

Subject: File No. SR-FINRA-2013-002

I have represented brokers in securities arbitration and litigation for the past 20 years. Prior to that, I spent 13 years in the securities industry as a registered representative and compliance officer. I currently represent several registered representatives and a firm in customer disputes and regulatory matters.

Full disclosure is the bedrock principal of securities regulation. Investors can not make informed decisions without all material information and that includes material information concerning the representative making recommendations to them. A registered representative's CRD is the only official compilation of material information concerning the individuals to whom investors entrust their financial future. FINRA should encourage the investor to take every opportunity to learn more about broker-dealers and their registered representatives prior to and during the customer relationship. Sadly, the amount of information is systemically lacking in quality and quantity and encompassed in an awkward, hard to use system that encourages lay persons to give up and just take the word of the sales person.

Industry comments use the disorganized, repetitive, and difficult nature of the CRD as a reason to not encourage investors to use BrokerCheck. Perhaps if more investors experienced these Kafkaesque reports there would be enough complaints to pressure FINRA to make them rational and informative. I encourage FINRA to make the BrokerCheck more user-friendly, but suspect that FINRA is more concerned with a happy membership than an informed public.

Finally, in the interest of full disclosure, FINRA should disclose that BrokerCheck is far from comprehensive. Expungement of serious customer complaints has become almost routine and FINRA is working to make it even more routine for brokers who defraud customers but aren't named in arbitration complaints due to the industry bias of FINRA Dispute Resolution in the selection and assignment of arbitrators. A clean CRD in no way indicates that the registered representative does not have multiple serious customer complaints settled for large amounts of money. Some reps have more than 20 expunged complaints. Again, perhaps if more investors are misled by these flaky reports, maybe there would be pressure for FINRA to make them accurate.

I support the rule as little better than nothing, but still a little better.