

Attachment A

12000. CODE OF ARBITRATION PROCEDURE FOR CUSTOMER DISPUTES

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12900. Fees Due When a Claim Is Filed

(a) Fees for Claims Filed by Customers, Associated Persons and Other Non-Members

(1) Customers, associated persons, and other non-members who file a claim, counterclaim, cross claim or third party claim must pay a filing fee in the amount indicated in the schedule below. [The Director may defer payment of all or part of the filing fee on a showing of financial hardship. If payment of the fee is not deferred, failure to pay the required amount will result in a deficiency under Rule 12307.]

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(2) No Change.

(3) The Non-Monetary/Not Specified filing fee under Rule 12900(a)(1) must be paid by an associated person who requests expungement of customer dispute information under the Code; or a party to an investment-related, customer-initiated arbitration who requests expungement of customer dispute information on-behalf-of an associated person during the arbitration case. If the associated person or other party requesting expungement adds a monetary claim to the expungement request, the filing fee shall be the Non-Monetary/Not Specified filing fee or the applicable filing fee provided in Rule 12900(a)(1), whichever is greater.

(4) The Director may defer payment of all or part of the filing fee on a showing of financial hardship. If payment of the fee is not deferred, failure to pay the required amount will result in a deficiency under Rule 12307.

(b) through (d) No Change.

12901. Member Surcharge

(a) Member Surcharge

(1) through (2) No Change.

(3) If an associated person files a request for expungement of customer dispute information against the customer pursuant to Rule 12302, the Non-Monetary/Not Specified member surcharge under Rule 12901(a)(1) shall be assessed against each member that employed the associated person at the time the customer dispute arose. If the associated person adds a monetary claim to the expungement request, the Non-Monetary/Not Specified member surcharge or the applicable surcharge provided in Rule 12901(a)(1), whichever is greater, shall be assessed against each member that employed the associated person at the time the customer dispute arose.

[3](4) 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 in accordance with Rule 12300.

(5) If a claim is filed by an associated person pursuant to paragraph (a)(3), the surcharge is due when the Director serves the Claim Notification Letter or the initial statement of claim in accordance with Rule 12300.

[4](6) No member shall be assessed more than a single surcharge in any arbitration. The panel may not reallocate a surcharge paid by a member to any other party.

(b) No Change.

12902. Hearing Session Fees, and Other Costs and Expenses

(a) Hearing Session Fees

(1) through (4) No Change.

(5) The fee for each hearing session in which the sole topic is the determination of a request for expungement of customer dispute information shall be the Non-Monetary/Not Specified fee under Rule 12902(a)(1) for a hearing session with three arbitrators. If a request for expungement of customer dispute information includes a monetary claim, the hearing session fee shall be the Non-Monetary/Not Specified fee for a hearing session with three arbitrators or the applicable hearing session fee provided in Rule 12902(a)(1), whichever is greater. The arbitrator or panel shall assess the hearing session fees against the party or parties requesting expungement.

(b) through (e) No Change.

12903. Process Fees Paid by Members

(a) No Change.

(b) If an associated person of a member is a party, the member that employed the associated person at the time the dispute arose will be charged the process fees, even if the member is not a party. [No member shall be assessed more than one process fee in any arbitration.]

(c) If an associated person files a request for expungement of customer dispute information against the customer pursuant to Rule 12302, the process fee for the member that employed the associated person at the time the customer dispute arose

shall be the Non-Monetary/Not Specified fee under Rule 12903(a)(1). If the associated person adds a monetary claim to the expungement request, the process fee for the member that employed the associated person at the time the customer dispute arose shall be the Non-Monetary/Not Specified fee or the applicable process fee provided in Rule 12903(a)(1), whichever is greater.

[(c)](d) The panel may not reallocate to any other party any process fees paid by a member.

(e) No member shall be assessed more than one process fee in any arbitration.

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13000. CODE OF ARBITRATION PROCEDURE FOR INDUSTRY DISPUTES

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13900. Fees Due When a Claim Is Filed

(a) Fees for Claims Filed by Associated Persons

(1) Associated persons who file a claim, counterclaim, cross claim or third party claim must pay a filing fee in the amount indicated in the schedule below. [The Director may defer payment of all or part of the filing fee on a showing of financial hardship. If payment of the fee is not deferred, failure to pay the required amount will result in a deficiency under Rule 13307.]

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(2) No Change.

(3) An associated person who requests expungement of customer dispute information under the Code must pay the Non-Monetary/Not Specified filing fee under Rule 13900(a)(1). If the associated person adds a monetary claim to the expungement request, the filing fee shall be the Non-Monetary/Not Specified filing fee or the applicable filing fee provided in Rule 13900(a)(1), whichever is greater.

(4) The Director may defer payment of all or part of the filing fee on a showing of financial hardship. If payment of the fee is not deferred, failure to pay the required amount will result in a deficiency under Rule 13307.

(b) through (d) No Change.

13901. Member Surcharge

(a) through (b) No Change.

(c) If an associated person files a request for expungement of customer dispute information pursuant to Rule 13302, the member surcharge shall be the Non-Monetary/Not Specified member surcharge under Rule 13901(a)(1). If the associated person adds a monetary claim to the expungement request, the member surcharge shall be the Non-Monetary/Not Specified member surcharge or the applicable surcharge provided in Rule 13901(a)(1), whichever is greater.

~~[(c)]~~(d) 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 in accordance with Rule 13300.

(e) If a claim is filed by an associated person pursuant to paragraph (c), the surcharge is due when the Director serves the Claim Notification Letter or the initial statement of claim in accordance with Rule 13300.

~~[(d)]~~(f) No member shall be assessed more than a single surcharge in any arbitration. The panel may not reallocate a surcharge paid by a member to any other party.

~~[(e)]~~(g) The Director may also refund or waive the member surcharge in extraordinary circumstances.

13902. Hearing Session Fees, and Other Costs and Expenses

(a) Hearing Session Fees

(1) through (3) No Change.

(4) The fee for each hearing session in which the sole topic is the determination of a request for expungement of customer dispute information shall be the Non-Monetary/Not Specified fee under Rule 13902(a)(1) for a hearing session with three arbitrators. If a request for expungement of customer dispute information includes a monetary claim, the hearing session fee shall be the Non-Monetary/Not Specified fee for a hearing session with three arbitrators or the applicable hearing session fee provided in Rule 13902(a)(1), whichever is greater. The arbitrator or panel shall assess the hearing session fees against the party or parties requesting expungement.

(b) through (e) No Change.

13903. Process Fees Paid by Members

(a) No Change.

(b) If an associated person of a member is a party, the member that employed the associated person at the time the dispute arose will be charged the process fees, even if the member is not a party. [No member shall be assessed more than one process fee in any arbitration.]

(c) If an associated person files a request for expungement of customer dispute information pursuant to Rule 13302, the process fee shall be the Non-Monetary/Not Specified fee under Rule 13903(a). If the associated person adds a monetary claim to the expungement request, the process fee shall be the Non-Monetary/Not Specified fee or the applicable surcharge provided in Rule 13903(a)(1), whichever is greater.

~~[(c)]~~(d) The panel may not reallocate to any other party any process fees paid by a member.

(e) No member shall be assessed more than one process fee in any arbitration.

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