



May 12, 2008

Ms. Nancy Morris, Secretary
Securities and Exchange Commission
100 F Street, NE.
Washington, DC 20549-1090

RE: Comments regarding Regulation S-P: Privacy of Consumer Financial Information and Safeguarding Personal Information; Proposed Rule.

Ms. Morris,

We appreciate the opportunity to present comments and to submit suggestions on the Proposed Rule Changes to Regulation S-P, specifically item *D. Exception for Limited Information Disclosure When Personnel Leave Their Firms*. As a Dually-Registered Independent Broker/Dealer & Registered Investment Advisor, our Registered Representatives and Investment Advisors are independent contractors. Under this independent model, each representative has developed his or her own business; each client relationship and ongoing management of that relationship. The majority of our representatives are in individual branch offices, where they have met with these very clients we are discussing here, obtaining all of the information we seek to protect, guiding the client through the account opening paperwork, building the portfolios and giving ongoing investment advice. While we feel client privacy and NPI (non-public information) is of vital importance, it is ultimately the representative that the client has placed their trust in. In almost all cases, the representative has provided the firm with this NPI. As the Broker/Dealer we have a duty to protect this information, but ultimately we do not "own" this information.

You ask if the proposed new exception, permitting the transfer of contact information only, would promote investor choice and convenience. It is our opinion it does not promote investor choice and convenience in the independent relationship. Our concern is that this new exception will sponsor more "orphaned" client accounts, leaving more clients without vital investment advice and the attention they deserve. As a solution for the independent representatives within this proposed rule change, we would like to offer the following.

Last year we supplemented our firm privacy policy with this additional paragraph:

Your registered representative is an independent contractor and should her or she resign or be terminated from Sawtooth Securities for any reason and remain in the business, he or she may take copies of your account records to assist in a continuance of service to you by the representative. Should you not want copies of your account records to be provided to your representative upon their resignation or termination, you may "opt out" of this feature by notifying Sawtooth Securities in writing at the address below or by telephoning 888-310-1160.

We believe that if the exception were truly designed to promote investor choice, the exception would allow for the investor to choose how his NPI is handled.

Sincerely,

Scott Mecham, CEO
Kimberly (Dini) Harris, President/CCO

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