

Award
FINRA Office of Dispute Resolution

In the Matter of the Arbitration Between:

Claimant

████████████████████

Case Number: ██████████

vs.

Respondent

Ameriprise Financial Services, Inc.

Hearing Site: Minneapolis, Minnesota

Nature of the Dispute: Associated Person vs. Member

REPRESENTATION OF PARTIES

For Claimant ██████████ (“Claimant”): Docthor D. Kennedy, MBA, J.D. and Erica Harris, Esq., AdvisorLaw, LLC, Westminster, Colorado.

For Respondent Ameriprise Financial Services, Inc. (“Respondent”): Howard Klausmeier, Esq., Ameriprise Financial Services, Inc., Minneapolis, Minnesota.

CASE INFORMATION

Statement of Claim filed on or about: July 30, 2018.

Claimant signed the Submission Agreement: July 30, 2018.

Statement of Answer filed by Respondent on or about: September 20, 2018.

Respondent signed the Submission Agreement: September 19, 2018.

CASE SUMMARY

Claimant requested expungement of reference to a customer complaint, occurrence number ██████████ (“Underlying Complaint”) from his Central Registration Depository (“CRD”) records.

In the Statement of Answer, Respondent did not object to and concurred with the request for expungement, in the event Claimant is able to bear his burden of proof at the arbitration hearing regarding the criteria in Rule 2080 and is able to demonstrate the Arbitrator that customer complaint information currently on his CRD records has no meaningful investor protection or regulatory value.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Expungement of the Underlying Complaint under:

- a. FINRA Rule 2080(b)(1)(A) as the claim, allegation, or information is factually impossible or clearly erroneous; and
- b. FINRA Rule 2080(b)(1)(C) as the claim, allegation, or information is false;
2. Compensatory damages in the amount of \$1.00 from Respondent; and
3. Any and all other relief that the Arbitrator deems just and equitable.

In the Statement of Answer, Respondent requested:

1. In accordance with FINRA Rule 2080 and Rule 12805 of the Code of Arbitration Procedure ("Code"), a recommendation for the expungement of the Underlying Complaint from Claimant's CRD records;
2. Denial of all requested damages against Respondent; and
3. Assessment of all costs and fees against Claimant that have been or will be incurred by Respondent, including but not limited to hearing fees, relating to this arbitration matter.

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

OTHER ISSUES CONSIDERED AND DECIDED

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

On January 16, 2019, Claimant provided a copy of his notice to the customers in the Underlying Complaint ("Customers") regarding the Statement of Claim and notice of the expungement hearing. On January 24, 2019, Claimant provided an Affidavit of Service advising that the Customers had been served with the Statement of Claim.

The Arbitrator conducted a recorded telephonic hearing on February 21, 2019 so the parties could present oral argument and evidence on Claimant's expungement request.

Respondent appeared at the expungement hearing and did not contest the expungement request. The Customers did not appear at the expungement hearing and did not contest the request for expungement. The Arbitrator determined that the Customers received the Statement of Claim and notice of the hearing, and were invited to participate, but that they did not file a response.

The Arbitrator reviewed the BrokerCheck® Report for Claimant.

The Arbitrator noted that Respondent investigated and denied the Underlying Complaint and, accordingly, there are no settlement documents to review.

The Arbitrator noted 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: Claimant's Statement of Claim; Claimant's BrokerCheck® Report; letter from Claimant to FINRA regarding the Underlying Complaint; Ameriprise Brokerage IRA New Business Setup Confirmation dated November 8, 2013; Ameriprise Brokerage IRA

New Business Setup Confirmation dated November 12, 2013; Ameriprise ONE Financial Account New Business Setup Confirmation dated November 18, 2013; Ameriprise Brokerage New Business Setup Confirmation dated November 20, 2013; Respondent's Letter to the Customers regarding the Underlying Complaint dated December 17, 2014; and Claimant's testimony at the expungement hearing.

The Arbitrator has agreed that a handwritten, signed Award may be entered.

AWARD

After considering the pleadings, the testimony and evidence presented at the expungement hearing, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

The Arbitrator recommends the expungement of all references to the Underlying Complaint, occurrence number [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.

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 claim, allegation, or information is false.

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

The Underlying Complaint alleged that Claimant traded securities held in the Customers' account in order to generate excessive commissions. The Arbitrator determined that all trades over the account's one year tenure were based on the initial strategy, with related costs, that were explained and acknowledged by the Customers and were documented as they were incurred. The Customers did not complain until Claimant moved to another firm. The Customers initially agreed to move their assets to Claimant's new firm, but were later persuaded to stay at Respondent by the successor broker. Respondent investigated the allegations and denied the Underlying Complaint.

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

**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

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: November 29, 2018 1 session

One (1) hearing session on expungement request @ \$50.00/session = \$50.00
Hearing Date: February 21, 2019 1 session

Total Hearing Session Fees = \$100.00

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.

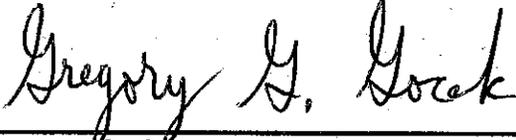
ARBITRATOR

Gregory G. Gocek

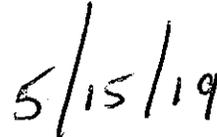
Sole Public Arbitrator

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



Gregory G. Gocek
Sole Public Arbitrator



Signature Date

May 15, 2019

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