

What methodologies do firms currently employ to obtain information pursuant to NASD Rule 3050 or NYSE Rule 407, as applicable? Notice in initial welcome packet to inform Home Office of existing accounts referencing Rule; and question on initial and annual compliance inspection report.

Do firms collect account activity information (confirmations and statements) electronically, in hard copy or both? Both

Should the proposed rule address such information-gathering methodologies and, if so, how? No, the Rule should require the outcome; methodologies should be reviewed during audits. Each Firm's methods will vary due to size and structure.

What processes and controls do firms currently implement upon receipt of the information required under NASD Rule 3050 or NYSE Rule 407, as applicable? Letter printed and sent to outside Firm to approve account, give Rep permission to open/maintain account for his/spouse's benefit, request copies of statements/confirmations; CC Rep. Copy kept in Rep's file.

Michele R. Huneycutt

Compliance Officer

Registered Principal