

Award
FINRA Office of Dispute Resolution

In the Matter of the Arbitration Between:

Claimant

████████████████████

Case Number: ██████████

vs.

Respondent

UBS Financial Services Inc.

Hearing Site: Los Angeles, California

Nature of the Dispute: Associated Person vs. Member

REPRESENTATION OF PARTIES

For Claimant ██████████ ("Claimant"): Michael Bessette, J.D., AdvisorLaw, LLC, Broomfield, Colorado.

For Respondent UBS Financial Services Inc. ("Respondent"): Neal S. Robb, Esq., Keesal Young & Logan, Long Beach, California.

CASE INFORMATION

Statement of Claim filed on: November 15, 2017.

Claimant signed the Submission Agreement: November 15, 2017.

Statement of Answer filed by Respondent on: January 3, 2018.

Respondent signed the Submission Agreement: November 28, 2017.

CASE SUMMARY

Claimant requested expungement of reference to a customer complaint, occurrence number ██████████ ("Underlying Claim") from his Central Registration Depository ("CRD") record.

In the Statement of Answer, Respondent advised that while it does not oppose Claimant's request for expungement, it denies any wrongdoing alleged by Claimant.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Expungement of the Underlying Claim from his CRD record pursuant to FINRA Rule 2080(b)(1)(A) as the claim, allegation or information is factually impossible or clearly erroneous;
2. Expungement of the Underlying Claim from his CRD record pursuant to FINRA Rule 2080(b)(1)(C) finding the claim, allegation or information is false.
3. An award of compensatory damages in the amount of \$1.00 from Respondent; and
4. Any and all other relief that the Arbitrator deems just and equitable.

OTHER ISSUES CONSIDERED AND DECIDED

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

On February 21, 2018, the prior Arbitrator in the case issued an order for service of the claim to the customer in the Underlying Claim ("Customer") and for production of any settlement documents in the Underlying Claim.

On March 1, 2018, Claimant provided copy of the Consent of Defendants UBS Securities LLC and UBS Financial Services Inc. in the United States District Court, Southern District of New York ("Global Settlement Agreement").

On March 6, 2018, Claimant provided notice that the Customer had been served with the Statement of Claim and notice of the expungement hearing.

On April 27, 2018, Claimant provided an Affidavit of Service signed by Claimant's counsel advising that the Customer had been served with the notice of the expungement hearing.

On May 25, 2018, Claimant provided the most recent copy of Claimant's BrokerCheck® Report.

The Arbitrator conducted a recorded telephonic hearing on June 14, 2018 so the parties could present oral argument and evidence on Claimant's request for expungement. The Customer did not appear at the expungement hearing or submit a response to the request for expungement.

During the expungement hearing, Claimant withdrew the request for \$1.00 in damages.

The Arbitrator reviewed the Global Settlement Agreement and found that it was the only settlement agreement in the Underlying Claim. There is no separate or other settlement agreement with Claimant, nor did Claimant participate in or pay any money in connection with the Global Settlement Agreement. The Arbitrator considered the amount of payment made to the Customer and considered any other terms and conditions of settlement, and the fact that the Global Settlement Agreement made the

Customer whole. The Arbitrator further noted that the settlement was not conditioned on the Customer not opposing Claimant's expungement request.

The Arbitrator reviewed Claimant's BrokerCheck® Report.

The Arbitrator noted that Claimant did not previously request expungement of the Underlying Claim.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: Exhibit 2 – Article of Federal Reserve of Chicago Policy Discussion Explaining the Decline of the Auction Rate Securities Market dated November 3, 2008; Exhibits 4-11 – Customer's Account Statements and Complaint Letter.

The parties present at the hearing have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

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 references to the Underlying Claim, occurrence number [REDACTED], from Claimant [REDACTED]' (CRD# [REDACTED]) registration records maintained by the CRD, 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 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 of Arbitration Procedure ("Code"), the Arbitrator has made the following Rule 2080 affirmative finding of fact:

The claim, allegation, or information is factually impossible or clearly erroneous.

The claim, allegation, or information is false.

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

Claimant testified that the Customer was a Real Estate Broker and was fully advised of the Auction Rate Security ("ARS") and received a prospectus that fully described the ARS.

The Customer described his objectives as “Liquidity, Growth and Aggressive.” The ARS lost value during the 2008 financial crisis because it was tied to the assets of the bank.

The Customer was made whole and received a full return of his investment and interest.

2. 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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as a party, Respondent 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(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Hearing session on expungement request @ \$50.00/session	= \$50.00
Hearing Date: June 14, 2018	1 session

Total Hearing Session Fees	= \$50.00
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The Arbitrator has assessed \$50.00 of the hearing session fees to Claimant.

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

ARBITRATOR

Yvonne Brathwaite Burke

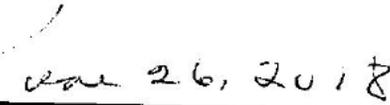
- Sole Public Arbitrator

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



Yvonne Brathwaite Burke
Sole Public Arbitrator



Signature Date

June 26, 2018
Date of Service (For FINRA Office of Dispute Resolution office use only)