

Award
FINRA Office of Dispute Resolution

In the Matter of the Arbitration Between:

Claimant

████████████████████

Case Number: ██████████

vs.

Respondent

J.P. Morgan Securities, LLC

Hearing Site: New York, New York

Nature of the Dispute: Associated Person vs. Member

REPRESENTATION OF PARTIES

For Claimant ██████████: Owen Harnett, Esq., AdvisorLaw, LLC,
Broomfield, Colorado.

For Respondent J.P. Morgan Securities, LLC: Matthew Chow, Esq., J.P Morgan Legal
Department, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: October 24, 2017.

████████████████████ signed the Submission Agreement: October 24, 2017.

Statement of Answer filed by Respondent on or about: December 14, 2017.

J.P. Morgan Securities, LLC signed the Submission Agreement: December 14, 2017.

CASE SUMMARY

Claimant asserted the following cause of action: expungement.

Unless specifically admitted in the Statement of Answer, Respondent denied any wrongdoing and stated that Respondent's actions related to Claimant's Form U4 were in accordance with Respondent's FINRA mandated reporting obligations.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested \$1.00 in compensatory damages, expungement of his CRD records and any and all other relief that the Arbitrator deems just and equitable.

In the Statement of Answer, Respondent did not oppose Claimant's request for expungement.

OTHER ISSUES CONSIDERED AND DECIDED

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

The Arbitrator conducted a recorded telephonic hearing on February 13, 2018 so the parties could present oral argument and evidence on Claimant's request for expungement.

The customer in the underlying claims referenced in occurrence # [REDACTED] did not participate in the expungement hearing. The Arbitrator determined that the customers received a copy of the Statement of Claim and received due notice of the expungement hearing and that the hearing would proceed without the customers present. The customers did not oppose Claimant's request for expungement.

Claimant withdrew his request for compensatory damages at the hearing.

The Arbitrator reviewed the BrokerCheck® Report for [REDACTED].

The Arbitrator noted that in arbitration claim # [REDACTED], Claimant previously requested expungement of the same disclosure in the CRD; However, Claimant withdrew his request so the Panel in case # [REDACTED] made no determination with respect to Claimant's request.

In recommending expungement the Arbitrator relied upon the following documentary or other evidence: direct testimony, from Claimant and Respondent, Statement of Claim, and the underlying Statement of Claim.

AWARD

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

1. The Arbitrator recommends the expungement of all reference to occurrence # [REDACTED] from registration records maintained by the Central Registration Depository ("CRD") for Claimant [REDACTED] (CRD # [REDACTED]), with the understanding that, pursuant to Notice to Members 04-16, Claimant [REDACTED] must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directives.

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 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 made the above Rule 2080 findings based on the following reasons:

Claimant, [REDACTED], was a 13 year senior supervisory manager in the Compliance Department at J.P. Morgan Securities who has since left the industry. Respondent, J.P. Morgan Securities, did not oppose this expungement request. Based on a review of the evidence presented, I have concluded that the Claimant's interaction with the customer in the underlying case was peripheral at best and, in any case, could not have altered the outcome of the customer case in which the customers alleged Respondent's mismanagement that resulted in a \$1,000,000.00 loss. Whatever misdeeds that were alleged would have fallen on the broker and the Respondent. Further, the Claimant was not a witness at the hearing nor was he named as a Respondent. Under Rule 2080, Claimant's assertions, that were unopposed, reflect items 2 and 3, indicating that the Claimant was not involved in the alleged investment related sales practice violations and that the allegations were therefore false. Consequently, expungement should be granted.

FEES

Pursuant to the Code of Arbitration Procedure, 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, J. P. Morgan Securities, LLC is 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:

One (1) pre-hearing session with a single arbitrator @ \$50.00/session	= \$	50.00
Pre-hearing conference: January 30, 2018	1 session	
One (1) hearing session on expungement request @ \$50.00/session	= \$	50.00
Hearing Date: February 13, 2018	1 session	
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Total Hearing Session Fees	= \$	100.00

The Arbitrator has assessed the \$100.00 hearing session fees to Claimant.

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

