

Award
FINRA Office of Dispute Resolution

In the Matter of the Arbitration Between:

Claimant

██████████

Case Number: ██████████

vs.

Respondent

Santander Securities, LLC

Hearing Site: San Juan, Puerto Rico

Nature of the Dispute: Associated Person vs. Member

REPRESENTATION OF PARTIES

For Claimant ██████████: Armin Sarabi, Esq., AdvisorLaw, LLC, Broomfield, Colorado.

For Respondent Santander Securities, LLC: Frances R. Pesquera Rivera, Esq., Pietrantoni Mendez & Alvarez LLC, San Juan, Puerto Rico.

CASE INFORMATION

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

Amended Statement of Claim filed on or about: January 15, 2018.

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

Answer to Amended Statement of Claim filed by Respondent on or about: February 28, 2018.

Santander Securities, LLC signed the Submission Agreement: December 13, 2017.

CASE SUMMARY

Claimant asserted the cause of action of inaccurate reporting on his Central Registration Depository ("CRD") records. The cause of action relates to two (2) previously settled customer arbitration claims, FINRA Case No. ██████████/Occurrence No. ██████████ and FINRA Case No. ██████████/Occurrence No. ██████████ (the "Occurrences"), that were recorded by Respondent on Claimant's CRD records.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Amended Statement of Claim and asserted various affirmative defenses. Respondent further affirmed that it would not participate further in these proceedings to the extent Claimant only sought a recommendation of expungement of the Occurrences from his CRD records.

RELIEF REQUESTED

In the Statement of Claim and Amended Statement of Claim, Claimant requested: a recommendation of expungement of the Occurrences from his CRD records pursuant to FINRA Rule 2080(b)(1)(A), as the claims, allegations, or information are factually impossible or clearly erroneous; a recommendation of expungement of Occurrence No. [REDACTED] from his CRD records 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; a recommendation of expungement of the Occurrences from his CRD records pursuant to FINRA Rule 2080(b)(1)(C), as the claims, allegations, or information are false; an award of damages in the amount of \$1.00 from Respondent; and any and all other relief that the Arbitrator deemed just and equitable.

On or about February 28, 2018, Claimant filed with FINRA Office of Dispute Resolution a withdrawal of Claimant's relief request for compensatory damages in the amount of \$1.00.

In the Statement of Answer, Respondent requested: a denial of any request for relief against Respondent, including any request for compensation of damages and/or any other type of relief; an exclusion of Respondent from any further proceedings regarding this action; and an imposition of any and all FINRA fees and costs 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 May 22, 2018, Claimant sent correspondence to the customers in the underlying Occurrences which enclosed the Amended Statement of Claim and provided them with notice of the expungement hearing.

The Arbitrator conducted a recorded telephonic hearing on July 17, 2018, so the parties could present oral argument and evidence on Claimant's request for expungement. Respondent and the customers in the underlying Occurrences did not participate in the expungement hearing and did not contest the request for expungement.

The Arbitrator reviewed the BrokerCheck® Report for Claimant and the settlement documents, considered the amount of payments made to any party, and considered other relevant terms and conditions of the settlement. The Arbitrator noted that the settlement was not conditioned on Claimant not opposing the request for expungement, that Claimant did not contribute to the settlement amount, and that Claimant did not previously file a claim requesting expungement of the same disclosure in the CRD.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: the pleadings and the testimony presented at the hearing by Claimant.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions, 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 Nos. [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 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 (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; and

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:

The recommendation is based on the testimony of Claimant, and the fact that the customers chose not to object to the Request for Expungement.

Regarding Occurrence No. [REDACTED]:

Claimant's testimony indicated that the customer became familiar with the subject P.R. Electric Bonds, and were referred to Claimant by their bank branch manager for the specific purposes of acquiring the bonds for the 7% interest coupon and the tax advantages. Claimant testified he followed the "Know Your Customer" procedures and interviewed the client to complete the client application establishing their objectives and risk tolerance. While he was employed by Respondent, Claimant met with the client approximately five times to discuss their investment. The client's account was transferred to another financial advisor after Claimant resigned from Respondent's employment. The client stated to Claimant they were willing to hold the bonds to maturity, and was not concerned by the fluctuations in the value of the bonds.

Regarding Occurrence No. [REDACTED]:

Claimant's testimony indicated he was never involved on any level with this Respondent's client, and contacted the Respondent to attempt to have this

complaint corrected and removed from his CRD. Respondent's only response was it could not correct his CRD.

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 Santander Securities, LLC is assessed the following:

Member Surcharge	= \$	150.00
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Discovery-Related Motion Fee

Fees apply for each decision rendered on a discovery-related motion.

One (1) decision on a discovery-related motion on the papers with one (1) arbitrator @ \$200.00	= \$	200.00
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Claimant submitted one (1) discovery-related motion

Total Discovery-Related Motion Fee	= \$	200.00
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The Arbitrator has assessed the entire discovery-related motion fee of \$200.00 to Claimant.

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 23, 2018	1 session	

One (1) hearing session on expungement request @ \$50.00/session	= \$	50.00
Hearing Date: July 17, 2018	1 session	

Total Hearing Session Fees	= \$	100.00
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The Arbitrator has assessed \$75.00 of the hearing session to Claimant, which includes the entire fee for the hearing on Claimant's expungement request.

The Arbitrator has assessed \$25.00 of the hearing session fees to Respondent.

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

ARBITRATOR

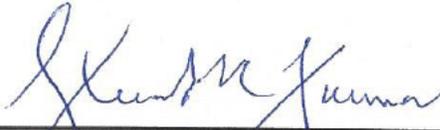
Stuart K. Furman

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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



Stuart K. Furman
Sole Public Arbitrator

9-12-18

Signature Date

September 13, 2018

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