

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
Page Two

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