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March 16, 2015

VIA ELECTRONIC SUBMISSION

Mr. Brent J. Fields, Secretary
Securities and Exchange Commission
100 F Street NE
Washington, D.C. 20549-1090

Re: File No. SR-FINRA-2015-003, Proposed Rule Change to Amend the Codes of Arbitration Procedure to Increase the Late Cancellation Fee

Dear Mr. Fields:

The Pace Investor Rights Clinic at Pace Law School, operating through John Jay Legal Services, Inc. (“PIRC”),¹ welcomes the opportunity to comment on FINRA’s proposed rule change requiring parties to provide more advance notice before cancelling or postponing an arbitration hearing, or be assessed a higher late cancellation fee if such notice is not provided. PIRC generally supports the proposal, the goal of which is to “encourage parties to provide more advance notice of postponements and cancellations, or, in the alternative, to compensate arbitrators more than they are currently paid for lost time and opportunities in the event of a late postponement or cancellation.”² The proposal justly compensates arbitrators for lost opportunities due to scheduling the hearing, as well as the time arbitrators expend to prepare for a hearing. The proposal should help FINRA in its efforts to recruit and retain a roster of high-quality arbitrators.”³

However, PIRC is concerned that pro se claimants who are unaware of this rule may be unduly burdened with the substantially higher fees associated with cancelling or postponing a hearing. PIRC agrees with the Public Investors Arbitration Bar Association’s suggestion to

¹ PIRC opened in 1997 as the nation’s first law school clinic in which J.D. students, for academic credit and under close faculty supervision, provide pro bono representation to individual investors of modest means in arbitrable securities disputes. See Barbara Black, *Establishing A Securities Arbitration Clinic: The Experience at Pace*, 50 J. LEGAL EDUC. 35 (2000); see also Press Release, Securities Exchange Commission, SEC Announces Pilot Securities Arbitration Clinic To Help Small Investors - Levitt Responds To Concerns Voiced At Town Meetings (Nov. 12, 1997), available at <http://www.sec.gov/news/press/pressarchive/1997/97-101.txt>.

² *Self-Regulatory Organizations; Fin. Indus. Regulatory Auth., Inc.; Notice of Filing of A Proposed Rule Change to Amend the Codes of Arbitration Procedure to Increase the Late Cancellation Fee*, Release No. 74289 (Feb. 18, 2015) (Notice of Filing of SR-FINRA-2015-003).

³ See Comment Letter to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, from Ellen Liang, Student Intern, PIRC, dated July 23, 2014, available at <http://www.sec.gov/comments/sr-finra-2014-026/finra2014026-5.pdf>.

provide additional education to pro se claimants who may not be aware of the fee associated with postponing or cancelling a hearing less than 10 days before the hearing.⁴ PIRC is committed to educating investors, particularly those of modest means, and we believe that this change will help pro se claimants make informed decisions regarding hearing postponements or cancellations, while preserving the benefits of the proposed rule change.

Respectfully yours,

Patrick J. Paul
Student Intern, PIRC

Elissa Germaine
Supervising Attorney, PIRC

Jill Gross
Director, PIRC

⁴ See Comment Letter to Brent J. Fields, Secretary, Securities and Exchange Commission, from Joseph C. Peiffer, President, PIABA, dated March 9, 2015, available at <http://www.sec.gov/comments/sr-finra-2015-003/finra2015003-4.pdf>.