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January 8, 2024

Ms. Vanessa Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090

RE: File No. SR-FINRA-2023-013 (Proposed Rule Change to Amend the FINRA Codes of Arbitration Procedure and Code of Mediation Procedure to Revise and Restate the Qualifications for Representatives in Arbitrations and Mediations) – Response to Comments

Dear Ms. Countryman:

This letter is being submitted by the Financial Industry Regulatory Authority, Inc. (“FINRA”) in response to comments received by the Securities and Exchange Commission (“SEC” or “Commission”) regarding the above-referenced rule filing. The proposed rule change would amend FINRA Rule 12208(b) through (d) of the Code of Arbitration Procedure for Customer Disputes, FINRA Rule 13208(b) through (d) of the Code of Arbitration Procedure for Industry Disputes and FINRA Rule 14106(b) through (d) of the Code of Mediation Procedure.¹

The Commission published the Proposal for public comment in the Federal Register on October 6, 2023, and received four comments in response.² All four commenters expressed support for the Proposal.

Although Cetera expressed support for the Proposal, Cetera also commented that “[t]he Proposal has the effect of conferring instant approval on law school clinics without providing

¹ See Securities Exchange Act Release No. 98703 (October 6, 2023), 88 FR 71051 (October 13, 2023) (Notice of Filing of File No. SR-FINRA-2023-013) (“Proposal”).

² See Letter from Steven B. Caruso, dated October 7, 2023; letter from Joseph C. Peiffer, President, Public Investors Advocate Bar Association, to Vanessa Countryman, Secretary, SEC, dated November 3, 2023; letter from Christine Lazaro, Supervising Attorney, Elizabeth Allhusen, Legal Intern, Camille Perbost, Legal Intern, and Elissa Germaine, Supervising Attorney, Securities Arbitration Clinic of St. John's University School of Law, to Vanessa Countryman, Secretary, SEC, dated November 3, 2023; and letter from Mark Quinn, Director of Regulatory Affairs, Cetera Financial Group, to Vanessa Countryman, Secretary, SEC, dated November 3, 2023 (“Cetera”).

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guidance to other institutions that may wish to provide similar services to non-investor claimants,” that FINRA should “undertake a review” to determine whether institutions providing services to non-investor claimants exist, and if they do, “consider what qualifications or restrictions may be necessary to allow them to appear.” Cetera also stated that FINRA should “consider and publish standards for programs that would satisfy the ‘or equivalent’ provision in [proposed Rule] 12208(b)(1)(B).”

FINRA appreciates Cetera’s comments and notes that the Proposal includes the “or equivalent” provision to account for flexibility in law school programs (*e.g.*, a law school without a formal clinical program, but that has students providing legal services under the supervision of a law school professor). While FINRA is not aware of any such programs at this time, should one arise, FINRA would make an evaluation on a case-by-case basis and provide guidance as appropriate.

FINRA believes that the foregoing responds to the material comments raised on the Proposal and that the Proposal should be approved. If you have any questions, please contact me on 212-858-4106, email: Kristine.Vo@finra.org.

Very truly yours,

/s/ Kristine Vo

Kristine Vo
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Office of General Counsel