

BLACKROCK®

February 15, 2013

Elizabeth M. Murphy
Secretary
U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

VIA ELECTRONIC SUBMISSION

**Re: Proposed FINRA Rule 2267
File No. SR-FINRA-2013-002**

Dear Ms. Murphy:

BlackRock, Inc.¹ appreciates the opportunity to provide our input on FINRA's proposed revisions to FINRA Rule 2267 relating to investor education and protection². BlackRock supports providing meaningful information to investors, including providing information regarding investment professionals and firms through BrokerCheck. Further, we support making information about BrokerCheck more readily accessible to retail investors. However, we cannot support FINRA's proposal that would require members to add a description of and link to the BrokerCheck tool on their "websites, social media pages and any comparable Internet presence" because of our concerns that, as filed, the proposal fails to provide sufficient information for FINRA member firms on exactly how the rule will be implemented thus limiting the ability to assess its impact and provide meaningful comment. Further, the proposal seeks to apply the requirement of a BrokerCheck description and link to all FINRA members, without the existing Rule 2267 exception for those firms that have no customers or limited customer contact, but fails to provide any rationale for this broad application.

As noted above, the proposed rule would require each FINRA member to "include a prominent description of and link to BrokerCheck, as prescribed by FINRA, on their Web sites, social media pages and any comparable Internet presence."³ Absent a definition for "social media pages" and "comparable Internet presence," we cannot yet fully assess the degree to which we would need to change existing online content.

¹ BlackRock is one of the world's leading asset management firms. As of December 31, 2012, we managed over \$3.79 trillion on behalf of institutional and individual clients worldwide through a variety of equity, fixed income, cash management, alternative investment, real estate and advisory products. Certain BlackRock subsidiaries are registered with the Securities and Exchange Commission (the "Commission") as broker-dealers and are FINRA member firms. Each of BlackRock's broker-dealers has a membership agreement with FINRA that limits the scope of such broker-dealer's permitted activities. These activities include, among other things, the wholesale marketing of certain BlackRock U.S. mutual funds to other registered broker-dealers, marketing Rule 529 municipal fund securities, the sale of certain other investment products to institutional investors, acting as placement agent for certain private investment funds, and acting as the distributor for *iShares*® exchange traded funds.

² See *Notice of Filing of Proposed Rule Change to Amend FINRA Rule 2267 (Investor Education and Protection)*, SEC Release No. 34-68700, 78 Fed. Regis. 5542 (Jan. 25, 2013) ("FINRA's Submission").

³ See FINRA's Submission, page 5542.

Several questions remain unanswered, including:

- Do these terms, together, include traditional firm websites, microsites⁴, banner advertisements on third party websites, mobile websites, and smartphone and tablet applications (“apps”)?
- Would the language need to appear on all pages of a website or only on the home page and any landing page⁵?
- To what degree does the proposed rule cover a firm’s social media activity? Does a “social media page” include static or interactive content?
- Does the requirement apply to password-protected websites which are defined as institutional communications under FINRA Rule 2210⁶?
- Will firms be permitted to expand the description of BrokerCheck to clarify the role that firm plays⁷?

Interpreting the proposed rule broadly, the rule could require a complicated implementation, well beyond FINRA’s view “that the proposal will not result in a significant burden on its members or associated persons.”⁸ For firms like BlackRock, whose internet presence is complex, involving multiple types of activity, the implementation costs are not insignificant. FINRA indicated it will provide the language and URL for firms to include, but has not provided enough details to understand the length or size of the description. In addition, FINRA has not provided details on what it will deem “prominent.” Without this information it is not possible to adequately assess the impact of the rule change. We encourage the Commission to require FINRA to resubmit the rule proposal with this important information included as part of the revised rule.

BlackRock appreciates the opportunity to provide comments on this proposed change to Rule 2267. For the reasons discussed above, we recommend that the Commission not approve FINRA Rule 2267 in its current form.

Sincerely,

James Smith
Chief Compliance Officer
BlackRock Investments, LLC

Ned Montenecourt
Chief Compliance Officer
BlackRock Capital Markets, LLC
BlackRock Execution Services

Joanne Medero
Managing Director
BlackRock, Inc.

⁴ From Wikipedia.com:

A microsite is an individual web page or a small cluster of pages which are meant to function as a discrete entity within an existing website or to complement an offline activity. The microsite’s main landing page can have its own domain name or subdomain.

⁵ From Wikipedia.com: “a single web page that appears in response to clicking on a search engine optimized search result or an online advertisement.”

⁶ FINRA Rule 2210(d)(3) requires firms to prominently disclose the name of the member in retail communications, including websites, and correspondence, but not in institutional communications.

⁷ The inclusion of the description and link to BrokerCheck could lead investors to mistakenly believe a limited-purpose member firm will hold or service the investor’s account.

⁸ See FINRA’s Submission, page 5543.