

INFORMATIONAL

Dispute Resolution

NASD Dispute Resolution To Consolidate Western Region March 4, 2002

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- Executive Representatives
- Legal & Compliance

KEY TOPICS

- Arbitration/Mediation
- Dispute Resolution Regional Offices

Executive Summary

On March 4, 2002, the NASD Dispute Resolution, Inc. (NASD DR) Western Region will consolidate its San Francisco and Los Angeles Regional Offices into one Regional Office in Los Angeles. The consolidated Western Regional Office will administer arbitrations and mediations in the San Francisco, Los Angeles, San Diego, Honolulu, Anchorage, Seattle, Portland, Oregon, Salt Lake City, and Las Vegas hearing locations. The decision to consolidate the two California offices is a business decision based on NASD DR's ongoing efforts to improve efficiency and to provide better service and consistency.

The Western Regional Office of NASD DR will close its San Francisco Office and consolidate it with its Los Angeles Office on March 4, 2002. The Los Angeles Office will administer all arbitration and mediation claims assigned to the San Francisco Office. San Francisco will remain as one of the nine hearing locations administered by the Western Region. Judith Hale Norris, Associate Vice President and Director of the Western Region, will relocate to Los Angeles to head the office. She has managed the Western Region since 1986. To accommodate the consolidation of the two offices, NASD DR has acquired additional space at One California Plaza, 300 South Grand Avenue, Los Angeles, California 90071, its present Los Angeles location. The main telephone number is (213) 613-2680. The fax number is (213) 613-2677.

Questions/Further Information

Questions regarding this *Notice* may be directed to Judith Hale Norris, Associate Vice President and Director, NASD DR Western Region, at (213) 613-2680.

Discussion

Linda D. Fienberg, President, NASD DR, and George Friedman, Executive Vice President, NASD DR, regularly review operational and business needs throughout the year. In July 2000, NASD DR became an independent subsidiary of the National Association of Securities Dealers, Inc. (NASD®), an action that required executive management to maintain a balanced, self-sustaining fiscal posture. Since the San Francisco Regional Office lease will expire in April 2002, senior management in 2000 analyzed the economic feasibility of maintaining two NASD DR offices in California. Due to the increased cost of rent in the San Francisco area, other associated overhead costs, the lower overall operating cost of the Los Angeles Regional Office, and anticipated technological efficiencies resulting from the deployment of a new case management computer system, senior management determined to consolidate the Western Region into one office in Los Angeles at 300 South Grand Avenue, NASD DR's current Los Angeles facility.

The decision was announced to the San Francisco staff nearly a year in advance. All employees were strongly encouraged to relocate to the Los Angeles office and assume their same jobs. Judith Hale Norris and other experienced San Francisco staff

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members will join the Los Angeles Office, assuring continuity of case administration. NASD DR has offered severance packages and out-placement assistance to those employees unable to relocate to Los Angeles.

The Western Region looks forward to continuing to provide the same level of service to the investing public, members, arbitrators, and mediators.

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