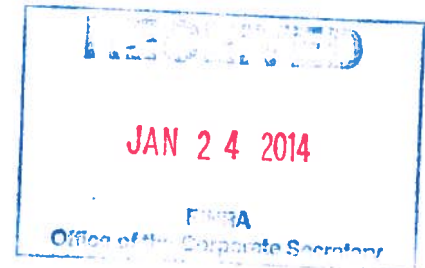


January 21, 2014

Marcia E. Asquith
Office of the Corporate Secretary
FINRA
1735 K Street, NW
Washington, DC 20006-1506



Dear Ms. Asquith:

Ref: The Comprehensive Automated Risk Data System (CARDS)

CARDS is a misnomer. It should be framed for the acceleration of "The Demise Of the Small Broker Dealer". Over 1300 FINRA members have exited the business in the past several years, more will follow at an even faster rate with CARDS.

We strongly object to implementing any phase of CARDS.

1. FINRA has all the information from customer written complaints and on-site examinations. You know the bad actors, less than 99.75% of Brokers and Firms you supervise.
2. CARDS is largely a duplication for on-site examinations and has the feel of finding more work to fill the void left from losing nearly 25% of the its FINRA members. To fill the void it smacks of self-serving make work for a quasi-governmental organization and perpetuating its agrandissement. What else is new.
3. Contrary to what you suggest, CARDS does "largely supplant the legal, compliance and supervisory programs" of on-site examinations.
4. Cards, contrary to your suggestion would not reduce the need for manual, hard to retrieve time consuming reports at the time of the on-site examination since you require firms to retrieve reports ahead of your examination. You implied that much about a year ago when asking firms to volunteer in a questionnaire that you submitted.
5. The costs on firms is likely to explode as government programs usually do from compliance with CARDS and incremental fees on Broker Dealers. The financial industry is already burdened with costly regulations and may as noted, accelerate FINRA membership exit.

6. There is a serious constitutional question to be answered: invasion of client privacy.

Respectfully,

A handwritten signature in dark ink, appearing to read "Erich Sokolower". The signature is fluid and cursive, with a long horizontal stroke at the end.

Erich Sokolower
Managing Director