are utilizing common space for daily customer service functions.

For instance, a registered representative's office is always separated from routine deposit taking activities of a bank branch. However, the representative normally has the use of conference rooms, both large and small for use with customers. In today's



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financial environment, many representatives "offices" are small cubicles contained within the operations area of a bank branch physically separate from the routine retail deposit taking activities of the branch. Banking regulations often do not allow customers to enter into these spaces and therefore preclude the representatives from meeting clients and potential clients in their "offices".

This is where the common area conference rooms come into play. Item (B) seems to cause conflicts for financial institutions utilizing shared facilities. In my opinion, items (A) and (C) seem to adequately achieve your goals without requiring additional potential signage requirements within the shared use facilities.

I recommend you delete item (B).

The second suggestion concerns (3) Customer Disclosure. 3160 appears to eliminate the requirement to obtain customer signatures acknowledging receipt of the disclosures concerning the sale of products and services.

I feel this is a terrible mistake and would recommend you maintain this requirement as currently worded in Rule 2350.

The final suggestion concerns section 4, Communications with the Public. I applaud your moves to exclude in specific instances the disclosure requirements as shown in item C subsections (i), (ii) and (iii). However I would like you to consider adding another exclusion to your list as item (iv).

Item (iv) would become an exclusion for Registered Representative business cards printed on 2"x3" standard size. The issue has become the font size required to actually fit all the information and disclaimers on a single card. In the past, the smallest size font acceptable for disclaimers was eight. At some point, the size of the font becomes unreadable. This is typed in twelve font.

Therefore I recommend you add an exclusion for business cards.

Thank you again for the opportunity to comment.


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