

Jonathan G. Katz
Secretary
Securities and Exchange Commission
450 Fifth Street N.W.
Washington, DC 20549-0609

Re: Release No. 34-50105; File No. SR-NASD-2003-176

Dear Sir:

On behalf of Raymond James Financial, Inc. (RJF or the Company), I am pleased to submit the following comments with respect to Release No. 34-50105.

RJF is a diversified financial services holding company whose subsidiaries engage in securities brokerage, investment banking, asset management and other financial services throughout the United States and internationally. The Company's two domestic broker-dealer subsidiaries, Raymond James & Associates, Inc. and Raymond James Financial Services, Inc., have approximately 5,000 financial advisors in more than 2,100 locations world-wide: both are member firms of the NASD.

RJF believes that the importance of compliance responsibilities at member firms merits the designation of a chief compliance officer as proposed by the NASD. However, RJF believes that the proposal for "certification" by the chief executive officer is unnecessary and counterproductive; it would not enhance the compliance efforts at member

firms. It would, however, make the chief executive officer a potential defendant in every arbitration or complaint proceeding involving a member firm, distracting the CEO from both his business and regulatory mandates.

RJF believes that the appropriate approach would be for the NASD to establish a requirement, similar to that of NYSE Rule 342, that would require the chief compliance officer to report at least annually to the chief executive officer with respect to supervisory procedures, significant compliance issues faced by the member firm and important compliance initiatives.

Such a system would assure that the chief executive officer receives regular and current information regarding the status of his firm's supervisory and compliance procedures, and would provide for a direct reporting line to the CEO in a manner that would confirm the importance of the compliance role within the member firm.

Accordingly, we ask that the Commission approve proposed Rule 3013(a) requiring designation of a chief compliance officer and reject the balance of the rule proposal as presented by the NASD.

Respectfully submitted,

Barry S. Augenbraun
Senior Vice President and
Corporate Secretary

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