

FOR YOUR INFORMATION

SEC Extends Arbitration Rules

On September 5, 1997, the Securities and Exchange Commission (SEC) approved a five-year extension of the rules governing large and complex cases in National Association of Securities Dealers, Inc. (NASD[®]) arbitration—Rule 10334 of the NASD Code of Arbitration Procedure (Code)—to August 1, 2002. In addition to extending the rules for five years, the rule was amended to make its application entirely voluntary. Prior to the change, the parties in any case involving more than \$1 million in dispute were required to participate in an Administrative Conference to discuss whether the case would be administered under the Procedures for Large and Complex Cases or under the regular procedures of the Code. Under the amended rule, participation in the Administrative Conference will be voluntary.

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