

(Deletions are Bracketed; Additions are Underlined)

CODE OF ARBITRATION PROCEDURE FOR CUSTOMER DISPUTES

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12100. Definitions

Unless otherwise defined in the Code, terms used in the Rules and interpretive material, if defined in the FINRA By-Laws, shall have the meaning as defined in the FINRA By-Laws.

(a) Arbitrator and Mediator Portal

The term "Arbitrator and Mediator Portal" means the web-based system that allows invited arbitrators and mediators to access a secure section of FINRA's website to submit documents and information and view their arbitration and mediation case information and documents.

(~~a~~) b) Associated Person

The term "associated person" or "associated person of a member" means a person associated with a member, as that term is defined in paragraph (~~r~~)u).

(~~b~~)c) Award

No change.

(~~c~~)d) Board

No change.

(~~d~~)e) Claim

No change.

(f) Claim Notification Letter

The term "Claim Notification Letter" means the notice provided by the Director to respondent(s) that they have been named as a party in a statement of claim. The notice will provide information about accessing the Party Portal to obtain a copy of the statement of claim

filed by the claimant(s) and information about the arbitration, including the hearing location selected by the Director and the deadline for filing a statement of answer.

([e]g) Claimant

No change.

([f]h) Code

No change.

([g]i) Counterclaim

No change.

([h]j) Cross Claim

No change.

([i]k) Customer

No change.

([j]l) Day

Except as otherwise provided, the term "day" means calendar day. If a deadline specified in the Code falls on a Saturday, Sunday or any FINRA holiday, the deadline is extended until the next business day. If a party receives pleadings or other documents on a Saturday, Sunday or any FINRA holiday, the date of receipt shall be the next business day.

([k]m) Director

No change.

([l]n) Dispute

No change.

([m]o) Hearing

No change.

([n]p) Hearing Session

No change.

([o]q) Member

No change.

([p]r) Non-Public Arbitrator

The term "non-public arbitrator" means a person who is otherwise qualified to serve as an arbitrator, and meets any of the following criteria:

(1) No change.

(2) is an attorney, accountant, or other professional who has, within the past five years, devoted 20 percent or more of his or her professional time, in any single calendar year, to any entities listed in paragraph ([p]r)(1) and/or to any persons or entities associated with any of the entities listed in paragraph ([p]r)(1); or

(3) – (4) No change.

For purposes of the non-public arbitrator definition, the term "professional time" shall not include mediation services performed by mediators who are also arbitrators, provided that the mediator acts in the capacity of a mediator and does not represent a party in the mediation.

([q]s) Panel

No change.

(t) Party Portal

The term "Party Portal" means the web-based system that is accessible by arbitration and mediation parties and their representatives. The Party Portal allows invited participants to access a secure section of FINRA's website to submit documents and view their arbitration and mediation case information and documents.

([r]u) Person Associated with a Member

No change.

([s]y) Pleadings

No change.

([t]w) Prehearing Conference

No change.

(x) Pro Se

For purposes of the Code, the term “pro se” refers to a party that is not represented by an attorney or others during an arbitration or mediation.

([u]y) Public Arbitrator

The term "public arbitrator" means a person who is otherwise qualified to serve as an arbitrator, and is not disqualified from service as an arbitrator, as enumerated by any of the criteria below.

Permanent Disqualifications Based on a Person's Own Activities

(1) No change.

(2) A person shall not be designated as a public arbitrator, who was, for a total of 15 years or more, an attorney, accountant, or other professional who has devoted 20 percent or more of his or her professional time annually, to any entities listed in paragraph ([u]y)(1) and/or to any persons or entities associated with any of the entities listed in paragraph [(u]y)(1).

(3) – (4) No change.

Temporary Disqualifications Based on a Person's Own Activities

(5) No change.

(6) A person shall not be designated as a public arbitrator who is an attorney, accountant, or other professional who has devoted 20 percent or more of his or her professional time, in any single calendar year, to any entities listed in paragraph ([u]y)(1) and/or to any persons or entities associated with any of the entities listed in paragraph ([u]y)(1) unless the calendar year ended more than five calendar years ago.

(7) – (8) No change.

Temporary Disqualifications Based on the Activities of Others at a Person's Employer

(9) A person shall not be designated as a public arbitrator who is an attorney, accountant, or other professional whose firm derived \$50,000 or more, or at least 10 percent of its annual revenue, in any single calendar year during the course of the past two calendar years, from any entities listed in paragraph ([u]y)(1) and/or to any persons or entities associated with any of the entities listed in paragraph ([u]y)(1), or from a bank or other financial institution where persons effect transactions in securities including government or municipal securities, commodities, futures, or options. A person whom FINRA would not designate as a public arbitrator under this subparagraph shall also not be designated as a public arbitrator for two calendar years after ending employment at the firm.

(10) No change.

Temporary Disqualification Based on the Financial Industry Affiliation of an Immediate Family Member

For purposes of the public arbitrator definition, the term "revenue" shall not include mediation fees received by mediators who are also arbitrators, provided that the mediator acts in the capacity of a mediator and does not represent a party in the mediation.

([v]z) Respondent

No change.

([w]aa) Statement of Claim

No change.

([x]bb) Submission Agreement

No change.

([y]cc) Third Party Claim

No change.

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PART II GENERAL ARBITRATION RULES

12211. Direct Communication Between Parties and Arbitrators

(a) No change

(b) Only parties that are represented by counsel may use direct communication under this rule. If, during the proceeding, a party chooses to appear [pro se (]without counsel[)], this rule shall no longer apply.

(c) – (d) No change.

(e) Parties may send items to the arbitrators by [regular mail, overnight courier, facsimile, or email] first-class mail, overnight mail service, overnight delivery service, hand delivery, email, or facsimile as specified in the Direct Communication Order. All the arbitrators and parties must have facsimile or email capability before such a delivery method may be used.

(f) Copies of all materials sent to arbitrators must also be [sent at the same time and in the same manner to] served on all parties and filed with the Director, pursuant to Rule 12300. [Materials that exceed 15 pages, however, shall be sent to the Director only by regular mail or overnight courier.]

(g) The [Director must receive] parties must file with the Director, pursuant to Rule 12300, copies of any orders and decisions made as a result of direct communications among the parties and the arbitrators.

(h) – (i) No change.

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PART III INITIATING AND RESPONDING TO CLAIMS

12300. Filing and Serving Documents

[(a) Initial statements of claim must be filed with the Director, with enough copies for each other party and each arbitrator. The number of arbitrators is determined in accordance

with Rule 12401. The Director will serve the statement of claim on the other parties, and send copies of the statement of claim to each arbitrator.

(b) The parties must serve all other pleadings and other documents directly on each other party. Parties must serve all pleadings on all parties at the same time and in the same manner, unless the parties agree otherwise.

(c) Unless the Code provides otherwise, parties must also file all pleadings and other documents with the Director, with additional copies for each arbitrator. Pleadings and other documents must be filed with the Director at the same time and in the same manner in which they are served on the other parties. Parties filing pleadings and other documents with the Director must include a certificate of service stating the names of the parties served, the date and method of service, and the address(es) to which service was made.

(d) Pleadings and other documents may be filed and served by: first class mail; overnight mail or delivery service; hand delivery; facsimile; or any other method, including electronic mail, that is approved or required by the panel.

(e) Filing and service are accomplished on the date of mailing either by first-class postage prepaid mail or overnight mail service, or, in the case of other means of service, on the date of delivery. Whenever pleadings and other documents must be filed with the Director and served on the other parties, filing and service must occur on the same day and in the same manner, unless the parties agree or the panel directs otherwise.

(f) A party must inform the Director and all other parties in writing of any change of address during an arbitration.

(g)(1) In an electronic or paper filing with FINRA, any document that contains an individual's Social Security number, taxpayer identification number or financial account number must be redacted to include only the last four digits of any of these numbers; a party shall not include the full numbers. If FINRA receives a claim, including supporting documents, with the full Social Security number, taxpayer identification number or financial account number, FINRA

will deem the filing deficient under Rule 12307 and will request that the party refile the document in compliance with this paragraph. If a party files with FINRA any document not covered by Rule 12307, that contains full numbers as referenced above, FINRA will deem the filing improper and will request that the party refile the document within 30 days from the time the party receives notice. If a party refiles the document, the corrected documents will be considered filed on the date the party initially filed the documents with FINRA.

(2) The requirements of paragraph (g)(1) above do not apply to electronic or paper documents that parties exchange with each other and do not file with FINRA or to documents parties submit to a panel at a hearing on the merits.

(3) The requirements of paragraphs (g)(1) above do not apply to Simplified Arbitrations under Rule 12800.]

(a) Party Portal

(1) Parties must use the Party Portal to file initial statements of claim and to file and serve pleadings and any other documents on the Director or any other party except as provided in paragraphs (a)(2) and (a)(3). The Director may exercise authority to permit the use of other means of filing or service in the case of an extended Party Portal outage or in other extraordinary circumstances.

(2) Pro Se customers are not required to use the Party Portal to file initial statements of claim or to file and serve pleadings and any other documents on the Director or any other party. However, if a pro se customer files a claim using the Party Portal, the pro se customer must use the Party Portal for the duration of the arbitration process. If a pro se customer opts out of using the Party Portal the following apply:

(A) the pro se customer may file an arbitration claim with the Director by any method described in Rule 12300(a)(2)(C);

(B) the pro se customer must comply with the requirements of Rules 12302(a) and (b) when filing the claim with the Director;

(C) filing and service methods available are first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile;

(D) filing and service by first-class mail or overnight mail service is accomplished on the date of mailing, and filing or service by any other means is accomplished on the date of delivery;

(E) except for the initial statement of claim, the *pro se* customer must provide proof of service for any documents served outside of the Party Portal;
and

(F) the Director will serve the Claim Notification Letter or initial statement of claim on the respondents pursuant to Rule 12302.

(3) Parties shall not file with FINRA or serve on any other party, through the Party Portal, documents produced during discovery pursuant to the Rule 12500 Series. Available service methods for such documents are first-class mail, overnight mail service, overnight delivery service, hand delivery, email, or facsimile.

(b) Filing

(1) Except as noted in Rules 12300(a)(2) and 12300(a)(3), parties must file initial statements of claim and all pleadings and other documents with the Director through the Party Portal. Parties must file with the Director any written responses relating to discovery requests under Rules 12506 and 12507, but shall not file any of the documents produced in response to discovery requests as provided in Rule 12300(a)(3).

(2) Except as noted in Rule 12300(a)(2), parties must file arbitrator ranking lists pursuant to Rules 12402(d) and 12403(c) with the Director through the Party Portal.

(3) Filing under Rule 12300(b) is accomplished on the day of submission through the Party Portal. Filing by first-class mail or overnight mail service is accomplished on the date of mailing. Filing by any other means is accomplished on the date of delivery.

(c) Service

(1) The Director will serve the Claim Notification Letter or initial statement of claim on the respondent(s) pursuant to Rule 12302.

(2) Except as noted in Rules 12300(a)(2) and 12300(a)(3), parties must serve all pleadings and other documents through the Party Portal.

(3) Parties must serve all pleadings and other documents on *pro se* customers who opt out of the Party Portal pursuant to Rule 12300(a)(2), by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile.

(4) Service under Rule 12300(c) is accomplished on the day of submission through the Party Portal. Service by first-class mail or overnight mail service is accomplished on the date of mailing. Service by any other means is accomplished on the date of delivery.

(5) For documents not served through the Party Portal, parties must file proof of service with the Director through the Party Portal. Under Rule 12300(a)(2), if a *pro se* customer opts out of using the Party Portal, the *pro se* customer is not required to use the Party Portal to serve pleadings and any other documents.

(d) General Rules for Filing and Serving Documents

(1) Redaction of Personal Confidential Information

(A) In filings with the Director, a party must redact any document that contains an individual's Social Security number, taxpayer identification number or financial account number to include only the last four digits of any of these numbers. If the Director receives a claim, including supporting documents, with the full Social Security number, taxpayer identification number or financial account number, the Director will deem the filing deficient under Rule 12307 and will request that the party refile the document in compliance with this paragraph. If a party files with the Director any document not covered by Rule 12307 that

contains full numbers as referenced above, the Director will deem the filing improper and will request that the party refile the document within 30 days from the time the party receives notice. If a party refiles the document, the corrected documents will be considered filed on the date the party initially filed the documents with the Director.

(B) The requirements of paragraph (d)(1)(A) above do not apply to documents that parties exchange with each other and do not file with the Director, or to documents parties submit to a panel at a hearing on the merits.

(C) The requirements of paragraphs (d)(1)(A) above do not apply to Simplified Arbitrations under Rule 12800.

(2) Update Contact Information

A party must serve any change of email or mailing address during an arbitration on all other parties and file this information with the Director.

12301. Service on Associated Persons

(a) The Director will serve [the initial statement of claim] the Claim Notification Letter on an associated person directly at the person's residential address or usual place of abode. If service cannot be completed at the person's residential address or usual place of abode, the Director will serve [the initial statement of claim] the Claim Notification Letter on the associated person at the person's business address.

(b) If a member and a person currently associated with the member are named as respondents to the same arbitration, and the Director cannot complete service as provided in paragraph (a), then the Director may serve the member with the [initial statement of claim] the Claim Notification Letter on behalf of the associated person. If service is made on the member, the member must serve the associated person, even if the member will not be representing the associated person in the arbitration. If the member is not representing the associated person in

the arbitration, the member must notify, and provide the associated person's current address to, all parties and the Director.

12302. Filing and Serving an Initial Statement of Claim

(a) Filing Claim with the Director

To initiate an arbitration, a claimant must file the following with the Director:

- [•] (1) Signed and dated Submission Agreement; and
- [•] (2) A statement of claim specifying the relevant facts and remedies requested.

The claimant may include any additional documents supporting the statement of claim.

[The claimant may file the documents: (1) in hard copy; or (2) electronically through the Online Arbitration Claim Filing system that can be accessed at www.finra.org.]

(b) [Number of Copies]

[If not submitted electronically, the claimant must file enough copies of the statement of claim, and the signed Submission Agreement, and any additional materials, for the Director, each arbitrator and each other party.]

[(c)] Fees

At the time the statement of claim is filed, the claimant must pay all required filing fees by credit card or automated clearing house (ACH) through the Party Portal unless the party is a pro se customer who opts out of using the Party Portal as provided in Rule 12300(a).

[(d)]c) Service by Director

[Unless the statement of claim is deficient under Rule 12307, the Director will send a copy of the Submission Agreement, the statement of claim, and any additional materials filed by the claimant, to each other party, and to each arbitrator once the panel has been appointed.]

Unless the statement of claim is deficient under Rule 12307, the Director will effect service as follows:

- (1) the Director will send the Claim Notification Letter to all non-customer respondent(s) pursuant to Rule 12302; and

(2) the Director will send the Claim Notification Letter along with a copy of the Submission Agreement, the statement of claim, and any additional materials filed by the claimant, to each customer respondent. The Director will inform the customer that if the customer is *pro se*, the customer is not required to use the Party Portal; and

(3) the Director will send a copy of the Submission Agreement, the statement of claim, and any additional materials filed by the claimant to each arbitrator by first-class mail, overnight mail service, overnight delivery service, hand delivery, email, facsimile, or through the Arbitrator and Mediator Portal, once the panel has been appointed.

12303. Answering the Statement of Claim

(a) Respondent(s) must [directly] serve each other party with the following documents within 45 days of receipt of the statement of claim:

[•](1) Signed and dated Submission Agreement; and

[•](2) An answer specifying the relevant facts and available defenses to the statement of claim.

The respondent may include any additional documents supporting the answer to the statement of claim. Parties that fail to answer in the time provided may be subject to default proceedings under Rule 12801.

(b) The answer to the statement of claim may include any counterclaims against the claimant, cross claims against other respondents, or third party claims, specifying all relevant facts and remedies requested, as well as any additional documents supporting such claim.

[When serving] If the answer contains a third party claim, the respondent must serve the third party with the answer containing the third party claim and all documents previously served by any party, or sent to the parties by the Director, by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile, and must file proof of service with the Director through the Party Portal except as provided in Rule 12300(a)(2). The respondent must file the third party claim with the Director through the Party Portal except as provided in

Rule 12300(a)(2). [the respondent must provide each new respondent with copies of all documents previously served by any party, or sent to the parties by the Director.]

(c) At the same time that the answer to the statement of claim is served on the other parties, the respondent must file copies of the Submission Agreement, the answer to the statement of claim, and any additional documents, with the Director, pursuant to Rule 12300(b) [with enough copies for the Director and each arbitrator].

(d) No change.

12304. Answering Counterclaims

(a) Except as provided in Rule 12300(a)(2), a [A] claimant must [directly] serve any answer to a counterclaim on each other party through the Party Portal within 20 days of receipt of the counterclaim. At the same time, the claimant must file the answer to the counterclaim with the Director [with additional copies for each arbitrator].

(b) No change.

12305. Answering Cross Claims

(a) Except as provided in Rule 12300(a)(2), a [A] respondent must [directly] serve an answer to a cross claim on each other party through the Party Portal within 20 days from the date that the respondent's answer to the statement of claim is due, or from the receipt of the cross claim, whichever is later. At the same time, the respondent must file the answer to the cross claim with the Director [with additional copies for each arbitrator].

(b) No change.

12306. Answering Third Party Claims

(a) A party responding to a third party claim must [directly] serve all other parties with the following documents within 45 days of receipt of the third party claim:

[•] (1) Signed and dated Submission Agreement; and

[•] (2) An answer specifying the relevant facts and available defenses to the third party claim.

The respondent may include any additional documents supporting the answer to the third party claim.

(b) The answer to the third party claim may also include any counterclaims, cross claims, or third party claims, specifying all relevant facts and remedies requested. The answer may also include any additional documents supporting such claim. [When serving] If the answer contains a third party claim, the respondent must serve the third party with the answer containing the third party claim and all documents previously served by any party, or sent to the parties by the Director, by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile, and must file proof of service with the Director through the Party Portal except as provided in Rule 12300(a)(2). The respondent must file the third party claim with the Director through the Party Portal except as provided in Rule 12300(a)(2). [the respondent must provide each new respondent with copies of all documents previously served by any party, or sent to the parties by the Director.]

(c) At the same time that the answer to the third party claim is served on the other parties, the third party respondent must also file copies of the Submission Agreement, the answer to the third party claim, and any additional documents, with the Director[, with additional copies for each arbitrator].

(d) No change.

12307. Deficient Claims

(a) The Director will not serve any claim that is deficient. The reasons a claim may be deficient include the following:

- [•] (1) A Submission Agreement was not filed by each claimant;
- [•] (2) The Submission Agreement was not properly signed and dated;
- [•] (3) The Submission Agreement does not name all parties named in the claim;

[• The claimant did not file the correct number of copies of the Submission Agreement, statement of claim or supporting documents for service on respondents and for the arbitrators;]

[•] (4) The claim does not specify the customer's city and state [home address] at the time of the events giving rise to the dispute;

[•] (5) The claim does not specify the claimant's or the claimant's representative's current address;

[•] (6) The claimant did not pay all required filing fees, unless the Director deferred the fees; or

[•] (7) The claim does not comply with the restrictions on filings with personal confidential information under Rule 12300(d)(1) [(g)(1)].

(b) The Director will notify the claimant in writing if the claim is deficient. If the deficiency is corrected within 30 days from the time the claimant receives notice, the claim will be considered filed on the date the initial statement of claim was filed with the Director under Rule 12300(b)[(a)]. If all deficiencies are not corrected within 30 days, the Director will close the case without serving the claim, and will refund part of the filing fee in the amount indicated in the schedule under Rule 12900(c).

(c) No change.

12309. Amending Pleadings

(a) Before Panel Appointment

Except as provided in paragraph (c), a party may amend a pleading at any time before the panel has been appointed. Panel appointment occurs when the Director sends notice to the parties of the names of the arbitrators on the panel.

(1) To amend a statement of claim that has been filed but not yet served by the Director, the claimant must file the amended claim with the Director[, with additional copies for each arbitrator and each other party]. The Director will then serve the Claim

Notification Letter or amended statement of claim in accordance with Rules 12300 and 12301.

(2) To amend any other pleading, a party must serve the amended pleading on each party[. At the same time, the party must file the amended pleading with] and file the amended pleading with the Director[, with additional copies for each arbitrator]. If a pleading is amended to add a party to the arbitration, the party amending the pleading must serve the new party with the amended pleading and all documents previously served by any party, or sent to the parties by the Director, by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile, and must file proof of service with the Director through the Party Portal except as provided in Rule 12300(a)(2). The party amending the pleading must file the amended pleading with the Director through the Party Portal except as provided in Rule 12300(a)(2). [the party amending the pleading must provide each new party with copies of all documents previously served by any party, or sent to the parties by the Director.]

(b) After Panel Appointment

No change.

(c) Amendments to Add Parties

Once the ranked arbitrator lists are due to the Director under Rule 12402(d) or Rule 12403(c), no party may amend a pleading to add a new party to the arbitration until a panel has been appointed and the panel grants a motion to add the party. Motions to add a party after panel appointment must be served on all parties, including the party to be added.[.] The party seeking to amend the pleading may serve the party to be added by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile. Service by first-class mail or overnight mail service is accomplished on the date of mailing. Service by any other means is accomplished on the date of delivery. [and t] The party to be added may respond to the motion in accordance with Rule 12503 without waiving any rights or objections under the

Code. The response may be filed with the Director and served on all other parties by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile.

(d) Responding to an Amended Pleading

No change.

12310. Answering Amended Claims

(a) No change.

(b) If a claim is amended after it has been answered, but before a panel has been appointed, the respondent has 20 days from [the time] receipt of the amended claim [is served] to serve an amended answer.

(c) No change.

(d) The amended answer must be [directly] served on each other party. At the same time, the amended answer must also be filed with the Director[, with additional copies for each arbitrator].

(e) If the amended claim adds a new party to the arbitration, the new party's time to answer is governed by Rules 12303 or 12306.

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PART IV APPOINTMENT, DISQUALIFICATION, AND AUTHORITY OF ARBITRATORS

12400. Neutral List Selection System and Arbitrator Rosters

(a) Neutral List Selection System

No change.

(b) Arbitrator Rosters

FINRA maintains the following roster of arbitrators:

[•] (1) A roster of non-public arbitrators as defined in Rule 12100([p]r);

[•] (2) A roster of public arbitrators as defined in Rule 12100([u]y); and

[•] (3) No change.

(c) Eligibility for Chairperson Roster

In customer disputes, chairpersons must be public arbitrators. Arbitrators are eligible for the chairperson roster if they have completed chairperson training provided by FINRA and:

[•](1) Have a law degree and are a member of a bar of at least one jurisdiction and have served as an arbitrator through award on at least two arbitrations administered by a self-regulatory organization in which hearings were held; or

[•](2) Have served as an arbitrator through award on at least three arbitrations administered by a self-regulatory organization in which hearings were held.

12402. Cases with One Arbitrator

(a) - (c) No change.

(d) Striking and Ranking Arbitrators

(1) - (2) No change.

(3) The ranked list must be completed via the Party Portal or, if the party is a *pro se* customer who opted out of using the Party Portal pursuant to Rule 12300(a), returned to the Director by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile no more than 20 days after the date upon which the Director sent the lists to the parties. If the Director does not receive a party's ranked list within that time, the Director will proceed as though the party did not want to strike any arbitrator or have any preferences among the listed arbitrators.

(4) No change.

(e) The Director will prepare a combined ranked list of arbitrators based on the parties' numerical rankings, as follows:

[•](1) The Director will add the rankings of all claimants together, and the rankings of all respondents together, to produce a separate combined ranked list for the claimants and the respondents.

[•](2) The Director will then add the combined rankings of claimants and the respondents together, to produce a single combined ranking number for each arbitrator, excluding all arbitrators stricken by a party.

(f) - (g) No change.

12403. Cases with Three Arbitrators

Composition of Panels

(a) - (b) No change.

(c) Striking and Ranking Arbitrators

(1) No change.

(2) No change.

(3) The ranked lists must be completed via the Party Portal or, if the party is a *pro se* customer who opted out of using the Party Portal pursuant to Rule 12300(a), returned to the Director by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile no more than 20 days after the date upon which the Director sent the lists to the parties. If the Director does not receive a party's ranked lists within that time, the Director will proceed as though the party did not want to strike any arbitrator or have any preferences among the listed arbitrators. A party's failure to comply with the 20-day timeframe may result in the appointment of a panel consisting of two public arbitrators and one non-public arbitrator.

(4) No change.

(d) - (h) No change.

12404. Additional Parties

(a) If a party is added to an arbitration after the Director sends the lists generated by the Neutral List Selection System to the parties, but before [parties must return] the ranked lists are due to the Director, the Director will send the lists to the newly added party, with employment history for the past 10 years and other background information for each arbitrator listed. The

newly added party may rank and strike the arbitrators in accordance with Rules 12402(d) or 12403(c). If the Director receives the ranked lists from the newly added party [returns the lists] within 20 days after the date upon which the Director sent the lists to the party, the Director will include the new party's lists when combining rankings under Rules 12402(e) or 12403(d). If the Director does not receive the list(s) within that time, the Director will proceed as though the party did not want to strike any arbitrator or have any preference among the listed arbitrators.

(b) Once the ranked lists are due to the Director under Rules 12402(d)(3) or Rule 12403(c)(3), no party may amend a pleading to add a new party to the arbitration until a panel is appointed and grants a motion to add the party. Motions to add a party must be served on all parties. The party amending the pleading must serve [including] the party to be added[,] by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile. Service by first-class mail or overnight mail service is accomplished on the date of mailing. Service by any other means is accomplished on the date of delivery. [and t] The party to be added may respond to the motion in accordance with Rule 12503 without waiving any rights or objections under the Code. The response may be filed with the Director and served on all other parties by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile. If the panel grants the motion to add the party, the newly added party may not strike and rank the arbitrators, but may challenge an arbitrator for cause in accordance with Rule 12407.

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PART V PREHEARING PROCEDURES AND DISCOVERY

12500. Initial Prehearing Conference

(a) - (b) No change.

(c) At the Initial Prehearing Conference, the panel will set discovery, briefing, and motions deadlines, schedule subsequent hearing sessions, and address other preliminary matters. The parties may agree to forgo the Initial Prehearing Conference only if they jointly

provide the Director with the following information, in writing[, with additional copies for each arbitrator,] before the Initial Prehearing Conference is scheduled to be held:

[•] (1) A statement that the parties accept the panel;

[•] (2) Whether any other prehearing conferences will be held, and if so, for each prehearing conference, a minimum of four mutually agreeable dates and times, and whether the chairperson or the full panel will preside;

[•] (3) A minimum of four sets of mutually agreeable hearing dates;

[•] (4) A discovery schedule;

[•] (5) A list of all anticipated motions, with filing and response due dates; and

[•] (6) A determination regarding whether briefs will be submitted, and, if so, the due date for the briefs and any reply briefs.

* * * *

12502. Recording Prehearing Conferences

(a) No change.

(b) If a prehearing conference is recorded, it may be recorded using any of the methods discussed under Rule 12606. The Director will provide a copy of the recording to any party upon request [for a nominal fee].

12503. Motions

(a) Motions

(1) No change.

(2) Written motions are not required to be in any particular form, and may take the form of a letter, legal motion, or any other form that the panel decides is acceptable. Written motions must be served [directly] on each other party[, at the same time and in the same manner]. Written motions must also be filed with the Director[, with additional copies for each arbitrator, at the same time and in the same manner in which they are served on the parties].

(3) No change.

(4) Motions to amend a pleading after panel appointment pursuant to Rule 12309(b) must be accompanied by copies of the proposed amended pleading when the motion is served on the other parties and filed with the Director. If the panel grants the motion, the amended pleading does not have to be served again, unless the panel determines otherwise. [If a party moves] Motions to amend a pleading to add a party are made pursuant to Rule 12309(c).[, the motion must be served on all parties, including the party to be added, and the party to be added may respond to the motion in accordance with Rule 12309(c) without waiving any rights or objections under the Code.]

(b) Responding to Motions

Parties have 10 days from the receipt of a written motion to respond to the motion, unless the moving party agrees to an extension of time, or the Director or the panel decides otherwise. Responses to written motions must be served [directly] on each other party[, at the same time and in the same manner]. Responses to written motions must also be filed with the Director[, with additional copies for each arbitrator, at the same time and in the same manner in which they are served on the parties].

(c) Replying to Responses to Motions

Parties have 5 days from the receipt of a response to a motion to reply to the response unless the responding party agrees to an extension of time, or the Director or the panel decides otherwise. Replies to responses must be served [directly] on each other party[, at the same time and in the same manner]. Replies to responses must also be filed with the Director[, with additional copies for each arbitrator, at the same time and in the same manner in which they are served on the parties].

(d) No change.

* * * *

12506. Document Production Lists

(a) Applicability of Document Production Lists

[When the Director serves the statement of claim, the] The Director will notify parties of the location of the FINRA Discovery Guide and Document Production Lists on FINRA's website, but will provide a copy to the parties upon request. Document Production Lists 1 and 2 describe the documents that are presumed to be discoverable in all arbitrations between a customer and a member or associated person.

(b) Time for Responding to Document Production Lists

(1) Unless the parties agree otherwise, within 60 days of the date that the answer to the statement of claim is due, or, for parties added by amendment or third party claim, within 60 days of the date that their answer is due, parties must either:

[•](A) Produce to all other parties all documents in their possession or control that are described in Document Production Lists 1 and 2 servicing the requested documents or information by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile as provided in Rule 12300(a)(3);

[•](B) Identify and explain the reason that specific documents described in Document Production Lists 1 and 2 cannot be produced within the required time, and state when the documents will be produced, and serve this response on all parties and file this response with the Director; or

[•](C) Object as provided in Rule 12508 and serve this response on all parties and file this response with the Director.

(2) A party must act in good faith when complying with subparagraph (1) of this rule. "Good faith" means that a party must use its best efforts to produce all documents required or agreed to be produced. If a document cannot be produced in the required time, a party must establish a reasonable timeframe to produce the document.

(c) No change.

12507. Other Discovery Requests

(a) Making Other Discovery Requests

(1) Parties may also request additional documents or information from any party by serving a written request [directly] on the party. Requests for information are generally limited to identification of individuals, entities, and time periods related to the dispute; such requests should be reasonable in number and not require narrative answers or fact finding. Standard interrogatories are generally not permitted in arbitration.

(2) Other discovery requests may be served:

[•] (A) On the claimant, or any respondent named in the initial statement of claim, 45 days or more after the Director serves the statement of claim; and

[•] (B) On any party subsequently added to the arbitration, 45 days or more after the statement of claim is served on that party.

[At the same time, t] The party must serve copies of the request on all other parties. Any request for documents or information not described in applicable Document Production Lists should be specific, and relate to the matter in controversy.

(b) Responding to Other Discovery Requests

(1) Unless the parties agree otherwise, within 60 days from the date a discovery request other than the Document Production Lists is received, the party receiving the request must either:

[•] (A) Produce the requested documents or information to all other parties by serving the requested documents or information by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile;

[•] (B) Identify and explain the reason that specific requested documents or information cannot be produced within the required time, [and] state when the

documents will be produced, and serve this response on all parties and file this response with the Director; or

[•] (C) Object as provided in Rule 12508 and serve this response on all parties and file this response with the Director.

(2) No change.

12508. Objecting to Discovery; Waiver of Objection

(a) If a party objects to producing any document described in Document Production Lists 1 or 2 or any document or information requested under Rule 12507, it must specifically identify which document or requested information it is objecting to and why. Objections must be in writing, and must be served on all other parties [at the same time and in the same manner. Objections should not be filed with the Director]. Parties must produce all applicable listed documents, or other requested documents or information not specified in the objection by serving the requested documents or information under Rule 12300.

(b) - (c) No change.

* * * *

12512. Subpoenas

(a) No change.

(b) A party may make a written motion requesting that an arbitrator issue a subpoena to a party or a non-party. The motion must include a draft subpoena and must be filed with the Director[, with an additional copy for the arbitrator.] The requesting party must serve the motion and draft subpoena on each other party[, at the same time and in the same manner as on the Director]. The requesting party may not serve the motion or draft subpoena on a non-party.

(c) If a party receiving a motion and draft subpoena objects to the scope or propriety of the subpoena, that party shall, within 10 calendar days of service of the motion, file written objections with the Director[, with an additional copy for the arbitrator], and shall serve copies on

all other parties [at the same time and in the same manner as on the Director]. The party that requested the subpoena may respond to the objections within 10 calendar days of receipt of the objections. After considering all objections, the arbitrator responsible for deciding discovery-related motions shall rule promptly on the issuance and scope of the subpoena.

(d) If the arbitrator issues a subpoena, the party that requested the subpoena must serve the subpoena [at the same time and in the same manner] on all parties and, if applicable, on any non-party receiving the subpoena. The party must serve the subpoena on the non-party by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile.

(e) If a non-party receiving a subpoena objects to the scope or propriety of the subpoena, the non-party may, within 10 calendar days of service of the subpoena, file written objections with the Director. The non-party may file the objection by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile. The Director shall forward a copy of the written objections to the arbitrator and all other parties. The party that requested the subpoena may respond to the objections within 10 calendar days of receipt of the objections. The party must serve the response on the non-party and file proof of service with the Director pursuant to Rule 12300(c)(5). After considering all objections, the arbitrator responsible for issuing the subpoena shall rule promptly on the objections.

(f) Any party that receives documents in response to a subpoena served on a non-party shall [provide] serve notice [to] on all other parties within five days of receipt of the documents. Thereafter, any party may request copies of such documents and, if such a request is made, the documents must be provided within 10 calendar days following receipt of the request by serving them by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile. Parties must not file the documents with the Director.

(g) No change.

12513. Authority of Panel to Direct Appearances of Associated Person Witnesses and Production of Documents Without Subpoenas

(a) Upon motion of a party, the panel may order the following without the use of subpoenas:

[•] (1) The appearance of any employee or associated person of a member of FINRA; or

[•] (2) The production of any documents in the possession or control of such persons or members.

(b) The motion must include a draft order and must be filed with the Director[, with an additional copy for the arbitrator]. The requesting party must serve the motion and draft order on each other party[, at the same time and in the same manner as on the Director]. The requesting party may not serve the motion or draft order on a non-party.

(c) If a party receiving a motion and draft order objects to the scope or propriety of the order, that party shall, within 10 calendar days of service of the motion, file written objections with the Director[, with an additional copy for the arbitrator,] and shall serve copies on all other parties [at the same time and in the same manner as on the Director]. The party that requested the order may respond to the objections within 10 calendar days of receipt of the objections. After considering all objections, the arbitrator responsible for deciding discovery-related motions shall rule promptly on the issuance and scope of the order.

(d) If the arbitrator issues an order, the party that requested the order must serve the order [at the same time and in the same manner] on all parties and, if applicable, on any non-party receiving the order. The party must serve the order on the non-party.

(e) If a non-party receiving an order objects to the scope or propriety of the order, the non-party may, within 10 calendar days of service of the order, file written objections with the Director. The non-party may file the objection by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile. The Director shall forward a copy

of the written objections to the arbitrator and all other parties. The party that requested the order may respond to the objections within 10 calendar days of receipt of the objections. The party must serve the response on the non-party and file proof of service with the Director pursuant to Rule 12300(c)(5). After considering all objections, the arbitrator responsible for issuing the order shall rule promptly on the objections.

(f) Any party that receives documents in response to an order served on a non-party shall [provide] serve notice [to] on all other parties within five days of receipt of the documents. Thereafter, any party may request copies of such documents and, if such a request is made, the documents must be provided within 10 calendar days following receipt of the request by serving them by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile. Parties must not file the documents with the Director.

(g) No change.

12514. Prehearing Exchange of Documents and Witness Lists, and Explained Decision Requests

(a) No change.

(b) Witness Lists

At least 20 days before the first scheduled hearing date, all parties must provide each other party with the names and business affiliations of all witnesses they intend to present at the hearing. [At the same time, a] All parties must file their witness lists with the Director[, with enough copies for each arbitrator].

(c) No change.

(d) Explained Decision Request

At least 20 days before the first scheduled hearing date, all parties must [submit to the panel] file with the Director any joint request for an explained decision under Rule 12904(g).

* * * *

PART VI HEARINGS; EVIDENCE; CLOSING THE RECORD

12606. Record of Proceedings

(a) Tape, Digital, or Other Recording

(1) Except as provided in paragraph (b), the Director will make a tape, digital, or other recording of every hearing. The Director will provide a copy of the recording to any party upon request [for a nominal fee].

(2) The panel may order the parties to provide a transcription of the recording. If the panel orders a transcription, copies of the transcription must be provided to each arbitrator, [and] served on each party, and filed with the Director. The panel will determine which party or parties must pay the cost of making the transcription and copies.

(3) No change.

(b) Stenographic Record

(1) No change.

(2) If the stenographic record is the official record of the proceeding, a copy must be provided to [the Director,] each arbitrator, [and] served on each other party, and filed with the Director. The cost of making and copying the stenographic record will be borne by the party electing to make the stenographic record, unless the panel decides that one or more other parties should bear all or part of the costs.

* * * *

PART VII TERMINATION OF AN ARBITRATION BEFORE AWARD

12701. Settlement

(a) Parties to an arbitration may agree to settle their dispute at any time. Parties who settle must [notify] file notice with the Director. The Director will continue to administer the arbitration, and fees may continue to accrue, until the Director receives written notice of the settlement. The parties do not need to disclose the terms of the settlement agreement to the

Director or to FINRA Dispute Resolution, but members and associated persons may have reporting obligations under the rules of FINRA.

(b) No change.

* * * *

PART VIII SIMPLIFIED ARBITRATION AND DEFAULT PROCEEDINGS

12800. Simplified Arbitration

(a) - (c) No change.

(d) Discovery and Additional Evidence

(1) No change.

(2) The parties may request documents and other information from each other.

All requests for the production of documents and other information must be served on all other parties, and filed with the Director, within 30 days from the date that the last answer is due. Any response or objection to a discovery request must be served on all other parties and filed with the Director within 10 days of the receipt of the requests. The parties receiving the request must produce the requested documents or information to all other parties by serving the requested documents or information by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile. Parties must not file the documents with the Director. The arbitrator will resolve any discovery disputes.

(e) - (f) No change.

12801. Default Proceedings

(a) Applicability of Rule

A claimant may request default proceedings against any respondent that falls within one of the following categories and fails to file an answer within the time provided by the Code[.]:

[•] (1) A member whose membership has been terminated, suspended, canceled, or revoked;

- [•] (2) A member that has been expelled from the FINRA;
- [•] (3) A member that is otherwise defunct; or
- [•] (4) An associated person whose registration is terminated, revoked, or suspended.

(b) Initiating Default Proceedings

(1) To initiate default proceedings against one or more respondents that fail to file a timely answer, the claimant [must notify the Director in writing and] must [send a copy of] serve the notification [to] on all other parties and [at the same time and in the same manner as the] file a written notification [was sent to] with the Director. If there is more than one claimant, all claimants must agree in writing to proceed under this rule against a defaulting respondent before this rule may be used.

(2) If the Director receives written notice from the claimant and determines that the requirements for proceeding under this rule have been met, the Director will:

[•](A) Notify all parties that the claim against the defaulting respondent will proceed under this rule; and

[•](B) Appoint a single arbitrator in accordance with the Neutral List Selection System to consider the statement of claim and other documents presented by the claimant.

(c) - (f) No change.

* * * *

PART IX FEES AND AWARDS

12901. Member Surcharge

(a) Member Surcharge

(1) A surcharge in the amount indicated in the schedule below will be assessed against each member that:

[•](A) Files a claim, counterclaim, cross claim, or third party claim under the Code;

[•](B) Is named as a respondent in a claim, counterclaim, cross claim, or third party claim filed and served under the Code; or

[•](C) Employed, at the time the dispute arose, an associated person who is named as a respondent in a claim, counterclaim, cross claim, or third party claim filed and served under the Code.

(2) No change.

(3) If the claim is filed by the member, the surcharge is due when the claim is filed. If the claim is filed against the member, or against an associated person employed by the member at the time of the events giving rise to the dispute, the surcharge is due when the Director serves the Claim Notification Letter or the initial statement of claim [claim is served] in accordance with Rule 12300.

(4) No change.

(b) Refund of Member Surcharge

(1) The Director will refund the surcharge paid by a member in an arbitration filed by a customer if the panel:

[•](A) Denies all of a customer's claims against the member or associated person; and

[•](B) Allocates all fees assessed pursuant to Rule 12902(a) against the customer.

* * * *

12904. Awards

(a) - (b) No change.

(c) The Director will serve [a copy of] the award on each party, or the representative of the party. [The Director will serve the award by using any method available and convenient to

the parties and the Director, and that is reasonably expected to cause the award to be delivered to all parties, or their representative, on the same day. Methods the Director may use include, but are not limited to, first class, registered or certified mail, hand delivery, and facsimile or other electronic transmission.]

(d) - (j) No change.

* * * *

CODE OF ARBITRATION PROCEDURE FOR INDUSTRY DISPUTES

PART I INTERPRETIVE MATERIAL, DEFINITIONS, ORGANIZATION AND AUTHORITY

* * * *

13100. Definitions

Unless otherwise defined in the Code, terms used in the Rules and interpretive material, if defined in the FINRA By-Laws, shall have the meaning as defined in the FINRA By-Laws.

(a) Arbitrator and Mediator Portal

The term "Arbitrator and Mediator Portal" means the web-based system that allows invited arbitrators and mediators to access a secure section of FINRA's website to submit documents and information and view their arbitration and mediation case information and documents.

([a]b) Associated Person

The term "associated person" or "associated person of a member" means a person associated with a member, as that term is defined in paragraph ([r]u).

([b]c) Award

No change.

([c]d) Board

No Change.

([d]e) Claim

No change.

(f) Claim Notification Letter

The term "Claim Notification Letter" means notice provided by the Director to respondent(s) that they have been named as a party in a statement of claim. The notice will provide information about accessing the Party Portal to obtain a copy of the statement of claim filed by the claimant(s) and information about the arbitration, including the hearing location selected by the Director and the deadline for filing a statement of answer.

([e]g) Claimant

No change.

([f]h) Code

No change.

([g]i) Counterclaim

No change.

([h]j) Cross Claim

No change.

([i]k) Customer

No change.

([j]l) Day

Except as otherwise provided, the term "day" means calendar day. If a deadline specified in the Code falls on a Saturday, Sunday or any FINRA holiday, the deadline is extended until the next business day. If a party receives pleadings or other documents on a Saturday, Sunday or any FINRA holiday, the date of receipt shall be the next business day.

([k]m) Director

No change.

([l]n) Dispute

No change.

([m]o) Hearing

No change.

([n]p) Hearing Session

No change.

([o]g) Member

No change.

([p]r) Non-Public Arbitrator

The term "non-public arbitrator" means a person who is otherwise qualified to serve as an arbitrator, and meets any of the following criteria:

(1) No change.

(2) is an attorney, accountant, or other professional who has, within the past five years, devoted 20 percent or more of his or her professional time, in any single calendar year, to any entities listed in paragraph ([p]r)(1) and/or to any persons or entities associated with any of the entities listed in paragraph ([p]r)(1); or

(3) - (4) No change.

For purposes of the non-public arbitrator definition, the term "professional time" shall not include mediation services performed by mediators who are also arbitrators, provided that the mediator acts in the capacity of a mediator and does not represent a party in the mediation.

([q]s) Panel

No change.

(t) Party Portal

The term "Party Portal" means the web-based system that is accessible by arbitration and mediation parties and their representatives. The Party Portal allows invited participants to access a secure section of FINRA's website to submit documents and view their arbitration and mediation case information and documents.

([r]u) Person Associated with a Member

No change.

([s]y) Pleadings

No change.

([t]w) Prehearing Conference

No change.

([u]x) Public Arbitrator

The term "public arbitrator" means a person who is otherwise qualified to serve as an arbitrator, and is not disqualified from service as an arbitrator, as enumerated by any of the criteria below.

Permanent Disqualifications Based on a Person's Own Activities

(1) No change.

(2) A person shall not be designated as a public arbitrator, who was, for a total of 15 years or more, an attorney, accountant, or other professional who has devoted 20 percent or more of his or her professional time annually, to any entities listed in paragraph ([u]x)(1) and/or to any persons or entities associated with any of the entities listed in paragraph [(u]x)(1).

(3) – (4) No change.

Temporary Disqualifications Based on a Person's Own Activities

(5) No change.

(6) A person shall not be designated as a public arbitrator who is an attorney, accountant, or other professional who has devoted 20 percent or more of his or her professional time, in any single calendar year, to any entities listed in paragraph ([u]x)(1) and/or to any persons or entities associated with any of the entities listed in paragraph ([u]x)(1) unless the calendar year ended more than five calendar years ago.

(7) – (8) No change.

Temporary Disqualifications Based on the Activities of Others at a Person's Employer

(9) A person shall not be designated as a public arbitrator who is an attorney, accountant, or other professional whose firm derived \$50,000 or more, or at least 10 percent of its annual revenue, in any single calendar year during the course of the past two calendar years, from any entities listed in paragraph ([u]x)(1) and/or to any persons or entities associated with any of the entities listed in paragraph ([u]x)(1), or from a bank or other financial institution where persons effect transactions in securities including government or municipal securities, commodities, futures, or options. A person whom FINRA would not designate as a public arbitrator under this subparagraph shall also not be designated as a public arbitrator for two calendar years after ending employment at the firm.

(10) No change.

Temporary Disqualification Based on the Financial Industry Affiliation of an Immediate Family Member

For purposes of the public arbitrator definition, the term "revenue" shall not include mediation fees received by mediators who are also arbitrators, provided that the mediator acts in the capacity of a mediator and does not represent a party in the mediation.

([v]y) Related Claim

No change.

([w]z) Respondent

No change.

([x]aa) Statement of Claim

No change.

([y]bb) Statutory Employment Discrimination Claim

No change.

([z]cc) Submission Agreement

No change.

([aa]dd) Temporary Injunctive Order

No change.

([bb]ee) Third Party Claim

No change.

* * * *

PART II GENERAL ARBITRATION RULES

13211. Direct Communication Between Parties and Arbitrators

(a) No change

(b) Only parties that are represented by counsel may use direct communication under this rule. If, during the proceeding, a party chooses to appear [pro se (]without counsel)], this rule shall no longer apply.

(c)– (d) No change

(e) Parties may send items to the arbitrators by [regular mail, overnight courier, facsimile, or email] first-class mail, overnight mail service, overnight delivery service, hand delivery, email, or facsimile as specified in the Direct Communication Order. All the arbitrators and parties must have facsimile or email capability before such a delivery method may be used.

(f) Copies of all materials sent to arbitrators must also be [sent at the same time and in the same manner to] served on all parties and filed with the Director, pursuant to Rule 13300. [Materials that exceed 15 pages, however, shall be sent to the Director only by regular mail or overnight courier.]

(g) The [Director must receive] parties must file with the Director, pursuant to Rule 13300, copies of any orders and decisions made as a result of direct communications among the parties and the arbitrators.

(h) – (i) No change.

* * * *

PART III INITIATING AND RESPONDING TO CLAIMS

13300. Filing and Serving Documents

[(a) Initial statements of claim must be filed with the Director, with enough copies for each other party and each arbitrator. The number of arbitrators is determined in accordance with Rule 13401. The Director will serve the statement of claim on the other parties, and send copies of the statement of claim to each arbitrator.

(b) The parties must serve all other pleadings and other documents directly on each other party. Parties must serve all pleadings on all parties at the same time and in the same manner, unless the parties agree otherwise.

(c) Unless the Code provides otherwise, parties must also file all pleadings and other documents with the Director, with additional copies for each arbitrator. Pleadings and other documents must be filed with the Director at the same time and in the same manner in which they are served on the other parties. Parties filing pleadings and other documents with the Director must include a certificate of service stating the names of the parties served, the date and method of service, and the address(es) to which service was made.

(d) Pleadings and other documents may be filed and served by: first class mail; overnight mail or delivery service; hand delivery; facsimile; or any other method, including electronic mail, that is approved or required by the panel.

(e) Filing and service are accomplished on the date of mailing either by first-class postage prepaid mail or overnight mail service, or, in the case of other means of service, on the date of delivery. Whenever pleadings and other documents must be filed with the Director and served on the other parties, filing and service must occur on the same day and in the same manner, unless the parties agree or the panel directs otherwise.

(f) A party must inform the Director and all other parties in writing of any change of address during an arbitration.

(g)(1) In an electronic or paper filing with FINRA, any document that contains an individual's Social Security number, taxpayer identification number or financial account number must be redacted to include only the last four digits of any of these numbers; a party shall not include the full numbers. If FINRA receives a claim, including supporting documents, with the full Social Security number, taxpayer identification number or financial account number, FINRA will deem the filing deficient under Rule 13307 and will request that the party refile the document in compliance with this paragraph. If a party files with FINRA any document not covered by Rule 13307, that contains full numbers as referenced above, FINRA will deem the filing improper and will request that the party refile the document within 30 days from the time the party receives notice. If a party refiles the document, the corrected documents will be considered filed on the date the party initially filed the documents with FINRA.

(2) The requirements of paragraph (g)(1) above do not apply to electronic or paper documents that parties exchange with each other and do not file with FINRA or to documents parties submit to a panel at a hearing on the merits.

(3) The requirements of paragraphs (g)(1) above do not apply to Simplified Arbitrations under Rule 13800.]

(a) Party Portal

(1) Parties must use the Party Portal to file initial statements of claim and to file and serve pleadings and any other documents on the Director or any other party except as provided in paragraph (a)(2). The Director may exercise authority to permit the use of other means of filing or service in the case of an extended Party Portal outage or in other extraordinary circumstances.

(2) Parties shall not file with FINRA or serve on any other party, through the Party Portal, documents produced during discovery pursuant to the Rule 13500 series.

Available service methods for such documents are first-class mail, overnight mail service, overnight delivery service, hand delivery, email, or facsimile.

(b) Filing

(1) Except as noted in Rule 13300(a)(2), parties must file initial statements of claim and all pleadings and other documents with the Director through the Party Portal. Parties must file with the Director any written responses relating to discovery requests under Rule 13507, but shall not file any of the documents produced in response to discovery requests as provided in Rule 13300(a)(2).

(2) Parties must file arbitrator ranking lists pursuant to Rule 13404 with the Director through the Party Portal.

(3) Filing under Rule 13300(b) is accomplished on the day of submission through the Party Portal.

(c) Service

(1) The Director will serve the Claim Notification Letter on the respondent(s) pursuant to Rule 13302.

(2) Except as noted in Rule 13300(a)(2), parties must serve all pleadings and other documents through the Party Portal.

(3) Service under Rule 13300(c) is accomplished on the day of submission through the Party Portal.

(4) For documents not served through the Party Portal, parties must file proof of service with the Director through the Party Portal.

(d) General Rules for Filing and Serving Documents

(1) Redaction of Personal Confidential Information

(A) In filings with the Director, a party must redact any document that contains an individual's Social Security number, taxpayer identification number or financial account number to include only the last four digits of any of these

numbers. If the Director receives a claim, including supporting documents, with the full Social Security number, taxpayer identification number or financial account number, the Director will deem the filing deficient under Rule 13307 and will request that the party refile the document in compliance with this paragraph. If a party files with the Director any document not covered by Rule 13307, that contains full numbers as referenced above, the Director will deem the filing improper and will request that the party refile the document within 30 days from the time the party receives notice. If a party refiles the document, the corrected documents will be considered filed on the date the party initially filed the documents with the Director.

(B) The requirements of paragraph (d)(1)(A) above do not apply to documents that parties exchange with each other and do not file with the Director or to documents parties submit to a panel at a hearing on the merits.

(C) The requirements of paragraphs (d)(1)(A) above do not apply to Simplified Arbitrations under Rule 13800.

(2) Update Contact Information

A party must serve any change of email or mailing address during an arbitration on all other parties and file this information with the Director.

13301. Service on Associated Persons

(a) The Director will serve [the initial statement of claim] the Claim Notification Letter on an associated person directly at the person's residential address or usual place of abode. If service cannot be completed at the person's residential address or usual place of abode, the Director will serve [the initial statement of claim] the Claim Notification Letter on the associated person at the person's business address.

(b) If a member and a person currently associated with the member are named as respondents to the same arbitration, and the Director cannot complete service as provided in

paragraph (a), then the Director may serve the member with the [initial statement of claim] the Claim Notification Letter on behalf of the associated person. If service is made on the member, the member must serve the associated person, even if the member will not be representing the associated person in the arbitration. If the member is not representing the associated person in the arbitration, the member must notify, and provide the associated person's current address to, all parties and the Director.

13302. Filing and Serving an Initial Statement of Claim

(a) Filing Claim with the Director

To initiate an arbitration, a claimant must file the following with the Director:

- (1) Signed and dated Submission Agreement; and
- (2) A statement of claim specifying the relevant facts and remedies requested.

The claimant may include any additional documents supporting the statement of claim. [The claimant may file the documents: (1) in hard copy; or (2) electronically through the Online Arbitration Claim Filing system that can be accessed at www.finra.org.]

(b) [Number of Copies]

[If not submitted electronically, the claimant must file enough copies of the statement of claim, and the signed Submission Agreement, and any additional materials, for the Director, each arbitrator and each other party.]

[c] Fees

At the time the statement of claim is filed, the claimant must pay all required filing fees by credit card or automated clearing house (ACH) through the Party Portal.

[(d)c] Service by Director

Unless the statement of claim is deficient under Rule 13307, the Director will [send a copy of the Submission Agreement, the statement of claim, and any additional materials filed by the claimant, to each other party, and to each arbitrator once the panel has been appointed] serve the Claim Notification Letter on the respondent(s) pursuant to Rule 13302. The Director

will send a copy of the Submission Agreement, the statement of claim, and any additional materials filed by the claimant to each arbitrator by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile or through the Arbitrator and Mediator Portal, once the panel has been appointed.

13303. Answering the Statement of Claim

(a) Respondent(s) must [directly] serve each other party with the following documents within 45 days of receipt of the statement of claim:

[•](1) Signed and dated Submission Agreement; and

[•](2) An answer specifying the relevant facts and available defenses to the statement of claim.

The respondent may include any additional documents supporting the answer to the statement of claim. Parties that fail to answer in the time provided may be subject to default proceedings under Rule 13801.

(b) The answer to the statement of claim may include any counterclaims against the claimant, cross claims against other respondents, or third party claims, specifying all relevant facts and remedies requested, as well as any additional documents supporting such claim. [When serving] If the answer contains a third party claim, the respondent must serve the third party with the answer containing the third party claim and all documents previously served by any party, or sent to the Director, by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile, and must file proof of service with the Director through the Party Portal. The respondent must file the third party claim with the Director through the Party Portal. [the respondent must provide each new respondent with copies of all documents previously served by any party, or sent to the parties by the Director.]

(c) At the same time that the answer to the statement of claim is served on the other parties, the respondent must file copies of the Submission Agreement, the answer to the

statement of claim, and any additional documents, with the Director, pursuant to Rule 13300(b) [with enough copies for the Director and each arbitrator].

(d) No change.

13304. Answering Counterclaims

(a) A claimant must [directly] serve any answer to a counterclaim on each other party through the Party Portal within 20 days of receipt of the counterclaim. At the same time, the claimant must file the answer to the counterclaim with the Director [with additional copies for each arbitrator].

(b) No change.

13305. Answering Cross Claims

(a) A respondent must [directly] serve an answer to a cross claim on each other party through the Party Portal within 20 days from the date that the respondent's answer to the statement of claim is due, or from the receipt of the cross claim, whichever is later. At the same time, the respondent must file the answer to the cross claim with the Director [with additional copies for each arbitrator].

(b) No change.

13306. Answering Third Party Claims

(a) A party responding to a third party claim must [directly] serve all other parties with the following documents within 45 days of receipt of the third party claim:

[•] (1) Signed and dated Submission Agreement; and

[•] (2) An answer specifying the relevant facts and available defenses to the third party claim.

The respondent may include any additional documents supporting the answer to the third party claim.

(b) The answer to the third party claim may also include any counterclaims, cross claims, or third party claims, specifying all relevant facts and remedies requested. The answer may also

include any additional documents supporting such claim. [When serving] If the answer contains a third party claim, the respondent must serve the third party with the answer containing the third party claim and all documents previously served by any party, or sent to the parties by the Director, by first-class mail, overnight mail service, overnight delivery service, hand deliver, email or facsimile, and must file proof of service with the Director through the Party Portal. The respondent must file the third party claim with the Director through the Party Portal [the respondent must provide each new respondent with copies of all documents previously served by any party, or sent to the parties by the Director.]

(c) At the same time that the answer to the third party claim is served on the other parties, the third party respondent must also file copies of the Submission Agreement, the answer to the third party claim, and any additional documents, with the Director[, with additional copies for each arbitrator].

(d) No change.

13307. Deficient Claims

(a) The Director will not serve any claim that is deficient. The reasons a claim may be deficient include the following:

[•] (1) A Submission Agreement was not filed by each claimant;

[•] (2) The Submission Agreement was not properly signed and dated;

[•] (3) The Submission Agreement does not name all parties named in the claim;

[•] The claimant did not file the correct number of copies of the Submission

Agreement, statement of claim or supporting documents for service on respondents and for the arbitrators;]

[•] (4) The claim does not specify the claimant's or the claimant's representative's current address;

[•] (5) The claimant did not pay all required filing fees, unless the Director deferred the fees; or

[•](6) The claim does not comply with the restrictions on filings with personal confidential information under Rule 13300([g]d)(1)).

(b) The Director will notify the claimant in writing if the claim is deficient. If the deficiency is corrected within 30 days from the time the claimant receives notice, the claim will be considered filed on the date the initial statement of claim was filed with the Director under Rule 13300(b). If all deficiencies are not corrected within 30 days, the Director will close the case without serving the claim, and will refund part of the filing fee in the amount indicated in the schedule under Rule 13900(c).

(c) No change

13309. Amending Pleadings

(a) Before Panel Appointment

Except as provided in paragraph (c), a party may amend a pleading at any time before the panel has been appointed. Panel appointment occurs when the Director sends notice to the parties of the names of the arbitrators on the panel.

(1) To amend a statement of claim that has been filed but not yet served by the Director, the claimant must file the amended claim with the Director [, with additional copies for each arbitrator and each other party]. The Director will then serve the Claim Notification Letter [or amended claim in accordance with Rules 13300 and 13301].

(2) To amend any other pleading, a party must serve the amended pleading on each party [. At the same time, the party must file the amended pleading with] and file the amended pleading with the Director [, with additional copies for each arbitrator]. If a pleading is amended to add a party to the arbitration, the party amending the pleading must serve the new party with the amended pleading and all documents previously served by any party, or sent to the parties by the Director, by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile, and must file proof of service with the Director through the Party Portal. The party amending the

pleading must file the amended pleading with the Director through the Party Portal. [the party amending the pleading must provide each new party with copies of all documents previously served by any party, or sent to the parties by the Director.]

(b) After Panel Appointment

No change.

(c) Amendments to Add Parties

Once the ranked arbitrator lists are due to the Director under Rule 13404([c]d), no party may amend a pleading to add a new party to the arbitration until a panel has been appointed and the panel grants a motion to add the party. Motions to add a party after panel appointment must be served on all parties, including the party to be added.[.] The party seeking to amend the pleading may serve the party to be added by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile. Service by first-class mail or overnight mail service is accomplished on the date of mailing. Service by any other means is accomplished on the date of delivery. [and t] The party to be added may respond to the motion in accordance with Rule 13503 without waiving any rights or objections under the Code. The response may be filed with the Director and served on all other parties by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile.

(d) Responding to an Amended Pleading

No change.

13310. Answering Amended Claims

(a) No change.

(b) If a claim is amended after it has been answered, but before a panel has been appointed, the respondent has 20 days from [the time] receipt of the amended claim [is served] to serve an amended answer.

(c) No change.

(d) The amended answer must be [directly] served on each other party. At the same time, the amended answer must also be filed with the Director [, with additional copies for each arbitrator].

(e) If the amended claim adds a new party to the arbitration, the new party's time to answer is governed by Rule 13303 or Rule 13306.

* * * *

PART IV APPOINTMENT, DISQUALIFICATION, AND AUTHORITY OF ARBITRATORS

13400. Neutral List Selection System and Arbitrator Rosters

(a) Neutral List Selection System

No change.

(b) Arbitrator Rosters

FINRA maintains the following roster of arbitrators:

[•] (1) A roster of non-public arbitrators as defined in Rule 13100([p]r);

[•] (2) A roster of public arbitrators as defined in Rule 13100([u]x); and

[•] (3) No change.

(c) Eligibility for Chairperson Roster

Arbitrators are eligible to serve as chairperson of panels submitted for arbitration under the Code if they have completed chairperson training provided by FINRA and:

[•](1) Have a law degree and are a member of a bar of at least one jurisdiction and have served as an arbitrator through award on at least two arbitrations administered by a self-regulatory organization in which hearings were held; or

[•](2) Have served as an arbitrator through award on at least three arbitrations administered by a self-regulatory organization in which hearings were held.

* * * *

13404. Striking and Ranking Arbitrators

(a) - (c) No change.

(d) The ranked lists must be [returned to the Director] completed via the Party Portal no more than 20 days after the date upon which the Director sent the lists to the parties. If the Director does not receive a party's ranked lists within that time, the Director will proceed as though the party did not want to strike any arbitrator or have any preferences among the listed arbitrators.

* * * *

13406. Appointment of Arbitrators; Discretion to Appoint Arbitrators Not on List

For disputes involving statutory employment discrimination claims, see Rule 13802.

(a) Appointment of Arbitrators in Disputes Between Members

(1) If the panel consists of one arbitrator, the Director will appoint the highest-ranked available arbitrator from the combined non-public chairperson list.

(2) If the panel consists of three arbitrators, the Director will appoint a three-arbitrator panel consisting of:

[•](A) The two highest-ranked available arbitrators from the combined non-public arbitrator list; and

[•](B) The highest-ranked available arbitrator from the combined non-public chairperson list, who will serve as chairperson of the panel.

(b) Appointment of Arbitrators in Disputes Between Associated Persons or Between or Among Members and Associated Persons

(1) If the panel consists of one arbitrator, the Director will appoint the highest-ranked available arbitrator from the combined public chairperson list.

(2) If the panel consists of three arbitrators, the Director will appoint a three-arbitrator panel consisting of:

[•](A) The highest-ranked available arbitrator from the combined non-public arbitrator list;

[•](B) The highest-ranked available arbitrator from the combined public arbitrator list; and

[•](C) The highest-ranked available arbitrator from the combined public chairperson list, who will serve as chairperson of the panel.

(c) If the number of arbitrators available to serve from the combined list(s) is not sufficient to fill an initial panel, the Director will appoint one or more arbitrators of the required classification to complete the panel from names generated randomly by the Neutral List Selection System. If the Director must appoint a non-public arbitrator, the Director may not appoint a non-public arbitrator as defined in Rule 13100([p]r)(2) or (3), unless the parties agree otherwise. The Director will provide the parties information about the arbitrators as provided in Rule 13403 and the parties will have the right to challenge the arbitrators as provided in Rule 13410.

(d) No change.

13407. Additional Parties

(a) If a party is added to an arbitration after the Director sends the lists generated by the Neutral List Selection System to the parties, but before [parties must return] the ranked lists are due to the Director, the Director will send the lists to the newly added party, with employment history for the past 10 years and other background information for each arbitrator listed. The newly added party may rank and strike the arbitrators in accordance with Rule 13404. If the Director receives the ranked lists from the newly added party [returns the lists] within 20 days after the date upon which the Director sent the lists to the party, the Director will include the new party's lists when combining rankings under Rule 13405. If the Director does not receive the list(s) within that time, the Director will proceed as though the party did not want to strike any arbitrator, or have any preference among the listed arbitrators.

(b) Once the ranked lists are due to the Director under Rule 13404, no party may amend a pleading to add a new party to the arbitration until a panel is appointed and grants a motion to

add the party. Motions to add a party must be served on all parties.[,] The party amending the pleading must serve [including] the party to be added[,] by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile. Service by first-class mail or overnight mail service is accomplished on the date of mailing. Service by any other means is accomplished on the date of delivery. [and t] The party to be added may respond to the motion in accordance with Rule 13503 without waiving any rights or objections under the Code. The response may be filed with the Director and served on all other parties by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile. If the panel grants the motion to add the party, the newly added party may not strike and rank the arbitrators, but may challenge an arbitrator for cause in accordance with Rule 13410.

* * * *

13411. Replacement of Arbitrators

(a) - (c) No change.

(d) If the Director must appoint a non-public arbitrator under paragraph (c), the Director may not appoint a non-public arbitrator as defined in Rule 13100([p]r)(2) or (3), unless the parties agree otherwise.

* * * *

PART V PREHEARING PROCEDURES AND DISCOVERY

13500. Initial Prehearing Conference

(a) - (b) No change.

(c) At the Initial Prehearing Conference, the panel will set discovery, briefing, and motions deadlines, schedule subsequent hearing sessions, and address other preliminary matters. The parties may agree to forgo the Initial Prehearing Conference only if they jointly provide the Director with the following information, in writing[, with additional copies for each arbitrator,] before the Initial Prehearing Conference is scheduled to be held:

[•] (1) A statement that the parties accept the panel;

[•] (2) Whether any other prehearing conferences will be held, and if so, for each prehearing conference, a minimum of four mutually agreeable dates and times, and whether the chairperson or the full panel will preside;

[•] (3) A minimum of four sets of mutually agreeable hearing dates;

[•] (4) A discovery schedule;

[•] (5) A list of all anticipated motions, with filing and response due dates; and

[•] (6) A determination regarding whether briefs will be submitted, and, if so, the due date for the briefs and any reply briefs.

* * * *

13502. Recording Prehearing Conferences

(a) No change.

(b) If a prehearing conference is recorded, it may be recorded using any of the methods discussed under Rule 13606. The Director will provide a copy of the recording to any party upon request [for a nominal fee].

13503. Motions

(a) Motions

(1) No change.

(2) Written motions are not required to be in any particular form, and may take the form of a letter, legal motion, or any other form that the panel decides is acceptable. Written motions must be served [directly] on each other party[, at the same time and in the same manner]. Written motions must also be filed with the Director[, with additional copies for each arbitrator, at the same time and in the same manner in which they are served on the parties].

(3) No change.

(4) Motions to amend a pleading after panel appointment pursuant to Rule 13309(b) must be accompanied by copies of the proposed amended pleading when the

motion is served on the other parties and filed with the Director. If the panel grants the motion, the amended pleading does not have to be served again, unless the panel determines otherwise. [If a party moves] Motions to amend a pleading to add a party are made pursuant to Rule 13309(c).[, the motion must be served on all parties, including the party to be added, and the party to be added may respond to the motion in accordance with Rule 13309(c) without waiving any rights or objections under the Code.]

(b) Responding to Motions

Parties have 10 days from the receipt of a written motion to respond to the motion, unless the moving party agrees to an extension of time, or the Director or the panel decides otherwise. Responses to written motions must be served [directly] on each other party[, at the same time and in the same manner]. Responses to written motions must also be filed with the Director[, with additional copies for each arbitrator, at the same time and in the same manner in which they are served on the parties].

(c) Replying to Responses to Motions

Parties have 5 days from the receipt of a response to a motion to reply to the response unless the responding party agrees to an extension of time, or the Director or the panel decides otherwise. Replies to responses must be served [directly] on each other party[, at the same time and in the same manner]. Replies to responses must also be filed with the Director[, with additional copies for each arbitrator, at the same time and in the same manner in which they are served on the parties].

(d) No change.

* * * *

13506. Discovery Requests

(a) Requests for Documents or information

Parties may request documents or information from any party by serving a written request [directly] on the party. Requests for information are generally limited to identification of individuals, entities, and time periods related to the dispute; such requests should be reasonable in number and not require narrative answers or fact finding. Standard interrogatories are generally not permitted in arbitration.

(b) Making Discovery Requests

Discovery requests may be served:

- [•](1) On the claimant, or any respondent named in the initial statement of claim, 45 days or more after the Director serves the statement of claim; and

- [•](2) On any party subsequently added to the arbitration, 45 days or more after the statement of claim is served on that party.

[At the same time, t] The party must serve copies of the request on all other parties. Any request for documents or information should be specific and relate to the matter in controversy.

13507. Responding to Discovery Requests

(a) Unless the parties agree otherwise, within 60 days from the date a discovery request is received, the party receiving the request must either:

- [•](1) Produce the requested documents or information to all other parties by serving the requested documents or information by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile;

- [•](2) Identify and explain the reason that specific requested documents or information cannot be produced within the required time, [and] state when the documents will be produced, and serve this response on all parties and file this response with the Director; or

[•](3) Object as provided in Rule 13508 and serve this response on all parties and file this response with the Director.

(b) - (c) No change.

13508. Objecting to Discovery Requests; Waiver of Objection

(a) If a party objects to producing any document or information requested under Rule 13506, it must specifically identify which document or requested information it is objecting to and why. Objections must be in writing, and must be served on all other parties [at the same time and in the same manner. Objections should not be filed with the Director]. Parties must produce all applicable listed documents, or other requested documents or information not specified in the objection by serving the requested documents or information under Rule 13300.

(b) - (c) No change.

13512. Subpoenas

(a) No change.

(b) A party may make a written motion requesting that an arbitrator issue a subpoena to a party or a non-party. The motion must include a draft subpoena and must be filed with the Director [, with an additional copy for the arbitrator]. The requesting party must serve the motion and draft subpoena on each other party [, at the same time and in the same manner as on the Director]. The requesting party may not serve the motion or draft subpoena on a non-party.

(c) If a party receiving a motion and draft subpoena objects to the scope or propriety of the subpoena, that party shall, within 10 calendar days of service of the motion, file written objections with the Director [, with an additional copy for the arbitrator], and shall serve copies on all other parties [at the same time and in the same manner as on the Director]. The party that requested the subpoena may respond to the objections within 10 calendar days of receipt of the objections. After considering all objections, the arbitrator responsible for deciding discovery-related motions shall rule promptly on the issuance and scope of the subpoena.

(d) If the arbitrator issues a subpoena, the party that requested the subpoena must serve the subpoena [at the same time and in the same manner] on all parties and, if applicable, on any non-party receiving the subpoena. The party must serve the subpoena on the non-party by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile.

(e) If a non-party receiving a subpoena objects to the scope or propriety of the subpoena, the non-party may, within 10 calendar days of service of the subpoena, file written objections with the Director. The non-party may file the objection by first-class mail overnight mail service, overnight delivery service, hand delivery, email or facsimile. The Director shall forward a copy of the written objections to the arbitrator and all other parties. The party that requested the subpoena may respond to the objections within 10 calendar days of receipt of the objections. The party must serve the response on the non-party and file proof of service with the Director pursuant to Rule 13300(c)(4). After considering all objections, the arbitrator responsible for issuing the subpoena shall rule promptly on the objections.

(f) Any party that receives documents in response to a subpoena served on a non-party shall [provide] serve notice [to] on all other parties within five days of receipt of the documents. Thereafter, any party may request copies of such documents and, if such a request is made, the documents must be provided within 10 calendar days following receipt of the request by serving them by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile. Parties must not file the documents with the Director.

(g) No change.

13513. Authority of Panel to Direct Appearances of Associated Person Witnesses and Production of Documents Without Subpoenas

(b) Upon motion of a party, the panel may order the following without the use of subpoenas:

[•] (1) The appearance of any employee or associated person of a member of FINRA; or

[•] (2) The production of any documents in the possession or control of such persons or members.

(b) The motion must include a draft order and must be filed with the Director[, with an additional copy for the arbitrator]. The requesting party must serve the motion and draft order on each other party [, at the same time and in the same manner as on the Director]. The requesting party may not serve the motion or draft order on a non-party.

(c) If a party receiving a motion and draft order objects to the scope or propriety of the order, that party shall, within 10 calendar days of service of the motion, file written objections with the Director [, with an additional copy for the arbitrator,] and shall serve copies on all other parties [at the same time and in the same manner as on the Director]. The party that requested the order may respond to the objections within 10 calendar days of receipt of the objections. After considering all objections, the arbitrator responsible for deciding discovery-related motions shall rule promptly on the issuance and scope of the order.

(d) If the arbitrator issues an order, the party that requested the order must serve the order [at the same time and in the same manner] on all parties and, if applicable, on any non-party receiving the order. The party must serve the order on the non-party by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile.

(e) If a non-party receiving an order objects to the scope or propriety of the order, the non-party may, within 10 calendar days of service of the order, file written objections with the Director. The non-party may file the objection by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile. The Director shall forward a copy of the written objections to the arbitrator and all other parties. The party that requested the order may respond to the objections within 10 calendar days of receipt of the objections. The party must serve the response on the non-party and file proof of service with the Director

pursuant to Rule 13300(c)(4). After considering all objections, the arbitrator responsible for issuing the order shall rule promptly on the objections.

(f) Any party that receives documents in response to an order served on a non-party shall [provide] serve notice to all other parties within five days of receipt of the documents. Thereafter, any party may request copies of such documents and, if such a request is made, the documents must be provided within 10 calendar days following receipt of the request by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile. Parties must not file the documents with the Director.

(g) No change.

13514. Prehearing Exchange of Documents and Witness Lists, and Explained Decision Requests

(a) Documents and Other Materials

No change.

(b) Witness Lists

At least 20 days before the first scheduled hearing date, all parties must provide each other party with the names and business affiliations of all witnesses they intend to present at the hearing. [At the same time, a] All parties must file their witness lists with the Director [, with enough copies for each arbitrator].

(c) No change.

(d) Explained Decision Request

At least 20 days before the first scheduled hearing date, all parties must [submit to the panel] file with the Director any joint request for an explained decision under Rule 13904(g).

* * * *

PART VI HEARINGS; EVIDENCE; CLOSING THE RECORD

13606. Record of Proceedings

(a) Tape, Digital, or Other Recording

(1) Except as provided in paragraph (b), the Director will make a tape, digital, or other recording of every hearing. The Director will provide a copy of the recording to any party upon request [for a nominal fee].

(2) The panel may order the parties to provide a transcription of the recording. If the panel orders a transcription, copies of the transcription must be provided to each arbitrator, [and] served on each party, and filed with the Director. The panel will determine which party or parties must pay the cost of making the transcription and copies.

(3) No change.

(b) Stenographic Record

(1) No change.

(2) If the stenographic record is the official record of the proceeding, a copy must be provided to [the Director,] each arbitrator, [and] served on each other party, and filed with the Director. The cost of making and copying the stenographic record will be borne by the party electing to make the stenographic record, unless the panel decides that one or more other parties should bear all or part of the costs.

* * * *

PART VII TERMINATION OF AN ARBITRATION BEFORE AWARD

13701. Settlement

(a) Parties to an arbitration may agree to settle their dispute at any time. Parties who settle must [notify] file notice with the Director. The Director will continue to administer the arbitration, and fees may continue to accrue, until the Director receives written notice of the settlement. The parties do not need to disclose the terms of the settlement agreement to the

Director or to FINRA Dispute Resolution, but members and associated persons may have reporting obligations under the rules of FINRA.

(b) No change.

* * * *

PART VIII SIMPLIFIED ARBITRATION; DEFAULT PROCEEDINGS; STATUTORY EMPLOYMENT DISCRIMINATION CLAIMS; AND INJUNCTIVE RELIEF

13800. Simplified Arbitration

(a) - (c) No change.

(d) Discovery and Additional Evidence

The parties may request documents and other information from each other. All requests for the production of documents and other information must be served on all other parties, and filed with the Director, within 30 days from the date that the last answer is due. Any response or objection to a discovery request must be served on all other parties and filed with the Director within 10 days of the receipt of the requests. The parties receiving the request must produce the requested documents or information to all other parties by serving the requested documents or information by first-class mail, overnight mail service, overnight delivery service, hand delivery, email or facsimile. Parties must not file the documents with the Director. The arbitrator will resolve any discovery disputes.

(e) - (f) No change.

13801. Default Proceedings

(a) Applicability of Rule

A claimant may request default proceedings against any respondent that falls within one of the following categories and fails to file an answer within the time provided by the Code[.]:

[•] (1) A member whose membership has been terminated, suspended, canceled, or revoked;

[•] (2) A member that has been expelled from the FINRA;

[•] (3) A member that is otherwise defunct; or

[•] (4) An associated person whose registration is terminated, revoked, or suspended.

(b) Initiating Default Proceedings

(1) To initiate default proceedings against one or more respondents that fail to file a timely answer, the claimant [must notify the Director in writing and] must [send a copy of] serve the notification [to] on all other parties and [at the same time and in the same manner as the] file a written notification [was sent to] with the Director. If there is more than one claimant, all claimants must agree in writing to proceed under this rule against a defaulting respondent before this rule may be used.

(2) If the Director receives written notice from the claimant and determines that the requirements for proceeding under this rule have been met, the Director will:

[•](A) Notify all parties that the claim against the defaulting respondent will proceed under this rule; and

[•](B) Appoint a single arbitrator in accordance with the Neutral List Selection System to consider the statement of claim and other documents presented by the claimant.

(c) - (f) No change.

13802. Statutory Employment Discrimination Claims

(a) Applicability of Rule

This rule applies to arbitrations involving a claim of statutory employment discrimination as defined in Rule 13100([y]bb). Except as otherwise provided in this rule, all provisions of the Code apply to such arbitrations.

(b) No change.

(c) Composition of Panel

(1) – (2) No change.

(3) Special Statutory Discrimination Claim Qualifications

A single arbitrator or chairperson of a three-arbitrator panel in a case involving a statutory discrimination claim must have the following qualifications:

- (A) law degree (Juris Doctor or equivalent);
- (B) membership in the Bar of any jurisdiction;
- (C) substantial familiarity with employment law; and
- (D) ten or more years of legal experience, of which at least five years

must be in either:

[•](i) law practice;

[•](ii) law school teaching;

[•](iii) government enforcement of equal employment opportunity statutes;

[•](iv) experience as a judge, arbitrator, or mediator; or

[•](v) experience as an equal employment opportunity officer or in-house counsel of a corporation.

In addition, a chair or single arbitrator with the above experience may not have represented primarily the views of employers or of employees within the last five years. For purposes of this rule, the term "primarily" shall be interpreted to mean 50% or more of the arbitrator's business or professional activities within the last five years.

(4) No change.

(d) – (f) No change.

* * * *

13804. Temporary Injunctive Orders; Requests for Permanent Injunctive Relief

(a) Temporary Injunctive Orders

(1) No change.

(2) A party seeking a temporary injunctive order from a court with respect to an industry or clearing dispute required to be submitted to arbitration under the Code must, at the same time, file with the Director a statement of claim requesting permanent injunctive and all other relief with respect to the same dispute through the Party Portal [in the manner specified under the Code]. The party seeking temporary injunctive relief must also serve the statement of claim requesting permanent injunctive and all other relief on all other parties by overnight delivery service, hand delivery, email or facsimile. Service must be made on all parties at the same time and in the same manner, unless the parties agree otherwise[, in the same manner and at the same time as the statement of claim is filed with the Director].

(3) After the Director has invited all relevant parties to access the Party Portal, all parties must serve and file all other documents through the Party Portal. [Filings and service under this rule must be made by facsimile, overnight delivery service or messenger. Service must be made on all parties at the same time and in the same manner, unless the parties agree otherwise.] A party obtaining a court-issued temporary injunctive order must [notify] serve the other parties and file a notice of the issuance of the order with the Director within one business day.

(b) - (c) No change.

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PART IX FEES AND AWARDS

13901. Member Surcharge

(a) A surcharge in the amount indicated in the schedule below will be assessed against each member that:

[•](1) Files a claim, counterclaim, cross claim, or third party claim under the Code;

[•](2) Is named as a respondent in a claim, counterclaim, cross claim, or third party claim filed and served under the Code; or

[•](3) Employed, at the time the dispute arose, an associated person who is named as a respondent in a claim, counterclaim, cross claim, or third party claim filed and served under the Code.

(b) No change.

(c) If the claim is filed by the member, the surcharge is due when the claim is filed. If the claim is filed against the member, or against an associated person employed by the member at the time of the events giving rise to the dispute, the surcharge is due when the Director serves the Claim Notification Letter or the initial statement of claim [claim is served] in accordance with Rule 13300.

(d) - (e) No change.

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13904. Awards

(a) - (b) No change.

(c) The Director will serve [a copy of] the award on each party, or the representative of the party. [The Director will serve the award by using any method available and convenient to the parties and the Director, and that is reasonably expected to cause the award to be delivered to all parties, or their representative, on the same day. Methods the Director may use include, but are not limited to, first class, registered or certified mail, hand delivery, and facsimile or other electronic transmission.]

(d) - (j) No change.

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CODE OF MEDIATION PROCEDURE

14100. Definitions

Unless otherwise defined in the Code, terms used in the Code and interpretive material, if defined in the FINRA By-Laws, shall have the meaning as defined in the FINRA By-Laws.

(a) Arbitrator and Mediator Portal

The term “Arbitrator and Mediator Portal” means the web-based system that allows invited arbitrators and mediators to access a secure section of FINRA’s website to submit documents and information and view their arbitration and mediation case information and documents.

([a] b) Board

No change.

([b]c) Code

No change.

([c]d) Director

No change.

([d]e) Matter

No change.

([e]f) NAMC

No change.

([f]g) FINRA

No change.

([g]h) FINRA Customer Code

No change.

([h]i) FINRA Industry Code

No change.

(j) Party Portal

The term “Party Portal” means the web-based system that is accessible by arbitration and mediation parties and their representatives. The Party Portal allows invited participants to

access a secure section of FINRA's website to submit documents and view their arbitration and mediation case information and documents.

(l)(k) Submission Agreement

No change.

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14109. Mediation Ground Rules

(a) - (g) No change.

(h) The parties may agree to use the Party Portal to submit all documents and other communications to each other, to retrieve all documents and other communications, and view mediation case information.