FINRA is presently conducting a review of the efficacy of continuing to allow compensated non-attorneys (NARs) to represent clients in securities arbitration, and has requested comments on forum users' experiences with NAR firms. I write as an arbitrator (since 1977) and mediator (since 1995 when the mediation program began in the forum), as a former Chair of the NAMC, and Member of the recent FINRA National Task Force, to report my personal experiences with NARs, and to concur wholeheartedly with two excellent previous submissions, one from Richard P. Ryder of *Securities Arbitration Commentator (SAC),* and another from Steve B. Caruso, Esq, a practicing lawyer in the forum from *Maddox, Hargett & Caruso, PC*, New York City. Both urge that compensated NARs no longer be permitted to appear in customer arbitrations (except for supervised students in law clinics), because, as Mr. Caruso notes, they "threaten FINRA's fair, efficient and effective venue … and constitute a clear and present danger to the investing public…" I completely agree, and urge FINRA to take prompt action on the matter to bar NARs from practicing.

I have had a number of personal experiences with compensated NARs who solicit business from the public and are not affiliated with any law school clinics, and they have uniformly been unfortunate. Their work is often shoddy, sometimes with boilerplate pleadings that have little applicability to the case at hand, and with arguments that are high in volume but low in quality. They can be rude and disrespectful, to their clients as well as opposing counsel, and sometimes even to the mediator. They overcharge compared to usual legal fees, and it is abundantly clear their primary interest usually is in extorting as much as they can get for themselves rather than protecting the best interests of their clients. I don't work for them any longer, in part because I became embarrassed that they are allowed to participate in our forum. Permitting them to practice does a disservice to customers and all the rest of us who work for FINRA because we all get tarred with their brush. You must stop it as soon as you can, whether the law in a state allows it or, as is more often the case, does not!

In his letter to you, Rick Ryder highlights an excellent article from a 1988 issue of *SAC* (Vol. 2016, No. 8) written by Aegis J. Frumento, Esq. and Stephanie Korenman, Esq. of *Stern Tannenbaum & Bell, LLP*, in New York City, which reviews the history of NARs. It notes that NAR's have been viewed, first by SICA twenty years ago, and then FINRA, and the SEC, "as not being in the best interests of investors," and yet they continue to practice. I urge you to consider the persuasive arguments in this fine SAC article which documents the checkered history of the practice, and how it evolved from the "law of the shop." It concludes with a strong recommendation that non-lawyer advocates not be permitted to appear in customer arbitrations. They suggest the prohibition not apply to supervised law students under the guidance of a lawyer involved in the clinic, and I agree with that. I have handled many mediations with such clinics, and that representation has always been first class. I also applaud FINRA's efforts to encourage the clinic's growth and development by providing financial support to some of them.

Steve Caruso is former President and current Director Emeritus of PIABA, and the current Chair of the FINRA NAMC, and is very well informed on the impact of NARs in our forum. He has written an excellent article on the subject, originally published by the Association of the Bar of the City of NY, which he submitted to you, documenting chapter and verse of some the shoddy and shady practices of various NARs. He asks, *"Do They Present a Clear and Present Danger to the Integrity of FINRA Arbitration,"* and he answers the question in the affirmative. I couldn't agree more!

It seems there is only one submission so far to FINRA on this question from a lawyer practicing in the forum that is supportive of keeping NARs. There are none in support from mediators and arbitrators. It appears the NARs have also drummed up some testimonials from a couple of former clients who admit their lack of knowledge and sophistication in these matters.

Nonetheless, it is abundantly clear that the overwhelming view of most knowledgeable practitioners, lawyers, neutrals and regulators, is that it is time to end this unwise and potentially harmful practice which is destructive to customers and to the proper conduct of the forum.
Thank you for the opportunity to submit my comments on this very important subject.

Philip S. Cottone,
Mediator and Arbitrator