

Public Investors Arbitration Bar Association

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February 25, 2008

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

Re: SR-FINRA-2007-042 Rule Proposal Regarding Electronic Filing

Dear Ms. Morris:

Thank you for the opportunity to comment on the Rule Proposal of the Financial Industry Regulatory Authority ("FINRA") to amend NASD Rules 12302 and 13302 regarding electronic filing of Statements of Claim (SR-FINRA-2007-042). I write on behalf of the Public Investors Arbitration Bar Association ("PIABA") in support of the above-referenced rule proposal. The proposed rule would remove the 50-page limit on Statements of Claim filed through the Online Arbitration Claim Filing System ("the System") and would allow parties to submit Statements of Claim and exhibits through the System.

On behalf of PIABA, I support the proposed rule and urge its adoption. PIABA is a bar association dedicated to the protection of investors' rights in securities arbitration proceedings. PIABA supports the proposed rule, as it is a positive step in creating a more efficient and accessible claim-filing system. The proposed rule will make it easier for investors to submit their claims through the System, especially if they have a considerable number of pages attached as exhibits, as Statements of Claim often do. The proposed rule is beneficial as it could also save mailing or messenger costs, help reduce the need for paper storage, and reduce significant time delays inherent with paper filings.

While PIABA believes that this proposed rule is a step in the right direction, more needs to be done. If a claimant submits the Statement of Claim through the System, he or she is still required to send payment for filing fees in the mail by check. The filing of separate parts of the claims via both mail (for the check) and electronic submission (for the Statement of Claim) discourages the use of the online claim filing system.

One way to correct this problem would be to allow claimants to pay the claim filing fees online, by accepting payment from credit cards, much in the same way many federal and state courts currently operate. In nearly all of the federal district courts, the parties can submit pleadings, motions, briefs, and other documents through the court-sponsored filing system (the Case Management/Electronic Case Filing System or "CM/ECF"). Once a filing is submitted to the CM/ECF, the other counsel of record will automatically receive an electronic, file-stamped copy of the submission via e-mail within only a few minutes. Many federal courts have recently adopted procedures to accept credit cards for the payment of filing fees for the CM/ECF. A similar system used by FINRA could expedite the processing of filed pleadings and motions and would create efficiencies.

In addition, the current online filing system is not user-friendly. The current system can be difficult to use, especially for those who consider themselves to be "computer illiterate." Users who are unable to understand the system simply give up and file their claims via mail.

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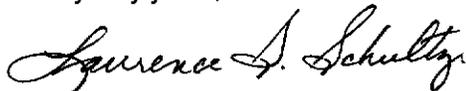
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PIABA supports the acceptance of this new rule, and hopes that FINRA will continue to find ways to create a more efficient, more user-friendly claim filing system. I would like to thank you once again for the opportunity to comment on this rule proposal.

Very truly yours,



Laurence S. Schultz
President

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