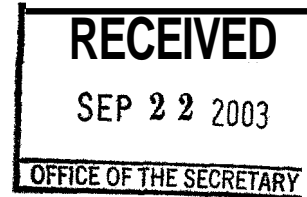


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Public Investors Arbitration Bar Association

September 11, 2003



Jonathan G. Katz, Secretary
Securities and Exchange Commission
450 Fifth Street, NW
Washington, DC 20549-0609

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RE: Proposed Arbitrator Classification Rule Change
File No. SR-NASD-2003-95
Release No. 34-48347

Dear Mr. Katz:

I write on behalf of the Public Investors Arbitration Bar Association (PIABA) in response to the Commission's request for comments on the proposed arbitrator classification rule change referenced above.

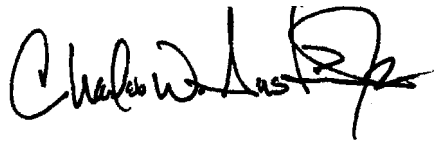
PIABA believes both the NASD and the SEC should go further by eliminating all banking and insurance personnel from the public arbitrator pool. The continuing consolidation of the financial services industry has created such labyrinthine and intractable ties between banking and insurance personnel and the securities industry as to make it difficult to credibly characterize persons associated with those industries as "public" arbitrators. For similar reasons, PIABA also believes that all partners of those professionals characterized as "non-public" arbitrators should be eliminated from the "public" pool, regardless of whether the professional association of which they are members falls below the 10% threshold set forth in the proposed rule. Any rule to the contrary ignores certain business realities of professional associations, particularly in the current highly competitive environment among professionals to procure work from the dwindling number of potential clients in the financial services industry.

In light of the recent publicity surrounding the misdeeds of the securities industry during the 1990s and the record number of customer-member arbitration filings, it is more imperative than ever that the public investor have confidence in the dispute resolution mechanism. As such, PIABA supports the change of arbitrator classification reflected by the proposed rule as a positive and significant step toward the elimination of the appearance of pro-industry bias in the roster of those eligible to sit as "public" arbitrators in NASD arbitrations. It is PIABA's hope that the NASD and the Commission will consider the additional changes set forth above, and we look forward to working with all concerned to continue to revise the rules of SRO arbitration to ensure a level playing field between the participants.

Jonathan G. Katz - SEC
September 11, 2003
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RE: Proposed Arbitrator Classification Rule Change

Please don't hesitate to contact Pat Sadler at 770-587-2570 or me at 804-379-3590 with any questions or comments.

Cordially,

A handwritten signature in black ink, appearing to read "Charles W. Austin, Jr.", with a stylized flourish at the end.

Charles W. Austin, Jr.