

Award
FINRA Office of Dispute Resolution

In the Matter of the Arbitration Between:

Claimant

██████████

Case Number: ██████████

vs.

Respondents

Piper Jaffray & Co.

UBS Financial Services Inc.

Hearing Site: Phoenix, Arizona

Nature of the Dispute: Associated Person vs. Members

REPRESENTATION OF PARTIES

For Claimant ██████████ (“Claimant”): Harris Friedman, Esq. and Docthor Kennedy, JD, MBA, AdvisorLaw, LLC, Broomfield, Colorado.

For Respondent Piper Jaffray & Co. (“Piper Jaffray”): Ann C. McCague, CCO, Piper Jaffray & Co., Minneapolis, Minnesota.

For Respondent UBS Financial Services Inc. (“UBS”): Kristy Sambor, Esq. and Kate Handy, Esq., Keesal, Young & Logan, Long Beach, California.

Hereinafter, Piper Jaffray and UBS are referred to as “Respondents.”

CASE INFORMATION

Statement of Claim filed on or about: December 22, 2017.

Claimant signed the Submission Agreement: December 22, 2017.

Statement of Answer filed by Piper Jaffray on or about: February 8, 2018.

Piper Jaffray signed the Submission Agreement: February 8, 2018.

Statement of Answer filed by UBS on or about: February 16, 2018.

UBS signed the Submission Agreement: February 16, 2018.

CASE SUMMARY

Claimant asserted a claim seeking expungement of three customer disputes (“Underlying Claims”): an NASD arbitration case, occurrence number ██████████ and two

customer complaints, occurrence numbers [REDACTED] and [REDACTED], from his Central Registration Depository (“CRD”) records.

In the Statement of Answer, Piper Jaffray advised that it does not oppose Claimant’s request for expungement, but rather will defer to an assessment of the merits of Claimant’s request to the Arbitrator.

In the Statement of Answer, UBS advised that it did not oppose Claimant’s expungement request. UBS further advised that to the extent that Claimant’s Statement of Claim alleges any wrongdoing on the part of UBS, UBS expressly denies any such allegations.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Expungement of the Underlying Claims 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 occurrence number [REDACTED] from his CRD record pursuant to FINRA Rule 2080(b)(1)(B), as Claimant was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds;
3. Expungement of the Underlying Claims from his CRD record pursuant to FINRA Rule 2080(b)(1)(C), as the claim, allegation, or information is false;
4. Damages in the amount of \$1.00 from Respondents; and
5. Any and all other relief that the Arbitrator deems just and equitable.

Piper Jaffray and UBS did not set forth specific relief requests in their respective Statements of Answer.

OTHER ISSUES CONSIDERED AND DECIDED

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

On May 3, 2018, Claimant provided notice that the Statement of Claim and notice of the expungement hearing was served on: the customers in occurrence number [REDACTED], (“Mr. and Mrs. S”); the customer in occurrence number [REDACTED] (“Ms. K”); and the customer in occurrence number [REDACTED] (“Ms. J”), hereinafter collectively referred to as the “Customers.”

On May 7, 2018, Claimant filed an Affidavit of Service signed by Claimant’s counsel advising that the Customers were served with the Statement of Claim.

On July 6, 2018, Claimant provided notice that the Customers had been given notice of the time and date of the expungement hearing.

The Arbitrator conducted a recorded in-person hearing on July 24, 2018 so the parties could present oral argument and evidence on Claimant’s request for expungement.

UBS participated telephonically in the expungement hearing and did not contest the request for expungement. Piper Jaffray did not participate in the expungement hearing. The Customers did not participate in the expungement hearing. The Arbitrator found that the Customers had notice of the expungement hearing and that they did not appear or respond.

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

The Arbitrator reviewed the BrokerCheck® Report for Claimant. The Arbitrator found that the Underlying Claims were not settled and therefore there were no settlement documents for his review.

The Arbitrator noted that Claimant did not previously file a claim requesting expungement of the same disclosures in the CRD.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: Claimant's testimony; arguments of counsel; exhibits filed with the Statement of Claim and the hearing exhibits.

The parties present at the hearing have agreed 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 Claims, occurrence numbers [REDACTED], [REDACTED] and [REDACTED], from registration records maintained by the 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 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.

Occurrence Number [REDACTED] (in which Mr. and Mrs. S are the underlying customers)

Pursuant to Rule 13805 of the Code of Arbitration Procedure ("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.

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

In 1986, Mr. and Mrs. S were customers of UBS and their representative was another individual, Mr. K, not Claimant. Mr. and Mrs. S purchased a Geodyne limited partnership. At this time, Claimant was not with UBS. He was a college student. Mr. and Mrs. S were unhappy with the Geodyne purchase. Eventually, Mr. K left UBS. In 1992, Claimant joined UBS and Mr. and Mrs. S's account was assigned to him. *He did not make any trades for Mr. and Mrs. S and he did not give them any advice.* Notwithstanding, Mr. and Mrs. S wrote a letter to Claimant complaining about the Geodyne investment. Pursuant to NASD regulations, the letter was referred to Claimant's branch manager. UBS answered the letter and denied any wrongdoing. According to the CRD records, Mr. and Mrs. S filed an arbitration case on October 21, 1994 and withdrew it on August 3, 1995. There was no settlement between UBS and Mr. and Mrs. S.

Notice of the expungement proceedings was given to Mr. and Mrs. S by Claimant's counsel. They did not appear or respond.

From the foregoing, the Arbitrator concludes that Claimant was not involved in any alleged investment related sales practice violation within the meaning of Rule 2080 and expungement should be granted.

Occurrence Number [REDACTED] (in which Ms. J is the underlying customer)

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

Ms. J became a customer of UBS in 1995. Claimant was her representative. Over the next several years, Ms. J purchased various financial products. It was Claimant's evaluation that Ms. J was an experienced investor. His investment advice was in line with Ms. J's investment goals. *In fact, on April 22, 2002, Ms. J and Claimant met at Ms. J's home and she commented how pleased she was with her account.* However, during this period the securities market began to go down as a result of the "dot.com" crash and the 9/11 terrorist attack.

Ms. J's allegations that Claimant engaged in "excessive trading, unsuitability of investments, unauthorized trading, [and] misrepresentation. . ." are unsupported by the evidence, based on Claimant's testimony. Piper Jaffray denied Ms. J's claims and did not make a settlement.

Notice of the expungement proceedings was given to Ms. J by Claimant's counsel. She did not appear or respond.

The Arbitrator finds that under FINRA Rule 2080, Ms. J's claims against Claimant are factually impossible and clearly erroneous as Claimant did not commit any

alleged investment related sales practice violations. Expungement of this customer complaint should be granted.

Occurrence Number [REDACTED] (in which Ms. K is the underlying customer)

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

On July 22, 1997, Ms. K became a customer of Claimant at Piper Jaffray when her former financial advisor left the firm. Ms. K made a number of transactions including a GE Annuity. Claimant accurately represented the terms of the annuity. On or about March 20, 2000 Ms. K requested cancellation of the purchase of the GE Annuity and a refund of her purchase funds. GE refused but suggested alternatives. On October 4, 2000, Ms. K filed a complaint with Piper Jaffray which was denied on November 17, 2000. Accordingly, Piper Jaffray did not make a settlement with Ms. K. In the meantime, on October 13, 2000, the complaint was reported on Claimant's CRD record.

Notice of the expungement proceedings was sent to Ms. K by Claimant's counsel. She did not respond.

The Arbitrator finds that under FINRA Rule 2080, Ms. K's claims against Claimant are factually impossible and clearly erroneous as Claimant did not commit any alleged investment related sales practice violations. Expungement of this customer complaint should be granted.

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, UBS is assessed the following:

Member Surcharge	= \$ 150.00
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Accordingly, as a party, Piper Jaffray 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) pre-hearing session with a single arbitrator @ \$50.00/session	= \$50.00
Pre-hearing conference: April 16, 2018	1 session

One (1) hearing session on expungement request @ \$50.00/session	= \$50.00
Hearing Date: July 24, 2018	1 session

Total Hearing Session Fees	= \$100.00
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The Arbitrator has assessed \$100.00 of the hearing session fees to Claimant.

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

ARBITRATOR

Merton E. Marks

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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/ Merton E. Marks

August 11, 2018

Merton E. Marks
Sole Public Arbitrator

Signature Date

August 13, 2018
Date of Service (For FINRA Office of Dispute Resolution office use only)