



1st GLOBAL

THE BUSINESS DEVELOPMENT AND RESOURCE PARTNER
TO LEADING WEALTH MANAGEMENT FIRMS

July 3, 2007

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

RE: NASD and NYSE Request for Comment on Proposed Joint Guidance Regarding the Review and Supervision of Electronic Communications.

1st Global Capital Corp. (“1st Global”) is a fully disclosed retail broker-dealer registered to conduct business in all domestic jurisdictions, with over 1200 Registered Representatives offering securities services in over 600 branch offices.

As the Compliance Attorney for 1st Global, I appreciate the opportunity to submit comments on the issues raised in the joint request for comment issued by the NASD and NYSE in the Notice to Members 07-30. This Notice to Members proposes joint guidance setting forth principles for members to consider when developing supervisory systems and procedures for electronic communications that are reasonably designed to achieve compliance with applicable federal securities laws and self-regulatory organization rules.

Currently, the proposed guidance includes a discussion regarding the use of non-member e-mail platforms. Specifically, the guidance provides that if a member permits employees to communicate with customers through non-member e-mail platforms, the member is required to supervise and retain those communications. In addition, the proposed guidance states that SROs expect members to prohibit, through policies and procedures, communications with the public for business purposes from employees’ own electronic devices unless the member is capable of supervising, receiving, and retaining such communications.

The purpose of this comment letter is to request joint guidance that specifically covers the opinion of the NASD and NYSE on maintaining separate e-mail addresses for outside business activities that registered representatives might be engaged in such as: (1) fixed insurance sales, (2) tax preparation services, (3) accounting/CPA services, and (4) legal services. For example, if a registered representative is also licensed to practice law in a certain jurisdiction, he or she is faced with at least two competing regulatory regimes. As a licensed attorney, he or she must comply with rules and regulations controlling client confidentiality and materials that are considered attorney work product. Disclosure of

these materials to a third party (i.e. broker dealer) for purposes of supervisory oversight may automatically create ethics violations for the attorney given the confidential nature of the communication. Notwithstanding the fact that client consent may be obtained, such disclosure, if provided, may jeopardize the privileged status of such communications. The same issues arise for registered representatives who are also certified public accountants, tax preparers, and enrolled agents since IRS guidelines require client tax information to be kept confidential, unless explicit consent is provided by the client.

1st Global respectfully requests specific guidance from the NASD and the NYSE regarding the issues discussed above. Broker dealers and registered representatives must be provided additional guidance so compliance with the regulations governing the supervision of electronic communications can be achieved without requiring registered representatives engaged in outside business activities to violate competing regulations such as state-specific attorney ethics rules and IRS regulations relating to client confidentiality. This issue affects a substantial portion of the broker dealer community. According to the Cerulli Associates Update – Advisor Metrics 2006 report, independent broker dealers represent approximately 35% of all financial advisors.

Thank you for giving 1st Global the opportunity to provide comments on this important issue. If you have questions regarding the comments provided in this letter, please contact me at (214) 378-0376.

Sincerely,

A handwritten signature in blue ink, appearing to read "Judith A. Wilson". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

Judith A. Wilson
Compliance Attorney