

DATE: May 22, 2018

TO: MIAX PEARL Members

FROM: MIAX PEARL Regulatory Department

SUBJECT: FINRA Arbitration Rule Change Notice: Proposed Rule Change to Create a Fee and Honorarium for Late Cancellation of a Prehearing Conference

FINRA is proposing to amend FINRA Rules 12500 and 12501 of the Code of Arbitration Procedure for Customer Disputes (“Customer Code”) and FINRA Rules 13500 and 13501 of the Code of Arbitration Procedure for Industry Disputes (“Industry Code” and together, “Codes”), to charge a \$100 per-arbitrator fee to parties who request cancellation of a prehearing conference within three business days before a scheduled prehearing conference. The proposed rule change would also amend FINRA Rules 12214(a) and 13214(a) of the Codes to create a \$100 honorarium to pay each arbitrator scheduled to attend a prehearing conference that was cancelled within three business days of the prehearing conference. The Federal Register Notice for this proposed rule change can be found at the following location: <https://www.gpo.gov/fdsys/pkg/FR-2018-05-18/pdf/2018-10603.pdf>.

Chapter XI of MIAX PEARL Rules incorporates by reference the rules of FINRA relating to arbitration of disputes. MIAX PEARL is required to inform its Members of rule changes to FINRA’s arbitration rules published by the Securities and Exchange Commission.

Please direct any questions to the Regulatory Department at (609) 897-7309 or Regulatory@MIAXOptions.com.