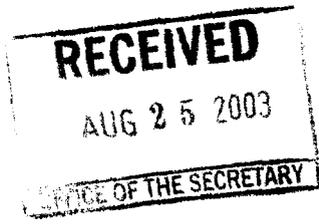


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# Public Investors Arbitration Bar Association



August 18, 2003

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Secretary, Securities and Exchange Commission  
450 Fifth Street, N.W.  
Washington, D.C. 20549-0609

Re: Proposed Amendment to Rule **10304**  
of the NASD Code of Arbitration  
Procedure; File No. SR-NASD-2003-101

Gentlemen:

The Public Investors Arbitration Bar Association ("PIABA") hereby notifies the Securities and Exchange Commission (the "Commission") of PIABA's qualified support for the proposed amendment to Rule **10304** of the NASD Code of Arbitration Procedure as described in Release No. **34-48225** published in the Federal Register on August 1, 2003.

PIABA believes that the issue of overriding importance in regard to this rule is the need to assure that public investors have some forum in which to present their claims against the brokerage industry. Many investor advocates have taken the position that the best course of action regarding this issue would be to eliminate Rule **10304** altogether. While PIABA supports that point of view, we also believe the proposed amendments to Rule **10304** are far superior to the rule in its present form. Accordingly, we support the amendment.

PIABA is concerned that proposed Rule **10304** contains no cut-off date by which a motion to dismiss a claim under the rule must be filed. In order to avoid undue expense and delay, PIABA suggests that the proposed rule should be further amended to provide that all motions to dismiss under the rule should be filed within thirty days of the appointment of the panel of arbitrators. Failure to file a motion to dismiss within that time frame should result in a conclusive determination that all claims presented in the action are arbitrable.

Secretary, Securities and Exchange Commission  
August 18, 2003  
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PIABA congratulates the Commission and the NASD on their efforts *to* assure public investors will have a forum in which to pursue any claim which they may have against broker/dealers and their associated persons.

Sincerely,



J. Pat Sadler  
President

JPS/j

cc: Linda Fienberg, **Esq.**, President, NASD Dispute Resolution