

Award
FINRA Office of Dispute Resolution

In the Matter of the Arbitration Between:

Claimant

[REDACTED]

Case Number: [REDACTED]

vs.

Respondent

UBS Financial Services Inc.

Hearing Site: New York, New York

Nature of the Dispute: Associated Person vs. Member

REPRESENTATION OF PARTIES

For Claimant [REDACTED]: Dochter Kennedy, J.D., AdvisorLaw, LLC,
Westminster, Colorado.

For Respondent UBS Financial Services Inc.: Karl L. Marquardt, Esq., Bressler, Amery
& Ross, P.C., New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: April 23, 2018.

[REDACTED] signed the Submission Agreement: April 23, 2018.

Statement of Answer filed by Respondent on or about: June 13, 2018.

UBS Financial Services Inc. signed the Submission Agreement: April 26, 2018.

CASE SUMMARY

Claimant asserted the following cause of action: Expungement.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Expungement of the Underlying Claim 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 Claim from his CRD record pursuant to FINRA Rule 2080(b)(1)(C), as the claim, allegation, or information is false.

3. An award of compensatory damages in the amount of \$1.00 from the Respondent.
4. Any and all other relief that the Arbitrator deems just and equitable.

In the Statement of Answer Respondent did not oppose the requested expungement relief. However, Respondent objected to Claimant's request for one dollar in compensatory damages, and requested that all forum fees be assessed against the Claimant.

At the close of the hearing, Claimant withdrew his demand 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.

Respondent UBS Financial Services Inc. participated in the expungement hearing and did not contest the request for expungement.

Claimant was unable to locate the customer or account holders in the underlying complaint. The customer did not participate in the expungement hearing and did not contest the request for expungement. On November 7, 2018 and November 19, 2018 Claimant provided Affidavits describing his efforts to serve the customer or account holders in the underlying complaint with a copy of the Statement of Claim and Notice of the evidentiary hearing. The Arbitrator determined to proceed with the hearing on Claimant's expungement request.

The Arbitrator conducted a recorded telephonic hearing on November 16, 2018 so the parties could present oral argument and evidence on [REDACTED] request for expungement.

The Arbitrator reviewed the BrokerCheck® Report for [REDACTED] and the settlement documents, considered the amount of payments made to the customer, and considered other relevant terms and conditions of the settlement. The Arbitrator noted that the settlement was not conditioned on the customer not opposing the request for expungement. The Arbitrator also noted that although [REDACTED] was not a party to the Settlement Agreement he did contribute to the settlement amount because he was forced to do so by the firm. The firm settled with the customer to preserve client relations.

The Arbitrator noted that [REDACTED] 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, Investment Advisor Representative Public Disclosure ("IAPD") Report, Claimant's BrokerCheck® Report and Claimant's testimony.

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 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 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 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, in the underlying dispute, alleged that the purchase of Body Drama common stock (BRDM) in his accounts was not authorized. The evidence indicates that this allegation was false.

The credible testimony of the Claimant, as well as the facts outlined in his Statement of Claim and in his IAPD report, indicate that the customer's accounts were non-discretionary. Claimant testified credibly that, after a telephonic conversation with the customer, the purchase was fully authorized, and this testimony was supported by the following Broker Statement in his IAPD Report made at or around the time that the customer's claims were settled: "TO PRESERVE CLIENT RELATIONS, PAINWEBBER SETTLED FOR \$18,000. TRADE WAS FULLY AUTHORIZED. THE CLIENT DID NOT MAKE ANY CLAIM ABOUT THE TRADE BEING UNAUTHORIZED UNTIL ALMOST 2 MONTHS AFTER TRADE DATE WHEN STOCK PRICE HAD DECLINED SHARPLY. ALTHOUGH REGISTRANT WAS FORCED TO PAY HALF THE SETTLEMENT AMOUNT, REGISTRANT VEHEMENTLY DENIES ANY WRONGDOING ASSOCIATED WITH THIS INVESTMENT."

Respondent, as well as the Firm Statement in Claimant's IAPD Report, also stated that the "trade was fully authorized", and in its settlement agreements with the account holders, Respondent disputed the customer's claims and denied liability.

2. 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 giving rise to the dispute. Accordingly, as a party, Respondent UBS Financial Services Inc. 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/decision	= \$ 200.00
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Claimant submitted one (1) discovery-related motion

Total Discovery-Related Motion Fees	= \$ 200.00
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The Arbitrator assessed the \$200.00 discovery-related motion 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: August 14, 2018	1 session
One (1) hearing session on expungement request @ \$50.00/session	= \$50.00
Hearing Date: November 16, 2018	1 session

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

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

ARBITRATOR

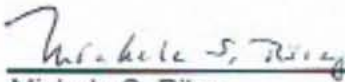
Michele S. Riley

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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



Michele S. Riley
Sole Public Arbitrator

December 27, 2018

Signature Date

January 2, 2019

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