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April 17, 2009

**VIA EMAIL**

Ms. Elizabeth M. Murphy  
Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

**RE: SR-FINRA-2009-008**

Dear Ms. Murphy:

The purpose of this correspondence is to express our position regarding FINRA's Proposed Revisions to Forms U4 and U5. Levin Papantonio et. al. focuses its practice representing investors who have been harmed by the misconduct of the securities industry ("Industry"). For years Levin Papantonio et. al. has worked to not only increase the transparency of a financial advisor's disciplinary records, but also to increase the scope of the information that should be made available to the public. Several of FINRA's proposed changes to Form U4 and U5 would increase the transparency of a financial advisor's disciplinary record. Unfortunately, several of the other proposed changes limit the scope of disclosures.

We strongly support two of FINRA's proposed changes. First, Question 14E of Forms U4 and U5 would be amended to allow FINRA to disclose to the public those financial advisors that are subject to statutory disqualification as a result of an intentional violation of law or regulations. This proposed change should be approved because it promotes the full and fair disclosure of a financial advisor's record, while protecting investors from statutorily disqualified financial advisors.

Second, Question 14I(2) and (3) of Form U4 and Question 7E(2) and (3) of Form U5 will now require brokerage firms to report allegations of sales practice violations made in arbitration claims and civil lawsuits against financial advisors who are not named as parties. The current format technically does not require the brokerage firm to make a Form U4 filing and CRD disclosure when a financial advisor is the subject of an arbitration or civil lawsuit, but is not named as a party. In the past, we represented over 100 clients in cases versus the same broker. Over 80 of the claims settled, but the financial advisor's CRD remained clean because he was not a named party. A new investor would be led to believe that this advisor had a clean record.

The proposed change will remove this loophole and require brokerage firms and its financial advisors to candidly disclose these events.

We respectfully disagree with two of the proposed changes, which unfortunately hinder full and fair disclosure of information involving financial advisors. First, FINRA has proposed a rule change, which would increase the requisite threshold dollar amount requiring disclosure of settlements in customer disputes from the current \$10,000 to the proposed \$15,000. We strongly disagree that any threshold dollar amount be required before a brokerage firm is required to disclose a settlement involving a customer dispute on the financial advisor's CRD. The proposed change will only further a financial advisor's ability to settle misconduct claims under the threshold disclosure amount while still maintaining a clean CRD.

Second, the proposed rule changes would provide the brokerage firm with the ability to amend its reason for terminating a financial advisor after the Form U5 has been filed. Allowing brokerage firms the ability to make changes to termination records will provide them with the ability to work in their own interest, particularly if a claim is filed against the terminated party. This proposed change can reasonably lead to abuse by the brokerage firm and impedes progression towards full and fair disclosure of financial advisor records to the public.

We respectfully request that FINRA approve its proposed changes to Form U4 and U5 disclosures, which pertain to statutory disqualification and the disclosure of arbitration claims where the financial advisor's conduct is the subject of the misconduct alleged, but the financial advisor was not named as a party. We request the removal of any monetary thresholds for disclosure of settlements and would prevent brokerage firms from altering its reasons for terminating a financial advisor.

Respectfully,



Peter J. Mougey, Esq.



Kristian P. Kraszewski, Esq