FINRA has done a good job listening to the industry concern on PII. Thank you for hearing us.

My concern with CARDS lies in repetition and inefficiency. How many systems do we have to report trading information to? How many opportunities are there for a firm to miss something? Why can't FINRA organize their systems to make things more streamlined?

For example, we have to report trades to OATS. Why do I have an OATS system and then a separate CARDS system? Why can't the systems talk to each other? Are we really building the most efficient systems by having information points A through E on one system and D through F on another? When I asked this question to a regulator, his respond was shocking. He said OATS is concerned about suitability at point of sale but CARDS is only concerned with suitability at settlement. That baffled me.

Is FINRA concerned about legal exposure? If FINRA has suitability information and a client decides the investment was unsuitable, what's stopping that client from going after FINRA for lack of supervision? Is FINRA now legally responsible in monitoring the information? How has this been addressed?

As a small firm, we are constantly concerned about the rising cost of business and compliance. We want to work with our regulators to make the system better, but our budgets are limited and our pockets are not as deep as our large counter parts. Small "per account" or "per incident" charges from clearing firms grow to be big chunks of our budget. CARDS seems to be another way for clearing firms to add on another expense in the name of Compliance.

Thank you,
LM

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