

AIDIKOFF, UHL & BAKHTIARI

9454 WILSHIRE BOULEVARD

SUITE 303

BEVERLY HILLS, CALIFORNIA 90212

WWW.SECURITIESARBITRATION.COM

PHILIP M. AIDIKOFF
ROBERT A. UHL[§]
RYAN K. BAKHTIARI*[†]◊
KATRINA M. BOICE[°]

PHONE (310) 274-0666

FAX (310) 859-0513

OF COUNSEL

DAVID HARRISON*

DAVID G. SPIVAK

*ALSO ADMITTED NEW YORK

†ALSO ADMITTED DISTRICT OF COLUMBIA

◊ALSO ADMITTED TEXAS

°ADMITTED IDAHO ONLY

§RETIRED FROM FIRM

July 2, 2014

Via Email Only

rule-comments@sec.gov

Office of the Secretary
Securities and Exchange Commission
100 F Street NE
Washington, D.C. 20549-1090

**Re: SR-FINRA-2014-028
Notice of Filing of Proposed Rule Change Relating to Revisions to the
Definitions of Non-Public Arbitrator and Public Arbitrator**

To the Office of the Secretary:

I am a partner at Aidikoff, Uhl and Bakhtiari, a law firm devoted to the representation of individuals and institutions in disputes with Wall Street and the financial service industry. I am a former President of the Public Investors Arbitration Bar Association (PIABA) and the current Chairman of FINRA's National Arbitration and Mediation Committee (NAMC).

The purpose of this letter is to provide the Securities and Exchange Commission with comments on the above referenced rule proposal. The Financial Industry Regulatory Authority (FINRA) regulates its member firms that compel their customers to arbitrate any future claim they may have against the firm.¹ Prior to 2008, in claims exceeding \$100,000, an arbitration panel was composed of three arbitrators, two public and one industry (*i.e.*, one with ties to the securities industry). After a decade of changes attempting to eliminate customers' perceptions that some industry arbitrators are biased, customers were given the option to choose an all public panel. Despite ties to the financial industry, some arbitrators continue to be misclassified as part of the public pool. Therefore, a customer's choice to have an all public panel can be nullified by the improper classification of arbitrators. The proposed rule and bright line test eliminates loopholes through which professionals in the securities industry or those that worked on behalf of the industry are classified as public arbitrators. Once adopted the rule will be a substantial step towards ensuring that "Public" means "Public."

¹ FINRA Code of Arbitration Procedure § 12200.

The proposed rule is an important step towards protecting the investing public and leveling the playing field for aggrieved investors. I urge the Commission to approve the proposed rule on an expedited basis.

Very truly yours,

AIDIKOFF, UHL & BAKHTIARI



RYAN K. BAKHTIARI
rkb@aublaw.com