

THE NEUTRAL CORNER

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Mission Statement

We publish *The Neutral Corner* to provide arbitrators and mediators with current updates on important rules and procedures within securities dispute resolution. FINRA Dispute Resolution Services' (DRS) dedicated neutrals better serve parties and other participants in the DRS forum by taking advantage of this valuable learning tool.

Follow Us on Social Media

Follow us on [Twitter/X \(@FINRA\)](#) and [LinkedIn](#) for the latest FINRA and DRS news.

DRS and FINRA News

Arbitration Case Filings and Trends

[Arbitration case filings](#) from January through May 2025 reflect a six percent decrease compared to cases filed during the same five-month period in 2024 (from 1,066 cases in 2024 to 1,004 cases in 2025). Customer-initiated claims decreased by 10 percent through May 2025 as compared to the same time period in 2024.

Rule Filings

Proposed Rule Change to Amend the Codes of Arbitration Procedure to Make Clarifying, Technical and Procedural Changes to the Arbitrator List Selection Process

FINRA filed with the Securities and Exchange Commission (SEC) a proposed rule change to amend the Codes of Arbitration Procedure to make changes to certain provisions relating to arbitrator list selection. On December 30, 2024, the SEC published a notice in the Federal Register to solicit comments. The comment period expired on January 21, 2025. On March 11, 2025, FINRA filed a response to the comments.

On March 10, 2025, the SEC issued an order instituting proceedings to determine whether to approve or disapprove the proposed rule change. The comment period expired on April 4, 2025.

Please see [SR-FINRA-2024-022](#) for more information.

Proposed Rule Change to Amend the Codes of Arbitration Procedure to Accelerate the Processing of Arbitration Proceedings for Parties Who Qualify Based on Their Age or Health Condition

FINRA filed with the SEC a proposed rule change to amend the Codes of Arbitration Procedure to add new FINRA Rules 12808 and 13808 (Accelerated Processing) to accelerate the processing of arbitration proceedings for parties who qualify based on their age or health condition. On December 26, 2024, the SEC published a notice in the *Federal Register* to solicit comments. The comment period expired on January 16, 2025. On March 12, 2025, FINRA filed a response to the comments.

Also on March 12, 2025, the SEC issued an order instituting proceedings to determine whether to approve or disapprove the proposed rule change. The comment period expired on April 8, 2025.

Please see [SR-FINRA-2024-021](#) for more information.

The FINRA Investor Education Foundation (FINRA Foundation) Releases State-by-State Financial Knowledge Findings

The FINRA Foundation released [preliminary findings](#) from the National Financial Capability Study, which will be published in July. The data provides insight into the overall financial knowledge of adults in the U.S. and per state. As part of the study, more than 25,500 adults in the U.S. were asked seven questions in a [Financial Knowledge Quiz](#) covering aspects of economics and finance encountered in everyday life. The findings indicate wide differences in financial knowledge across the country, but Americans' overall knowledge about inflation has increased.

For more information about the study, please see the [FINRA Foundation website](#).

FINRA Securities Helpline for Seniors Marks 10th Anniversary With More Than \$9.3 Million Recovered for Investors

FINRA marks the [10th anniversary of the FINRA Securities Helpline for Seniors](#), an important resource for seniors and vulnerable investors. FINRA launched the Helpline on April 20, 2015, to provide senior and vulnerable investors with access to specially trained FINRA staff who can assist them with questions or concerns about their brokerage accounts, investments and other matters. Since its launch, the Helpline has assisted in recovering more than \$9.3 million for investors as of December 31, 2024.

Please see FINRA's website for more information about the [FINRA Securities Helpline for Seniors](#).

FINRA Announces Appointment of New Public Governor

FINRA announced the appointment of [Stephen Luparello as a public governor](#) to its Board of Governors. Luparello was the Director of the SEC's Division of Trading and Markets from 2014 to 2017. Prior to the SEC, Luparello was a partner at the law firm, WilmerHale. He also previously spent 16 years at FINRA and its predecessor, the National Association of Securities Dealers.

FINRA is overseen by a 22-member Board of Governors, with the majority or 12 seats designated for public members, 10 seats designated for industry members and one seat reserved for FINRA's CEO. Public governors are appointed by the Board from candidates nominated by the Nominating Committee. They must have no material business relationship with a broker-dealer or a self-regulatory organization. FINRA Governors are appointed or elected to three-year terms and may not serve more than two consecutive terms.

Introducing DRS' Virtual Agent

DRS is pleased to introduce our new virtual agent, available 24/7 to provide immediate support for your DR Portal and online filing needs. Look for the “Chat With Us” button on the right-hand side of any [DRS webpage](#). The tool is programmed to provide instant answers to common questions about using the DR Portal or filing a claim. Each session begins with a list of topics to choose from, e.g., document inquiry, access to case(s), profile update and login issues. If your question requires human support, simply use the “Schedule a Call” feature to arrange a convenient time to speak directly with a DRS staff member.

Register for the DR Portal Today

DRS strongly encourages arbitrators and mediators to register for the [DR Portal](#). It allows neutrals to:

- ▶ file case documents, including the electronic Oath of Arbitrator and Arbitrator Disclosure Checklist, the Initial Prehearing Conference Scheduling Order, general orders, dismissal and postponement orders, the Award Information Sheet and the Arbitrator Experience Survey;
- ▶ access information about assigned cases, including case documents, upcoming hearings and arbitrator payment information;
- ▶ schedule hearings;
- ▶ update profile information;
- ▶ view and print the Arbitrator Disclosure Report (ADR);
- ▶ update the last affirmation date on the ADR;
- ▶ submit expense reports;
- ▶ review list selection statistics to see how often their name has appeared on arbitrator ranking lists sent to parties and how often they have been ranked or struck on those lists; and
- ▶ review their historical cases, regardless of how the case closed.

DR Portal registration is reflected on the ADRs that parties review when selecting arbitrators and mediators.

DR Portal: Did You Know?

DRS recently updated the DR Portal with the following enhancements:

- ▶ **Enhanced User Experience:** Some users reported that after they changed their password or email address, it was unclear how to navigate back to the DR Portal. Now, when users access the “Change My Password” or “Change My Email Address” features, these options automatically open in separate browser tabs. This allows you to maintain your active DR Portal session in the original tab while you complete account modifications in the new tab. Once you update your password or email address, you can simply close the secondary tab and continue working seamlessly in the DR Portal without any navigation confusion or session disruption.
- ▶ **New Security Feature:** The DR Portal now features an integrated automated reminder for arbitrators to securely destroy case documents when their service on a case concludes. This timely notification enhances confidentiality protection by ensuring sensitive materials are properly disposed of.

For questions about logging into the DR Portal, please contact the FINRA Support Center at (301) 590-6500. If you have other questions about using the DR Portal, please contact the DR Portal Help Desk at drportalhelp@finra.org or (800) 700-7065.

Practising Law Institute (PLI) Securities Arbitration 2025

[PLI's Securities Arbitration 2025](#) program provides an opportunity to hear about the latest developments directly from DRS leadership, arbitrators, academics and experienced attorneys who represent both customers and industry parties. PLI's faculty will provide practical tips for arbitrating and mediating securities cases, such as using experts in arbitration cases, understanding ethical obligations and leveraging technology. They will also look at the latest hot topics and future trends in securities arbitration for 2025.

The program will be held in person on September 11, 2025, from 9 a.m. to 5 p.m. Eastern Time. Attendees can also watch the program as a live broadcast or view a recorded version later. CLE credit will be available. FINRA arbitrators and mediators will receive a 25 percent discount when registering with this [link](#) or by using this discount code: **UTQ5 FINRA**. PLI also offers scholarship opportunities for retired attorneys. Please see their [website](#) for more information.

Mediation Update

Mediation Case Filings and Trends

From January through May 2025, parties initiated 218 mediation cases. This is the same number of cases from the corresponding period in 2024. FINRA closed 214 cases during this time. Approximately 84 percent of these cases concluded with successful settlements.

Mediator Disclosure Updates

Mediators can update their profile at any time through the [DR Portal](#). Keeping mediator disclosure reports up to date—including the number of cases, case success rates and the types of cases mediated—helps parties during the selection process. References who can attest to a mediator's skills and mediation style also help parties choose the most appropriate mediator for their case. Remember to include a cancellation policy if applicable.

Become a FINRA Mediator

Do you have experience working as a mediator? Consider joining DRS' mediator roster. Please email the [Mediation Department](#) for more information.

Questions and Answers

Documents to Submit After a Hearing

Q: My hearing just concluded. What do I need to submit to DRS?

A: Attendance and Exhibit Lists

During the hearing, the panel should have used the [Attendance List](#) to track the attendance of the parties, representatives and witnesses and the [Exhibit Lists](#) (separate list for the [claimant](#) and [respondent](#)) to track the parties' exhibits. The arbitrator responsible for these forms during the hearing should file them on the [DR Portal](#) at the end of the hearing by selecting "Neutral Case Submission" from the "Drafts & Submissions" tab.

Arbitrators should collect all accepted exhibits and return one set to DRS as the official record. Alternatively, the arbitrators can order the parties to file the accepted exhibits on the DR Portal. For hearings held by videoconference, the parties should file, by default, exhibits on the DR Portal.

A: Recording Devices

For hearings that are held at a non-FINRA location, arbitrators should return any recording device they use during the hearing to the correct [DRS regional office](#).

A: Award Information Sheet

After the final deliberation, the panel should complete the Award Information Sheet (AIS). The form can be completed directly on the [DR Portal](#) by selecting "Award Information Sheet" from the "Drafts & Submissions" tab. The AIS can be saved as a draft and shared with other arbitrators before submitting to DRS. DRS will then prepare an award based on the information in the AIS. Arbitrators will have an opportunity to review the award before it is published online and sent to the parties.

A: Expense Reports

Expense reports for reimbursable expenses related to the hearing must be submitted within 30 calendar days of the date the expense was incurred. You can now submit expense reports on the [DR Portal](#) by selecting "Arbitrator Expense Report" from the "Drafts and Submissions" tab.

Secure Disposal of Case-Related Materials

Q: What should I do with physical copies of case-related materials, such as printed copies of pleadings, motions and exhibits after the hearing concludes?

A: Arbitrators have an ethical duty to keep all case-related materials confidential. This duty includes ensuring that all case-related materials are securely disposed of at the conclusion of a case.

Q: How do I securely dispose of physical copies of case-related materials?

A: There are several ways to securely dispose of physical copies. If the hearing is held at a FINRA office, you may leave the case-related materials in the hearing room and notify staff that they should be shredded.

If you have case materials at home, you may use a prepaid mailing label (provided by DRS) to return materials to DRS for secure disposal or use local shredding services and submit an expense report with the receipt for reimbursement.

Q: What if I have electronic copies of case-related materials saved on my computer or other device?

A: Arbitrators have an ethical duty to keep all case-related materials confidential and must securely dispose of them at the conclusion of a case, including electronic copies. Arbitrators must ensure that electronic copies are permanently deleted from any device where they are saved, such as computers, tablets or cell phones. Please be sure to delete the documents from any recycle bins on the device(s).

For more information regarding the secure disposal of case-related materials, please visit the [Arbitrator's Guide](#) or contact DRS staff.

Special Expungement Roster

Q: I was recently asked to serve on a straight-in request (*i.e.*, an arbitration case in which an associated person filed a request for expungement of customer dispute information against a member firm, separate from a customer arbitration) pursuant to FINRA [Rule 13805](#). However, the hearing was scheduled to take place far from my primary hearing location. Was this a mistake?

A: No, this was not a mistake. Effective October 16, 2023, FINRA amended the Codes of Arbitration Procedure to modify the process relating to expungement of customer dispute information. See [Regulatory Notice 23-12](#) (August 11, 2023). If an associated person files a straight-in request under FINRA [Rule 13805](#), the amendments require that a three-person panel randomly selected from the Special Expungement Roster in accordance with FINRA [Rule 13806](#) must hold an expungement hearing, decide the straight-in request and issue an award.

The Special Expungement Roster operates as a consolidated, national roster, designed to ensure there are enough qualified arbitrators to hear these straight-in requests throughout the country. This approach allows arbitrators on the Special Expungement Roster to serve on these expungement cases regardless of geographic location. The format of the hearing will be determined at the IPHC and, if travel is required, DRS will reimburse arbitrators for their expenses. DRS has found that most hearings have proceeded virtually.

Arbitrator Disclosure Reminder

As a reminder, arbitrators should review their Arbitrator Disclosure Reports (ADRs) regularly to ensure all information is accurate and current. Arbitrators may not be aware, but DRS continually sends their ADRs to parties during the arbitrator selection process. Providing parties with the most current and complete information helps them make informed decisions when selecting their panel. Complete disclosures also minimize arbitrator challenges and delays to the case. Arbitrators should log in to the [DR Portal](#) to update their ADRs.

Last Affirmation Dates on ADRs

DRS enhanced the ADRs by publishing the date that arbitrators last affirmed their accuracy. The affirmation date is displayed prominently at the top of the ADR that parties review during the arbitrator selection process. Parties may consider the affirmation date when making decisions about ranking and striking arbitrators.

Arbitrators can refresh the affirmation date by submitting an update form through the DR Portal or by submitting an Oath when assigned to a case. Even if there are no changes, arbitrators can update the affirmation date through the DR Portal.

If you need to register for the DR Portal or reactivate a dormant account, please send an email to the [Department of Neutral Management](#) to request an invitation. Please include “request portal invitation” in the subject line.

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