

Award
FINRA Office of Dispute Resolution

In the Matter of the Arbitration Between:

Claimant

████████████████████

Case Number: ██████████

vs.

Respondents

Ameriprise Financial Services, Inc.
on behalf of Ameriprise Advisor Services, Inc.,
f/k/a H&R Block Financial Services, Inc.

Hearing Site: Milwaukee, Wisconsin

Nature of the Dispute: Associated Person vs. Members

REPRESENTATION OF PARTIES

For Claimant ██████████ ("Claimant" or ██████████): Dochter Kennedy, Esq.,
AdvisorLaw, LLC, Broomfield, Colorado.

For Respondent Ameriprise Financial Services, Inc. on behalf of Ameriprise Advisor
Services, Inc., f/k/a H&R Block Financial Services, Inc. ("Respondent"): Trina Iijima,
Esq., Ameriprise Financial, Troy, Michigan.

CASE INFORMATION

Statement of Claim filed on or about: August 17, 2016.
Claimant signed the Submission Agreement: August 17, 2016.
Amended Statement of Claim filed on or about: August 23, 2016.

Statement of Answer filed by Respondent on or about: October 10, 2016.
Respondent signed the Submission Agreement: October 10, 2016.

CASE SUMMARY

Claimant asserted the following cause of action: expungement. Claimant alleged that he
was improperly named in a customer complaint in 2005, alleging misrepresentation and
suitability in connection with the purchase of a step-up preferred stock, Tennessee
Valley Authority ("TVA").

In the Statement of Answer, Respondent requested that an Award be issued
recommending the expungement of the customer complaint.

RELIEF REQUESTED

In the Amended Statement of Claim, Claimant requested compensatory damages of

\$1.00, other unspecified monetary relief, and expungement.

In the Statement of Answer, Respondent requested that any requests for damages against it be denied and that all costs and fees relating to this matter be assessed against Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrator acknowledges that he has read the pleadings and other materials filed by the parties.

On or about November 1, 2016, Claimant filed a Request for Simplified Arbitration. No response was received. The Arbitrator entered an Order on November 14, 2016, denying the Request for Simplified Arbitration.

On or about December 14, 2016, Claimant filed a Motion for a Simplified Arbitration with a Telephonic or Video Expungement Hearing. On or about December 15, 2016, Respondent filed a response to Claimant's Motion for a Simplified Arbitration with a Telephonic or Video Expungement Hearing. The Arbitrator entered an Order on December 22, 2016, granting Claimant's Motion for a Simplified Arbitration with a Telephonic or Video Expungement Hearing and ordered the expungement hearing to be held telephonically.

The Arbitrator conducted recorded telephonic hearings on January 4, 2017, and January 10, 2017, so the parties could present oral argument and evidence on Claimant's request for expungement. Respondent did participate in the expungement hearings and did not contest the request for expungement.

The Arbitrator determined that because the customer was deceased, the Claimant was to serve the customer's son (the "Complainant") with a copy of the Statement of Claim and notice of the date and time of the expungement hearings. The Arbitrator confirmed that the Complainant was served with the Statement of Claim and notified of the date and time of the expungement hearings, but did not respond or participate. The Arbitrator also confirmed that there was no settlement between the Complainant and [REDACTED].

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: the sworn testimony of [REDACTED], the representations of Respondent's counsel, and [REDACTED]'s BrokerCheck® Report.

AWARD

After considering the pleadings, the testimony and evidence presented at the telephonic hearings, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Ameriprise Financial Services, Inc. is liable for and shall pay to [REDACTED] [REDACTED] compensatory damages in the amount of \$1.00.
2. The Arbitrator recommends the expungement of all references to Occurrence # [REDACTED], with the event date of August 31, 2005, from [REDACTED].

(CRD # [REDACTED]) registration records maintained by the CRD with the understanding that, pursuant to Notice to Members 04-16, [REDACTED] must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by FINRA, parties seeking judicial confirmation of an arbitration award containing expungement relief must name FINRA as an additional party and serve FINRA with all appropriate documents.

Pursuant to Rule 13805 of the Code, the Arbitrator has made the following Rule 2080 affirmative findings of fact:

- The claim, allegation, or information is factually impossible or clearly erroneous;
- The registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds; and
- The claim, allegation, or information is false.

The Arbitrator has made the above Rule 2080 findings based on the following reasons:

From approximately 2003 until 2004-05, [REDACTED] acted as the investment adviser for the customer, who died in 2004 or 2005. In the later years of the relationship, the customer was sometimes accompanied by his son to meetings with [REDACTED]. Pursuant to [REDACTED] advice, the customer invested conservatively and on a long-term (i.e. retirement) basis, in both equities and fixed income securities. One such position was TVA. The stock paid interest over a period of years (much like a bond) and was government-backed. At no time during the customer's lifetime did he or his son question or complain about any of [REDACTED] advice.

After the customer's death, his son became his legal representative. Three or four months after the customer's death, the customer's son told [REDACTED] that he had consulted another broker (not affiliated with [REDACTED]) and had been advised to move the account and sell the TVA position. [REDACTED] advised against the sale because it was premature and might result in an unnecessary loss of equity (interest rates were down at the time) and income stream. The customer's son sold the TVA position anyway and moved the account away from [REDACTED] and his firm, which incurred a loss of \$5,480.00. The son called [REDACTED] and complained about the loss, implying that the position was unsuitable for his late father.

[REDACTED], following company procedure, memorialized the complaint in a written report to his employer, who conducted an investigation and found that it lacked merit because the investment was suitable for the customer. All the written records of the transaction appear to have been destroyed or abandoned in or before 2009, either as the result of a corporate merger or normal document

retention policy.

The ownership of the TVA position was the only subject of the underlying customer complaint. The loss to the portfolio resulted from its premature sale, which [REDACTED] advised against. When the position was purchased, the customer was alive and his son, the Complainant, was not [REDACTED] customer. The customer approved the purchase and both he and [REDACTED] agreed that it was consistent with the customer's investment objectives.

All three of the criteria set forth in Rule 2080(b)(1) have been met. The complaint by the son of the customer was clearly erroneous because the TVA position was suitable for a conservative, long-term investment plan such as that adopted by the customer.

The son's loss resulted directly from the premature sale of the TVA position. That sale was caused by advice from someone unrelated to [REDACTED]. [REDACTED] was clearly not involved in the (somewhat vaguely stated) sales practice.

Finally, the son was not [REDACTED] customer at the time the TVA position was purchased. The son was present during some of the discussions, suggesting that he was generally aware of what was going on, but there is no evidence that either he or his late father ever complained about it during the customer's lifetime. As such, the complaint is false.

3. Other than forum fees, which are specified below, the parties shall each bear their own costs and expenses incurred in this matter.
4. Any and all claims for relief not specifically addressed herein are denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

FINRA Office of Dispute Resolution assessed a filing fee* for each claim:

Initial Claim Filing Fee	= \$	50.00
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**The filing fee is made up of a non-refundable and a refundable portion.*

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, as a party, Ameriprise Financial Services, Inc. assessed the following:

Member Surcharge	= \$	150.00
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Hearing Session Fees and Assessments

The Arbitrator has assessed hearing session fees for each session conducted. A session is any meeting between the parties and the arbitrator, including a pre-hearing conference with the arbitrator, that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) hearing sessions on expungement request @ \$50.00/session	= \$	100.00
Hearing Dates: January 4, 2017	1 session	
January 12, 2017	1 session	
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Total Hearing Session Fees	= \$	100.00

The Arbitrator has assessed \$100.00 of the hearing session fees to [REDACTED]
[REDACTED]

All balances are payable to FINRA Office of Dispute Resolution and are due upon receipt.

ARBITRATOR

Jonathan B. Gilbert - Sole Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument, which is my award.

Arbitrator's Signature

/s/ Jonathan B. Gilbert

Jonathan B. Gilbert
Sole Public Arbitrator

1/30/17

Signature Date

1/30/17

Date of Service (For FINRA Office of Dispute Resolution office use only)

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The Arbitrator has assessed \$100.00 of the hearing session fees to [REDACTED]
[REDACTED]

All balances are payable to FINRA Office of Dispute Resolution and are due upon receipt.

ARBITRATOR

Jonathan B. Gilbert - Sole Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument, which is my award.

Arbitrator's Signature

/s/ Jonathan B. Gilbert

Jonathan B. Gilbert
Sole Public Arbitrator

January 30, 2017

Signature Date

Date of Service (For FINRA Office of Dispute Resolution office use only)