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FINRA Arbitration Panels May Now Be Entirely Public at Customer's Request

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The Financial Industry Regulatory Authority (FINRA) has announced a rule change that allows customers more choices regarding who sits on its arbitration panels. Unfortunately, this means a panel may be chosen that does not include anyone with securities industry work experience or expertise.

The rule change, which was approved by the Securities and Exchange Commission on Jan. 31 and took effect the next day, allows customers to choose from two panel selection methods -- the new Optional All Public Panel or the old way (Majority Public Panel) that you are familiar with from the past.

More details are available from FINRA here. FINRA's news release on the rule change is available here.

If you have any questions about the new rule, please contact Mel Moseley (616.752.2177 or mmoseley@wnj.com) or any other member of the Broker Dealer/Investment Advisor Law and Regulation Group at Warner Norcross & Judd.