



Regulatory Policy
1 North Jefferson Ave
St. Louis, MO 63103
HO004-095
314-955-2156 (t)
314-955-2928 (f)

DATE: February 15, 2013

By Email (rule-comments@sec.gov)

Elizabeth M. Murphy, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-0609

Re: Notice of Filing of Proposed Rule Change to Amend FINRA Rule 2267 (Investor Education and Protection)
SR-FINRA-2013-002

Dear Ms. Murphy:

Wells Fargo Advisors, LLC (“WFA”) appreciates the opportunity to briefly comment on a proposal by the Financial Industry Regulatory Authority (“FINRA”) to amend FINRA Rule 2267. The proposed rule change would require FINRA member firms to “include a prominent description of and link to FINRA BrokerCheck, as prescribed by FINRA,” on firm “websites, social media pages and any comparable Internet presence[.]” WFA files this comment letter to outline its views on FINRA’s proposal.

WFA consists of brokerage operations that administer almost \$1.2 trillion in client assets. It employs approximately 15,170 full-service financial advisors located in 1,100 branch offices across all 50 states and 3,216 licensed financial specialists in 6,610 retail bank branches in 39 states.¹

¹ WFA is a non-bank affiliate of Wells Fargo & Company (“Wells Fargo”), a diversified financial services company providing banking, insurance, investments, mortgage, and consumer and commercial finance across the United States of America and internationally. Wells Fargo has \$1.4 trillion in assets and 273,000 team members across more than 80 businesses. Wells Fargo’s brokerage affiliates also include Wells Fargo Advisors Financial

WFA commends FINRA for seeking comment on the proposed amendments to Rule 2267, but notes that in view of the potential scope of the amendments, the period of time to provide a considered response is relatively brief. WFA continues to support FINRA's efforts to facilitate greater access to the BrokerCheck public disclosure system. WFA believes, however, the proposed Rule 2267 amendments are over inclusive and underestimate the technical hurdles to compliance, particularly as the proposed rule provisions would require modifications to and maintenance of third party social network platforms and comparable internet presences.

WFA believes limiting the scope of the proposed amendments to the inclusion of a description of, and link to, the BrokerCheck homepage from a firm's proprietary website would address many of the feasibility issues of the proposed amendments while still facilitating greater access to the BrokerCheck system.

Moreover, WFA reiterates the concerns noted in its comment letter to Regulatory Notice 12-10 (February 2012) and by a number of other commentators regarding the repetitive and confusing nature of disclosures found on the BrokerCheck results screen. WFA believes that efforts to more widely disseminate BrokerCheck information must also be accompanied by a renewed commitment to improve the clarity of the information displayed in the BrokerCheck disclosure system. Finally, WFA restates its recommendation that BrokerCheck should only publicly display information pertaining to registered persons who interact directly with the public. We discuss our views in more detail below.

Technical Feasibility Issues of Compliance with the Proposed Amendment

WFA believes that applying the disclosure and linking requirements of the proposal to "social media pages and any comparable Internet presence" presents significant technical issues not present if those requirements were limited to proprietary websites maintained by the subject firm. While the term "social media pages or comparable Internet presence" is not defined in the rule proposal, examples of "social media" sites found in Regulatory Notices 10-06 and 11-39 include Facebook, Twitter and LinkedIn.

Compliance with the proposed Rule 2267 amendments would require "social media pages" utilized by firms or associated persons to be customized to include a permanent link to the BrokerCheck system. Such technical modifications may be difficult or impossible for member firms or associated persons to comply with in all instances as firms do not own third party social media networks. Firms and associated persons utilizing "social media pages" are merely participants on third party social media networks.

For example, LinkedIn permits users to edit their profile but appears to only permit inclusion of permanent links to the user's primary website. Similarly, Twitter's background templates do not appear to permit permanent embedded links. Facebook also limits the content that can be displayed to the basic Facebook template. Because the proposal states that firms employing these tools "shall include" a description and link to BrokerCheck on social media pages that firms do not own or control, Firms and associated persons may unnecessarily limit the use of these communications tools.

Although firms are constrained in their ability to include permanent links on social media sites, the above social media platforms permit users to link to their "homepage". Consequently, even if third party social media platforms do not allow the separate inclusion of a description and link on their user pages, the link to BrokerCheck will be just one click away.

Furthermore, the cost and complexity of maintaining potentially thousands of direct links in third party social media pages may impose a substantial burden on the industry and requires rigorous analysis prior to final adoption of the proposed Rule 2267 amendments. Just one example of the complexity inherent with implementing the proposal's requirements is highlighted by the prevalence of broker teams, wherein multiple registered persons work jointly to service client accounts. The different permutations by which a broker team may choose to display information on a social media page adds another layer of difficulty. The proposal is unclear as to how FINRA would apply the proposal's requirements to these types of arrangements.

WFA believes applying the proposal's disclosure requirements to a firm's proprietary website, instead of third party social media platforms or other comparable internet presences, would address many of the feasibility issues of the proposed amendments while still facilitating the proposal's purpose of greater availability of the BrokerCheck public disclosure system.

Clarity of Information Provided in the BrokerCheck Public Disclosure System

The proposed amendment requires that firms and associated persons include a prominent description of and link to FINRA BrokerCheck, as prescribed by FINRA, on "websites, social media pages and any comparable Internet presence[.]" To assist with the implementation of the rule FINRA will provide firms with the web address format for the link to BrokerCheck. The link provided by FINRA would bypass the BrokerCheck homepage and link the firm or associated person's site directly to the results screen of the subject firm or associated person.

WFA previously provided comments to Regulatory Notice 12-10 on April 5, 2012 (the "April 2012 Letter")² wherein WFA stated, "WFA believes that offering a means to educate

² A copy of WFA's Comment Letter can be found at pages 111-114 of SR-FINRA-2013-002.

investors more about the BrokerCheck/IAPD databases is both essential and beneficial to afford a supportable yet informative system.” WFA believes the BrokerCheck homepage contains important educational and contextual information that provides the viewer with a greater understanding of the information BrokerCheck displays and the sources from which the information is derived. Consequently, WFA is concerned that bypassing the BrokerCheck homepage may deprive the viewer of important contextual information.

Our April 2012 Letter also noted that “Investors can learn from the tutorials that BrokerCheck/IAPD provides as it relates to the registered financial professionals and, equally critical, they should learn the limitations of the databases.” We also note that FINRA has recently updated BrokerCheck’s search abilities to enhance the user’s ability to navigate BrokerCheck’s homepage page. WFA believes providing investors with access to the BrokerCheck homepage from a firm’s website provides the necessary contextual information prior to reviewing a BrokerCheck results screen.

Of even greater concern is the duplicative and confusing manner in which firm and associated person information is displayed in BrokerCheck. For example, multiple commentators have previously noted that information reported by a firm and the associated person regarding the same disclosure event is listed separately and in a confusing manner. In nearly all cases, the duplicate reports for the same event contain basically the same information. Due to the manner in which BrokerCheck displays information, the reports for a single disclosure event may be listed more than once over multiple pages. WFA believes the repetition of redundant information and the manner in which the information is displayed can easily lead to investor confusion as to the number and importance of an associated person’s or firm’s disclosure history.

As FINRA proposes steps to increase investor access to BrokerCheck, WFA believes additional focus must be placed on enhancing BrokerCheck’s screen display to ensure information is easier to view and comprehend. For example, FINRA should consider displaying each disclosure event only once in the BrokerCheck system. Providing greater access to BrokerCheck without first addressing the potential for investor confusion inherent in the current presentation of disclosure events undermines FINRA’s goal of providing relevant information to investors.

FINRA should also consider whether the continuing public disclosure of denied customer complaints older than six years from the date of the complaint continues to provide useful information to an investor. WFA does not believe public disclosure of events that have been denied and would no longer be eligible for adjudication continues to serve a regulatory purpose.

Regardless of whether the proposed Rule 2267 amendments are ultimately adopted, WFA reiterates its previous recommendations that FINRA consider a number of steps to address the display of information within BrokerCheck and to provide additional information

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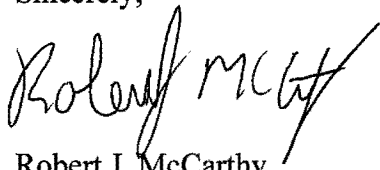
concerning the importance, purpose and limitations of the BrokerCheck system to the general public. WFA recommends establishing a focus group of investors and registered representatives to discuss the design, usability and purpose of BrokerCheck. The focus group could provide valuable insight from multiple perspectives. FINRA district offices could host regional seminars that could provide investors with guidance on how to properly comprehend and interpret the information displayed on BrokerCheck. Finally, FINRA should consider BrokerCheck webinars for both registered representatives and investors. While BrokerCheck information is available on the FINRA website, a webinar permits both visual and audio participation.

Similarly, WFA restates its comment from the April 2012 Letter wherein we recommended FINRA limit the public display of search information to those persons most investors may consider engaging as a financial adviser. Firms employ large numbers of persons who hold various licenses or registrations, but because of the nature of their employment have no direct interaction with clients. Public disclosure of background information for such persons, with whom the investor will never engage, furthers no regulatory purpose. The information displayed in the BrokerCheck system should be clear, concise and material to the investor, and comport with the legitimate privacy interests of registered persons.

Conclusion

WFA thanks the Securities and Exchange Commission staff for its willingness to consider the issues raised in this letter. If you have questions regarding this comment letter, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert J. McCarthy". The signature is written in a cursive, somewhat stylized font.

Robert J. McCarthy
Director of Regulatory Policy