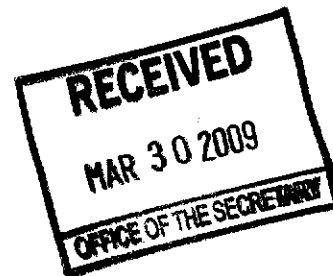


WILLEFORD LAW FIRM

201 ST. CHARLES AVENUE, SUITE 4208  
NEW ORLEANS, LA 70170-4208

504/582.1286  
FAX 313/692.5927  
www.willefordlaw.com

JAMES F. WILLEFORD  
JESSICA M. VÁSQUEZ  
REAGAN L. TOLEDANO



Elizabeth Murphy  
Securities and Exchange Commission  
100 F Street NE  
Washington, DC 20549-1090

RE: Comment on SR-FINRA-2008-024

Dear Ms. Murphy:

As a member of PIABA and an active attorney representing investors, I have several concerns regarding the proposed amendments. As they stand today, the proposed rules are one-sided. Customers are forced to undergo what has been coined a "financial colonoscopy" while brokers skim through the arbitration process without having to produce of any *their* financial documents.

In many cases, brokers have financial incentives to make certain product recommendations that fly under the radar because tax returns and *non-cash* compensation records are not considered presumptively discoverable. And arbitrators are hesitant to allow additional discovery if it does not conform verbatim to the discovery guide lists, no matter how relevant the documents may be.

Broadening the production of documents from the customers and shortening the documents the brokers are required to produce does not even out the arbitration playing field. My concerns are as follows:

1. Accounts statements and confirmations should remain presumptively discoverable. In my experience it is integral to have the account statements immediately produced by the respondents. Many customers have been told by their brokers to either "throw their account statements away" or have lost them in various natural disasters. When customers request copies of their statements, the BDs have charged exorbitant amounts for making copies.


For example, several Katrina victims were told that it would cost thousands of dollars to get copies of their statements. Customers did not pursue a claim against their broker because they simply could not afford to get copies of these documents. Once these documents lose their presumptive discoverability the BDs will make it even more difficult to obtain basic account information and will

continue charging exorbitant fees for copying. Firms should be required to produce statements on a CD, which would lower the costs of production and lessen the work.

2. Old tax returns should not be presumptively discoverable. Asking for tax returns five years prior to the date at issue through the current date *exceeds* the amount of years most clients keep their tax returns (i.e. the last 7 years). Producing old returns would require signing releases to the IRS and possibly incurring additional copying costs. Customers are already extremely uncomfortable to produce tax returns since it contains highly confidential and personal information including social security numbers. By making the production of old tax returns presumptively discoverable, most customers would be deterred from filing claims.
3. ~~Mandating customers to sign releases for other brokerage accounts will serve no purpose other than as a deterrent to filing complaints.~~ Customers have already signed (usually unknowingly) and waived their rights to a court of law and are highly suspicious of signing anything else that may prejudice their rights. Also, the question of who will bear the costs of copying once these statements are produced has not been addressed. Customers who have lost their retirement money are sensitive to costs and fees and simply cannot afford to lose any more.
4. Making loan information presumptively discoverable will lead to an unending fishing expedition. It will require the disclosure of credit card applications, loans for furniture, gas card applications and car loans which are simply not probative of material facts. A loan application for a gas card does not provide relevant information in a securities case. These documents would simple harass the customer and would convert the arbitration into a trial on the client's life and not their financial investments. Most customers are already embarrassed about having to file a claim against the broker they trusted and an unfounded fishing expedition will serve only as a deterrent to filing a claim.

I appreciate the opportunity to comment on the proposed legislation.

Sincerely,



Jessica M. Vasquez  
Willeford Law Firm

JMV:sas