Also Admitted in Maryland and the District of Columbia

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VIA EMAIL
Jennifer Piorko Mitchell
Office of the Corporate Secretary
FINRA
1735 K Street
Washington, DC 20006-1506
pubcomn@finra.org

Re: Regulatory Notice 18-22 Proposed Amendment to Discovery Guide to Require Production of Insurance Information in Arbitration

Dear Ms. Mitchell:

I write in support of the proposed amendments to the Discovery Guide to require the production of insurance information when requested by claimants. I am an attorney who has been representing securities industry victims in your securities arbitration forum for more than 25 years. The existence and terms of liability insurance policies is crucial information for attorneys to consider if they are to properly advise their investor clients in cases where the respondent is not highly capitalized. It is my understanding that wire houses are generally self-insured for the first many millions in claims, and this rule is not really for them.

In many cases, the ability to pay is an essential consideration when advising clients on whether to go to hearing or settle, and whether a settlement proposal from either side is fair and reasonable under the circumstances. Without that critical insurance information, we are operating in the dark. We are put in a position where we have to advise clients on what may be the most important financial decision in their lives without knowing one of the most important facts.

FINRA asked for comment on what documents would satisfy the proposed rule, and the answer is simple. Claimants' should be entitled to a complete copy of the policy itself, including any amendments and riders. Claimants should also be able to obtain any letters from the insurance carrier reserving rights or denying coverage. I agree that in the vast majority of cases,

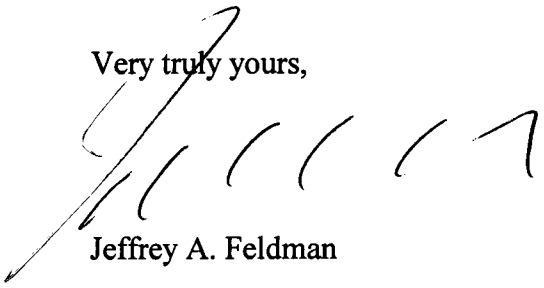
the existence of insurance should not be admissible as evidence in the hearing, and the proposed rule adequately addresses that issue. This is also typical of the laws requiring production of such insurance documents in litigation, including in my state, California.

California Code of Civil Procedure Section 2017.210 provides for the discovery of insurance information in litigation as follows:

> "A party may obtain discovery of the existence and contents of any agreement under which any insurance carrier may be liable to satisfy in whole or in part a judgment that may be entered in the action or to indemnify or reimburse for payments made to satisfy the judgment. This discovery may include the identity of the carrier and the nature and limits of the coverage. A party may also obtain discovery as to whether that insurance carrier is disputing the agreement's coverage of the claim involved in the action, but not as to the nature and substance of that dispute. Information concerning the insurance agreement is not by reason of disclosure admissible in evidence at trial."

The claimants to a FINRA arbitration should be able to obtain the same information as a court plaintiff, so that informed decisions about settlement can be made by victims of the securities industry.

Very truly yours,



Jeffrey A. Feldman

JAF/mh