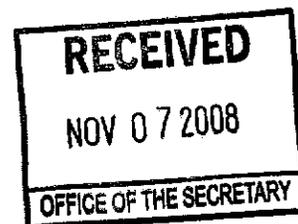


Michael J. Mungenast
Chief Executive Officer and President
Post Office Box 518
Birmingham, Alabama 35201-0518
Phone: 205-268-5144
Phone: 1-800-288-3035
FAX: 205-268-1624
mike.mungenast@proequities.com

ProEquities 

October 30, 2008

Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090



RE: File Number SR-FINRA-2008-044 – Change Relating to Supervision of
Market Letters

Dear Secretary:

On September 25, 2008, the Financial Industry Regulatory Authority, Inc. (FINRA) filed an amendment to NASD Rules 2210 and 2211 (Proposed Amendment).¹ If adopted, the Proposed Amendment would change the definition of “sales literature” to exclude market letters that qualify as correspondence. In addition, the Proposed Amendment would define “correspondence” to include market letters distributed by a member to one or more of its retail customers and fewer than 25 prospective retail customers within any 30 calendar-day period. Thus, under the Proposed Amendment financial advisors and firms could distribute market letters to existing retail customers without prior approval by a registered principal. ProEquities commends FINRA for this proposal because we believe it will promote more timely communications between our financial advisors and their clients, particularly in this time of extreme market volatility. The proposal will also provide for greater efficiency in our compliance department while maintaining important investor protections.

The public has become accustomed to near instantaneous communications from their service providers. Merchants and service providers of all types communicate in real time with their customers about their services. However, the financial services industry has lagged behind due to concerns about investor protection. Our financial advisors have long lamented their inability to distribute timely market data to their clients and prospects. Recent turmoil in the financial markets has only heightened these concerns by clearly

¹ See the proposing release at <http://www.sec.gov/rules/sro/finra/2008/34-58648.pdf>.

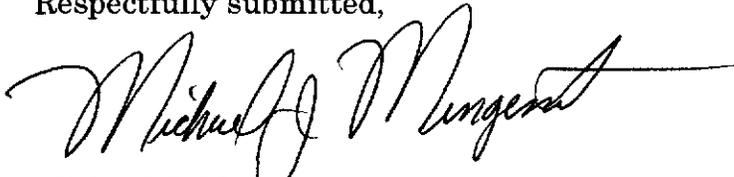
demonstrating the need for timely communication between financial advisors and their clients.

While investor protection is paramount, the current requirements actually harm investors by depriving them of timely communications about economic and political conditions, the performance of market indices, and other data necessary to understand current market conditions. The Proposed Amendment would alleviate these concerns by permitting firms and financial advisors to distribute market letters to existing retail customers and a small number of prospective customers without the prior approval of a registered principal. The elimination of the current NASD requirement for prior registered principal review of such communications would allow market letters to be distributed in a timely manner thus increasing their relevance to investors.

If the Proposed Amendment is adopted, investor protection will be maintained, by continuing to require market letters to be subject to the firm's supervisory policies and procedures, albeit after distribution. Therefore, we commend FINRA for offering the Proposed Amendment and encourage its prompt adoption.

Thank you for your consideration of our comments. Should you have any questions, please contact me at 205 268-5144.

Respectfully submitted,



Michael J. Mungenast