### Code of Arbitration

- Disputes, claims, or controversies with any FINRA brokerage firm can be resolved in arbitration or mediation.
  - Member versus member or associated person
  - Bank versus member
  - Public customer (investor) versus member
  - Member versus public customer if customer agrees in writing
    - If arbitration agreement in effect
    - May have all public arbitrations
    - Respondent has 45 days to respond to a claim (discovery)

- Mediation—not mandatory (if all parties agree)
  - Occurs before arbitration
  - Mediator from FINRA meets with parties in dispute to arrange settlement.
    - If unsuccessful, arbitration follows
    - Mediator may not serve on arbitration panel

- **Simplified code of arbitration**—$50,000 or less
  - Only one arbitrator (from public, if public involved)
  - Written arguments and decision

- **Larger disputes**
  - >$50,000 to $100,000—one arbitrator
  - >$100,000—three arbitrators

- Awards under arbitration
  - Paid within 30 days of decision
  - No appeal

- Statute of limitations—six years

- Predispute arbitration agreement
  - Easy to read
  - Delivery and acknowledgment

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