

BY ELECTRONIC MAIL

January 29, 2006

Ms. Nancy M. Morris
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Re: Petition by the Securities Industry Association for Additional Delay in the
Compliance Date of Rule 202(a)(11)-1 (File No. S725-99)

Dear Ms. Morris:

The National Association of Personal Financial Advisors (NAPFA) is writing to request that you reject the petition filed by the Securities Industry Association (SIA) to delay implementation of Rule 202(a)(11) (Broker-Dealer Rule). We encourage you to implement the January 31, 2006, deadline to which you agreed last year – and we remind you that this date represents one extension of the deadline.

NAPFA's Board of Directors learned about the SIA's request for a second extension through media reports earlier this week; and after a review of the public document, we do not believe that the extension is justified. The SIA's member firms have had adequate time to classify their accounts in order to determine which representatives are covered by the Broker-Dealer Rule, and the firms also have had adequate time to write the necessary disclosure statements.

As you are aware, NAPFA opposes the Broker-Dealer Rule because we believe it is inadequate for protecting consumers' interest. The best way to serve the consumer is to rescind the current regulation. However, delaying the Broker-Dealer Rule does not address these weaknesses; it only magnifies them.

We urge the Commission to continue to reassess its oversight of broker-dealers and to consider whether consumers are sufficiently protected by the new requirements of the Broker-Dealer Rule. We believe that there is ample public evidence already available that even disclosure that will meet the new legal standards is misleading. Consumers remain dangerously unaware of the differences between different models of compensation by different types of financial advisors. They also do not clearly understand the difference between a broker's "suitability standard" and an investment advisor's "fiduciary standard" which obligates the advisor to put the client's interest first.

NAPFA and its Board remain available to discuss these issues with you and your staff at any time.

Sincerely,

Peggy S. Cabaniss
Chair

Cc: Hon. Christopher Cox
Hon. Cynthia A. Glassman
Hon. Paul S. Atkins
Hon. Roel C. Campos
Hon. Annette L. Nazareth
Ms. Susan F. Wyderko
Mr. Robert E. Plaze