



February 16, 2009

Marcia E. Asquith
Office of the Corporate Secretary
FINRA
1735 K Street, NW
Washington, DC 20006-1506

Re: Regulatory Notice 08-80
Proposed FINRA Rule 5310 Addressing Best Execution

Dear Ms. Asquith:

The National Association of Independent Brokers-Dealers, Inc. (NAIBD) was formed in 1979 to positively impact rules, regulations, and legislation by facilitating a consistent, productive relationship between industry professionals and regulatory organizations. The organization is national in scope and direction with a network of more than 350 Broker-Dealer and Industry Associate Members.

NAIBD welcomes FINRA's proposed consolidation of rules governing best execution, and in particular, appreciates the extent to which the proposal recognizes the benefit of modernizing rulemaking to accommodate the current practices, protocols and resources in use by industry professionals.

NAIBD favors the changes in proposed Rule 5310 that would replace the current Three Quote Rule with a principles-based alternative.

At Rule section a2(c), the proposal states that [certain third party executions] "are not prohibited if the cost is not borne by the customer." Because all transactions come at some cost to the customer, NAIBD requests clarification whether the FINRA intends to state that all costs, or simply any additional or undue costs related to the arrangement between the firms, are covered by this statement.

In the Supplementary Material at .08(c) the FINRA describes the extent to which introducing firms that route orders to a clearing firm or other executing broker-dealer may rely on the statistical information of the executing firm for validation of its execution quality. NAIBD appreciates this meaningful guidance for the consideration it grants to small and independent firms, whose access to execution data may be subject

to accessibility of data out of its direct control. In this regard, NAIBD requests the FINRA's confirmation that a review of those reports prepared and disclosed by executing firms in meeting their obligations under order routing regulations will suffice for the purposes of this review.

NAIBD appreciates the opportunity to comment on this proposal. If you have any questions or would like to request clarification, please contact the undersigned at 619-283-3107.

Sincerely,

// Lisa Roth //

Lisa Roth
Chairman, NAIBD