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## Mission Statement

We publish *The Neutral Corner* to provide arbitrators and mediators with current updates on important rules and procedures within securities dispute resolution. FINRA's dedicated neutrals better serve parties and other participants in the FINRA forum by taking advantage of this valuable learning tool.

## Message From the Editor



Expungement is an extraordinary remedy and one that should not be recommended unless certain rules, requirements and procedures are met. Because arbitrators have an important role in maintaining the integrity of the information in the Central Registration Depository, this issue of *The Neutral Corner* focuses on the topic of expungement. In addition to reminding arbitrators of the expungement rules and procedures, we are providing additional guidance and practical tips that will help you as you consider expungement requests. We hope you find this information to be valuable as you conduct expungement hearings and rule on expungement requests.

## Year-End Message

As we approach the end of 2013, we would like to extend a heartfelt thanks to our arbitrators and mediators. FINRA Dispute Resolution's ability to provide securities-related dispute resolution services depends on the talented and dedicated arbitrators and mediators on its roster. Each of you is an integral part of the dispute resolution process at FINRA, and we thank you for your service. We value the commitment and skill you bring to the process. We look forward to continuing our mission with you in 2014.

## Comments, Feedback and Suggestions

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## A Closer Look at Expungement: Asking the Right Questions

*By Jisook Lee, Associate Director, FINRA Neutral Management*



Arbitrators play an extremely important role in ensuring that customer dispute information in the Central Registration Depository (CRD<sup>®</sup>) is accurate and complete. CRD is an online registration and licensing system that contains administrative and disclosure information about brokerage firms and associated persons that is used by investors, members of the securities industry, state and federal regulators, and self-regulatory organizations.<sup>1</sup> FINRA works with the North American Securities Administrators Association (NASAA), the Securities and Exchange Commission (SEC), other members of the regulatory community, and brokerage firms to ensure that information in the CRD system is accurate and complete. These efforts, among other things, cover expungement of customer dispute information from CRD.

Expungement is an extraordinary remedy that should be recommended only under appropriate circumstances and in accordance with FINRA rules. Information should be expunged only when the information has no meaningful investor protection or regulatory value.

### Role of Arbitrators in Expungement Cases

Arbitrators have a unique, distinct role when deciding whether to recommend expungement of information from a broker's CRD record. In making these determinations, arbitrators should consider the importance of maintaining the integrity of the information in the CRD system. Ensuring that information in CRD is accurate and meaningful is essential to investors when making decisions about brokers with whom they may conduct business; to regulators, who rely on the information to fulfill their regulatory responsibilities; and to prospective broker-dealer employers, who rely on the information when making hiring decisions. Once information is expunged from the CRD system, it is permanently deleted and no longer available to the investing public, regulators or prospective broker-dealer employers.

Given this significant role, arbitrators should ensure they have all of the information necessary to make an informed and appropriate recommendation on expungement. Before recommending expungement, we strongly encourage arbitrators to consider the following factors to ensure expungement is appropriate.

### Are You Familiar With the Grounds for Expungement?

Before ruling on a request to expunge customer dispute information, arbitrators should review FINRA [Rules 2080](#), [12805](#), and [13805](#) to ensure they understand the three possible grounds for expungement.<sup>2</sup> Parties seeking to expunge customer dispute information from the CRD system must also obtain an order from a court of competent jurisdiction directing expungement or confirming an arbitration award containing expungement relief. In the court proceedings, parties must name FINRA as an additional party unless FINRA waives this requirement.

Upon request, FINRA may waive the obligation to name FINRA as a party if FINRA determines that the expungement relief is based on affirmative judicial or arbitral findings that the:

- claim, allegation or information is factually impossible or clearly erroneous;
- registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation or conversion of funds; or
- claim, allegation or information is false.

### Did You Satisfy the Procedural Requirements Under the Code of Arbitration Procedure?

In recommending expungement of customer dispute information under Rule 2080, the panel must indicate in the arbitration award which of the Rule 2080 grounds for expungement serve(s) as the basis for its expungement order. For example, if the registered person was not handling the customer's account at the time of the dispute and no liability was found, it may be reasonable for arbitrators to recommend expungement based on a finding that the claim is factually impossible or clearly erroneous. However, if the arbitrators find that the registered person is liable for making unsuitable recommendations and awards the claimant monetary damages, expungement would not be appropriate. These findings would not satisfy any of the three grounds.

### Did You Hold a Hearing?

Arbitrators must hold a recorded hearing regarding the appropriateness of expungement. Even if the claimant does not object to the expungement, arbitrators must hold a hearing before deciding the expungement issue.

The expungement issue can effectively be heard during the hearing on the merits (if one occurred). If a hearing on the merits was not held, arbitrators must convene a hearing on the record—in-person or telephonic—to specifically address expungement.

The registered person requesting expungement must demonstrate to the arbitrators that the facts provide a basis for expungement under one of the grounds in Rule 2080. Even if the opposing party does not appear at the expungement hearing, the party seeking expungement must still prove the case to the arbitrators. In the absence of an opposing party, arbitrators should serve as fact finders and ask questions of the registered person to decide if expungement is appropriate.

### In Cases of Settlement, Did You Review the Settlement Documents?

When parties settle a case, the registered person may still request expungement. Before ruling on expungement, arbitrators must review the settlement documents, consider the amount paid to any party, and consider any other terms and conditions of the settlement that might raise concerns about the associated person's involvement in the alleged misconduct before recommending expungement.

To make sure expungement is recommended only under appropriate circumstances, arbitrators must critically evaluate the settlement and determine whether it raises any concerns. Particularly, arbitrators should question whether expungement is appropriate in situations where the registered person, or his or her firm, has agreed to pay a large monetary settlement. Arbitrators should evaluate this fact and consider whether a financial settlement suggested some culpability on the part of the broker. If arbitrators nevertheless recommend expungement under these circumstances, they should explain in their written rationale why expungement would still be appropriate despite the large settlement.

Arbitrators should also inquire and fully consider whether a party conditioned a settlement of the arbitration upon an agreement not to oppose the request for expungement. This inquiry is especially important in cases in which the investor does not participate in the expungement hearing or the requesting party indicates that the investor does not oppose the expungement request.

### Did You Review the BrokerCheck Report?

Although it is not required under Rules 12805 and 13805, arbitrators should ask the broker seeking expungement (or the party seeking expungement on behalf of the broker) to provide a current copy of the broker's BrokerCheck® report. Arbitrators should carefully review the report when considering whether expungement is appropriate and pay particular attention to the "Disclosure Events" section. This section shows any additional disclosures for arbitrators to consider before recommending expungement. Specifically, this section shows all regulatory actions, civil judicial actions, investigation disclosures, customer complaints, criminal matters, financial matters and arbitrations and litigations in which a broker has been involved. Reviewing the report allows arbitrators to consider the expungement request in the context of the broker's entire securities industry employment record. The arbitrators should also ask the parties to provide any other documents that may be relevant to the expungement request.

To understand a broker's full regulatory and employment picture, arbitrators should also ask whether the broker has any other, pending expungement requests.

### Did You Provide a Written Explanation?

If arbitrators determine that expungement is appropriate, they must indicate which of the grounds under Rule 2080 serves as the basis for expungement and provide a brief written explanation of the reasons for ordering expungement. The written statement must articulate the reasons for recommending expungement. Arbitrators should not simply restate one of the grounds under Rule 2080 without providing specific case facts that justify expungement. For example, stating that the panel is recommending expungement based on the ground that the claim, allegation or information is false is not, on its own, sufficient. The panel must also explain how the facts justify expungement. If the panel does not provide an adequate explanation, FINRA may choose not to waive the obligation to name FINRA as a party when the party seeks to confirm the arbitration award in court. The process is best served when arbitrators also identify the documents and testimony they relied on in recommending expungement.

If a party requests expungement, arbitrators will be prompted to provide their findings on expungement in the [Award Information Sheet](#) they complete at the end of the case. In some cases, FINRA staff may ask for additional information to satisfy the requirements under Rules 2080, 12805, and 13805; arbitrators should be responsive to staff inquiries.

For more information about Rule 2080, arbitrators can review the [Notice to Arbitrators and Parties on Expanded Expungement Guidance](#) on our website and review the [examples of written explanations](#) under Rule 2080.

### Did You Properly Assess the Fees Associated With the Expungement Hearing?

Arbitrators must assess against the parties requesting expungement all forum fees for hearing sessions in which the sole topic is the determination of the appropriateness of expungement.

### Conclusion

Expungement of customer dispute information from CRD is an extraordinary remedy and should occur only when the information to be expunged has no meaningful investor protection or regulatory value. In recognizing the seriousness of this responsibility, arbitrators must be prepared to decide expungement requests carefully and competently.

Arbitrators may review, at any time, the expungement training available on the [FINRA Learning Management System](#) or the [Written Materials for Arbitrator Training Courses](#) Web page.

### Endnotes

1. Although public investors cannot access the CRD system, most of the information submitted to CRD is made publicly available through [FINRA BrokerCheck](#). BrokerCheck is a free online tool that provides the public with information on the professional background, business practices and conduct of current and former FINRA registered securities firms and brokers.
2. Rule 2080 does not apply to intra-industry disputes, unless the information to be expunged involves customer dispute information. For intra-industry disputes not involving customer dispute information, arbitrators are not required to address the standards set forth in Rule 2080 when deciding an expungement request. In these cases, if the arbitrators award expungement relief and also determine that the information is defamatory in nature, FINRA will expunge the information without a court order.

## Limitations on the Types of Disclosure Events That May Be Expunged From the Central Registration Depository Through Arbitration

By John Nachmann, Deputy Chief Counsel, FINRA Registration and Disclosure



The Central Registration Depository (CRD®) contains administrative and disclosure information about securities firms and brokers. In general, the information on the CRD system is submitted by registered securities firms and regulatory authorities in response to questions on the uniform registration forms.<sup>1</sup> These forms are designed to elicit and collect administrative and disclosure information that is relevant to regulators in connection with their licensing and enforcement activities. Although public investors cannot access the CRD system, most of the information that is submitted to the database via the uniform registration forms is made publicly available through FINRA BrokerCheck®.<sup>2</sup>

On occasion, brokers seek to expunge disclosure events from their CRD records through the arbitration process. While certain disclosure events can be expunged through arbitration so long as the necessary requirements are met, other categories of disclosure events are ineligible for expungement in this manner.

### Ability to Expunge Disclosure Events Through Arbitration

Securities firms and regulatory authorities may report a variety of disclosure events to the CRD system, including civil judicial actions, criminal matters, customer disputes (customer complaints, arbitrations, and civil litigations), employment terminations, internal reviews (*i.e.*, a review of a broker's conduct by his or her former firm), investigations, financial matters, and regulatory actions. At times, brokers may seek to expunge one or more of these disclosure events from their CRD records through the arbitration process.

Brokers who seek to expunge disclosure events from their CRD records generally look to remove a customer dispute, employment termination, or internal review. The rules, requirements, and procedures applicable to the expungement of such events depend on the matter that the broker is trying to expunge. For example, [FINRA Rule 2080](#) governs the expungement of customer disputes but does not apply to employment terminations or internal reviews (unless they involve customer dispute information).<sup>3</sup>

### Disclosure Events That Cannot Be Expunged

Infrequently, brokers will attempt to expunge one of the other categories of disclosure events, which are described in further detail below.

#### Civil Judicial Actions

Civil judicial actions are proceedings in which a domestic or foreign court has enjoined a broker in connection with any investment-related activity; found that a broker was involved in a violation of any investment-related statutes or regulations; or dismissed, pursuant to a settlement agreement, an investment-related civil action brought against a broker by a state or foreign financial regulatory authority.

#### Criminal Matters

Criminal disclosures encompass charges and conviction for any felony and for those misdemeanors referenced on Forms U4 and U5, such as fraud, wrongful taking of property, or bribery.

#### Financial Matters

Financial disclosures involve compromises with creditors and bankruptcies occurring within the prior 10 years; a bonding company's denial, payment on or revocation of a bond for a broker; and any unsatisfied judgments or liens.

#### Investigations

The investigation disclosure category includes investigations or proceedings by a domestic or foreign governmental body or self-regulatory organization (SRO) with jurisdiction over investment-related businesses.

#### Regulatory Actions

Regulatory actions generally involve proceedings brought by a federal or state regulatory authority, foreign financial regulatory authority or SRO. These events include actions where a regulator has made certain enumerated findings or imposed certain penalties against a broker. The regulatory action disclosure category also encompasses instances where a broker's authorization to act as an attorney, accountant or federal contractor has been revoked or suspended.

These disclosure events are ineligible for expungement from the CRD system through arbitration.<sup>4</sup> As such, arbitration panels should deny all requests they receive for the expungement of any of these disclosure events. Furthermore, counsel who represent brokers should note that even if an arbitration award directs the expungement of one or more of these ineligible disclosure events, FINRA will not remove the matter from the CRD system.

### Conclusion

While information about customer disputes, employment terminations and internal reviews can be expunged from the CRD system by way of arbitration so long as the necessary requirements are met, the remaining categories of disclosure events are ineligible for expungement through this process. Therefore, if an arbitration award directs the expungement of any of these ineligible disclosure events, FINRA will not process the expungement and, consequently, the disclosure event will remain on a broker's CRD record.

### Endnotes

- 1 The relevant uniform registration forms for purposes of this article are Form U4 (Uniform Application for Securities Industry Registration or Transfer), Form U5 (Uniform Termination Notice for Securities Industry Registration) and Form U6 (Uniform Disciplinary Action Reporting Form). Copies of these and the other uniform registration forms are available [online](#).
- 2 BrokerCheck is a free online tool that provides the public with information on the professional background, business practices, and conduct of current and former FINRA registered securities firms and brokers. Among other things, BrokerCheck helps investors make informed choices about the brokers and firms with which they conduct business. BrokerCheck is available on FINRA's [website](#).
- 3 For information about the requirements for expunging customer disputes, see FINRA Rules 2080, 12805, and 13805; NASD *Notice to Members 04-16* (March 2004); and [FINRA Rule 2080 Frequently Asked Questions](#). Information regarding the expungement of employment terminations and internal reviews is available in NASD *Notice to Members 99-09* (February 1999) and *99-54* (July 1999); and John Nachmann, "Expungement of Information from the Central Registration Depository in Intra-Industry Disputes," *The Neutral Corner*, Vol. 2 (2010).
- 4 Although these disclosure events cannot be expunged from the CRD system, there are certain circumstances under which they no longer will be disclosed publicly in BrokerCheck. For example, once a broker satisfies a judgment or lien, the event will be removed from BrokerCheck even though it still remains on the CRD system.

## Notice to Arbitrators and Parties on Expanded Expungement Guidance



On October 14, 2013, we published the following notice on our [website](#). We also sent a hard copy of the notice by regular mail to all arbitrators on our roster. The notice provides additional expungement guidance and reinforces the importance of following established procedures when ruling on an expungement request.

FINRA adopted FINRA [Rules 12805](#) and [13805](#) to establish procedures that arbitrators must follow before ordering expungement of information related to arbitration cases from a broker's Central Registration Depository (CRD<sup>®</sup>) record. The procedures are intended to ensure that expungement occurs only when the arbitrators find and document one of the narrow grounds specified in Rule 2080:

- the claim, allegation or information is factually impossible or clearly erroneous;
- the registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation or conversion of funds; or
- the claim, allegation or information is false.

FINRA Dispute Resolution is publishing the following guidance and reminder for arbitrators when considering expungement requests.

### Extraordinary Nature of Expungement Relief

Expungement is an extraordinary remedy that should be granted only under appropriate circumstances. Information should be expunged only when it has no meaningful investor protection or regulatory value. Once information is expunged from the CRD system, it is permanently deleted and thus no longer available to the investing public, regulators or prospective broker-dealer employers.

### **Role of Arbitrators in Expungement Cases**

Arbitrators have a unique, distinct role when deciding whether to grant a request to expunge information from a broker's CRD record. In making these determinations, arbitrators should consider the importance of maintaining the integrity of the information in the CRD system. Ensuring that CRD information is accurate and meaningful is essential to investors, who may rely on the information when making decisions about brokers with whom they may conduct business; to regulators, who rely on the information to fulfill their regulatory responsibilities; and to prospective broker-dealer employers, who rely on the information when making hiring decisions.

Given this significant role, arbitrators should ensure that they have all of the information necessary to make an informed and appropriate recommendation on expungement. Thus, arbitrators should request any documentary or other evidence they believe is relevant to the expungement request, particularly in cases that settle before an evidentiary hearing or in cases where only the requesting party participates in the expungement hearing.

### **BrokerCheck Report Review**

Arbitrators should ask the broker seeking expungement (or the party seeking expungement on a broker's behalf) to provide a current copy of the BrokerCheck® report. Arbitrators should carefully review the report when considering whether expungement is appropriate. Arbitrators should pay particular attention to the "Disclosure Events" section of the report.

### **Importance of Providing an Explanation for Granting Expungement**

Rules 12805 and 13805 require arbitrators to provide a written explanation of the reasons for finding that one or more of the Rule 2080 grounds for expungement apply to the facts of the case before them. Arbitrators recommending expungement should ensure that the explanation is complete and is not solely a recitation of one of the Rule 2080 grounds or language provided in the expungement request. Specifically, arbitrators should identify in the award the reason(s) for granting the request and any specific documentary or other evidence that they relied upon in granting expungement.

### **Asking Whether Settlements Are Conditioned on Agreements Not to Oppose Expungement**

Arbitrators should inquire and fully consider whether a party conditioned a settlement of the arbitration upon agreement not to oppose the request for expungement in cases in which the investor does not participate in the expungement hearing or the requesting party states that an investor has indicated that he or she will not oppose the expungement request.

### **Conclusion**

In summary, arbitrators have a unique, distinct role in ensuring that information is expunged from the CRD system only when it has no meaningful investor protection or regulatory value. In addition to the standards outlined in Rules 2080, 12805 and 13805, arbitrators should consider the guidance in this notice when considering expungement requests.

## DR Portal: Register Now

We strongly encourage arbitrators and mediators to register in the DR Portal to take advantage of the numerous benefits it provides, such as:

- viewing and updating your current profile information;
- viewing and printing your disclosure report;
- accessing information about your assigned cases, including upcoming hearings and payment information;
- scheduling hearing dates; and
- viewing case documents.

If you have not received your invitation and would like to register with the portal, please send an email to [Dispute Resolution Neutral Management](mailto:DisputeResolutionNeutralManagement@adr.org) to request an invitation. Please include “request portal invitation” in the subject line.

## Dispute Resolution and FINRA News

### Case Filings and Trends



Arbitration [case filings](#) from January through November 2013 reflect a 14 percent decrease compared to cases filed during the same 11-month period in 2012 (from 4,022 cases in 2012 to 3,442 cases in 2013). Customer-initiated claims decreased by 10 percent through November 2013, as compared to the same time period in 2012.

Arbitration cases filed identified the following securities (listed in order of decreasing frequency): common stock, mutual funds, variable annuities, annuities, options, preferred stock, limited partnerships, corporate bonds, preferred stock, certificates of deposit and auction rate securities. The top two causes of action alleged were breach of fiduciary duty and negligence.

### Results of the Fifth Annual Securities Dispute Resolution Triathlon

On October 19 - 20, 2013, FINRA and the Hugh L. Carey Center for Dispute Resolution of St. John’s University School of Law held the Fifth Annual Securities Dispute Resolution Triathlon. Twenty teams of law students from 18 schools competed in the triathlon demonstrating their advocacy skills in negotiation, mediation and arbitration of a securities dispute.

Congratulations to this year’s triathlon winners:

- **Negotiation:** University of Tennessee College of Law and Brooklyn Law School [II] (Co-Winners)
- **Mediation:** South Texas College of Law
- **Arbitration:** Hofstra University [II]
- **Advocate’s Choice:** John Marshall Law School
- **Overall Winner:** South Texas College of Law

For more information about the triathlon, please visit the St. John’s University [website](#).

## SEC Rule Approval

### Discovery Guide to Include General Guidance on Electronic Discovery and Product Cases

On September 16, 2013, the Securities and Exchange Commission (SEC) approved FINRA's proposed amendments to the Discovery Guide used in customer arbitration proceedings. The amended guide now provides general guidance on electronic discovery issues and product cases and clarifies the existing provision relating to affirmations made when a party does not produce documents specified in the guide.

On November 15, we published [Regulatory Notice 13-40](#) explaining the new information in the Discovery Guide. The amendments became effective on December 2, 2013.

We have updated the Discovery, Abuses and Sanctions online training and the [Arbitrator's Guide](#) to incorporate the new guidance regarding electronic discovery and product cases. You may access the training on the [FINRA Learning Management System](#) or the [Written Materials for Arbitrator Training Courses](#) Web page.

## Rulemaking Items Discussed at the FINRA Board of Governors December 2013 Meeting

FINRA's Board of Governors approved two [rulemaking items](#) pertaining to dispute resolution, authorizing FINRA to file with the SEC amendments to the Customer and Industry Codes of Arbitration Procedure for the following items.

The Board approved amendments to the Customer and Industry Codes to increase certain arbitration fees for the sole purpose of increasing arbitrator honoraria for the first time since 1999. With this increase, FINRA would pay arbitrators \$300, up from the current rate of \$200, per hearing session. A hearing session is any meeting between the parties and the arbitrator(s) including a prehearing conference with an arbitrator that lasts four hours or less. For a full day of hearings, FINRA would pay arbitrators \$600 instead of the current rate of \$400. The chairperson would receive additional honoraria of \$125 for each hearing day on the merits, an increase from the current rate of \$75. FINRA would also raise the honoraria

paid to arbitrators to decide simplified or “paper cases” (cases without hearings). Instead of the current flat per case fee of \$125, arbitrators who decide simplified cases would receive a flat fee of \$350. FINRA understands that this is an important issue for arbitrators and will keep arbitrators apprised as it files the proposed rule amendments with the SEC.

The Board also approved amendments to the Customer and Industry Codes to require parties to redact specified personal confidential information from pleadings and other documents they file with FINRA Dispute Resolution. The amendments would apply only to documents filed with FINRA.

## Mediation and Strategy Update

### Mediation Statistics



From January through November 2013, parties initiated 451 mediation cases. FINRA also closed 513 mediation cases during this period. Approximately 80 percent of these cases concluded with successful settlements, and the average case turnaround time was 96 days.

### Annual Mediator Fee Reminder

December 1, 2013, was the deadline for FINRA mediators to submit their \$200 annual mediator fee and remain available to mediate on FINRA's roster. Mediators who did not submit payment by that date were made unavailable to serve. If you did not submit your \$200 mediator fee and are interested in remaining on the roster, please contact [Marilyn Molena](#).

### Mediation Settlement Month—October 2013

During Mediation Settlement Month, FINRA mediators offered mediation services at reduced rates. The reduced costs encouraged many parties to mediate and attracted parties, who have not tried mediation, to participate in the program. The parties appreciated resolving their disputes quickly and efficiently. We would like to thank the participating mediators for contributing their skill and expertise to make this year's Mediation Settlement Month another great success.

### Mediation Settlement Day

The 13th annual Mediation Settlement Day took place on October 17, 2013, with a kick-off event on October 8, at the New York City Bar Association. FINRA has participated and helped coordinate the program since its inception in 2001. Mediation Settlement Day is an annual event designed to raise awareness about the benefits of mediation and to provide resources to parties. The kick-off event brings together over 100 public service organizations, community-based programs, schools, court programs and bar organizations to help promote awareness and use of mediation.

### Mediation Program for Small Arbitration Claims

The telephonic mediation program, offered to parties in active arbitration cases with claims of \$50,000 or less, has a new name: [Mediation Program for Small Arbitration Claims](#).

The program offers free or low cost mediation (depending on the claim amount) with a FINRA mediator. It provides parties, many who find it difficult to obtain legal representation due to their claim size, an informal process to resolve their dispute. Parties and mediators report satisfaction with the process, and the settlement rate for cases in the program has averaged 80 percent, which is consistent with the settlement rate for all cases over the lifetime of the Mediation Program.

### Dispute Resolution Outreach and Business Strategy

In October, FINRA visited several law school securities clinics. Staff met with students at Howard University Law School, Hofstra University Law School and Seton Hall Law School, providing students the chance to meet local FINRA arbitration and mediation staff and experience a mock mediation.

On November 7, FINRA staff provided a presentation on FINRA's dispute resolution forum to a delegation of regulators and dispute resolution providers from Taiwan.

## In Memoriam: Thomas F. Wynn

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Tom Wynn, a former FINRA colleague, passed away in October. Tom was a vital member of FINRA Dispute Resolution for 34 years. Throughout his career at FINRA, Tom served in virtually every area of Dispute Resolution, from supervising arbitration offices throughout the country to developing arbitrator training. He was a frequent speaker at FINRA and other forums about dispute resolution. Tom was particularly proud of this newsletter—one that he founded and for which he served as the editor-in-chief from its inception in 1995 until his retirement in 2004. He took great care in ensuring the value and accuracy of the information published in The Neutral Corner and set the standards by which we adhere today. Tom was respected and admired for his depth of knowledge in the area of dispute resolution. He loved sharing that knowledge and became a mentor to many new employees. We will remember and miss Tom most for his positive outlook, generosity and kindness.

## Education and Training

### Neutral Workshop: Expungement



During the December 12, 2013 [Neutral Workshop](#), Linda Fienberg, president of FINRA Dispute Resolution, and Richard Pullano, vice president and chief counsel of FINRA Regulation and Disclosure, discuss expungement. Specifically, they discuss the important role of arbitrators in maintaining the integrity of the information in CRD and review expanded guidance for considering expungement, with a focus on settled cases. Ms. Fienberg also provides an update on FINRA Dispute Resolution's technology initiatives and discusses a proposal to increase arbitrator honoraria.

Neutral workshops allow practicing arbitrators and mediators to hear directly from DR senior leaders about important events happening in FINRA's dispute resolution forum. FINRA pre-records neutral workshops and posts the audio files on FINRA's website for arbitrators and mediators to listen to at any time.

### Updated Online Arbitrator Training: Discovery, Abuses and Sanctions

We updated the Discovery, Abuses and Sanctions online training and the [Arbitrator's Guide](#) to incorporate new guidance regarding electronic discovery and product cases. You may access the training on the [FINRA Learning Management System](#) or the [Written Materials for Arbitrator Training Courses](#) Web page. You may also learn more about these changes in [Regulatory Notice 13-40](#).

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