

Subject: File No. SR-FINRA-2007-021
From: Philip M. Aidikoff, Esq.

March 21, 2008

Dear Ms. Morris:

Thank you for the opportunity to comment on the proposed rule change concerning Motions to Dismiss in FINRA arbitrations.

For many years our firm has focused its practice on the representation of individual investors in disputes with the securities industry. I also serve as a FINRA arbitrator.

Our clients are forced by the arbitration clause contained in every brokerage firm new account agreement to resolve disputes in securities arbitration, depriving them of their right to a trial by jury, the safeguards of comprehensive discovery, and the right of appeal. Even more distressing is that every panel contains a representative of the securities industry.

Although securities arbitration is supposed to provide a speedy and economical forum for the resolution of customer disputes, over the past 15 years I have observed an evolution that is contrary to these goals. As recent as 10 years ago, it was rare for our law firm to see a pre hearing motion to dismiss filed by respondents. Now it occurs in almost every case.

Respondent attorneys have been urged at seminars to file these motions "early and often". We now see phone book sized attachments to these motions, including arbitration decisions (which of course are not to be considered precedent), designed to harass and intimidate public customers and their (sometimes inexperienced) counsel. Of course, these are also filed against pro se claimants.

It has turned into a pattern of massive abuse that must come to an end.

My preference would be to ban any pre hearing motions in arbitration. I strongly believe that customers should have access to an arbitration panel without the imposition of litigation like procedures designed to close that door. That being said, I support the proposed rule and urge a speedy adoption as a rational compromise designed to balance the competing interests of customers and the industry.

Of course, I remain available to discuss this in greater detail at any time.

Philip M. Aidikoff