

**ARBITRATION BEFORE THE
FINANCIAL INDUSTRY REGULATORY AUTHORITY**

In the Matter of the Arbitration between	§	
	§	
PARTY XXXXXXXXX,	§	
	§	
Claimant	§	
	§	
vs.	§	FINRA # XY:ZZZZZ
	§	
BROKERAGE FIRM,	§	
	§	
	§	
Respondent	§	

AGREEMENT

This Agreement (hereinafter “Agreement”) is made by and between BROKERAGE FIRM (“BROKERAGE FIRM”), and PARTY XXXXXXXXX, (“XXXXXXX”), individually and collectively referenced as “Party” or the “Parties”.

WHEREAS, XXXXXXXXX has pending a FINRA arbitration against BROKERAGE FIRM regarding alleged actions and omissions related to his accounts at BROKERAGE FIRM, which arbitration is currently set for a five day final hearing commencing October XX,XXXX (the “Arbitration”);

WHEREAS, the Parties wish to enter into this Agreement for the purpose of streamlining the Arbitration into an abbreviated one day binding arbitration with an agreed upon arbitrator and the arbitration process as set forth herein;

NOW THEREFORE, in consideration of the foregoing premises and the following covenants, agreements, and such other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge by their signatures below, the Parties agree as follows:

1. **Binding Arbitration.** The Parties agree that the Arbitration and any and all disputes existing between the Parties and any of their respective agents or employees will be resolved and determined through an agreed process of binding arbitration as set forth in this Agreement, which modifies any prior arbitration agreement between the Parties (“Binding Arbitration”). Upon execution and delivery of the Agreement, all claims against any parties to the Arbitration other than BROKERAGE FIRM and XXXXXXXXX will be dismissed with prejudice by notifying FINRA of same.
2. **Jeff Abrams.** The Parties agree to submit the issues, claims and defenses in the subject Arbitration to Jeff Abrams for final determination, and Abrams agrees to make a final determination in accord with this Agreement. Any dispute arising between the Parties about this Agreement or any aspect of the process of Binding Arbitration set forth herein will be resolved by Abrams, which determination will be final and binding on the Parties. The determination made by Abrams and the Final Award rendered by Abrams according to this Agreement will be final, binding, and non-appealable. Further, the Parties agree that each party hereby waives any and all rights to contest the validity and enforceability of this Agreement, and further agree not to appeal, request reconsideration of the Final Award, seek vacatur or any other post arbitration relief afforded under any statute,

rule or regulation, save and except enforcement of this Agreement and/or Mr. Abrams' final determination in the event of any breach or non-payment.

3. **Postponement of the Final Hearing in the Arbitration.** Upon execution hereon, the final hearing in the Arbitration which is currently set on October XX, XXXX will be postponed, and all claims and defenses set forth in the Arbitration will be determined solely in accordance with this Agreement. At the conclusion of the Binding Arbitration and upon the rendering of the Final Award by Abrams as set forth herein, the Parties will notify FINRA that the Arbitration has been resolved and will dismiss or cancel the Arbitration. Each Party will bear their own expenses and costs as assessed by FINRA in connection with the Arbitration.
4. **The Hearing Date.** The Binding Arbitration will be held on October XX, XXXX at a mutually agreed location, commencing at 9:00 a.m. CT and concluding that day.
5. **Confidentiality.** The Binding Arbitration process will be confidential. The Final Award as contemplated herein shall not be provided to FINRA for inclusion in the FINRA Award database, except as required by law. Neither Party will release or cause to be released for public distribution any report, information, press release, or any other materials which in any way mentions, refers to, discusses or relates to the terms and conditions of this Agreement or any dispute between XXXXXXXXX and BROKERAGE FIRM. They will not discuss with or disclose to any other person any information whatsoever which relates to or refers to the terms and conditions of this Agreement. Further, other than stating that the Arbitration was "settled" or "resolved," the Parties will not discuss with or disclose to any other

person any information whatsoever which relates to or refers to any dispute between XXXXXXXXX and BROKERAGE FIRM. Notwithstanding the above, nothing in this Agreement shall prevent either Party from reporting the existence and result of the Binding Arbitration to the Internal Revenue Service, accountants, attorneys, or financial advisors, or as otherwise required by law. Further, this provision does not prohibit or restrict the Parties (or their attorneys) from responding to any inquiry about Agreement or its underlying facts and circumstances by the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA) or any other self-regulatory organization or governmental authority.

6. **Exchange of Exhibits.** On or before October XX, XXXX the Parties will exchange the actual exhibits to be used during the Binding Mediation and will designate any person that will make any proffer of testimony, opinion, exhibits, or documents.
 - a. Following the exchange set forth in Par. 6, no additional exhibits will be proffered or considered without the consent of Abrams.
 - b. All exhibits exchanged by the Parties are admitted in the Binding Arbitration.
7. **Pre-Hearing Memorandum.** The Parties may, but are not required to, submit a pre-hearing memorandum to Abrams on or before October XX, XXXX at 5:00 p.m. CT. Any pre-hearing memorandum or annexed exhibits submitted to Abrams will be served simultaneously on the other Party. Abrams will reject any Pre-Hearing Memorandum not delivered (electronically, by courier, or mail) by 5:00 p.m. on October XX, XXXX.

8. **Expert Witness Report and Witness Affidavits.** Any Party may, but is not required to, submit an expert report, sworn witness affidavits, and related exhibits to Abrams on or before October XX, XXXX. Any Expert Witness Report will include such Expert's complete resume or CV, and such expert will be available by telephone throughout October XX, XXXX. Any witness will also be available by telephone throughout October XX, XXXX. Abrams will reject any Pre-Hearing Memorandum, Expert Report, or witness Affidavit not delivered (electronically, by courier, or mail) by 5:00 p.m. on October XX, XXXX.
9. **Presentation of Argument and Evidence.** Each Party will be able to present a proffer of evidence (documents, testimony, exhibits, and opinion) and present legal and equitable arguments to Abrams in the following order and within the allotted times:
- a. Claimants--- 9:00 am to 11:00
 - b. Respondents--- 11:30 to 1:30
 - c. Lunch. 1:30-2:45.
 - d. Respondent's Rebuttal/Closing-- 3:00 to 4:00
 - e. Claimant's Rebuttal/Closing – 4:00 pm to 5:00 pm
 - f. There will be no witness direct or cross or rebuttal examination by counsel for either Party.
 - g. No Party will interpose any objection to the proffer of testimony, exhibits, or argument.

10. **Questions By Abrams.** Any questions to be posed by Abrams of any Party, counsel, or witness will be done in open session and before all present, and will be concluded prior to submission of proposed awards as set forth in Par. 11.
11. **Submission of Proposed Award to Abrams. Abrams Binding Determination.** Following the close of evidence and counsels' presentation, each counsel will submit a confidential proposed award to Abrams within 1 hour of the close of the presentation, to which they agree to be bound. Abrams will reject any proposed award that is not timely submitted, or is not submitted in the prescribed form. The proposed award submitted to Abrams will be in the format set forth on Exhibit "B".
12. **High/Low Limits to Proposed Award, Final Award, and Abrams Determination.** In consideration of agreeing to this Binding Arbitration and this Agreement, each Party has agreed to a high and low limit to Abrams' final determination.
- a. BROKERAGE FIRM agrees that its proposed award amount submitted to Abrams will be for an amount equal to or greater than \$150,000.00
 - b. XXXXXXXXX agrees that his proposed award amount will be for an amount equal to or less than \$1,350,000.00.
 - c. BROKERAGE FIRM agrees to remit and deliver the amount of the Final Award as determined by Abrams herein to YYYYYY, P.C. in trust for XXXXXXXXX on or before November XX, XXXX.
13. **Abrams Deliberation and Determination.** Upon receiving each proposed award, Abrams will have 1 hour to deliberate and to render and deliver the Final

Award. By this Agreement, Abrams is required to select one of the proposed award amounts submitted by the Parties, and Abrams shall not render any number in the Final Award except one of the numbers submitted by a Party in the form prescribed herein. Following his determination and completion of the Final Award, Abrams will deliver to each Party and their Counsel his determination in the format attached as Exhibit "B". The Final Award will not be explained or reasoned by Abrams. Abrams will not disclose to any Party or Counsel the proposed award submitted by the adverse Party.

14. MISCELLANEOUS TERMS

If any party seeks enforcement of this Agreement or the Final Award, the Parties hereby agree that such dispute can be brought in any court of competent jurisdiction.. In addition to any other remedy, the prevailing Party in any dispute arising under this Agreement shall be entitled to recover its reasonable attorneys' fees and all reasonable out-of-pocket expenses including, but not limited to expert fees.

15. This Agreement shall be governed by the laws of the State of Texas without giving effect to the choice-of-law or conflict-of-laws provisions thereof. Any enforcement actions must be brought in the Dallas County, Texas which is the exclusive venue for such action.

16. This Agreement shall be binding upon the Parties' successors, assigns and heirs.

17. This Agreement sets forth the entire agreement between the Parties and there are no other oral or written understandings with respect to the subject matter of this Agreement.

18. Each person executing this Agreement has the express authority to execute and enter into this Agreement and bind the Party represented.
19. This Agreement can only be modified or amended in writing and executed by all signatories to this Agreement.
20. The Parties agree that their signature to this Agreement is with full knowledge and understanding and the product of their free will, act and deed under no compulsion or duress.
21. This Agreement can be executed in identical counterparts and facsimiles and/or digitally scanned copies hereof bearing true and correct signatures will constitute a duly executed original for all purposes.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be made, by their signatures below, effective of and from October X, XXXX.

BROKERAGE FIRM

By: _____

PARTY XXXXXXXXX,

Approved as to Form:

ATTORNEY, Counsel for PARTY

ATTORNEY, Counsel For BROKERAGE FIRM

Arbitrator:

Jeff Abrams

Exhibit “A”

In the Matter of the Arbitration between	§	
	§	
PARTY XXXXXXXXX,	§	
	§	
Claimant	§	
	§	FINRA # XY-ZZZZZ
vs.	§	
	§	
BROKERAGE FIRM	§	
	§	
Respondent	§	

Confidential Proposed Final Award

To: Jeff Abrams, Esq., Sole Arbitrator

Parties Name: _____

Proposed Award Amount: \$ _____

Rationale (optional) _____ **Additional pages attached**

Agreed:

_____ (Signature of Party)

Date: October XX, XXXX

_____ (Signature of Counsel)

Exhibit “B”

In the Matter of the Arbitration between	§	
PARTY XXXXXXXXX,	§	
	§	
Claimant	§	
	§	
vs.	§	FINRA # XY-ZZZZZ
	§	
BROKERAGE FIRM	§	
	§	
Respondent	§	

FINAL AWARD

Case: *XXXXXXXXX v. BROKERAGE FIRM*
Case No. XY-ZZZZZ

Claimant: PARTY XXXXXXXXX

Respondent: BROKERAGE FIRM

Counsel for Claimant: ATTORNEYS

Counsel for Respondent: ATTORNEYS

Award:

1. BROKERAGE FIRM is liable to and shall pay PARTY XXXXXXXXX, damages of \$_____ on or before November XX, XXXX.
2. Any and all relief not specifically addressed herein, including claims for punitive damages, treble damages, attorneys’ fees or otherwise is denied.
3. Each Party will bear their own fees and costs.

Sole Arbitrator:

Jeff Abrams, Esq.

Date: October XX, XXXX