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May 4, 2011

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

Re: Release No. 34-64260; SR-FINRA-2011-016

Dear Ms. Murphy:

Thank you for the opportunity to comment Release No. 34-64260, which seeks to delay the implementation date for FINRA Rule 2090 (Know Your Customer) and FINRA Rule 2111 (Suitability), as approved in SR-FINRA-2010-039, to July 9, 2012. I write on behalf of the Public Investors Arbitration Bar Association ("PIABA")¹ in opposition to the above-referenced rule proposal. The proposed rule would delay the implementation of critical investor protections for an unacceptable period of time. The current rule proposal seeks to delay the implementation of the revamped FINRA Rule 2090 to July 9, 2012, more than nine months after the originally set implementation date of October 7, 2011. PIABA respectfully asks the SEC to reject the proposed rule and consider keeping the implementation date of October 7, 2011.

PIABA does not support the proposed delay. As originally drafted, FINRA Rule 2090 and 2111 were to be fully implemented by October 7, 2011. The original order approving this rule change was filed on November 17, 2010 and thus, provided the industry almost an entire year to implement these new rules. Clearly, both FINRA and the SEC believed there was ample justification to implement the new rule in order to reset firms' suitability obligations. To allow the implementation of these new rules to be pushed out an additional nine months, means more time will elapse under an unsatisfactory rule system.

Firms seeking this delay argue that they need more time to properly adopt internal measures and policies to ensure compliance with the new rules. Under the original proposal, firms were provided ten months to comply with rules that are hardly significant alterations from prior existing rules and procedures. While, firms that were not both NYSE and NASD members prior to the consolidation into FINRA, may not have existing "know your customer" policies. This could probably be resolved with a special exemption for firms fitting into this category to allow sufficient time for compliance. Otherwise, firms that were both NYSE

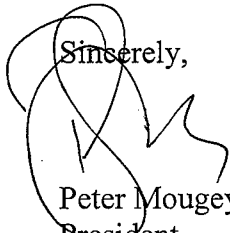
¹ PIABA is an international bar association, consisting of over 500 members, dedicated to the protection of investors' rights in securities arbitration proceedings.

and NASD members should have no difficulty complying with new Rule 2090 by October 2011.

Moreover, the New Suitability Rule 2111 requires that brokers and dealers perform a three-fold suitability analysis: first, the reincorporation of Reasonable Basis Suitability; second, Customer-Specific Suitability; and third, Quantitative Suitability. There is nothing "new" about these standards. Each of these suitability requirements have been a part of the securities and investment advisory industries for decades. To the extent firms and brokers need time to create new documents to include some of the additional information requested under Rule 2111, they have ample time to create them. Furthermore, since SEC Rule 17a-3 already requires brokers and dealers to update customer information related to suitability every 36 months, existing customer accounts should already be undergoing this review. An additional nine months from October 2011 (a total of nineteen months from the original implementation) is an extraordinary delay in the implementation of crucial new investor protection rules and standards.

In sum, PIABA does not support the proposed delay and hopes that the SEC and FINRA will hold brokers and dealers to the original implementation date of October 7, 2011. These more specific rules so critical to increased investor protection should not be postponed until July 2012 for implementation and effective enforcement. I would like to thank you once again for the opportunity to comment on this rule proposal.

Sincerely,



Peter Mougey
President

PUBLIC INVESTORS ARBITRATION
BAR ASSOCIATION

Mr. Mougey's Contact Information:

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