

Wall Street Access  
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April 28, 2008

Marcia E. Asquith  
Office of the Corporate Secretary  
FINRA  
1735 K Street, NW  
Washington, DC 20006-1500

**Re: Proposed Changes to Forms U4 and U5 (NTM 08-20)**

This is in response to the Financial Industry Regulatory Authority's ("FINRA") notice to change questions in the U4 and U5 forms:

The proposed change that will require registered representatives to respond with, "Yes," when they are named in the body of consumer initiated arbitration or civil litigation raises some concerns. If the answers to the proposed questions are as such:

(1) *still pending*

- Will amendments later be required with removing the individual, and/or firm, from said allegations if they are found to be innocent?

(2) *given any amount in the reward*

- If sums in a settlement are to be paid by named parties, will it be in proportion to their respective amounts, or that of the settlement?

(3) *amount of \$10,000 or more*

- Will individuals and firms report their respective portions of the settlement, or the settlement as a whole?

Would it not be in *best practice* that registered representatives be named as defendant/respondent along with their employing firm in a lawsuit or arbitration? If a registered representative is directly, or indirectly, involved for the ensuing consumer complaint in the interest of simplifying matters or in the best interest of this proposal?

And lastly, will it be necessary to respond with, "Yes," if a representative is named in the body of a complaint as a point of emphasis, but is not responsible for the acts detailed in the arbitration?

[http://www.finra.org/web/groups/rules\\_regs/documents/notice\\_to\\_members/p038384.pdf](http://www.finra.org/web/groups/rules_regs/documents/notice_to_members/p038384.pdf)