

The COMMISSION was given responsibilities by Congress to effect.

It has not.

Congress wrote a law establishing the Commission. The law included the Commission establishing S.R.O.s, multiple, not singular, for Broker/Brokerage disputes.

There is only one S.R.O. An SEC employee emailed me no others applied for the S.R.O. slot. That is incorrect. Others did apply.

Congress told the Commission the S.R.O. is only allowed to address issues between brokers and brokerages. Yet, for decades the Commission has failed Congress' directive allowing the S.R.O. to extend itself in to Investment client and Investment advisor disputes. This is not only a breach of Congress' order but a fraud in that the S.R.O. that the Commission approved filed papers of set itself up as a 501(c)(6) a business league which under I.R.S. rules requires it to collect dues from its members.

On that alone, Congress should have been alarmed. Somehow, the Commission failed.

A dues collecting business league cannot be neutral in a dispute if one of the people brought in for dispute resolution to the S.R.O. D.R.S. forum is not a dues paying member. Between brokers and brokerages, the Congressionally allowed area, that is bad enough but the Commission has closed its eyes to the reality their one and only S.R.O. has been dragging investment clients and investment advisors in to this forum, best described as a Vegas of the financial world, what goes in does not get discussed. Or else...

The 'or else' for investment clients is threat of 'violating' confidentiality agreements going in to this forum and threats for violating settlement agreements as they exit the forum.

Forced arbitration is a violation of the Constitution that grants every person their day in court. Forced arbitration has a benefit for the S.R.O. There is no record of the complaint taking place as there would be in the court system. Forced arbitration sets up stumbling blocks for lawyers wanting to represent clients. There is no published court history, no transcripts, no tracking of arbitrators frequency on panels ie to see if the S.R.O. D.R.S. is how the arbitrator supports themselves some even long after they should be put out to pasture. The S.R.O. participants share stories of octogenarians sleeping during the arbitrations but fear reporting such actions because doing so could harm the case disposition.

The Commission is bound by a duhh factor- the Commission and their approved, as it is only, S.R.O. have to abide by the laws of these United States which includes lawyers who argue, for payment, being licensed. Somehow the PIABA shining star(s) communicate to local ethics investigations that the S.R.O. allows them to argue around the country, maybe even around the world, in the S.R.O. forum without being licensed in that jurisdiction as required, in the least, by local law. That is incorrect, yet the Commission fails to take action against lawyers deceiving clients the lawyer is licensed in that foreign state, deceiving also the client and lawyer arguing on the other side of the table.

The Commission approved S.R.O. says they do not regulate lawyers. The S.R.O. was asked why they do not demand Bar Numbers from participating counsel and from participating D.R.S. who allege to be licensed. A 2013 D.R.S. panel chair submitted his resume via the S.R.O. alleging he was 'of counsel.' The DC Bar records, after conflict of the award arose, showed in fact the Panel Chair was not licensed. The Panel Chair did not need to be licensed to sit as Chair but he could not represent to participants he was an acting attorney.

The Commission further fails by allowing the S.R.O. to take in Investment Advisor and Investment Client cases. Clearly, doing so is a thinly guised effort to hide behaviours of the S.R.O. dues paying members. Moreso, more correctly, doing so has made the S.R.O. an accessory to crimes, decades of them, along with other violations that the Commission should have reported to Law Enforcement but has not.

The wonder if there are two sets of laws for Main Street and Wall Street is no wonder. The S.R.O. knew 50 years ago that Bernard Madoff was selling No Product. The Commission can only say so many times they were lied to before being called on the carpet themselves for incompetent staff that it will show a pattern has taken the side of Wall Street over Main Street.

Currently the SEC is investigating yet another case of a Wall Streeter alleging the Wall Streeter lied to the S.E.C. investigators, in fact, that SEC confirmation letter, costing the investment client winning their arbitration. They lost. Activist arbitrators approved by the S.R.O. the Commission approved are heard stating on the digital audio that a lesson was going to be taught. So they did, branding the investment client in Bad Faith while, as it turned out, the Commission, who had asked the investor for help early on, has stated decisions the Commission made are in their 'judgment' even with the outcome being it was the investor that did not perjure themselves in the D.R.S.

Congress gave no such right to the Commission to allow the S.R.O. to set up a D.R.S. forum, period.

Congress gave no such right to the Commission to allow the S.R.O. to bring investment clients in to that S.R.O.'s D.R.S. forum even if the investment client had a complaint against a broker or brokerage. The courts are there for that.

Somehow even Congress failed by not addressing that brokers and brokerage contracts stating a client was forced to address a complaint in the S.E.C. approved S.R.O. breaches the law that Congress wrote stating the S.R.O. was for, technically, in fighting- brokers v brokers and brokerages v brokerages and brokers v brokerages.

Congress isn't that hard to understand- too many people doing too little because they start running for office the day they are elected in or giving speeches, or relying on staff that are holding in until retirement or millennials with names so big they may be tripped up by autospell in their Internet of Everything world.

There are staffers that are awesome just overwhelmed, that is why the Commission was established, to help legislators. Instead, more cockups like Ed Markey's brokercheck is issued for the S.R.O. to follow. It does yet doesn't.

Brokerages list 'independent contractors' as 'employees' when they are not employees. The independent contractors used creative terms like 'separate but unaffiliated' as a guise to avoid liability. Clients don't grasp that.

The S.R.O. writes up disciplinary actions like 'without admitting or denying.' You are either pregnant or you are not but you are not both, neither here. Yet Madoffs, Wolf and the hundreds of thousands disciplined by the Commission approved S.R.O. never do a 'walk of shame' because their crimes are never reported as crimes to law enforcement. The S.R.O. says customer complaints can be expunged, deleted forever, do not capture fingerprints on the U4, or home addresses. One even wonders if the Commission staff reads these U4s and random vets that person(s) on the internet to see if the published data is truthful. It isn't always. It is self submitted. Why would anyone admit that were successful in removing with the help of the S.R.O. almost all of their 40 reported customer complaints from Brokercheck, as reported by P.I.A.B.A. in itself a concern.

P.I.A.B.A. is too a business league with interest in their members. Quite surprising was the discovery that P.I.A.B.A. leadership work with the S.R.O. on regs and rules which means that P.I.A.B.A. had the opportunity to make sure the S.R.O. disputes are compliant with local law requiring lawyers to be licensed or buddy up with a local lawyer. Otherwise that securities 'expert' lawyer is taking a job away from a local lawyer compliant with the forum.

It is of no surprise that too many people have never heard of the S.R.O. conducting D.R.S. in the local forum misled to believe, for those who have heard of it, that the S.R.O. is a quasi government agency. Nope. It is a .org conducting D.R.S. under deception a concern the F.T.C. should step in on.

The problem for the investment client grows. The Commission, the F.T.C. are regulators which means they are neutered. Even Congress is neutered only able to make recommendations for people who testify fraudulently before Committees.

The end loser is the investment client losing life savings. Eric Garner went to jail for selling cigarettes. He went to jail 11 times for cigarettes. Madoff walked free for 50 years because that is what the Wall Street industry engineered to keep their hidden deal going.

Grey areas the Commission facilitates, too, include lawyers in the S.R.O. and other forums conducting legal biz across state lines and across the wires. DC Ethics counsel said that is not allowed, a grey area that the Commission must make black and white.

The loser, again, is the investment client. Local bar associations have no jurisdiction over bad out of state attorneys not licensed under them. The local bar advice to the harmed person is to file the complaint with the foreign bar. Word to the wise is not to file a complaint against a lawyer. They threaten defamation lawsuits even when 100% in the wrong with matters like copyright violation done with the end goal of winning their suit. No says Bar Ethics. Lawyers are held to the same laws people are along with being held to the ethics of the industry.

The Commission explains away their cockups citing 'judgment.' Congress gives the Commission no brain, no independence, no judgment, no policy making, something the Commission has gone to town on. Congress is the brain. The Commission is the worker bee.

The Commission has a fiduciary which includes granting S.R.O. status to past applicants. The Commission has a fiduciary to not giving the current S.R.O. data sharing access more so when the data the S.R.O. is sharing across global platforms has been 'cleansed', cleaned up, falsified, purged making the S.R.O. members look good to prospective susceptible investment clients publicized by the S.R.O. platform the Commission approved of rules and forms, too.

Something interesting happened this month. The S.R.O. the Commission approved, its rules and forms too, tried to slip by, without being noticed, a comment on the S.R.O. placing its D.R.S. program in to one of the 501(c)(6) entities.

A comment notice was published on the Public Register. Some got comments in on time. I understand why the S.R.O. tried to pull such a slick willy move. Something mothers always tell their kids that you get away with somethings some of the time but never get away with all things all of the time.

The S.R.O. made an unexpected adversary that connected dots that the S.R.O. had no Congressional oversight, as alleged, to be involved with investment advisors and investment clients, period, let alone in the S.R.O. D.R.S. forum that Congress approved for broker and brokerage disputes amongst themselves.

Let alone that the S.R.O. was paying out pennies on the dollar to harmed investors; let alone that the S.R.O. was alleging to conduct their D.R.S. under the Federal Arbitration Act. Ummm, the F.A.A. is for Maritime disputes. The U.C.C. is for investment advisor disputes argued on a state by state basis.

The reason for the S.R.O. trying to continue their pretense of being Congressionally 'compliant' when that is not what Congress wrote way back is catching up the billion dollar business league that should held accountable for all investor license and, as it goes with Boards and stuff, each Board member past and present should be accountable to for being accessories to crime. Madoff, anyone.

Fifty years, the S.R.O. knew. That alone should send current and past presidents of the S.R.O. up the river to bunk with Bernie in Buttner.

That said, there is a misconception outside the Beltway that legislators are above the law.... not at all. There is low hanging fruit that six pack Sally still wants to swing at, starting with the Commission.

Change is coming, not more laws, change.

Sincerely

Carrie Devorah
([REDACTED])

aka

Six Pack Sally Swinging At Low Hanging Fruit