

In response to NASD's request for comment concerning the proposed change of "OSJ" to "Supervisory Branch" and the addition of the "Limited Supervisory Branch" we offer the following:

It has been approximately one year since the new definitions of branch locations were adopted by NASD and Form BR was established. Many firms spent significant time to educate their RPs and RRs, update WSPs, manuals and guides because of these changes. A number of firms also registered a significant number of branches, changed existing sales branches to OSJs and spent a great deal of time completing Form BR.

The NASD's current model using OSJ branch location and non-branch is clear while the addition of a limited supervisory branch classification is not yet well defined. While the proposal allows a limited supervisory branch to supervise one or more non-branch, all supervisors should be required to be Registered Principals not permitted to be registered representatives acting as a "person in charge".

It is also unclear if Form BR will be automatically mapped or if firms will have to manually change their filings.

In considering the proposal, we would suggest that the combined rules adopt the current NASD structure of OSJ, branch and non-branch and with a change from "OSJ" to "Supervising Branch". In addition Form BR be changed to facilitate the change without requiring Firms to update the form.

Steve Klein
Vice President Compliance
Farmers Financial Solutions, LLC