

Notice to Members

AUGUST 2004

SUGGESTED ROUTING

Legal & Compliance

GUIDANCE

Arbitrator Panel Training Fee

SEC Approves Increase to the Arbitrator Panel Training Fee; **Effective Date: September 16, 2004**

KEY TOPICS

Arbitrators
Arbitration
Fees

Executive Summary

On June 16, 2004, the Securities and Exchange Commission (SEC) approved an NASD proposal to increase the fee for arbitrator panel training from \$100 to \$125.¹ The fee change is effective on September 16, 2004.

Questions/Further Information

Questions regarding this *Notice* may be directed to Barbara L. Brady, Associate Vice President and Director of Neutral Management, at (212) 858-4352 or barbara.brady@nasd.com; or John D. Nachmann, Counsel, at (202) 728-8273 or john.nachmann@nasd.com.

Discussion

As part of the process of applying to NASD's Roster of Arbitrators, it is mandatory that individuals complete successfully the forum's basic panel training course. The course consists of four parts: completion of a self-study, self-paced training manual prior to the training session; a live, on-site training session; completion of a final exam with a minimum score of 80%; and a positive evaluation of the trainee by the trainer(s).² Arbitrator candidates are presently required to pay a \$100 fee to cover the cost of the four-part training course.

NASD Dispute Resolution is extending the length of the current four-hour training program to include viewing a new videotape titled "Civility in Arbitration." Trainees will also be provided with a study guide that accompanies the videotape. To help offset the costs associated with the enhancement of this training program, the training fee will be increased to \$125. This is the first increase in this fee that the SEC has approved since March 2, 1998.

Effective Date

The fee change is effective on September 16, 2004.

Endnotes

1. Securities Exchange Act Release No. 49875 (June 16, 2004), 69 FR 35090 (June 23, 2004) (File No. SR-NASD-2004-001).
2. For further information regarding arbitrator panel training, see <http://www.nasdaqadr.com/training.asp>.

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