

Award
FINRA Office of Dispute Resolution

In the Matter of the Arbitration Between:

Claimant

██████████

Case Number: ██████████

vs.

Respondent

MSI Financial Services, Inc.

Hearing Site: New York, New York

Nature of the Dispute: Associated Person vs. Member

REPRESENTATION OF PARTIES

For Claimant ██████████: Eric Litow, Esq., AdvisorLaw LLC, Broomfield, Colorado.

For Respondent MSI Financial Services, Inc.: Julie E. Ravis, Esq., Stevens & Lee, Reading, Pennsylvania.

CASE INFORMATION

Statement of Claim filed on or about: October 26, 2017.

██████████ signed the Submission Agreement: October 26, 2017.

Statement of Answer filed by Respondent on or about: January 22, 2018.

MSI Financial Services, Inc. signed the Submission Agreement: December 19, 2017.

CASE SUMMARY

Claimant asserted the following cause of action: expungement.

Unless specifically admitted in the Statement of Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested the following:

1. expungement of the occurrence numbers ██████████ and ██████████ from his CRD records pursuant to FINRA Rule 2080(b)(1)(A), as the claims, allegations, or information are factually impossible or clearly erroneous;

2. expungement of the occurrence numbers [REDACTED] and [REDACTED] from his CRD records pursuant to FINRA Rule 2080(b)(1)(C), as the claims, allegations, or information are false;
3. damages in the amount of \$1.00 from the Respondent; and
4. 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, and reserved its right to reconsider its position based on information learned during discovery and the arbitration of this matter. Respondent opposed any relief sought by Claimant other than expungement.

At the hearing, Claimant withdrew his request for compensatory damages in the amount of \$1.00.

OTHER ISSUES CONSIDERED AND DECIDED

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

On or about March 27, 2018, Claimant provide FINRA Dispute Resolution with proof that he notified the customers related to occurrence numbers [REDACTED] and [REDACTED] of the expungement request and of their right to participate and testify at the expungement hearing and he provided the customers with a copy of the Statement of Claim.

The Arbitrator conducted a recorded telephonic expungement hearing on June 6, 2018 so the parties could present oral argument and evidence on Claimant's request for expungement.

The customers did not participate in the expungement hearing and did not contest the request for expungement. Respondent did not contest the request for expungement.

The Arbitrator reviewed the BrokerCheck® Report for [REDACTED]. The Arbitrator noted that the settlement documents related to occurrence number [REDACTED] was not furnished by the Claimant. However, the Claimant provided documents which showed that MetLife cancelled the customer's insurance policy and refunded the premiums. By letter dated June 15, 2018, Claimant advised that he was not a party to the settlement and does not have a copy of the Settlement Agreement. Claimant further advised that the Settlement Agreement was not furnished through discovery. The Arbitrator determined, however, that even in the absence of the Settlement Agreement, expungement is appropriate given the evidence and testimony presented. Based on the evidence and testimony presented, the arbitrator noted that: (1) the settlement was not conditioned on the customer not opposing the request for expungement and (2) [REDACTED] did not contribute to the settlement amount.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: Claimant's Statement of Claim and exhibits, Respondent's Statement of Answer, Claimant's BrokerCheck® Report, and the evidence and testimony presented at the expungement hearing.

The Arbitrator noted that [REDACTED] did not previously file a claim requesting expungement of the same disclosure in the CRD.

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 telephonic expungement 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 occurrence number [REDACTED] from registration records maintained by the Central Registration Depository ("CRD"), for [REDACTED] (CRD# [REDACTED]), 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 finding of fact:

The claim, allegation, or information is false.

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

The customer failed to present any evidence of or any reasoning for fraud on behalf of the Claimant. Rather, Claimant accurately and completely explained the Variable Universal Life Policy ("VUL Policy") to the customer. Any dissatisfaction that the customer may have developed in regard to the VUL policy is not indicative of fraudulent behavior or any wrongdoing on behalf of the Claimant. The face amount and premium amounts were flexible within the limitations stated in the policy.

2. The Arbitrator recommends the expungement of all references to occurrence number [REDACTED] from registration records maintained by the Central Registration Depository ("CRD"), for [REDACTED] (CRD# [REDACTED]), 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 finding of fact:

The claim, allegation, or information is false.

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

Any dissatisfaction that the customers may have developed in regard to the Variable Life Insurance Policy ("VL Policy") in the years since they purchased it, is not indicative of any wrongdoing on behalf of the Claimant. The VL Policy was suitable for the customers at the time of purchase. Suitability is determined at the time an investment is made and was based on the information provided to the Claimant by the customers at that time. At the time when the recommendation was made, the VL Policy did not deviate from the customers' investment objectives and was suitable for their investor profile. Any dissatisfaction they may have developed after the fact, while unfortunate, cannot and does not retroactively render the policy unsuitable.

3. Any and all claims for relief not specifically addressed herein are denied.

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 event(s) giving rise to the dispute. Accordingly, as a party, MSI Financial Services, Inc. is assessed the following:

Member Surcharge	= \$ 150.00
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ARBITRATOR

Anna Lascar

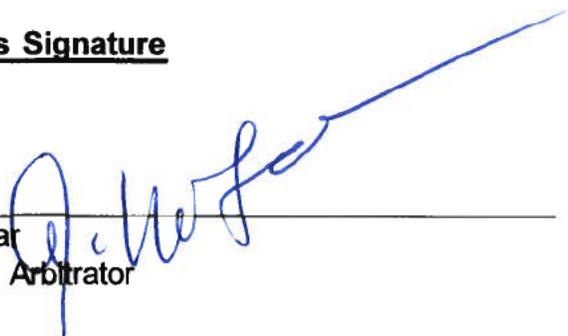
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Sole Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

Arbitrator's Signature

Anna Lascar
Sole Public Arbitrator



Signature Date



July 2, 2018

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