

VIA EMAIL

April 9, 2007

Ms. Barbara Z. Sweeney  
NASD  
Office of the Corporate Secretary  
1735 K Street, NW  
Washington, D. D. 20006-1506

RE: Request for comment, NTM 07-12  
Rule Harmonization


Dear Ms. Sweeney:

This letter relates to the NASD request regarding the proposed change to Rule 3010(g)(1) to eliminate the definition of "Office of Supervisory Jurisdiction and adopt a definition for a "supervisory branch office," a "limited supervisory branch office," a "non-supervisory branch office" and a "non-branch office". This letter does not contain any comments on the proposal to amend Rule 2711 regarding the definition of "initial public offering".

Our understanding of the reason for the proposed revised rule is because the NYSE deems a location where a member stations a Series 16 qualified supervisory analyst solely to review research reports as a non-sales location. This is not contemplated under the current NASD Uniform Branch Office Definition. It appears the proposed response to the problem is a major abandonment of the NASD past procedure. The definition for OSJ was, as is stated in the NTM, adopted only July of last year. It was done to adopt a "broad national standard" and took a major time commitment and discussion among many parties to come with the definition.

Rather than reopen that entire discussion it appears there is a much simpler approach. Rather than come up with four entirely new definitions, you could accomplish the same thing by simply creating one new definition, i.e., the "non-branch office". By creation of the one new definition you are able to satisfy the problem for the NYSE and at the same time leave the OSJ definition basically in tact. I believe if you do this you will create much less concern problem for NASAA and it will make the rule easier to be adopted by all parties concerned.

Very truly yours,  
Berthel Fisher & Company Financial Services, Inc.

  
Leslie D. Smith  
General Counsel