



May 30, 2008

Ms. Marcia E. Asquith
Office of the Corporate Secretary
FINRA
1735 K Street, NW
Washington, DC 20006-1506

Re: Comments to Regulatory Notice 08-24: *Supervision and Supervisory Controls With Respect to Proposed FINRA Rule 3110(b)(3): Supervision of Outside Securities Activities*

Dear Ms. Asquith:

Baker Avenue opposes the enactment of Proposed Rule 3110(b)(3) as it specifically relates to the outside activities of a Registered Investment Adviser ("RIA"). We believe it to be a duplication of existing regulations that would result in unnecessary financial and administrative burdens. As an RIA, Baker Avenue is already regulated by the Investment Advisers Act.

NASD Rule 3040 requires FINRA Member firms to supervise security transactions for which selling compensation is received of associated persons. At present Baker Avenue has one employee who is associated with a FINRA Member firm. This member firm should not have to supervise this associated person's advisory activities, for which he receives asset based fees.

Aside from the burden on the FINRA Member firm, this is possibly a breach of Regulation S-P, which prohibits the disclosure of non-public personal information by financial institutions without the express consent of the client. Baker Avenue is an RIA but not a FINRA Member firm. Non-public information of our clients is not disclosable to FINRA.

We respectfully submit these comments and hope the Office of the Secretary will consider our arguments.

Sincerely,

A handwritten signature in black ink that reads "Stacey Kruus".

Stacey Kruus
Chief Compliance Officer
Baker Avenue Asset Management, LP