

September 5, 2018

Via Email
pubcom@finra.org

Jennifer Pioko Mitchell
Office of the Corporate Secretary FINRA
1735 K Street, NW
Washington, DC 20006-1506

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

Dear Ms. Mitchell:

I write in strong support of the proposed amendment to the Discovery Guide to require the production of insurance information when requested by claimants, as set forth in FINRA Regulatory Notice 18-22.

My law firm represents investors in arbitration and in civil court. The existence and scope of liability insurance policies is essential information for any attorney representing investor clients, particularly in cases where the respondent is under-capitalized or self-insured. In many cases, the question of whether the respondent has the ability to pay a potential award is an important consideration in advising clients on pursuing the claim to hearing or settling the matter. Without such insurance information, investors and their attorneys are essentially left in the dark regarding a respondent's ability to satisfy an award. This handicap is magnified by the fact that FINRA neither mandates its members to maintain adequate capital reserves to pay claims nor mandates its members to carry insurance coverage.

As FINRA points out in Regulatory Notice 18-22, insurance information is discoverable under most state statutes and under Federal discovery procedures. In Pennsylvania, Pa.R.C.P. 4003.2 closely mirrors the Federal rule, and provides as follows:

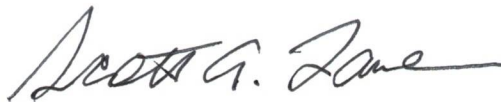
A party may obtain discovery of the existence and terms of any insurance agreement under which any person carrying on an insurance business may be liable to satisfy part or all of a judgment which may be entered in the action or to

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indemnify or reimburse for payments made to satisfy the judgment. Information concerning the insurance agreement is not by reason of such disclosure admissible in evidence at trial. For purposes of this paragraph, an application for insurance shall not be treated as part of an insurance agreement.

The inclusion of insurance information in the FINRA discovery guide is long overdue and would finally provide investors in arbitration with the same level of insurance information as their counterparts in Federal or state civil courts. Thank you for your consideration.

Very truly yours,

A handwritten signature in cursive script that reads "Scott A. Lane". The signature is written in black ink and is positioned above the typed name.

Scott A. Lane, Esq.