



The VOICE of the Independent Broker/Dealer

June 13, 2007

Nancy Morris  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street  
Washington, DC 20549-9303

*Re: Files Nos. SR-NASD 2007-034; Proposed Rule Change to Create New NASD Rule 1160 (Firm Contact Information); Amendments to Rule 1120 (Continuing Education Requirements), Rule 1150 (Executive Representative), Interpretive Material (IM)-3011-2 (Review of Anti-Money Laundering Compliance Person Information); and Rule 3520 (Emergency Contact Information)*

Dear Ms. Morris:

Serving as primarily a small and independent firm advocate for over 25 years, the National Association of Independent Broker-Dealers ("NAIBD") and its board of directors work together with independent broker-dealer owners and principals, industry product and service providers, and the SEC, NASD, and state regulatory organizations to improve the securities industry as a whole. Recognizing the specific needs of independent broker-dealers (which make up over 85 percent of all US securities firms), the NAIBD provides specialized, widely acclaimed advocacy by hosting national informational meetings, catering specialized website programs, rapidly distributing critical regulatory details and product/service offers, supplying feedback to SEC, NASD, and state regulators, and offering regular networking meetings and other events.

The NAIBD is pleased to offer comments in response to the above-referenced rule filings (the "Proposals") which would adopt new rules and amendments to existing rules governing the requirement that members verify required contact information.

The NAIBD is in favor of the proposed creation of a new Rule 1160 and its amendments to the above-referenced existing rules for the following reasons: (1) the new rule eliminates the duplicative verification requirements that exist in many NASD rules by consolidating the requirements into a single rule governing the verification of contact information; and (2) the reduction in the frequency of the mandatory verification from quarterly to annually is more consistent with the infrequent changes in contact information generally experienced at most member firms.

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National Association of Independent Broker/Dealers

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Notwithstanding this general support for the Proposals, we recommend that the requirement to update information upon a material change remain a quarterly requirement, rather than a 30-day requirement as proposed. This recommendation is made in consideration of our larger member firms, whose electronic filings systems and reminders have now been programmed to accommodate a systematic quarterly update, and who are more likely than small firms to experience material changes throughout the year, triggering the update requirement.

NAIBD generally supports the Proposals, nevertheless, we believe it is important to represent the diverse interests of all our members given the varied demographics of the firms and we offer the aforementioned comments to reflect the impact on both large member firms and small member firms.

Sincerely,

A handwritten signature in black ink, appearing to read "LR", is centered below the word "Sincerely,".

Lisa Roth  
Members Advocacy Chairwoman of the NAIBD

cc: The Honorable Christopher Cox, Chairman  
The Honorable Paul S. Atkins, Commissioner  
The Honorable Roel C. Campos, Commissioner  
The Honorable Annette L. Nazareth, Commissioner  
The Honorable Kathleen L. Casey, Commissioner

Mary Schapiro, NASD, Chairman and CEO  
Elisse B. Walter, NASD, Senior Executive Vice President  
Marc Menchel, NASD, Executive Vice President and General Counsel  
Richard G. Ketchum, NYSE Regulation, Chief Executive Officer  
Grace B. Vogel, NYSE Regulation, Executive Vice President

