Overview of a Securities Arbitration

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Background

Arbitration is a dispute resolution process, which is an alternative to the traditional lawsuit in court. Rather than have a matter decided by a judge and jury, participants to an arbitration proceeding have their dispute resolved by impartial persons who are knowledgeable in the areas in controversy.

Although arbitration and mediation have existed as dispute resolution mechanisms for well over 200 years, it was not until the decision of the United States Supreme Court, in Shearson v. MacMahon, 482 U.S. 220 (1987) that arbitration became the most widely used means of resolving disputes in the securities industry. Arbitration of broker-dealer disputes has long been used as an alternative to the courts because it is a prompt and inexpensive means of resolving complicated issues. There are specific laws which govern the conduct of an arbitration proceeding from both the federal government and the various states. One of the most important legal aspects of arbitration is that arbitration awards are final and binding, subject to review by a court only on a very limited basis. Parties should recognize, too, that in choosing arbitration as a means of resolving a dispute, they generally give up their right to pursue the matter through the courts.

Duty to Arbitrate

In general, and in the securities industry, a party cannot be compelled to arbitrate a dispute unless he has contractually bound himself to do so. However, the reader should not be misled by this statement, as a contractual obligation to arbitrate a dispute does not arise solely from a written contract, but rather may be created in a variety of ways. Registered representatives and their firms are contractually bound to arbitrate their disputes with their customers, even in the absence of a written contract with the customer. The contractual obligation arises, not from a customer agreement, but from membership in the Financial Industry Regulatory Authority (FINRA). Every stock broker is a member of FINRA.

Upon applying for membership in FINRA, the broker-dealer and the stock broker agreed to be bound by the rules of FINRA. Rule 12200 (for customer arbitrations) and Rule 13200 (for industry arbitrations) of the FINRA Code of

Arbitration Procedure provide that members, and associated persons must be arbitrated at the demand of the customer, or another member firm.

While a broker is bound to arbitrate his disputes with his customer, and a customer can force a broker to do so, the reverse is not true. Brokers cannot force their customers to arbitrate their disputes based on FINRA rules. Rather, the broker who wishes to force a customer to arbitrate a dispute must find a contractual commitment, by the customer, to arbitrate.

Before the MacMahon decision, this presented a problem for brokers and brokerage firms, as many relied upon what is known as a "pre-dispute arbitration agreement"; that is, an agreement that is entered into by the customer, before any dispute arose, to arbitrate any dispute, that might arise later. This pre-dispute agreement was typically contained in a customer agreement, or in a margin agreement, and was widely used by the brokerage industry.

However, such pre-dispute agreements were not widely accepted by the courts, and many courts refused to enforce pre-dispute arbitration agreements. However, the Supreme Court decision in MacMahon resolved that issue, holding that such agreements were enforceable, and thus began the nearly universal use of arbitrations in customer-broker disputes.

While there is no "standard" arbitration agreement, most of the brokerage firms use similar language to the following:

I agree that all controversies that may arise between us concerning any order or transaction, or the continuation, performance or breach of this or any other agreement between us, shall be determined by arbitration before a panel of arbitrators selected by the Financial Industry Regulatory Authority, Inc., as I may designate, pursuant to the rules of the organization in existence at the time of the submission to arbitration. I understand that a judgment upon the arbitration award may be entered in any court of competent jurisdiction.

Arbitration Rules and Procedures

Arbitration, while being styled a "businessman's" method of resolving disputes, is governed by state and federal law, as well as by the rules of the arbitration forum itself. A host of disputes can, and do, arise, regarding the location of the hearings, the composition of the panels, which disputes can be arbitrated, what discovery can be obtained, and other disputes.

Most states have provisions in their civil practice rules for arbitration, which provide a basic framework for the arbitration and due process considerations, as well as procedures for confirmation of an arbitration panel's award, a procedure which gives an arbitration award the force and effect of a judgment after a trial in a court. Many states have adopted the Uniform Arbitration Act, although some states, most notably New York, have specific and individual rules for oversight of arbitrations. New York's arbitration statute is contained in Article 75 of the New York CPLR. The Federal Arbitration Act is located at 9 USC Sec. 1, et. seq..

Starting an Arbitration

Arbitrations are commenced by filing a statement of claim with the applicable arbitration forum, together with a submission agreement and the required fees, which are based on the amount of money in controversy, and the type of arbitration. Fees are typically $1,500 but when combined with "hearing deposits" can run into the tens of thousands of dollars depending on the nature of the case and the particular forum.

Submission Agreement

FINRA utilizes what is known as a Uniform Submission Agreement, which provides a written agreement by the parties to the arbitration to submit the dispute to the arbitrators. Sometimes a party to an arbitration will refuse to sign such an agreement, under the theory that by not doing so he can avoid the consequences of an adverse decision. However, the author is unaware of any case where an arbitration award was dismissed because of a party's refusal to sign the agreement, and courts have held that parties are bound to the decision, despite the refusal to sign the agreement by virtue of their participation in the hearings. In the author's experience, the refusal to sign the Uniform Submission Agreement, particularly in the case of a registered person, only serves to annoy the arbitrators and the forum, and to place the credibility of the party in doubt before the hearings even begin.

The Statement of Claim

The Statement of Claim does not have to be in a particular format, and may even be in narrative form, although many practitioners use the format that a complaint to be filed in court would take, with a caption, identification of the parties, statement of facts, and requests for damages, in numbered paragraphs. There are few ironclad requirements for a statement of claim. Generally, it must specify all of the relevant facts and circumstances surrounding the dispute, detailing the nature of the dispute, the relevant

dates or time frame, the transactions in dispute, the securities involved and the amount of damages sought, or the type of relief sought.

After the filing of the Statement of Claim and the Submission Agreement, FINRA's staff serves the documents, along with instructions for the arbitration process, on the named respondent. Service is typically done by mail to the address of the party. If service cannot be completed, or the respondent cannot be located, FINRA staff will typically seek the assistance of counsel for the claimant, in effectuating service. While a technical reading of the case law and rules regarding service might lead one to the conclusion that the mere mailing of the documents to the last known address of the party is sufficient, such is often not the case. A better course of action, where a party cannot be located or does not file an answer, is for counsel to have copies of all relevant documents served upon the party, in a manner that is considered effective service in accordance with the rules of a court that has jurisdiction over the errant party. Then, if required to do so, counsel can demonstrate to the arbitrators, or to a court when attempting to enforce the award, that all of the due process requirements of the court were met, and hopefully be able to obtain enforcement of the award, or avoid having the arbitration award vacated because of the failure to notify the missing party.

Answers, Counter-Claims and Third Party Claims

Like the Statement of Claim, the Answer does not have to be in any particular form, and can be a narrative. The Answer however must specify all of the available defenses that the party relies upon, and all facts relative to those defenses. A general denial (the equivalent of the statement "I didn't do it") is not a sufficient answer, and may lead to an order precluding the respondent from offering evidence at the hearing. Respondents who are filing answers have the right to assert claims against the claimant (known as counterclaims), claims against other respondents (known as cross-claims) and claims against persons or entities who are not parties (known as third party). FINRA Rules 12303and 13303 govern the filing of such claims. Filing fees are required for each of these claims, and must be paid to FINRA.

Arbitrator Selection

In arbitration, the arbitrator, or panel of arbitrators, determining the outcome of the case are both judge and jury. Much like jury selection in a traditional court case, parties to arbitration choose the arbitrators that will hear their case from a larger pool of prospective arbitrators. As a result, the

arbitration selection process can be instrumental in determining the outcome of a particular case.

In FINRA Arbitrations, cases are heard and decided by arbitration panels composed of either one or three arbitrators. The number of arbitrators is dependent on the size of the amount in controversy. For claims involving less than $50,000, a one person panel will be appointed. For claims involving between $50,000 - $100,000 a one person panel will also be appointed, unless the parties otherwise agree to have a three person arbitration panel hear the matter. For claims of more than $100,000 a three person panel will be appointed.(Rules 12401 and 13401).

Within 30 days after the date the Answer in the matter is due, FINRA will generate a list of potential arbitrators and provide both parties with Arbitrator Disclosure Reports. The procedures for arbitrator selection is set forth in the Rule 12400 series and in the Rule 13400 series for industry disputes.. In essence, in cases with a one person panel, the parties are provided with a list of 10 possible arbitrators. Each party is given the ability to strike as many as 4 arbitrators from the panel. The parties then rank the remaining arbitrators, with the individual receiving the lowest combined numerical ranking being chosen to hear the case.

Arbitrator selection for a "majority public" three person panel is slightly different. Each party will receive a list of 30 possible arbitrators divided into three groups of 10. The first group of 10 is entitled "Public Chairpersons," and as the name would lead one to believe, the Chairperson of the arbitration panel will be selected from this group.

The remaining two groups are composed of "Public Arbitrators" and "Non-Public Arbitrators." Within each of these three groups, the parties have the ability to strike up to 4 arbitrators, ranking the remaining prospective arbitrators in each group. The potential arbitrator with the lowest combined numerical ranking from each group will be appointed to the panel.

In an "Optional All Public Panel," parties are given the ability to strike all 10 arbitrators from the "Non-Public Arbitrators" group. If either party, or both parties combined, strikes all 10 "Non-Public Arbitrators," FINRA will appoint the "Public Arbitrator" with the next lowest combined numerical ranking as a member of the panel.

Arbitrator selection is an art, not a science. However, there are a number of tools that parties can use to help them make an informed decision.

FINRA provides Arbitrator Disclosure Reports contain education and employment history for each prospective arbitrator, as well as the caption (case name and arbitration number) for each FINRA arbitration in which that arbitrator has participated. Using FINRA.org, the parties can then access the awards issued in each of these cases. Through these awards the parties may be able to eliminate or elevate prospective arbitrators. For example, if you, or your client, are a customer suing your former representative and his/her employing firm, you would probably want to avoid an arbitrator who has never made an award to a customer. On the other hand, if you are the representative or the firm, this arbitrator may shoot to the top of your list.

As with all things related to the law, the parties greatest tool is research, research, research. Using internet search engines the parties can potentially learn a lot about a prospective arbitrator. For example, an arbitrator may have written an article related to a topic at issue in your case. Further, social networking sites such as Facebook, Google+, Twitter, LinkedIn, and others can also provide valuable information.

Hearing Location

After the filing of all claims, answers and replies, FINRA will typically notify the party of the location of the hearing. Unfortunately for members of the industry, FINRA has established procedural guidelines which utilize the location of the customer at the time of the dispute as the deciding factor for selecting a hearing site. This means that brokers should be prepared to defend arbitration claims in every major city where they have customers, and be prepared to bear the expenses of traveling to such cities. The hearing situs decision has become a point of controversy in many arbitrations, as often broker dealers are being forced to pay the expenses of flying witnesses and attorneys to far away hearing locations, simply because a customer resides in that city. While the response to these complaints are that the broker-dealer chose to accept the customer in a far-away city, such an argument is far too simplistic and self-serving, for the customer who themselves chose to deal with a broker dealer in a far-away city. While a traditional legal analysis would often lead to the opposite result, forcing the customer to have his case tried in the distant city, FINRA has been unwavering in their decision to hold hearings where the customer resides, and rarely do so.

The location of the hearing is an important factor in an arbitration proceeding, particularly if a customer names as a respondent each and every individual he ever spoke with, and every officer of the corporation, or every supervisor whose name he can find. The costs of flying these witnesses to hearings, which typically take place in multiple sessions over the course of a

few months, can quickly escalate into thousands of dollars, just for airfare, lodging and meals. Obviously the smaller the case, the larger the problem. Fortunately, recent administrative changes at FINRA have expanded the pre-hearing conference to allow the parties to address the inclusion of parties with no substantive relation to the case, and to remove those parties before the hearings commence.

Prehearing Discovery

In the "usual" court proceeding, all parties are entitled to "discovery", that is, the taking of depositions, and exchange of documents prior to the actual trial. In arbitration, there is very little discovery, keeping in line with the intended purpose of arbitration, which is to provide speedy and cost efficient methods of resolving disputes. The limited discovery concept of arbitration has proven over the years to be a major issue in the area of securities arbitrations, and over time, discovery has expanded, and FINRA has modified their rules to address rising concerns about discovery in securities arbitrations.

The main problem in securities arbitrations was that customer/claimants often require documents from the brokerage firm/respondent in order to prove their claim. The firm's financial records, stock ledgers, order tickets, commission runs, restricted securities list, and a host of other documents, are often an essential element of a customer's case. Pre-1989, with extremely limited discovery, customers often found themselves at an arbitration hearing without the necessary documents, particularly in cases involving a manipulation of a security, or in cases involving sales practices. In May, 1989, the various Self-Regulatory Organizations amended their arbitration rules to not only provide for expanded discovery, but to formalize a procedure for resolving discovery disputes. The changes had an enormous impact on the securities arbitration process. Before 1989, a respondent could virtually guarantee a delay in the start of an arbitration hearing by refusing to produce documents to the claimant. There being no mechanism for the resolution of disputes before the start of the arbitration hearing, the first hearing day was often used to resolve discovery disputes, and the remainder of the hearings would typically be adjourned to permit the parties and their counsel time to produce and review the documents that the Arbitrators had ordered to be exchanged.

Today, any party to an arbitration can request a pre-hearing discovery hearing with an arbitrator prior to the start of the hearings, to have those disputes resolved. FINRA will attempt to schedule a telephone conference call with the parties, and the arbitrators, or at least the Chairman of the Arbitration Panel, a month in advance of the actual hearings, in order to

have the arbitrators resolve the disputes before the hearing, and thereby avoid the attendant delays. Depositions are still not available in arbitrations. However, having participated in well over 600 arbitrations, and a vast number of court proceedings, it is my belief that when balancing the benefits of arbitration process over court litigation, depositions are not necessary in all but the extreme case. Arbitrations, which are not governed by the rules of evidence which apply to a court trial, have a certain amount of leeway in questioning of witnesses, which enables the skilled attorney to obtain information from a witness during the course of the hearings themselves. This procedure, coupled with the usual month long breaks between arbitration sessions, provides attorneys with ample opportunity to investigate claims made during the testimony, without delaying the proceedings further, and without encumbering the financial resources of the party with endless depositions.

Discovery begins with FINRA's Discovery Guide, a list of documents that are presumed to be discoverable by the parties. However, that presumption is not absolute, and can be challenged. We have successfully objected to Discovery Guide items as it is impossible to have a list of documents that are relevant and discoverable for all cases.

The parties have the right to seek additional documents and information from the other. In most customer arbitrations it is essential for the broker-dealer to obtain all of the financial information it can about the claimant. Many cases have been won because of the pre-hearing work done by an attorney, in an effort to learn all of the essential facts about the customer. The inquiry into the financial information of a customer in a suitability or churning case, typically starts with a document request to the customer, asking for identification of all brokerage accounts maintained by the customer, or for his benefit, during recent years.

I say recent years, because depending on the details of the particular case, "recent" can mean as few as 2 years, and as many as 10. This information, coupled with a request for the claimant's tax returns, often provides an invaluable insight into the customer's financial and investment sophistication. From there, the attorney can request the actual account documents, and can subpoena documents that the other brokerage firms maintained for the customer. This inquiry often leads to valuable information.

For example, in one case where the author was defending a broker against a 1.2 million dollar churning/unsuitability/fraud claim, the customer claimed that one of the accounts he maintained was for his 92 year old invalid mother, and that the options trading that was in the account was totally

unsuitable for her. In fact, option trading for a 92 year old invalid, is, by most criteria, unsuitable. However, the broker claimed that he was not aware that the woman was 92, nor an invalid, and insisted that the information which he had on the new account form was that the woman was 65, with a large net worth, and that only a small percentage of her total assets were placed in options.

A dispute then arose over who placed the information on the new account form, with the customer claiming that the broker fabricated the information, and the broker claiming that it was exactly what he was told by the customer when the accounts were established. While my other suggestions, contained elsewhere, for verification of new account information could have gone a long way toward resolving this dispute, those procedures where not followed in this case. However, discovery, and third party subpoenas to the three brokerage firms, revealed that the exact same information was contained on the new account forms at the other brokerage firms, establishing that it was the customer who was lying about his mother's age, in order to trade options in the account, and not the broker. While there were many other factors involved in that particular arbitration, the customer's claims were denied in full, the customer was ordered to pay approximately $50,000 in outstanding margin debt to the brokerage firm, and $190,000 to the broker, personally, for filing a false and malicious claim. Without full discovery from the customer to identify the other brokerage accounts, and subpoenas to the firms themselves, we would have never known about the falsification of the mother's age, and could very well have had a different result.

Discovery should be done as exhaustively as the case will permit, and one should not be shy in asking for documents from the other side. My guiding principal has always been one of reasonableness; is the specific request reasonable? will it help resolve an issue? is it overly burdensome on the other side to produce it? a yes answer to those two questions will virtually guarantee that an arbitrator will order the production of the documents, despite the objections of the other party.

Hearing Procedures

Securities arbitrations are conducted in the same manner that a court trial is held. There are opening statements, then the introduction of evidence by the claimant, introduction of evidence by the respondents, rebuttal cases, and closing arguments. Evidence is typically introduced through the testimony of witnesses. In the typical customer-broker case, the customer testifies about his relationship with the broker, and then calls any other witnesses who support his case. Those witnesses may offer documents into evidence, such

as correspondence between the parties, account statements, and similar documents. After each claimant's witness testifies on "direct examination" (questioning by the claimant's attorney) the witness is cross-examined by the respondent's attorney. If there is more than one respondent, the attorneys typically select one attorney to bear the brunt of the cross-examination, and the rest of the respondents' attorneys examine the witness when he has completed his examination.

Cross-examination of witnesses in arbitrations is more lenient than in court proceedings. In the typical court proceeding, cross-examination is "limited to the scope of direct", that is, the cross-examiner cannot ask the witness questions about areas or topics that were not addressed on direct examination. In arbitrations however, the procedural rules are not so closely followed, and cross-examinations often go beyond direct examination, so long as the area of inquiry is related to the issues in the case, or the credibility of the witness.

When all of the respondents' attorneys have cross-examined the witness, the Arbitrators may ask questions of the witness. Some arbitrators may interrupt the examination of a witness to ask a question, but those are usually to clarify a witness's answer. However, at this stage, the arbitrators can ask any questions they may have. The extent of the examination by the arbitrators varies widely, and depends on how extensive the attorneys' questions were, and the particular arbitrator involved. Some arbitrators seem to ask a great deal of questions, others ask none, regardless of the examination by the attorneys.

After the examination by the arbitrators, the claimant's attorney has the opportunity to question the witness again, and here the limitations on examinations are enforced. At this point, called "re-direct" most arbitrators will only allow questions which were raised by answers on the cross-examination, or by the arbitrator's questions. When re-direct is complete, re-cross begins, limited again by the scope of the arbitrators' questions, and the redirect. This process continues for all of the claimant's witnesses. When the witnesses have testified, the claimant "rests", that is, he has no further evidence to introduce, and the process starts again, with the respondent's witnesses.

After all sides have produced their witnesses, either or both sides may introduce charts or summaries of the evidence produced. Since charts and summaries are not technically evidence, but merely summaries of evidence, they can be introduced by the attorney, although some arbitration panels will require that they be supported by a witness. A good practice is to ask the arbitrators before you "rest" if such summaries will be permitted at the

end of the case. If the answer is no, then you still have the opportunity to introduce the summaries or charts through a witness. However, if the summary is truly a summary of evidence, it is rare that an arbitration panel will refuse to accept the summary from an attorney.

Stipulations

Stipulations entered into between the parties, as to factual matters not in dispute, can go a long way towards moving a hearing along, and can considerably shorten the presentation of evidence. While stipulations are actively encouraged in most courthouses across the country, arbitration forums do not actively encourage the parties to enter into stipulations. With "the judge" not "forcing" the parties to at least meet to discuss possible stipulations, there are frequently countless hours wasted in arbitrations where parties attempt to prove facts that are really not in dispute, and which could easily be resolved by a stipulation.

Rules of Evidence

It is often said that the rules of evidence do not apply in arbitrations, and this statement, while true, is, standing alone, misleading. Rules of evidence DO apply in arbitrations, they are just not as strictly applied as they would be in a court proceeding. Participants in an arbitration are well advised to keep this in mind, for many arbitration participants have been surprised that rules of evidence were applied to their cases. While the application of a particular rule of evidence to a particular fact pattern will vary with the rule, the evidence, and the arbitrator, a few general observations may be in order:

- The more significant the evidence, the more likely the rules will be strictly applied;
- Double and triple hearsay are rarely admitted into evidence;
- While the rules relating to authenticity are not strictly enforced, the arbitrators will often permit an attorney to "testify" as to the source of a document, and third parties are rarely forced to appear solely to authenticate documents; and
- No arbitrator will exclude evidence based on the Best Evidence Rule.

Arbitrators are often guided by their common sense, both in a legal and practical sense, in deciding evidence questions. Therefore, true hearsay, on insignificant points, will often be admitted, such as when a customer is describing how he met the broker - "My friend Jack said that the broker was a good broker." However, if a claimant attempts to admit third party

statements, such as "Jack said the broker ripped me off" the claimant will find himself on the receiving end of a motion to strike the testimony, and most probably an irate arbitrator.

Evidence issues can be easily resolved with some preparation. Years ago the arbitration forums had no requirement for the mandatory exchange of documents and witness lists prior to the hearing. Then a requirement for a 10 day exchange was enacted, and in 1995, the NASD (FINRA's predecessor) increased the requirement to 20 days. Arbitration participants are well advised to address the evidence issues before the hearing, if for no reason other than to prevent looking foolish in front of the arbitrators when you are unable to get a particular document into evidence.

Most attorneys with experience in arbitrations will stipulate to authenticity issues, particularly those relating to account documents, correspondence, tax returns, research reports, stock prices and similar facts and documents that the attorney, with a minimal amount of effort, can verify before the hearing, on his own. By waiting until the last minute, or even the day of the hearing, such stipulations will be lost, forcing the attorney, and his client, to additional costs and delays.

The Actual Hearings

Arbitration hearings are typically scheduled for three consecutive days, months in advance, although in recent years it is the rare case that is completed in three hearing days. The scheduling and conduct of the hearings is one of the more annoying parts of the arbitration process.

Because the arbitrators are essentially acting as volunteers (they do receive a small stipend from the forum, but hardly enough to compensate them for their time) the scheduling of hearings is a large problem in securities arbitrations. The schedules of the arbitrators, parties, attorneys and witnesses often results in a delay of months before hearings are scheduled.

And it is a rare hearing indeed which begins at the appointed hour. FINRA schedules their arbitrations to begin at 9:30 AM, but the proceedings do not actually commence until 10 o'clock, or 10:30, for a variety of reasons. A lunch break typically consumes an hour and fifteen minutes, with a 15 minute delay in restarting the hearing, and the arbitrations typically end at 5 o'clock. With two or three breaks during the course of a session, it is not unusual for a "full" day of an arbitration to involve only 5 hours of testimony, or even less. Coupled with the delay in scheduling hearings after the first three sessions, it is easy to see why arbitrations are taking 6 months or more to complete, with 4 or more hearing days quickly becoming the norm.

Unfortunately, there is not too much that any of the participants can do to decrease the amount of time it takes to complete an arbitration, except to keep the delays in mind when commencing such a proceeding.

The Award

FINRA Rules 12904 and 13904 each state that the panel shall endeavor to render an award within 30 business days of the last hearing date, or of the submission of post-hearing briefs, if permitted by the arbitrators.

The arbitration award does not, by law, have to be in any particular form, and most states simply require that the award be in writing, and signed by the arbitrators. Arbitrators do not have to provide a reason for their decision, or even a statement as to how they arrived at a damage figure. The typical arbitration award in the securities industry contains a statement as to the nature of the dispute, an identification of the parties, the main factual and legal contentions of the parties, and the decision, which is typically only one sentence long. However, pursuant to FINRA Rules 12904 and 13904 a more substantial explanation will be provided should both parties agree.

After the Award is served on all parties, and depending on the state's rules regarding arbitration, there is the potential to file an appeal of the arbitration award. However, as noted above, the grounds for an appeal are extremely limited, and rarely successful.

Conclusion

Despite what might be implied by some of the author's comments, the securities arbitration process has proven itself to be a fair and expedient method of resolving a large number of customer disputes, and has served tens of thousands of participants over the years. A successful arbitration hearing however, requires careful preparation and thought, and the process should not be taken lightly, or thought of as being insignificant or unimportant because it is not "in court." Customers and brokers often have millions of dollars at stake in securities arbitrations, and the procedure, regardless of how small the dollar amount, is as serious, as important, and as binding, as a trial. Participants are urged to understand all they can about the process as soon as proceedings are commenced, and to retain experienced counsel to represent their interests during the process and at the hearing.

A securities arbitration, where a customer is attempting to recoup significant losses, is not the place for self-representation, or for the use of new and experimental, nonprofessional, representation. An attorney, who is knowledgeable and experienced in the arbitration process, and in the operation of brokerage-firms, and in the securities laws, is the best way to insure the best possible result.

While the author, being a securities attorney, realizes that the foregoing comment may appear to be self-serving, the author has never lost a securities arbitration to a party representing himself, or to an attorney not familiar with the securities industry and the arbitration process.

A word to the wise.

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