



March 21, 2014

Marcia E. Asquith
Office of the Corporate Secretary
FINRA
1735 K Street, NW
Washington, DC, 20006-1506

RE: Regulatory Notice 12-43, Comprehensive Automated Risk Data System (CARDS)

Dear Ms. Asquith:

On behalf of AARP,¹ I am writing to express support for FINRA's proposal to develop a new Comprehensive Automated Risk Data System (CARDS) to automatically collect and analyze investor account-level data. AARP believes that an individual's retirement savings are too important to be put at risk by insufficient or incomplete oversight of financial markets and service providers. Therefore, AARP supports the CARDS proposal as an effort to use available technology to automatically collect and analyze investor account-level information. We believe that CARDS' data-driven and technologically sophisticated approach will ultimately better protect investors beyond FINRA's current information collection that is done on a firm-by-firm basis.

AARP supports the CARDS proposal as it will enable FINRA to conduct advanced, market-wide analysis and more fully assess business conduct patterns and industry trends. The CARDS proposal also will better protect investors by allowing FINRA to more readily identify potential red flags in the marketplace, including troubling sales practices and potentially fraudulent activity. While anyone can be targeted by financial fraud, older Americans are disproportionately victims of this kind of crime. Research by the Investor Protection Trust, for example, found that in 2012 one out of every five Americans over the age of 65 had been victimized by a financial scam.² In 2013, Americans over age 60 were the largest age group reporting fraud to the Federal Trade Commission.³ As more members of the baby boom generation age and enter retirement, the problem of elder financial fraud is likely to escalate. AARP supports efforts like the CARDS system which will help to prevent widespread financial fraud and abuse from victimizing older Americans.

¹ AARP is the largest nonprofit, nonpartisan organization representing the interests of Americans age 50 and older and their families.

² "Preventing Elder Investment Fraud," Investor Protection Trust. Available at: <http://www.investorprotection.org/protect-yourself/?fa=protect-seniors>

³ Consumer Sentinel Network Data Book for January-December 2013, The Federal Trade Commission. Available at: <http://www.ftc.gov/system/files/documents/reports/consumer-sentinel-network-data-book-january-december-2013/sentinel-cy2013.pdf>

AARP also applauds FINRA's recent decision to develop the CARDS system and gather account data without collecting personally identifiable information. While the CARDS system stands to improve the broker-dealer oversight process and benefit investors overall, we believe protecting the privacy of investors of all ages and ensuring the security of their personal information is of primary importance.

If properly developed and implemented, AARP believes the CARDS proposal will deliver significant benefits by making FINRA's oversight and enforcement processes more comprehensive and efficient. Increased understanding and data-driven analysis of the financial marketplace will in turn enhance outcomes for investors. If you have any questions regarding AARP's support for the CARDS proposal or need additional information, please feel free to contact Mary Wallace on our Government Affairs staff at 202-434-3954 or mwallace@aarp.org.

Sincerely,

A handwritten signature in black ink, appearing to read "David M. Certner", with a stylized flourish at the end.

David M. Certner
Legislative Counsel & Policy Director
Government Affairs