Dear Ms. Mitchell:

I write in support of the proposed amendments to the Discovery Guide to require the production of insurance information when requested by claimants. I have been a Finra arbitrator for over ten years, and I have represented customers in the securities arbitration forum for more than 25 years. The existence and scope of liability insurance policies is essential information for attorneys to consider if they are to properly advise their investor clients in cases where the respondent is not highly capitalized or self-insured. Unfortunately, many member firms and associated persons are financially unable to satisfy arbitration awards and defrauded investors are left holding the bag. In many cases, the ability to pay is an essential consideration when advising clients on whether to proceed to hearing or settle, and whether a settlement proposal from either side is fair and reasonable under the circumstances. Without that critical insurance information, investors and their counsel are often operating in the dark. We are put in a position where we have to advise clients on what may be the most important financial decision in their lives without knowing one of the most critical facts. That untenable position is inconsistent with Finra's "Investor Protection" mandate.

The proposal would do nothing more than put parties in customer disputes on the same playing field that exists in most states and in federal court. Finra asked for comment on what documents would satisfy the proposed rule, and the

answer is simple: a complete copy of the policy itself, including any amendments and riders. At a minimum a declaration page detailing coverage limits and exclusions should be produced. I believe the proposed rule adequately addresses the evidentiary issue. Insurance information is no different from inadmissible settlement discussions. It won't come before the arbitrators.

The required disclosure of insurance information from member firms is long overdue. The proposed rule should be adopted. Thank you for your consideration.

Sincerely,

Steven M. McCauley, Esq.

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