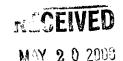
BROWN & BROWN

SECURITIES, INC.

May 12, 2008





Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090

Reference: File Number <u>\$7-06-08</u>

Amendment Regulation S-P: Privacy of Consumer Financial

Information and Safeguarding Personal Information

Request For Comment

Dear Ms. Morris:

As requested, enclosed, please find our firm's comment to the referenced proposed expanded regulations. We believe the proposal, if enacted, will unnecessarily negatively impact small broker dealers and small registered investment advisory firms.

It is our view that much of the proposal is not applicable to broker dealers and investment advisers, especially, small firms.

The commission appears to be proposing to increase the compliance cost for all small entities by more than \$1 Billion over ten years. At question, if this is true, is how and who shall pay for the proposed additional cost.

The following is a list of precautions, which if employed by small firms, would justify excluding small broker dealers and small investment advisers from the proposed amendment to regulation S-P.

- 1. Customer records should be maintained in locked filing cabinets in small firms.
- 2. Duplicate customer records should be maintained at clearing firms such as National Financial, Southwest Securities, Inc., Charles Schwab, Inc, etc.
- 3. Small firms should not maintain a web sites or if one is maintained, no customer information should be accessible.
- 4. Small firms should minimize email contact with customers, but if contact is made via e-mail, it should be treated as correspondence
- 5. Small firms should prohibit instant messaging and chat room contact.

6. Small firms should use internet security software from MacAfee and Symantec to protect their computer systems.

7. Small firms should adopt procedures to address all existing Regulation S-P requirements, including document shredding.

We feel that small firms deserve relief from the proposed regulation as it, potentially, would be damaging to the profitability of such firms. In a recent meeting with FINRA, FINRA suggested that small firms must be subject to all of the same regulations as large firms, even if small firms do not engage in the same business activities as those engaged by large firms. Such a policy would protect FINRA from being criticized for favoring small firms over large firms. We feel this is not an appropriate position. If small firms pledge not to engage in certain business activities in which larger firms participate, the small firms should not be required to abide nor guard against rule violations for such activities.

We feel that it would be a huge and unnecessary burden for small firms to be required to spend up to \$18,000 in year one and \$10,000 each year thereafter for an estimated ten years to comply with the proposed new Regulation S-P.

Sincerely,

Colon Brown President