For Your Information

Amendments To Guidelines Regarding California Arbitration Proceedings

Information in *NASD Notice to Members 99-10* (February), which applies to NASD Regulation, Inc. (NASD Regulation℠) arbitration proceedings in California, and governs the activities of non-California attorneys, has been amended **and should be reviewed by anyone participating in a California arbitration proceeding.** The original Guidelines became effective on January 1, 1999.

Effective February 5, 1999, the NASD Regulation Office of Dispute Resolution (ODR) amended its Guidelines for non-California attorneys seeking to represent parties in arbitration proceedings in California. Non-California attorneys now must fulfill their obligations under the Guidelines, that is, associate with California counsel and file a Certification Form, ***no later than 20 days before the first scheduled hearing on the merits.*** The prior deadline was 45 days after service of the Statement of Claim. This means that non-California attorneys may participate fully in the arbitration proceeding without associating with local counsel or filing the Certification Form until 20 days before the first scheduled hearing on the merits, when they must comply with the Guidelines or be barred from representing their clients in the arbitration case. This change is consistent with Cal. Civ. Proc. Code § 1282.4.

Questions concerning this communication or *Notice to Members 99-10* may be addressed to Terri L. Reicher, Assistant General Counsel, Office of General Counsel, National Association of Securities Dealers, Inc. (NASD®), at (202) 728-8967, or by e-mail at *reichert@nasd.com*.

Misprint In 1998 Edition Of *NASD Sanction Guidelines*

The hard-copy, paper version of *NASD Sanction Guidelines* contains a misprint in the guideline for **Communications with the Public — Late Filing; Failing to File; Failing to Comply with Rule Standards or Use of Misleading Communications** (page 75, Sales Practices section of the 1998 edition of the *NASD Sanction Guidelines*). The Internet version, on the NASDR Web Site (*www.nasdr.com*) is correct.

Under the column titled "Suspension, Bar, or Other Sanctions," for "Failure to File," the second paragraph should read: "Also consider suspending the responsible individual in any or all capacities for up to **10** business days." The current version inaccurately states "**five** business days."

Under the column titled "Suspension, Bar, or Other Sanctions," for "Late Filing," the second paragraph should read: "Also consider suspending the responsible individual in any or all capacities for up to **five** business days." The current version inaccurately states "**10** business days."