

September 2, 2004

Barbara Z. Sweeney
NASD
Office of the Corporate Secretary
1735 K Street, NW
Washington, DC 20006-1500

Re: Comments on Notice To Members 04-55 (Branch Office Registration)

Dear Ms. Sweeney:

Charles Schwab & Co., Inc. (“Schwab”) welcomes the opportunity to express its views on Notice to Members 04-55 (the “Notice”) setting forth a proposed Uniform Branch Office Registration Form. We appreciate the NASD’s efforts to coordinate with the New York Stock Exchange (NYSE) and the North American Securities Administrators Association (NASAA) to create a uniform branch office registration form and allied procedures, and welcome the similarly unified approach to the definition of “Branch Office” as described in the Response to Comments to File No. SR-NASD-2003-104 (Proposed New Uniform Definition of “Branch Office” under NASD Rule 3010(g)(2)), dated June 29, 2004. Schwab feels it is important to have a consistent definition of “Branch Office,” and applauds your efforts, as well as those of the NYSE and NASAA, to adopt a single core definition that largely tracks the SEC’s definition of the term “office” in the books and records rules, Rule 17a-3 and 17a-4 under the Securities Exchange Act of 1934.

Such consistency in definition, in association with use of the proposed uniform Branch Office Registration Form, will help ensure that many of the goals set forth in the Notice are achieved, including reconciliation of inconsistencies amongst different registration forms, elimination of duplicative questions, and cost savings likely to be realized by centralized registration of locations through the NASD’s CRD system. With the one significant difference between NASD and NYSE definitions of “Branch Office” having been eliminated,¹ the twin objectives of uniformity and simplicity are more likely to be accomplished. As a result, Schwab is in favor of the proposed form and associated centralized registration procedures.

¹ As originally proposed, the NYSE definition included a 50-business day limitation upon the number of days on which a primary residence could be used for business purposes without requiring registration.

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Thank you for the opportunity to present Schwab's views on the proposal set forth in the Notice. If you have any questions concerning the comments provided in this letter, please contact me at (415) 636-8453.

Sincerely yours,

Selwyn Notelovitz

Selwyn Notelovitz
Senior Vice President,
Chief Compliance Officer
Charles Schwab & Co., Inc.