



Financial Industry Regulatory Authority

September 11, 2008

Gary L. Goldsholle  
Vice President  
and Associate General Counsel  
Regulatory Group

Florence E. Harmon  
Acting Secretary  
U.S. Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549-1090

**RE: File No. SR-FINRA-2008-027; Response to Comment**

Dear Ms. Harmon:

On July 18, 2008, Financial Industry Regulatory Authority ("FINRA") (f/k/a National Association of Securities Dealers, Inc. ("NASD")) filed with the Securities and Exchange Commission ("SEC" or "Commission") the above-referenced rule filing proposing to transfer without material change NASD Rules 3060 (Influencing or Rewarding Employees of Others) and 3090 (Transactions Involving Association and American Stock Exchange Employees) into the new consolidated FINRA rulebook ("Consolidated FINRA Rulebook") and to delete the corresponding provisions in Incorporated New York Stock Exchange ("NYSE") Rules 350, 350.10, 407(a), 407.10 and NYSE Rule Interpretations 350/01 through 350/03. The proposed rule change would renumber NASD Rule 3060 as FINRA Rule 3220 and NASD Rule 3090 as FINRA Rule 2070 in the Consolidated FINRA Rulebook. On August 11, 2008, the Commission published for comment the proposed rule change in the Federal Register.<sup>1</sup> The Commission received one comment letter in response to the Federal Register publication.<sup>2</sup>

SIFMA suggested that FINRA should amend the proposed rule change with respect to NASD Rule 3060 to incorporate a principles-based approach to gifts and gratuities. SIFMA said that FINRA should permit firms to establish their own gift and gratuities policies and limits rather than retain the limits set forth in the rule.

In response, FINRA notes that it has given a great deal of consideration to the approach advocated by SIFMA, but has determined to maintain the existing standards, which offer predictability and clarity. FINRA also does not believe that it is appropriate at this time to increase the limit for gifts and gratuities to \$250 from \$100.

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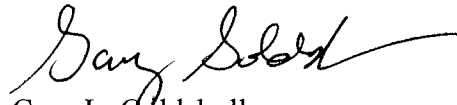
<sup>1</sup> See Securities Exchange Act Release No. 58308 (August 5, 2008), 73 FR 46664 (August 11, 2008) (Notice of Filing of SR-FINRA-2008-027).

<sup>2</sup> See Letter to Florence E. Harmon, Acting Secretary, Commission, from Amal Aly, Managing Director and Associate General Counsel, Securities Industry and Financial Markets Association ("SIFMA") dated September 2, 2008.

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FINRA believes that the foregoing responds to the issues raised by the commenter to this rule filing. If you have any questions, please contact me at (202) 728-8104; e-mail: [gary.goldsholle@finra.org](mailto:gary.goldsholle@finra.org). The fax number of the Office of General Counsel is (202) 728-8264.

Very truly yours,

A handwritten signature in black ink, appearing to read "Gary Goldsholle", with a long horizontal flourish extending to the right.

Gary L. Goldsholle  
Vice President and  
Associate General Counsel