



PUBLIC INVESTORS ARBITRATION BAR ASSOCIATION

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June 1, 2017

Mr. Brent Fields, Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: File No. SR-FINRA-2017-009
Proposed Rule Change to Amend the Customer and Industry Codes to Expedite List Selection in Arbitration

Dear Mr. Fields:

I write on behalf of the Public Investors Arbitration Bar Association (“PIABA”), an international bar association comprised of attorneys who represent investors in securities arbitration proceedings. Since its formation in 1990, PIABA has promoted the interests of the public investor in the securities arbitration forum, while also advocating for public education regarding investment fraud and industry misconduct. Our members and their clients have a strong interest in rules promulgated by the Financial Industry Regulatory Authority (“FINRA”) and ensuring that investors’ claims are expeditiously resolved in the FINRA Dispute Resolution forum.

PIABA supports the rule changes proposed in SR-FINRA-2017-009, which would update the default timing of when arbitrator ranking lists are sent to the parties, so that lists will be generated within about 30 days after the original date the last answer is due, regardless of whether the parties have agreed to extend an answer deadline.

This change reflects the already-existing general practice of securities arbitration attorneys. It is our members’ experience that respondents frequently seek extensions of time for answering a statement of claim. Our members generally agree to such a request but premise their agreement on the willingness of opposing counsel to notify FINRA that the parties want all other deadlines running from the original answer date (*e.g.*, the generation of the arbitrator selection list) to remain unchanged despite the extension of the answer deadline.¹ Documenting this common practice unnecessarily creates additional work for counsel and FINRA, and can sometime result in problems if there is a misunderstanding or one of the parties reneges.

¹ In limited instances, the parties may agree to attempt to resolve a case prior to the respondent filing an answer to the statement of claim. In that situation, it is not uncommon for the parties to agree to extend the answer and the other deadlines that run the other original answer deadline. More specifically, the parties may not want FINRA to generate the arbitrator lists for ranking due to the associated costs. Because the current proposal does not impact FINRA Rule 12207(a), which permits the parties to “agree in writing to extend or modify any deadline for ... [r]eturning arbitrator or chairperson lists,” the parties may continue to extend the list selection deadline, if necessary, by agreement.

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Mr. Brent Fields
June 1, 2017
Page 2

According to FINRA's Dispute Resolution Statistics through April, 2017, the turnaround time for arbitration proceedings is 14.4 months,² which is still longer than most investors want to wait. Therefore, PIABA also supports the proposed rule change because the sooner the arbitrator(s) are appointed, the sooner the Initial Pre-Hearing Conference will take place which, of course, results in the scheduling of the final hearing dates and other important deadlines.

Thank you for giving PIABA the opportunity to comment on this proposed rule change.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Marnie C. Lambert".

Marnie C. Lambert
PIABA President

² See Dispute Resolution Statistics, available at <https://www.finra.org/arbitration-and-mediation/dispute-resolution-statistics> (last accessed May 31, 2017).