



April 23, 2008

Nancy M. Morris  
Secretary  
Securities and Exchange Commission  
100 F Street, NE, Washington, D.C. 20549-1090

RE: SEC File Number S7-06-08

Dear Ms. Morris:

Cambridge Investment Research, Inc (Cambridge) and Cambridge Investment Research Advisors, Inc. (CIRA) appreciate this opportunity to comment on the proposed amendments to Regulation S-P (Proposed Rule) filed by the Securities and Exchange Commission (SEC) on March 4, 2008. Cambridge and CIRA feel it is vital to strike a balance between protecting investors from identity theft and maintaining account portability and investor choice. Below Cambridge and CIRA have highlighted four areas of the Proposed Rule that cause concern and should be addressed prior to implementation.

Absoluteness of Exception

Cambridge and CIRA believe that one major objective is to provide the investor with choices and departing representatives and advisers with legal certainty regarding client information. In order to achieve this objective, the exception to allow departing representatives to share limited information with the new firm must be absolute. The exception should allow departing representatives and advisers to utilize the client's name, address, telephone number, e-mail information, and a general description of the client's account and products to contact the client and inform them of the transfer, provide the investor the choice to follow the departing representative and facilitate the transfer. The Proposed Rule allows an exception to share this limited customer information upon departure, but allows the Broker-Dealer the option of denying the departing representative and adviser the information. By allowing the exception to be exercised only when the broker-dealer approves, the Proposed Rule denies the investor a choice, and instead vests the power of choice in the Broker-Dealer. The SEC should amend the Proposed Rule to allow the exception to be absolute.

Record Retention

The Proposed Rule does not address the need for transferring representatives and adviser to retain client information in order to adequately respond to regulatory inquiries, or to defend themselves against customer complaints that deal with activities and clients from the old Broker-Dealer. It is important that the SEC address this issue so that representatives and advisers will have sufficient information to defend and respond to items that may arise concerning clients and activities occurring at a previous Broker-Dealer.



Independent Contractor

The relationship that exists between representatives, advisers, and independent Broker-Dealer firms is that of an independent contractor. The Proposed Rule established the date of "separation from employment" as the deadline for the departing representative and adviser to provide the Broker-Dealer with a written record of the information that will be disclosed to the new firm under the allowed exception. The language must be changed to reflect the independent contractor status of representatives and advisers associated with independent Broker-Dealers.

State-Registered Advisors

The Proposed Rule exception only applies to client information use and sharing when the transferring representative is transferring between Broker-Dealers and SEC-registered investment advisers, but not to or from state-registered advisers. This oversight needs to be corrected.

Again, thank you for the opportunity to comment on the Proposed Rule. Should you have any questions, please contact us at 800-777-6080.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Alyssa R. Hinshaw", with a long horizontal line extending to the right.

Alyssa R. Hinshaw  
Assistant Director, Compliance  
Cambridge Investment Research, Inc  
1776 Pleasant Plain Road  
Fairfield, Iowa 52556-8757

A second handwritten signature in cursive script, appearing to read "Alyssa R. Hinshaw", with a long horizontal line extending to the right.

Alyssa R. Hinshaw  
Assistant Director, Compliance  
Cambridge Investment Research Advisors, Inc.  
1776 Pleasant Plain Road  
Fairfield, Iowa 52556-8757