

Award
FINRA Office of Dispute Resolution

In the Matter of the Arbitration Between:

Claimant

████████████████████

Case Number: ██████████

vs.

Respondent

Hilltop Securities Inc.

Hearing Site: San Francisco, California

Nature of the Dispute: Associated Person vs. Member

REPRESENTATION OF PARTIES

For Claimant ██████████ (“Claimant”): Michael Bessette, Esq., HLBS Law, Westminster, Colorado.

For Respondent Hilltop Securities Inc. (“Respondent”): Brandon S. Reif, Esq., and Rebecca MacLaren, Esq., Reif Law Group, P.C., Los Angeles, California.

CASE INFORMATION

Statement of Claim filed on or about: January 9, 2018.
Claimant signed the Submission Agreement: January 9, 2018.

Respondent did not file a Statement of Answer.
Respondent did not sign the Submission Agreement.

CASE SUMMARY

Claimant asserted a claim seeking expungement of three customer disputes (“Underlying Claims”): an underlying FINRA arbitration case, occurrence number ██████████, and two customer complaints, occurrence numbers ██████████, and ██████████, from his Central Registration Depository (“CRD”) records.

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 the Underlying Claims from his CRD record pursuant to FINRA

- Rule 2080(b)(1)(C), as the claim, allegation, or information is false;
3. An award of damages in the amount of \$1.00 from Respondent; and
 4. Any and all other relief that the Arbitrator deems just and equitable.

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

OTHER ISSUES CONSIDERED AND DECIDED

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

Respondent did not file with FINRA Office of Dispute Resolution a properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code of Arbitration Procedure (“Code”) and, having appeared and testified at the hearing, is bound by the determination of the Arbitrator on all issues submitted.

By Order dated June 27, 2018 the Arbitrator requested that Claimant obtain and review FINRA’s “Notice to Arbitrators and Parties on Expanded Expungement Guidance” and provide the customers in the Underlying Claims with notice of the expungement hearing, a copy of the Statement of Claim and a copy of the Initial Pre-Hearing Conference Scheduling Order.

On December 13, 2018, Claimant provided notice that the Statement of Claim and notice of the expungement hearing was served on the customers in occurrence numbers [REDACTED] and [REDACTED].

On January 6, 2019, one of the customers in occurrence number [REDACTED] filed a letter opposing Claimant’s expungement request.

On January 7, 2019, Claimant provided notice that the Statement of Claim and notice of the expungement hearing was served on the customer in occurrence number [REDACTED].

On January 8, 2019 Claimant submitted an Affidavit of Service signed by Claimant’s counsel advising that all customers had been served with the Statement of Claim.

The Arbitrator conducted a recorded telephonic hearing on February 5, 2019 so the parties could present oral argument and evidence on Claimant’s request for expungement.

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. Claimant's request for expungement of the Underlying Claims from his CRD record is denied.
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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Postponement Fees

Postponements granted during these proceedings for which fees were assessed or waived:

November 2, 2018, postponement by Claimant	= \$50.00
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Total Postponements Fees	= \$50.00
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The Arbitrator has assessed \$50.00 of the postponement fees to Claimant.

Last Minute Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within ten calendar days before the start of a scheduled hearing session:

November 2, 2018, postponement requested by Claimant	= \$600.00
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Total Last Minute Cancellation Fees	= \$600.00
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The Arbitrator has assessed \$600.00 of the last minute cancellation fees 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, 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: May 15, 2018 1 session

One (1) hearing session on expungement request @ \$50.00/session = \$50.00
Hearing Date: February 5, 2019 1 session

Total Hearing Session Fees = \$100.00

The Arbitrator has assessed \$75.00 of the hearing session fees to Claimant.
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.

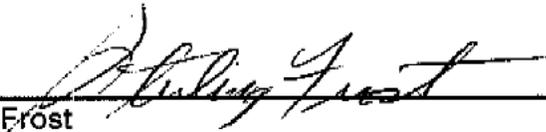
ARBITRATOR

Sterling N. Frost

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



Sterling N. Frost
Sole Public Arbitrator

2/13/19

Signature Date

February 13, 2019

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