

2021 PIABA Securities Law Seminar

Table of Contents

	PAGE
§ 1 Case Law Roundup	
Scott Eichhorn, Regina Gilmour, Co-Moderators	
Arbitration Law Updates 2020-2021	1
I. U.S. Supreme Court Cases – Decided and on the Horizon	1
<i>GE Energy Power Conversion France SAS, Corp. v. Outokumpu Stainless USA, LLC</i> , 140 S.Ct. 1637 (2020)	1
<i>Servotronics, Inc. v. Rolls-Royce PLC</i> , No. 20-794 (Cert. granted Mar. 22, 2021)	3
<i>Badgerow v. Walters</i> , Docket No. 20-1143 (Cert. granted May 17, 2021)	4
II. Employment and Arbitration Agreements	6
Second Circuit Holds Plan Beneficiaries’ ERISA Claims Against Plan Adviser Not Subject to Mandatory Arbitration Provision in Employment Agreement	6
<i>Cooper v. Ruane Cunniff & Goldfarb</i> , 990 F.3d 173 (2d Cir. 2021)	6
State Statutes Prohibiting or Restricting Mandatory Arbitration of Sexual Harassment Claims Clash With FAA	7
<i>Gilbert v. Indeed, Inc.</i> ___ F.3d 2021 ___, 2021 WL 169111 (S.D.N.Y. 2021)	8
III. Enforceability of Arbitration Agreements	9
Fourth and Sixth Circuit Cases Demonstrate Importance of Specifically Challenging Delegation Clause in Arbitration Agreements	9
<i>Gibbs v. Sequoia Capital Operations, LLC</i> , 966 F.3d 286 (4 th Cir. 2020)	9
<i>Gibbs v. Haynes Investments, LLC</i> , 967 F.3d 332 (4 th Cir. 2020)	9
<i>Swiger v. Rosette</i> , 989 F.3d 501 (6 th Cir. 2021)	11
Fourth Circuit Finds No Formation of Agreement to Arbitrate	13
<i>Rowland v. Sandy Morris Fin. & Est. Plan. Servs., LLC</i> , 993 F.3d 253 (4 th Cir. 2021)	13
IV. Class Actions and Arbitrations	13
California Senate Bill 707 (“SB 707”) Not Preempted by FAA	13
<i>Postmates Inc. v. 10,356 Individuals</i> , Case No. CV 20-2783, 2021 WL 540155 (S.D. Cal. 2021)	13
The Availability of Class Arbitration a “Gateway” Issue	15
<i>Shivkov v. Artex Risk Solutions, Inc.</i> , 974 F.3d 1051 (9 th Cir. 2020)	15
Eighth Circuit Strikes Allegations on the Pleadings in Putative Securities Class Action	17
<i>Donelson v. Ameriprise Financial Services, Inc.</i> , ___ F.3d ___, 2021 WL 2231396 (8 th Cir. 2021)	17
V. Additional Cases of Interest	19
Federal Court Jurisdiction for Enforcement of Arbitrator Subpoena	19
<i>Maine Community Health Options v. Albertsons Companies, Inc.</i> , 93 F.3d 720 (9 th Cir. 2021)	19
 § 2 State Issues and Initiatives in Reg BI World	
Joseph Borg, William Jacobson, Co-Moderators; Andrea Seidt, Marnie Gibson, Clint Edgar	
State Views on Regulation Best Interest and State Fiduciary Standards , Andrea Seidt	21
I. Background	21
II. The New Broker-Dealer Conduct Standard-Regulation Best Interest	21
A.. How is a Broker’s New “Best Interest” Conduct Standard Different From the Old “Suitability” Standard and an Investment Adviser’s “Fiduciary Duty”?	22
B. How Should Broker-Dealers Reform Their Policies, Procedures, and Practices to Comply With the Regulation Best Interest?	24
III. Findings From NASAA’s Regulation Best Interest Phase 1 Report	25
A. Product Offerings	26
B. Due Diligence	27
C. Fee Disclosure	27
D. Compensation Practices	28
E. Conflict Management	28
F. Titles and Services	28

IV. State Fiduciary Laws and Regulation	29
A. Massachusetts	29
B. New Jersey.....	30
C. Nevada	31
V. Conclusion	32

§ 3 Exploring Obligations – and Regulatory Challenges – of Online Broker-Dealers and Trading Platforms

Christine Lazaro, Teresa Verges, Co-Moderators; Robert Colby, Marni Gibson, Alisa Goldberg

The Obligations and Regulatory Challenges of Online Broker-Dealers and Trading Platforms, Christine Lazaro and Teresa J. Verges	33
I. Duties of Broker-Dealers Operating Online Platforms and Trading Apps to Retail Customers	36
A. Opening Customer Accounts, Due Diligence and Suitability Assessments.....	36
(i). Opening and Maintenance of Accounts and Customer Identification Program	36
(ii). Approving Customer Accounts for Options Trading and Margin	41
B. Communications and Investment Recommendations	44
(i). Communicating with the Public	44
(ii). Options Communications	50
(iii). Margin Disclosure Statement	53
(iv). Day-Trading Disclosure Statement	54
C. Cybersecurity: Protection of Customer Information, Funds and Securities	54
(i). SEC Regulation S-P Rule 30: The Safeguard Rule	55
(ii). SEC Regulation S-ID: The Identify Theft Red Flags Rule.....	57
(iii). Protecting Customer Funds	59
(iv). Increasing Cybersecurity Concerns in the Age of COVID-19.....	60
II. Conclusion	63

§ 4 Multi-Jurisdictional Practice and the Zoom ADR Hearing (Ethics)

Nicole Iannarone, Moderator

Ethically Remote? Virtual Representation in FINRA Arbitration, Nicole G. Iannarone, Gabrielle Beers, Emma Schurmeier	64
Introduction.....	65
I. Representing Parties in FINRA Proceedings	66
A. FINRA’s Representation Rules	66
B. Model Guidance: Multijurisdictional Practice.....	67
II. Multi-Jurisdictional Practice and Virtual Representation.....	69
A. American Bar Association Guidance on Virtual Law Practice	69
B. Jurisdiction-Specific Research Required.....	71
C. Best Practices for Avoiding Unauthorized Practice of Law When Virtually Representing Clients	73
Conclusion.....	74

§ 5 Expungements: Give Them to Us

Benjamin Edwards, Moderator; Jason Doss, Lisa Braganca

2021 Updated Study on FINRA Expungements, David Meyer, Jason Doss, Lisa Braganca.....	75
BrokerCheck and Expungement.....	77
CRD and Standard for Granting Expungement	81
Current FINRA Proposal.....	82
Data Shows FINRA Proposal is Not the Solution	83
I. Summary of Findings	83
A. Number of Expungement Requests Remains High.....	83
2019 Study.....	83
2021 Update Study	83
B. Average Number of Complaints Sought to be Expunged per Case Remains Steady	83
2019 Study.....	83

2021 Updated Study	84
C. Brokerage Firms Continue to Consent to Expungement Requests by Brokers.....	84
2019 Study.....	84
2021 Updated Study	84
D. Customer Participation in Expungement Proceedings Remains Low.....	84
2019 Study.....	84
2021 Updated Study	85
E. Whether One Arbitrator or Three Arbitrators – FINRA Expungements are Granted at About The Same Rate.....	85
2019 Study.....	85
2021 Updated Study	85
F. FINRA’s Proposal of Three-Arbitrator Panels of Specialists Will Not Solve the Problem.....	85
G. Arbitrators are Much More Likely to Deny Expungement Requests When Interested Parties Oppose the Request.....	86
2019 Study.....	86
2021 Updated Study	86
Recommendation: Establish an Investor Advocate	87
Study Methodology.....	90
Detailed Findings	91
I. Expungements are Not Treated as an Extraordinary Remedy, As They Were Intended	91
II. The Number of Straight-In Expungements Has Skyrocketed Since January 1, 2015	92
III. Multiple Customer Complaints are Being Expunged Per Case	92
IV. Expungement Requests are Rarely Opposed by Brokerage Firms or Customers	93
A. Expungement Requests are Not Opposed by Respondent Brokerage Firms 98% of the Time	93
B. Customers Rarely Participate and Oppose Expungement Requests.....	93
C. Panels of Three Arbitrators Will Not Reduce the High Rates of Expungements Being Granted	94
D. Arbitrators are Significantly More Likely to Deny Expungement Requests When Someone Objects.....	94
E. Without an Opposing Party, There are No Procedural Safeguards to Prevent Brokers And Brokerage Firms from Presenting One-Sided and/or False Information to Arbitrators.....	95
F. Brokers and Firms Continue to Find New Ways to Game the Arbitration Process to Obtain Expungement Awards	96
Case Study	97
Conclusion	98

ARBITRATION CASE LAW UPDATES 2020-2021*

This article summarizes leading federal arbitration cases and related issues that are of particular relevance to the securities arbitration practitioner, as well as U.S. Supreme Court cases on the horizon for the coming year.

I. U.S. SUPREME COURT CASES – DECIDED AND ON THE HORIZON

***GE Energy Power Conversion France SAS, Corp. v. Outokumpu Stainless USA, LLC*, 140 S. CT. 1637 (2020)**

The Supreme Court held that courts could use domestic state law doctrines such as equitable estoppel to fill in gaps in the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (“New York Convention” or “Convention”), on issues of enforceability of arbitration agreements by non-signatories to those agreements.¹

In 2007, ThyssenKrupp Stainless USA, LLC entered into three contracts with F.L. Industries, Inc., for the construction of cold rolling mills at ThyssenKrupp’s steel manufacturing plant in Alabama.² Each of the contracts contained an identical arbitration clause, requiring that all disputes arising between the parties “in connection with or in the performances of the Contract” be submitted for arbitration.³ F.L. Industries entered into a subcontractor agreement with GE Energy Power Conversion France SAS, Corp. for the design, manufacture and supply of the motors for the cold rolling mills. GE Energy delivered the motors between 2011 and 2012, and shortly thereafter, Outokumpu Stainless USA, LLC acquired ownership of the plant from ThyssenKrupp.⁴

According to Outokumpu, GE Energy’s motors failed by 2015, resulting in substantial damages.⁵ Outokumpu and its insurers filed suit against GE Energy in Alabama state court.⁶ GE Energy removed to federal court under 9 U.S.C. § 205, which authorizes the removal of an action from state to federal court if the action “relates to an arbitration agreement” falling under the New York

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¹ *Id.* at 1642.

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

Convention.⁷ GE Energy then moved to dismiss and compel arbitration, relying on the arbitration clauses in the contracts between F.L. Industries and ThyssenKrupp.⁸ The United States District Court for the Southern District of Alabama granted GE Energy's motion to compel arbitration and dismissed the action because the contracts defined the terms "Seller" and "Parties" to include subcontractors.⁹ The Eleventh Circuit Court of Appeals reversed. The Eleventh Circuit interpreted the New York Convention to include a requirement that the parties "*actually sign* an agreement to arbitrate their disputes in order to compel arbitration."¹⁰ Since GE Energy was a non-signatory, the Eleventh Circuit held that it could not rely on the state-law equitable estoppel doctrine to enforce the agreement because the doctrine conflicted with the Convention's signatory requirement.¹¹

The Supreme Court framed the issue as whether the Convention conflicts with domestic equitable estoppel doctrines that permit the enforcement of arbitration agreements by non-signatories.¹² The Court started its analysis with the FAA, noting that Chapter 1 of the FAA permits courts to apply state-law doctrines related to the enforcement of arbitration agreements, including "traditional principles of state law" – such as equitable estoppel – that would authorize the enforcement of a contract by a non-signatory.¹³

The Court then turned to the terms of the New York Convention itself, observing that it focuses almost entirely on the *enforcement* of arbitration awards in international arbitration.¹⁴ The sole Article addressing arbitration agreements, Article II, does not address whether non-signatories may enforce arbitration agreements under state law doctrines.¹⁵ "This silence is dispositive here because nothing in the text of the Convention could be read to otherwise prohibit the application of domestic doctrines such as equitable estoppel."¹⁶ The Court reasoned that "[f]ar from displacing domestic law," the Convention contemplates using domestic doctrines to fill in gaps in the Convention.¹⁷ The Supreme Court reversed and remanded to the Court of Appeals because it had not determined "whether GE Energy could enforce the arbitration clauses under principles of equitable estoppel or which body of law governs that determination."¹⁸

⁷ *Id.*

⁸ *Id.*

⁹ *Id.* at 1642-43.

¹⁰ *Id.* (citing *Outokumpu Stainless USA, LLC v. Converteam SAS*, 902 F.3d 1316, 1326 (11th Cir. 2018) (emphasis in original)).

¹¹ *Id.*

¹² *Id.* at 1642.

¹³ *Id.* at 1643-44 (quoting *Arthur Andersen LLP v. Carlisle*, 556 U.S. 624, 631 (2009)).

¹⁴ *Id.* at 1644.

¹⁵ *Id.* at 1645.

¹⁶ *Id.*

¹⁷ *Id.*

On The Horizon:

During the current term, the Supreme Court granted certiorari in two cases that provide the Court with the opportunity to resolve splits among the Circuit Courts of Appeal on: (a) whether 28 U.S.C. § 1782(a) authorizes U.S. District Courts to compel discovery by issuing subpoenas for use in private foreign arbitrations; and (b) in determining federal subject-matter jurisdiction for petitions to confirm, vacate or modify an arbitration award, whether it is appropriate to “look through” the petition to the claims in the underlying dispute.

***Servotronics, Inc. v. Rolls-Royce PLC*, No. 20-794 (Cert. granted Mar. 22, 2021)**

In this case, the Supreme Court will have the opportunity to resolve the split among the circuit courts on the issue of whether 28 U.S.C. § 1782(a) authorizes U.S. District Courts to compel discovery by issuing subpoenas for use in private foreign arbitrations.

The Petitioner, Servotronics, is a respondent in an arbitration proceeding brought by Rolls-Royce, PLC in London.¹⁹ Rolls-Royce brought an indemnification action against Servotronics, a manufacturer of engine valves that Rolls-Royce purchased for its Trent 1000 aircraft engine, after its engine caught fire during testing.²⁰ Servotronics filed an ex parte application in the U.S. District Court for the Northern District of Illinois asking the court to issue a subpoena to produce documents from Boeing, the aircraft manufacturer which tested the Trent 1000, for use in their London-based arbitration.²¹ Although the judge initially granted the subpoena, both Rolls-Royce and Boeing intervened and sought to quash the subpoena, arguing that §1782(a) does not authorize the court to provide discovery assistance in foreign arbitrations.²² The District Court reversed course and quashed the subpoena.²³

The availability of §1782(a) to provide assistance in private foreign arbitration was a question of first impression in the Seventh Circuit, which proceeded to review the split among the circuit courts that have addressed the issue.²⁴ Noting that the disagreement involved the interpretation of the term “tribunal” in § 1782(a), the Court explained that the Second and Fifth Circuit Courts have adopted a narrow interpretation of that term based on the statutory and legislative history, leading those Circuits to conclude that the statute does not authorize district courts to order discovery for use in private foreign arbitrations.²⁵ In contrast, the Sixth and Fourth Circuits have interpreted

¹⁸ *Id.* at 1648.

¹⁹ *Servotronics, Inc. v. Rolls-Royce PLC*, 975 F.3d 689, 690 (7th Cir. 2020).

²⁰ *Id.* at 690. Servotronics also filed another ex parte application in the U.S. District Court of South Carolina, seeking a subpoena to depose Boeing employees. *Servotronics, Inc. v. Boeing Co.*, 954 F.3d 209 (4th Cir. 2020). The district court denied the application, but the Fourth Circuit reversed. *Id.* at 210.

²¹ *Id.* at 690.

²² *Id.* at 691.

²³ *Id.*

²⁴ *Id.* at 692-93.

“tribunal” broadly, holding that the district court has authority to compel discovery for use in foreign arbitrations.²⁶

In its own analysis of the statutory history, the Seventh Circuit agreed with the Second and Fifth Circuits, holding that the more narrow reading of the term “tribunal” was more consistent with other language in the statute referring to “practice and procedure of the foreign country or the international tribunal.”²⁷ The court also reasoned that the narrow interpretation of “tribunal” would also avoid “serious conflict” with the FAA, because the discovery authorized by § 1782(a) is notably broader than that authorized by the FAA.²⁸ If 1782(a) were construed to permit federal courts to provide discovery assistance in private foreign arbitration, then litigants in private foreign arbitration would have access to more expansive discovery than domestic litigants.²⁹

***Badgerow v. Walters*, Docket No. 20-1143 (Cert. granted May 17, 2021)**

This case presents the Supreme Court with the opportunity to address another split among circuit courts, specifically, whether federal courts may apply the same “look-through” approach it adopted in *Vaden v. Discover Bank*³⁰ to determine subject-matter jurisdiction for §4 petitions to enforce arbitration, to petitions to confirm or vacate an arbitration award under the FAA where the only basis for jurisdiction is that the underlying dispute involved a federal question. The Third and Seventh Circuits have declined to apply the look-through approach set out in *Vaden* to determine subject-matter jurisdiction for petitions brought under §§9, 10 and 11 of the FAA.³¹ The First, Second, Fourth and Fifth Circuits extend the look-through approach to these petitions.³²

Denise Badgerow was employed as an associate financial advisor by REJ properties, Inc., independent franchise advisors for Ameriprise Financial Services.³³ Her employment agreement with REJ required her to submit any disputes arising from the employment relationship to FINRA arbitration.³⁴ Badgerow brought a FINRA arbitration action against REJ and its principals alleging

²⁵ *Id.* (citing *Nat’l Broad Co. v. Bear Stearns & Co.*, 165 F.3d 184, 191 (2d Cir. 1999) and *Republic of Kazakhstan v. Biedermann, Int’l*, 168 F.3d 880, 883 (5th Cir. 1999).

²⁶ *Id.* 693 (citing *Abdul Latif Jameel Transp. Co. v. FedEx Corp (In re Application to Obtain Discovery)*, 939 F.3d 710, 714. (6th Cir. 2019), and *Servotronics, Inc. v. Boeing Co.*, 954 F.3d 209, 212-13 (4th Cir. 2020) (involving the second 1782(a) discovery request Servotronics had filed to depose Boeing employees for use in the same London arbitration)).

²⁷ *Id.* at 694-95.

²⁸ *Id.*

²⁹ *Id.*

³⁰ 556 U.S. 49, 129 S.Ct. 1262(2009).

³¹ *Goldman v. Citigroup Glob. Markets Inc.*, 834 F.3d 242, 252 (3d Cir. 2016) and *Magruder v. Fid. Brokerage Services LLC*, 818 F3d 285, 288 (7th Cir. 2016).

³² *Otiz-Espinosa v. BBVA Secs. Of Puerto Rico, Inc.*, 852 F3d 36, 47 (1st Cir. 2017); *McCormick v. Am. Online, Inc.*, 909 F.3d 677, 679 (4th Cir. 2018) and *Queszada v. Bechtel OG & C Constr. Servs., Inc.*, 946 F.3d 837, 843 (5th Cir. 2020).

³³ *Badgerow v. Walters*, 975 F.3d 469, 471 (5th Cir. 2020).

Id.

employment discrimination and harassment under Title VII, and violations of Louisiana’s “whistleblower” law.³⁵ An arbitration panel issued an award dismissing all of plaintiff’s claims against Ameriprise and its principals.³⁶ Badgerow then filed a petition to vacate the award in Louisiana state court, naming only the principals and alleging the award was obtained by fraud.³⁷ The principals removed the Louisiana state court action to the U.S. District Court for the Eastern District of Louisiana, and Badgerow moved to remand asserting the federal court lacked subject-matter jurisdiction over the petition to vacate.³⁸ The district court held that it had subject-matter jurisdiction over the petition to vacate, denied remand, and ruled against Badgerow on the substance of the petition.³⁹ Plaintiff appealed only whether or not the district court had subject-matter jurisdiction.⁴⁰

The Fifth Circuit observed that the federal removal under §1441(a) requires that the case be “a civil action ‘of which the district courts of the United States have original jurisdiction’.”⁴¹ The court then explained that in *Vaden*, the Supreme Court adopted a look-through analysis to determine whether federal jurisdiction exists in connection with actions to compel arbitration under §4 of the FAA.⁴² If the underlying dispute could have been brought federal court, the district court has jurisdiction to entertain the §4 petition.⁴³ Although *Vaden* did not address petitions under sections 9, 10, and 11 of the FAA, the Fifth Circuit pointed to its own recent decision holding that such petitions are subject to the same the look-through approach in determining subject-matter jurisdiction.⁴⁴ Because at least one of Badgerow’s claims in the FINRA arbitration was based on federal employment law (asserted against Ameriprise, which she had joined as a party in the FINRA arbitration) federal jurisdiction exists over the petition to vacate regardless of whether she moved to vacate the award on that claim.⁴⁵ The Fifth Circuit Court of Appeals affirmed the lower court’s decision.⁴⁶

³⁵ *Id.*

³⁶ *Id.* at 470.

³⁷ *Id.*

³⁸ *Id.* at 471.

³⁹ *Id.* at 471-72.

⁴⁰ *Id.* at 472.

⁴¹ *Id.* (quoting 28 U.S.C. §1441(a)).

⁴² *Id.* at 472-73 citing *Vaden*, 556 U.S. 49 (2009).

⁴³ *Id.* at 473.

⁴⁴ *Id.* at 472-73 (citing *Queszada v. Bechtel OG & C Constr. Servs., Inc.*, 946 F.3d 837, 843 (5th Cir. 2020)).

⁴⁵ *Id.* at 474.

⁴⁶ *Id.* at 475.

II. EMPLOYMENT AND ARBITRATION AGREEMENTS

Second Circuit Holds Plan Beneficiaries' ERISA Claims Against Plan Adviser Not Subject to Mandatory Arbitration Provision in Employment Agreement

***Cooper v. Ruane Cunniff & Goldfarb*, 990 F.3d 173 (2d Cir. 2021)**

In this putative class action, the Second Circuit held that an employee's breach of fiduciary duty claim against the administrator of his employer's profit-sharing fund did not relate to his employment and therefore was not subject to arbitration.⁴⁷

Plaintiff, Clive Cooper, began working as a software engineer for DST Systems, Inc., an information processing and software company.⁴⁸ Cooper participated in DST's profit-sharing plan, which included both a participant-directed 401(k) component (with employer-matching contributions), and a profit-sharing component in which all employees were automatically enrolled.⁴⁹ Ruane Cunniff & Goldfarb was the third-party administrator for the profit-sharing portion of the plan.⁵⁰ After suffering huge losses in his profit-sharing plan resulting from an overconcentration in the stock of a pharmaceutical company, Cooper filed a class action in the District Court for the Southern District of New York, alleging breach of fiduciary duty against the administrator under § 502(a)(2) of the Employee Retirement Income Security Act of 1974 ("ERISA"), 29 U.S.C. § 1132(a)(2).⁵¹ The district court granted Ruane's motion to compel arbitration, largely because of the preexisting arbitration agreement that existed between Cooper and DST.⁵² The district court reasoned that the claims against Ruane were sufficiently related to Cooper's employment with DST because, among other things, Ruane was DST's agent, the claims concern how poorly DST and Ruane managed the plan, and the management affected Cooper's compensation.⁵³

The Second Circuit reversed, holding that the breach of fiduciary duty claims that Cooper brought on behalf of the Plan under ERISA § 502(a)(2) do not "relate to" his employment under the terms of the arbitration agreement.⁵⁴ The Court first reviewed the contextual language of the arbitration agreement around the phrase "relating to employment," and stated that it appeared limited by other language in the agreement listing categories of potential claims that are personal to the employee as an individual.⁵⁵ The Court also considered other courts' interpretation of the phrase

⁴⁷ 990 F.3d 173, 185 (2d Cir. 2021).

⁴⁸ *Id.* at 176.

⁴⁹ *Id.*

⁵⁰ *Id.*

⁵¹ *Id.* at 180. Cooper also sued DST and DST employees, but shortly after filing suit they agreed to mediate their claims. Thereafter Cooper dismissed all claims against all parties except Ruane. *Id.* at 178.

⁵² *Id.*

⁵³ *Id.* at 178-79.

⁵⁴ *Id.* at 185.

“relating to employment,” and noted the fact that “relatedness” does not necessarily encompass everything that touches upon employment, but rather, whether the underlying facts supporting the claims are connected to employment.⁵⁶ None of the facts underlying the allegations against Ruane relate to Cooper’s employment.⁵⁷

The Second Circuit was also concerned about procedural safeguards and the ability of plan participants to bring an ERISA breach of fiduciary duty claim on behalf of plan participants. In the absence of express language in the arbitration agreement, the Court declined to adopt a reading that would make it impossible for DST’s employees to bring a fiduciary claim against the plan administrator under ERISA.⁵⁸

State Statutes Prohibiting or Restricting Mandatory Arbitration of Sexual Harassment Claims Clash With FAA

In the wake of the #MeToo movement, several states have passed statutes prohibiting or restricting provisions in employment agreements that require arbitration of sexual harassment claims by employees, including Maryland,⁵⁹ Vermont,⁶⁰ Washington,⁶¹ New York,⁶² and New Jersey.⁶³

Perhaps recognizing the potential conflict with the FAA, both Maryland and New York expressly incorporated language qualifying the prohibition of mandatory arbitration agreements “except where inconsistent with federal law.”⁶⁴ In *Latif v. Morgan Stanley*,⁶⁵ the District Court for the Southern District of New York seized upon this language in CPLR 7515 to enforce an arbitration agreement where a former Morgan Stanley broker brought claims against the firm alleging sexual

⁵⁵ *Id.* at 181.

⁵⁶ *Id.* at 183.

⁵⁷ *Id.* at 184.

⁵⁸ *Id.* at 185.

⁵⁹ Maryland H.B. 1596 “Disclosing Sexual Harassment in the Workplace Act of 2018” (enacted May 15, 2018) (prohibits arbitration agreements that waive the right to bring a claim of sexual harassment or retaliation in court).

⁶⁰ Vermont H. 707 “An Act Relating to the Prevention of Sexual Harassment” (eff. July 1, 2018) (enacted sweeping protections against sexual harassment in the workplace, including a prohibition of agreements that waive any substantive or procedural rights to bring sexual harassment claims in court).

⁶¹ Washington S.B. 6313 (eff. June 7, 2018) (prohibits employment agreements that prevent employees from pursuing employment discrimination claims in a public process).

⁶² New Jersey, C.P.L.R. 7515, amending the New Jersey Law Against Discrimination.

⁶³ N.J.Stat.Ann. § 10:5-12.7 (May 18, 2018). New Jersey’s law is perhaps the most sweeping, broadly prohibiting arbitration, nondisclosure and confidentiality agreements in all claims of discrimination, harassment or retaliation in the workplace.

⁶⁴ N.Y. C.P.L.R. §7515; *see also* Maryland H.B. 1596 (prohibiting mandatory arbitration “except as prohibited by federal law”).

⁶⁵ No. 1:18-cv-11528-DLC-JLC, 2019 WL 2610985 (S.D.N.Y. 2019).

harassment, a hostile work environment, and retaliation, on the grounds that application of the new law would be inconsistent with the FAA.⁶⁶ In *Gilbert v. Indeed*,⁶⁷ the Southern District of New York again addressed CPLR 7515, but this time in the context of a delegation clause.

***Gilbert v. Indeed, Inc.*, ___F.3d 2021___, 2021 WL 169111 (S.D.N.Y. 2021)**

In this case, the Southern District of New York dismissed the plaintiff's case alleging gender discrimination and hostile work environment in violation of Title VII and state law, on the grounds that it was subject to mandatory arbitration per her employment agreement with Indeed.⁶⁸

Taylor Gilbert joined Indeed as an account executive in 2015.⁶⁹ Indeed is a foreign business corporation whose principal business was to provide a search engine for job listings that connect prospective employees with employers.⁷⁰ As the court acknowledged in its opinion, plaintiff's complaint details a "brutal story" of sexual harassment, abuse, and rape, which continued throughout her employment.⁷¹ Plaintiff sued Indeed and other senior employees, alleging various federal and state law claims, including under Title VII and for violation of New York's Gender Motivated Violence Act.⁷²

During her employment, Gilbert signed broad agreements providing for mandatory arbitration, a non-disclosure agreement and a confidentiality agreement.⁷³ Gilbert argued that to the extent the arbitration provision could be read to cover her statutory discrimination claims, the provision was "null and void" under New York's recent legislation, CPLR 7515.⁷⁴ Defendants argued that because the agreements contained a delegation clause, the issue of whether the arbitration provision is null and void under CPLR 7515 is a matter for the arbitrators to decide.⁷⁵

The district court observed that while the delegation clause would vest the arbitrators with authority to decide certain "gateway matters" of arbitrability, "[t]he effect of Section 7515 on the arbitration clause is categorically different."⁷⁶ The question of the effect of CPLR 7515 on the arbitration provision "goes to whether the Indeed Defendants had the power in the first place to

⁶⁶ *Id.* at 3.

⁶⁷ ___F.3d 2021___, 2021 WL 169111 (S.D.N.Y. 2021).

⁶⁸ *Id.* at 1.

⁶⁹ *Id.*

⁷⁰ *Id.*

⁷¹ *Id.* at 1-2.

⁷² *Id.* at 3.

⁷³ *Id.* at 3-6 (describing and quoting relevant provisions in agreements).

⁷⁴ *Id.* at 11.

⁷⁵ *Id.*

⁷⁶ *Id.*

demand arbitration” of these claims, and this question is for the court to decide.⁷⁷ Turning to the merits of that issue, the court noted the exception to application of CPLR 7515 where “inconsistent with federal law,” and based on longstanding Supreme Court precedent, held that New York could not exempt federal employment discrimination and state law claims from mandatory arbitration under the FAA.⁷⁸

* * *

Despite the success of legal challenges to state law restrictions to mandatory arbitration of sexual harassment claims, shareholder pressure may force firms to make some changes. Last year, Wells Fargo & Co. announced that it would no longer require arbitration when an employee files a sexual harassment complaint.⁷⁹ On June 4, 2021, Goldman Sachs announced that it would conduct a comprehensive review of the firm’s employment arbitration policy based on shareholder feedback, stressing that “[p]roviding [its] employees a safe and inclusive workplace that is free of discrimination and harassment is among [the firm’s] highest priorities.”⁸⁰

III. ENFORCEABILITY OF ARBITRATION AGREEMENTS

Fourth and Sixth Circuit Cases Demonstrate Importance of Specifically Challenging Delegation Clause in Arbitration Agreements

***Gibbs v. Sequoia Capital Operations, LLC*, 966 F.3d 286 (4th Cir. 2020)**

***Gibbs v. Haynes Investments, LLC*, 967 F.3d 332 (4th Cir. 2020)**

In these companion cases, the Fourth Circuit held that a choice-of-law provision in the parties’ loan agreements rendered the arbitration provision void and unenforceable pursuant to the prospective waiver doctrine under the Federal Arbitration Act.⁸¹ Although the agreements contained delegation clauses, the Fourth Circuit held that the plaintiff class had sufficiently challenged the delegation clause itself in their opposition to the motion to compel arbitration, asserting the same arguments as those raised against the arbitration provision as a whole.⁸²

⁷⁷ *Id.*

⁷⁸ *Id.* at 12-13. The district court also addressed and dismissed plaintiff’s additional challenges to the employment provisions based on of substantive and procedural unconscionability. *Id.* at 16-22.

⁷⁹ Wells Fargo & Co. Press Release, Wells Fargo Ends Mandatory Arbitration For Future Employee Claims of Sexual Harassment (Feb. 12, 2020) (Explaining that the firm made the decision after internal dialogue and feedback from shareholders), available at: <https://newsroom.wf.com/English/news-releases/news-release-details/2020/Wells-Fargo-Ends-Mandatory-Arbitration-For-Future-Employee-Claims-of-Sexual-Harassment/default.aspx>.

⁸⁰ Goldman Sachs Press Release, Goldman Sachs Issues Statement on Arbitration Policy Review (June 4, 2021), available at: <https://www.goldmansachs.com/media-relations/press-releases/2021/gs-statement-on-arbitration-policy-review.html>.

⁸¹ *Sequoia*, 966 F.3d at 294, *Haynes*, 967 F.3d at 345.

⁸² *Sequoia*, 966 F.3d at 291; *Haynes*, 967 F.3d at 338.

The Gibbs cases are class actions brought on behalf of Virginia consumers who borrowed money between 2013 and 2016 from two online lending operations ostensibly owned by Native American tribes.⁸³ The borrowers did not sue the actual lending operations themselves, but rather, sued entities and individuals who were investors and, through their investments, actually owned and controlled the lending operations.⁸⁴ Both cases concern the very same group of identical online agreements.⁸⁵ The borrowers alleged that the loans made through the online lenders were usurious, in violation of Virginia law, which prohibits interest over 12%.⁸⁶ Although the laws of the Native American Tribes would have exempted them from the 12% maximum, the class alleged that that the online lenders were not really owned and operated by the Tribes, but rather the defendant investors.⁸⁷

The online lending agreements contained an arbitration agreement and choice-of-law provisions requiring application of tribal law, to the near exclusion of state and federal law.⁸⁸ Specifically, all of the arbitration agreements – while not expressly precluding application of federal law – provided that the arbitration agreements “shall be governed” by tribal law, requiring the arbitrator to apply tribal law, and mandating that the arbitrator’s decision be consistent with tribal law.⁸⁹ The arbitration provision also contained a delegation provision requiring the arbitrator to resolve all threshold issues of arbitrability.⁹⁰ Because of these clauses, the defendants in both cases filed motions to compel arbitration.⁹¹

The district court denied the motions in both cases because the choice-of-law provision ran afoul of the prospective waiver doctrine.⁹² Specifically, the choice-of-law provisions “sought to prospectively exclude the application of federal law” (i.e., potential federal claims under RICO).⁹³ This doctrine renders unenforceable any arbitration agreements that operate as a prospective waiver of a party’s right to pursue statutory remedies as against public policy.⁹⁴

⁸³ *Sequoia*, 966 F.3d at 289, *Haynes*, 967 F.3d at 335.

⁸⁴ *Id.*

⁸⁵ *Id.*

⁸⁶ *Id.*

⁸⁷ *Haynes*, 967 F.3d at 335.

⁸⁸ *Id.*

⁸⁹ *Id.*

⁹⁰ *Sequoia*, 966 F.3d at 290, *Haynes*, 967 F.3d at 335.

⁹¹ *Id.*

⁹² *Sequoia*, 966 F.3d at 288, *Haynes*, 967 F.3d at 336.

⁹³ *Id.*

⁹⁴ *Id.*

On appeal, the Fourth Circuit affirmed. The court first addressed the delegation clause, observing that the parties can agree to put the question of who decides arbitrability to the arbitrator, and the court must enforce it if there is clear and unmistakable evidence of an agreement to delegate the threshold question of arbitrability.⁹⁵ However, challenges to the overall arbitration agreement could also be specifically directed to the delegation provision, and in this case, the plaintiff alleged in its opposition to the motion to compel arbitration that the delegation clause was unenforceable “for the same reason as the underlying arbitration agreement – the . . . wholesale waiver of the application of federal and state law’.”⁹⁶

On the substantive challenge to the arbitration provision as a whole, relying on *Mitsubishi Motors Corp. v. Soler Chrysler-Plymouth, Inc.*,⁹⁷ the Fourth Circuit observed that arbitration provisions that operate as a prospective waiver of a party’s right to pursue statutory remedies are not enforceable under the FAA because they are in violation of public policy.⁹⁸ The Fourth Circuit noted that a foreign choice-of-law provision will not necessarily trigger application of the doctrine, and if there is uncertainty, than a delegation clause would require the issue be sent to the arbitrators.⁹⁹ However, where there is no uncertainty about the effect of a choice-of-law provision, the court may properly conclude that the delegation provision (and arbitration agreement itself) is unenforceable.¹⁰⁰ In this case the choice-of-law provision required the application of tribal law, to the exclusion of contrary federal law.¹⁰¹ Because tribal law preempts the application of any contrary law, it worked as a prospective waiver and, therefore, the arbitration provision as a whole was unenforceable.¹⁰²

***Swiger v. Rosette*, 989 F.3d 501 (6th Cir. 2021)**

In a case that presented nearly identical facts to those raised in the companion *Gibbs* cases above, the Sixth Circuit reached a different result in *Swiger v. Rosette*¹⁰³ due to the plaintiff’s failure to challenge the delegation clause in the arbitration agreement, during any stage of the proceedings. The Sixth Circuit’s decision is a lesson in the importance of clearly raising challenges to a delegation clause that vests the arbitration panel with authority to decide gateway issues of enforceability of an arbitration provision.

⁹⁵ *Sequoia*, 966 F.3d at 290, *Haynes*, 967 F.3d at 336.

⁹⁶ *Haynes*, 967 F.3d at 339; *see also*, *Sequoia*, 966 F.3d at 291.

⁹⁷ 473 U.S. 614, 637 n.19 (1985).

⁹⁸ *Sequoia*, 966 F.3d at 292, *Haynes*, 967 F.3d at 340.

⁹⁹ *Haynes*, 967 F.3d at 340.

¹⁰⁰ *Id.*

¹⁰¹ *Haynes*, 967 F.3d at 340, *Sequoia*, 966 F.3d at 290.

¹⁰² *Sequoia*, 966 F.3d at 294, *Haynes*, 967 F.3d at 345.

¹⁰³ 989 F.3d 501 (6th Cir. 2021).

Swiger alleges she fell victim to the same illegal “rent-a-tribe” scheme when she accepted a loan at an interest rate in excess of 350% from an online lender called Plain Green LLC, an entity owned by the Chippewa Cree Tribe in Montana.¹⁰⁴ Swiger sued individual principals of Think Finance LLC, the entity that actually funded and operated the online loan operation under the Plain Green name in order to shield itself from substantive state and federal laws.¹⁰⁵ Swiger alleged similar causes of action as those alleged in the *Gibbs* cases, including violations under RICO and consumer protection laws.¹⁰⁶ Her loan agreement also contained broad choice-of-law and arbitration provisions providing Plain Green immunity from suit in any court and requiring application of tribal law.¹⁰⁷ The contract further contained a delegation clause that required her to “arbitrate any issue concerning the validity, enforceability, or scope” of the arbitration agreement.¹⁰⁸

After Swiger filed suit, defendants moved to dismiss the action and compel arbitration of the threshold question of arbitrability under the delegation clause.¹⁰⁹ The district court denied the motion, observing that the enforceability of the arbitration agreement had already been litigated and decided against defendants in a similar case in Vermont.¹¹⁰

The Sixth Circuit reversed on the ground that “[a] valid delegation clause precludes courts from resolving any threshold arbitrability disputes, even those that appear ‘wholly groundless.’”¹¹¹ The court explained that while a party may attack a delegation clause using the same arguments as those raised against the entire arbitration agreement, the party must actually raise the challenge to the delegation clause itself; challenging the entire agreement is not sufficient.¹¹² Here, Swiger failed to specifically challenge her delegation clause at any stage of the proceedings. She did not specifically challenge the delegation clause in her complaint; she did not raise it in response to defendants’ motion to dismiss, and she did not raise it in her response on appeal.¹¹³ Notably, although the Sixth Circuit pointed to the *Gibbs* cases and other decisions where courts have found similar arbitration agreements unenforceable, it held that plaintiff’s “failure to specifically challenge

¹⁰⁴ *Id.* at 503.

¹⁰⁵ *Id.*

¹⁰⁶ *Id.* at 504.

¹⁰⁷ *Id.* at 503.

¹⁰⁸ *Id.* at 506.

¹⁰⁹ *Id.* at 504.

¹¹⁰ *Id.* (citing *Gingras v. Think Finance, Inc.*, 922 F.3d 112 (2d Cir. 2019)).

¹¹¹ *Id.* at 505 (quoting *Henry Schein, Inc. v. Archer & White Sales, Inc.*, ___ U.S. ___, 139 S.Ct. 524, 529, 202 L.Ed.2d 480 (2019)).

¹¹² *Id.* at 506.

¹¹³ *Id.*

the delegation clause prevents [the court] from reaching the issues addressed in those cases....
.”¹¹⁴

Fourth Circuit Finds No Formation of Agreement to Arbitrate

***Rowland v. Sandy Morris Fin. & Est. Plan. Servs., LLC*, 993 F.3d 253 (4th Cir. 2021)**

A dispute between investors and their investment adviser stayed in court after the Fourth Circuit found the parties did not form a valid agreement to arbitrate.¹¹⁵ The evidence included two versions of an asset management agreement containing an arbitration provision: one signed only by the investor, and one signed only by a representative of the investment adviser firm. The version signed by the investor did not include information on risk tolerance, investment objective, or investment experience. The version signed by the firm included this information and added another account to be managed under the same agreement.¹¹⁶ The court held that either of these differences would be material enough to defeat the formation of a contract, and that “[t]ogether they undoubtedly did so.”¹¹⁷ Finding that the parties did not have the requisite meeting of the minds under North Carolina contract law, the Fourth Circuit affirmed the lower court’s denial of the firm’s motion to compel arbitration.¹¹⁸ The appellate court also noted in its opinion that, while not dispositive, the relative sophistication of the parties was important.¹¹⁹ As to use of DocuSign and electronic signatures, the Fourth Circuit stated that in the digital age, “it is imperative that parties turn square corners and ensure that the documents on which signatures are affixed are as identical as possible and certainly identical as to all material terms.”¹²⁰

IV. CLASS ACTIONS AND ARBITRATIONS

California Senate Bill 707 (“SB 707”) Not Preempted by FAA

***Postmates Inc. v. 10,356 Individuals*, Case No. CV 20-2783, 2021 WL 540155 (S.D. Cal. 2021)**

In this case, a California District Court upheld the validity of SB 707, a 2019 California law that enforces the obligation of the drafting party in an employment or consumer arbitration agreement to pay fees and costs or waive the right to compel arbitration.¹²¹

¹¹⁴ *Id.* at 507.

¹¹⁵ *Rowland v. Sandy Morris Fin. & Est. Plan. Servs., LLC*, 993 F.3d 253, 255 (4th Cir. 2021).

¹¹⁶ *Id.* at 256.

¹¹⁷ *Id.* at 259.

¹¹⁸ *Id.*

¹¹⁹ *Id.*

¹²⁰ *Id.* at 260.

¹²¹ 2021 WL 540155 *8 (SD Cal. 2021).

Postmates operates an online marketplace that connects consumers with local merchants. If the consumer opts for delivery, independent couriers deliver the products.¹²² To become a courier on behalf of Postmates, an applicant must accept Postmates' Fleet Agreement containing a predispute arbitration agreement that contains both a class action waiver and a delegation clause providing that "the interpretation, applicability, enforceability, or formation" of the arbitration provision is exclusively for the arbitrator.¹²³

On September 24, 2019, 1,250 individuals, represented by Keller Lenkner, filed separate arbitrations with the AAA against Postmates.¹²⁴ The AAA later determined that the Demands for Arbitration met the AAA's filing requirements and that Postmates had to pay the applicable fees by October 21, 2019 to commence arbitration.¹²⁵ Postmates did not pay the fees and the AAA "administratively closed the cases."¹²⁶ On February 15, 2020, 10,356 individual couriers represented by Keller Lenkner filed 10,356 arbitration demands against Postmates, alleging worker misclassification, violations of the California wage and hour laws, and violations of the Fair Labor Standards Act.¹²⁷ The AAA notified Postmates of the 10,356 individual arbitration demands and stated that "Postmates must pay a total of over \$4,000,000 in initial fees by March 16, 2020."¹²⁸ Thereafter, Postmates filed the district court action against 10,356 individuals seeking declaratory relief that Postmates could not be compelled to arbitrate on a "de facto class basis" and injunctive relief enjoining the arbitration and enforcement of SB 707.¹²⁹ The 10,356 cross-moved for an order compelling arbitration and ordering Postmates to pay the AAA fee.¹³⁰

Postmates argued that SB 707 was preempted by the FAA because under the "disfavored treatment" theory it regulates arbitration agreements differently, and under the "obstacles" theory the law interferes with the "fundamental attributes of arbitration."¹³¹ The district court agreed with cross-petitioners' argument that SB 707 did not interfere with or otherwise render an arbitration agreement invalid.¹³² "[R]ather than render arbitration agreements invalid, SB-707 encourages arbitration by changing the remedies available to non-drafting parties when parties delay the process and refuse to pay required fees."¹³³ The court rejected Postmates' argument that SB 707

¹²² *Id.* at *1.

¹²³ *Id.* However, any claim that the class action waiver included in the Fleet Agreement is "unenforceable, unconscionable, void, or voidable" was expressly left for the courts. *Id.* at 2.

¹²⁴ *Id.* at *3.

¹²⁵ *Id.*

¹²⁶ *Id.*

¹²⁷ *Id.*

¹²⁸ *Id.*

¹²⁹ *Id.*

¹³⁰ *Id.* at *4.

¹³¹ *Id.* at *7 (quoting *AT&T Mobility v. Concepcion*, 563 U.S. 333, 343-44 (2011)).

¹³² *Id.*

¹³³ *Id.* (emphasis in original).

renders arbitration agreements unenforceable if the drafting party refuses to pay the arbitration fee, reasoning that SB 707 instead gives the drafting party the option to choose litigation in court or arbitration, and the choice is only unavailable if the drafting party drags its feet by refusing to pay fees.¹³⁴ Moreover, there is a difference between a law that invalidates arbitration agreements and a law (like SB 707) that “encourages their prompt enforcement.”¹³⁵

The Availability of Class Arbitration a “Gateway” Issue

***Shivkov v. Artex Risk Solutions, Inc.*, 974 F.3d 1051 (9th Cir. 2020)**

In this case, the Ninth Circuit agreed with seven sister circuit courts to hold that the availability of class arbitration is a gateway issue for the court to presumptively decide unless the issue is clearly and unmistakably delegated to the arbitrators.¹³⁶

Plaintiffs, 81 individuals and related business entities, entered into agreements with defendants Artex Risk Solutions, Inc. and TSA Holdings, LLC, insurance management companies.¹³⁷ Pursuant to the agreements, defendants formed and managed captive insurance companies that plaintiffs owned, and into which plaintiffs paid insurance premiums that were purportedly tax-deductible.¹³⁸ The IRS disagreed, and after auditing plaintiffs the IRS issued delinquency notices and sought to impose penalties.¹³⁹ After settling with the IRS, plaintiffs filed a putative class action against defendants in the District Court for the District of Arizona, alleging that the captives were illegal tax shelters and asserting claims of breach of fiduciary duty, negligence, breach of contract, and violations of RICO.¹⁴⁰ Defendants moved to compel arbitration based upon arbitration clauses in the parties’ agreements, and the district court granted their motion ordering each plaintiff to arbitrate individually.¹⁴¹

After quickly addressing and dismissing plaintiffs arguments against arbitration,¹⁴² the Circuit Court turned to the central issue of the availability of class arbitration, which the court framed as three

¹³⁴ *Id.* at 7-8.

¹³⁵ *Id.* at 8.

¹³⁶ 974 F.3d 1051, 1065 (9th Cir. 2020), cert. denied, No. 20-1313 (June 28, 2021).

¹³⁷ *Id.* at 1056.

¹³⁸ *Id.* at 1056-57.

¹³⁹ *Id.* at 1057.

¹⁴⁰ *Id.* at 1058.

¹⁴¹ *Id.*

¹⁴² The plaintiffs first argued that the arbitration provisions were not enforceable because defendants breached their fiduciary duty to point out the arbitration clauses in the agreements. *Id.* at 1059. The court held that even assuming *arguendo* that a fiduciary duty existed between the parties, there was no authority establishing that those duties extended to the “purely commercial” aspects of contract formation. *Id.* at 1060. Alternatively, as to some of the agreements, plaintiffs argued that the arbitration provisions did not survive the termination of the contracts. *Id.* The court noted that although the Supreme Court has not addressed the issue of post-termination arbitration of disputes, five Circuit Courts that have addressed the issue have adopted a presumption that an arbitration provision survives the termination of a contract. *Id.*

questions: (1) whether the availability of class arbitration is a “gateway question” that a court must decide and, if so, (2) whether the parties clearly and unmistakably delegated the issue to the arbitrator, and (3) if not, whether the Agreements permit class arbitration.¹⁴³

Turning to the first issue, the Ninth Circuit court explained that although the Supreme Court has distinguished between certain “gateway” issues on enforceability (which are subject to judicial determination unless the parties clearly and unmistakably delegate the issue) and procedural issues such as statutes of limitations (which are presumptively for the arbitrator to decide), the Supreme Court has not decided whether the availability of class arbitration is a gateway issue for the court to decide.¹⁴⁴ However, the court observed that seven circuit courts have considered the issue and concluded that the availability of class arbitration is a gateway question for the court to presumptively decide.¹⁴⁵ The Ninth Circuit agreed, reasoning that the availability of class arbitration involves foundational questions of arbitrability, including whether the potential parties agreed to arbitrate, whether the agreement covers the particular controversy, and because the structural features of class arbitration makes it a “fundamental” change from bilateral arbitration.¹⁴⁶

The court next turned to the issue of whether the parties “clearly and unmistakably” delegated the issue of class arbitration to the arbitrator. Plaintiffs argued that the reference to AAA arbitration in the agreement (triggered only if mediation fails and the parties cannot agree on an arbitration panel) was sufficient because the AAA’s supplemental rules delegates the class issue to the arbitrator.¹⁴⁷ The court disagreed, holding that reference to AAA arbitration was insufficient to show a clear and unmistakable intent to delegate this gateway issue.¹⁴⁸

Having concluded no clear delegation of this gateway issue, the court then proceeded to decide whether the arbitration agreements permitted class arbitration. Relying on the Supreme Court’s *Lamps Plus* decision that “[n]either silence nor ambiguity provides a sufficient basis for concluding that parties to an arbitration agreement agreed to undermine the central benefits of arbitration itself,”¹⁴⁹ the court held that the agreements at issue did not permit class arbitration.

at 1061. The court also dismissed the plaintiffs’ challenge that the arbitration provision did not encompass their non-breach of contract claims, holding that any ambiguity in the contract terms would be resolved in favor of arbitration. *Id.* at 1064.

¹⁴³ *Id.* at 1064.

¹⁴⁴ *Id.* at 1064-65.

¹⁴⁵ *Id.* at 1065 (citing *20/20 Commc’ns, Inc. v. Crawford*, 930 F.3d 715, 718-19 (5th Cir. 2019); *Herrington v. Waterstone Mortg. Corp.*, 907 F.3d 502, 506-07 (7th Cir. 2018); *JPay, Inc. v. Kobel*, 904 F.3d 923, 935-36 (11th Cir. 2018); *Catamaran Corp. v. Towncrest Pharmacy*, 864 F.3d 966, 972 (8th Cir. 2017); *DelWebb Cmtys., Inc. v. Carlson*, 817 F.3d 867, 873 (4th Cir. 2016); *Opalinski v. Robert Half, Int’l Inc.*, 761 F.3d 326, 334-35 (3d Cir. 2014); *Reed Elsevier, Inc. v. ex rel. LexisNexis Div. v. Crockett*, 734 F.3d 594, 598-99 (6th Cir. 2013).

¹⁴⁶ *Id.* at 1066-67 (quoting *Herrington*, 907 F.3d at 509).

¹⁴⁷ *Id.* at 1068.

¹⁴⁸ *Id.* at 1068-69. The court indicated that the express incorporation of “AAA rules” in the contract may have been sufficient to show a clear and unmistakable intent to delegate this gateway issue. *Id.* at 1069.

¹⁴⁹ *Id.* at 1069 (quoting *Lamps Plus, Inc. v. Varela*, ___ U.S. ___, 139 S.Ct. 1407, 1417, 203 L.Ed.2d 636 (2019)).

Eighth Circuit Strikes Allegations on the Pleadings in Putative Securities Class Action

***Donelson v. Ameriprise Financial Services, Inc.*, ___ F.3d ___, 2021 WL 2231396 (8th Cir. 2021)**

In a suit seeking to assert federal securities claims on behalf of a class of Ameriprise clients, the Eighth Circuit held that courts may strike class-action allegations on the pleadings, prior to a motion for class certification, when it is apparent from the pleadings that the plaintiff could not certify a class.¹⁵⁰ This ruling aligns with the Sixth Circuit's view on an issue that has split federal courts and builds appellate-level precedent for early termination of putative securities class actions. In its decision, the Eighth Circuit remanded to the lower court for entry of an order striking the class-action allegations and compelling arbitration.¹⁵¹

Plaintiff, Mark Donelson, filed suit against Ameriprise and individual representatives of Ameriprise in the U.S. District Court for the Western District of Missouri – Kansas City. Seeking to represent a class of other clients of the same broker, the plaintiff alleged violations of §206 of the Investment Advisers Act of 1940 and §10(b) and §20(a) of the Securities Exchange Act of 1934.¹⁵² The district court denied the defendants' motions to strike the class action allegations and to compel arbitration, finding that there was no valid arbitration clause between the parties due to the absence of mutual consent and consideration.¹⁵³

On appeal, the defendants argued that the district court erred in denying their motion to compel arbitration on the bases that the arbitration clause was not supported by mutual assent or consideration.¹⁵⁴ The Eighth Circuit agreed with defendants, holding that the arbitration clause was valid because it was supported by mutual consent, consideration, and the agreement was not unconscionable.¹⁵⁵ As to mutual assent, the Eighth Circuit determined that the district court erred when it ruled that the plaintiff had not knowingly accepted the Client Agreement containing the arbitration clause. The district court based its ruling on a finding that the plaintiff never signed or received the Client Agreement.¹⁵⁶ The Eighth Circuit explained that mutual consent existed because plaintiff was presented with and signed an Account Application that expressly incorporated by reference the arbitration provision in the Client Agreement.¹⁵⁷

¹⁵⁰ *Donelson v. Ameriprise Financial Services, Inc.*, ___ F.3d ___, 2021 WL 2231396 (8th Cir. 2021).

¹⁵¹ *Id.* at *14.

¹⁵² *Id.* at *7.

¹⁵³ *Id.* at *10.

¹⁵⁴ *Id.*

¹⁵⁵ *Id.*

¹⁵⁶ *Id.*

¹⁵⁷ *Id.* at *10-11.

The Eighth Circuit further determined that the district court erred when it found an absence of consideration based on the unilateral right of Ameriprise to amend the Client Agreement, rendering the contractual promises of Ameriprise illusory.¹⁵⁸ In concluding that Ameriprise did not have a unilateral right to amend the Client Agreement, the Eighth Circuit relied on language in the agreement stating that plaintiff's continued use of his Ameriprise account after notice of amendments constituted acknowledgment and acceptance of the amendments.¹⁵⁹ Thus, the Eighth Circuit reasoned, amendments by Ameriprise required the plaintiff's acknowledgment and agreement in the form of the use of his account, and plaintiff's continued use of his Ameriprise account constituted valid consideration for the arbitration clause of the Client Agreement.¹⁶⁰

Finding the arbitration clause valid, the court next considered whether the arbitration clause encompassed the dispute between the parties.¹⁶¹ Because the arbitration clause excluded class actions, this question depended on the ruling on defendants' motion to strike the class action allegations from the complaint.¹⁶² The first step was to determine whether a district court is permitted to strike class-action allegations under Federal Rule of Civil Procedure 12(f) prior to the filing of a motion for class certification.¹⁶³ The court noted that there is a split among federal courts on this issue, but agreed with the Sixth Circuit's approach¹⁶⁴ that a district court may grant a motion to strike class action allegations "if it is 'apparent from the pleadings that the class cannot be certified' and 'permitting such allegations to remain would prejudice the defendant by requiring the mounting of a defense against claims that ultimately cannot be sustained.'"¹⁶⁵ The court also deemed this position to be consistent with Federal Rule of Civil Procedure 23(c), governing class certification.¹⁶⁶

Having found that the plaintiff's class-action allegations could be stricken prior to a motion for class certification, the Eighth Circuit went on to hold that the district court should have stricken the class-action allegations, paving the way to grant defendants' motion to compel arbitration.¹⁶⁷ The appellate court reasoned that the plaintiffs' §10(b) and §20(a) claims would not meet the cohesion requirement of a class necessary under Federal Rule 23(b)(2), which requires that the defendants

¹⁵⁸ *Id.* at *11.

¹⁵⁹ *Id.* at *11-12.

¹⁶⁰ *Id.* at *12. The court also quickly dispensed with plaintiff's argument that the arbitration agreement was unconscionable because although it required Donelson to arbitrate all claims against Ameriprise, it did not require Ameriprise to arbitrate all claims it may have against Donelson. *Id.* The court held that "the fact that an arbitration provision applies to one party but not the other does not itself render the provision unconscionable." *Id.*

¹⁶¹ *Id.*

¹⁶² *Id.*

¹⁶³ *Id.*

¹⁶⁴ *Id.* (citing *Pilgrim v. Universal Health Card, LLC*, 660 F.3d 943, 949 (6th Cir. 2011)).

¹⁶⁵ *Id.* at *12-13 (quoting 5C Charles Alan Wright & Arthur R. Miller, *Federal Practice and Procedure* § 1380 (3d ed.)).

¹⁶⁶ *Id.*

¹⁶⁷ *Id.* at *13.

have “acted or refused to act on grounds that apply generally to the class . . .”¹⁶⁸ The Eighth Circuit held that plaintiff could not meet that standard in this case because of the individualized determinations necessary for at least three of the elements under §10(b), with the same individualized determinations necessary for the section §20(a) claims.¹⁶⁹ The Eighth Circuit also determined that the class-action allegations as to breach of fiduciary duty should have been stricken because the plaintiff alleged the claim under §206 of the Investment Advisers Act, and no private cause of action exists under that section.¹⁷⁰

V. ADDITIONAL CASES OF INTEREST

Federal Court Jurisdiction for Enforcement of Arbitrator Subpoena

***Maine Community Health Options v. Albertsons Companies, Inc.*, 93 F.3d 720 (9th Cir. 2021)**

In a case of first impression in the Ninth Circuit, the court addressed the issue of how to determine whether the amount-in-controversy requirement in 28 U.S.C. §1332(a) is satisfied in an action under §7 of the FAA seeking enforcement of a third-party subpoena issued in an arbitration.¹⁷¹ The Ninth Circuit agreed with the Second Circuit’s approach where the amount may be measured by either the benefit to the plaintiff or the detriment to the defendant.¹⁷²

Maine Community Health Options (“Health Options”), an insurer, brought an arbitration action against Navitus Health Solutions, LLC, a pharmacy benefits manager over the latter’s billings, alleging overcharges in excess of \$17 million in damages.¹⁷³ During the arbitration, Health Options sought information about pharmacies within Navitus’ network, including Albertsons Companies.¹⁷⁴ The arbitrators issued a subpoena, but Albertsons objected, forcing Health Options to file an action under §7 of the FAA to enforce the subpoena.¹⁷⁵ The district court dismissed for lack of subject-matter jurisdiction.¹⁷⁶

¹⁶⁸ *Id.* (quoting F.R.C.P. 23(b)(2)).

¹⁶⁹ *Id.* at *13-14. The resolution of both the §10(b), for example, would require an individualized determination of whether any of the defendants made misrepresentations, whether those misrepresentations were material, whether those class members relied on the misrepresentations, and whether any economic harm resulted. *Id.* at *13.

¹⁷⁰ *Id.* at *14.

¹⁷¹ 993 F.3d 720, 722 (9th Cir. 2021).

¹⁷² *Id.*

¹⁷³ *Id.* at 722-23.

¹⁷⁴ *Id.* at 722.

¹⁷⁵ *Id.*

¹⁷⁶ *Id.* at 720.

Because the FAA does not itself confer federal question jurisdiction, the parties must establish a basis for subject-matter jurisdiction.¹⁷⁷ Because it was undisputed that there was diversity of citizenship among the parties, the only issue was whether the \$75,000 amount-in-controversy requirement was satisfied.¹⁷⁸ Albertsons argued that its cost for complying with the subpoena was approximately \$1,400, which obviously falls far short of the \$75,000 threshold.¹⁷⁹ However, the Ninth Circuit agreed with the approach taken by the Second Circuit, which is to determine whether “the amount in controversy can be established by a ‘good faith’ allegation of the value of the subpoenaed information to the plaintiff in the underlying arbitration dispute.”¹⁸⁰ Health Options had alleged in the underlying arbitration that Albertsons made over \$1.7 million in billings under the network, and further provided an expert declaration that the subpoenaed information will likely document over \$75,000 in Health Options’ alleged damages.¹⁸¹ Given Health Options’ plausible and good faith allegations, the action met the \$75,000 jurisdictional requirement.¹⁸²

¹⁷⁷ *Id.* at 722.

¹⁷⁸ *Id.*

¹⁷⁹ *Id.* at 723.

¹⁸⁰ *Id.*

¹⁸¹ *Id.*

¹⁸² *Id.* at 724.

State Views on Regulation Best Interest and State Fiduciary Standards

PIABA Fall Conference 2021

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I. Background

On April 18, 2018, the SEC released three companion proposals to resolve federal conduct standards for broker-dealers and SEC investment advisers:

- Regulation Best Interest, 17 CFR Part 240, Release No. 34-83062;²
- Form CRS Relationship Summary; Amendments to Form ADV; Required Disclosures in Retail Communications and Restrictions on the use of Certain Names or Titles, 17 CFR Parts 240, 249, 275 and 279, Release No. 34-83063;³ and
- Proposed Commission Interpretation Regarding Standard of Conduct for Investment Advisers; Request for Comment on Enhancing Investment Adviser Regulation, Release No. IA-489.⁴

Per the April 18, 2018 releases, federal advisers would continue to be held to the fiduciary duty standard flowing from the Advisers Act (as updated and described more fully in Release No. IA-489), but broker-dealers and their associated persons would move from a suitability standard to a new “best interest” standard (as described more fully in Release No. 34-83062). To help investors better understand the differences between the broker-dealer and investment adviser service models, the SEC proposed a new disclosure form known as a customer relationship summary (“Form CRS” for short).

II. The New Broker-Dealer Conduct Standard – Regulation Best Interest

On June 5, 2019, the SEC finalized Regulation Best Interest (Release No. 34-86031) as the new standard of care governing the conduct of broker-dealers and their associated persons when providing recommendations to retail investors.⁵ The rule has five components:

¹ Andrea Seidt is the Securities Commissioner for the State of Ohio, Department of Commerce, and Chair of the Regulation Best Interest Implementation Committee for the North American Securities Administrators Association (“NASAA”). The views presented herein are those of the author and should not be cited or construed as representing the views of the State of Ohio, the Ohio Department of Commerce, or NASAA. This article should not be reproduced without the advance, written consent of the author.

² Regulation Best Interest (Proposed), SEC Release No. 34-83062 (Apr. 18, 2018), <https://www.sec.gov/rules/proposed/2018/34-83062.pdf>.

³ Form CRS Relationship Summary (Proposed), Release No. 34083063 (Apr. 18, 2018), <https://www.sec.gov/rules/proposed/2018/34-83063.pdf>.

⁴ Proposed Commission Interpretation Regarding Standard of Conduct for Investment Advisers, Release No. IA-489 (Apr. 18, 2018), <https://www.sec.gov/rules/proposed/2018/ia-4889.pdf>.

⁵ Regulation Best Interest: The Broker-Dealer Standard of Conduct, 84 Fed. Reg. 33,318 (July 12, 2019) (codified at 17 C.F.R. § 240.151-1 (2020)); Regulation Best Interest (Final), Release No. 34-86031 (June 4, 2019), <https://www.sec.gov/rules/final/2019/34-86031.pdf>.

- (1) *Disclosure Obligation* – firms need to make full and fair written disclosure of material facts relating to the scope and terms of the relationship, including costs and material conflicts of interest, prior to or at time of transaction;
- (2) *Care Obligation* – firms and associated persons must exercise reasonable diligence, care, and skill in recommending products or strategies that satisfy reasonable basis/customer-specific/quantitative best interest test based on the potential risks, rewards, and costs of the recommended product or strategy and are prohibited from placing their interests ahead of their customers;
- (3) *Conflict of Interest Obligation* – firms must have policies and procedures that require firms to disclose all conflicts, mitigate incentive conflicts; and prevent material limitations from placing broker interests ahead of client interest;
- (4) *Compliance Obligation* – firms must have policies and procedures reasonably designed to achieve compliance with rule as a whole; and
- (5) *Recordkeeping Obligation* – firms must keep account record information for 6 years after earlier of account closing or date on which info was collected.

For more details regarding the rule and SEC FAQs and guidance, see the SEC's Regulation Best Interest webpage, <https://www.sec.gov/regulation-best-interest>.

A. How is a broker's new "best interest" conduct standard different from the old "suitability" standard and an investment adviser's "fiduciary duty"?

A common question surrounding Regulation Best Interest is "How is this new standard any different than the broker's old suitability standard and different from an investment adviser's fiduciary standard of care?" Some people argue that there is no meaningful way to know how the standard is different because the SEC did not define the phrase "best interest" in the rule. SEC Commissioners Kara Stein and Robert Jackson both raised this issue as an objection in their dissenting votes against the rule.⁶ It is confusing because the phrase "best interest" is the core concept in the fiduciary standard of care, but the new rule follows the same reasonable basis/ customer-specific/ quantitative structure and logic as used in the suitability rule, FINRA Rule 2111.⁷

There are at least three discernable differences between the new best interest conduct standard and the old suitability and fiduciary standards. Those key differences occur in the context of: (1) client and relationship scope; (2) duties emanating from the standard of care; and (3) conflict management.

⁶ Statement of SEC Commissioner Kara Stein, *Proposals Relating to Regulation Best Interest, Form CRS, Restrictions on the Use of Certain Names or Titles, and Commission Interpretation Regarding the Standard of Conduct for Investment Advisers* (Apr. 18, 2018), <https://www.sec.gov/news/public-statement/stein-statement-open-meeting-041818>; Statement of SEC Commissioner Robert Jackson, *Final Rules Governing Investment Advice* (June 5, 2019), <https://www.sec.gov/news/public-statement/statement-jackson-060519-iabd>.

⁷ FINRA Rule 2111, *Suitability*, <https://www.finra.org/rules-guidance/rulebooks/finra-rules/2111>.

The first important difference between the standards is scope. The new best interest rule follows the same transactional approach as suitability and only applies to a recommendation.⁸ The fiduciary standard, by contrast, applies to the entire customer relationship.⁹ Thus, under best interest and suitability, a broker's duty of care will end when the recommended transaction is complete (upon execution), but under a fiduciary duty, an investment adviser's duty of care will continue and require ongoing monitoring of the investments as long as the investor remains a client. The best interest duty is also narrower in scope than the other two duties of care because the best interest standard applies only to retail customers. The suitability rule has some institutional application and the fiduciary duty applies to all customers.¹⁰

Another key difference between the standards is the duty of care.¹¹ Under the suitability standard, brokers may sell any product that is suitable, even if there are better options that would be cheaper, less risky, and more rewarding for their customers.¹² Like the fiduciary stand, the new best interest standard demands that recommendations be in the best interest of the customer based on the potential risks, rewards, and costs of the recommended product or strategy and prohibits the firm and its agents from placing their financial interests ahead of their customers. The affirmative emphasis on cost and product due diligence within the rule is an important feature of the best interest standard and one that will likely play a central role in future customer arbitrations and regulatory enforcement actions.

A third difference between the standards is how each approaches conflicts of interest, particularly conflicts arising from financial incentives.¹³ On one end of the spectrum is FINRA's suitability rule, which is technically silent when it comes to conflicts of interest. FINRA has produced "best practices" guidance demonstrating the benefits of conflict management to its member firms and how a failure to adequately manage conflicts may violate general anti-fraud rules, but these discussions typically occur outside a suitability analysis.¹⁴ On the other end of the spectrum is the fiduciary duty, which includes an affirmative duty of loyalty that generally prohibits firms from putting their interests in conflict with those of their clients. In one of its very first no-action letters interpreting an adviser's duty of care under the Adviser's Act, the SEC described that duty as follows:

Since loyalty to his trust is the first duty which a fiduciary owes to his principal, it is the general rule that a fiduciary must not put himself into a position where his own interests may come in conflict with those of his principal. To prevent any conflict and the possible subordination of this duty

⁸ Regulation Best Interest (Final), Release No. 34-86031 at 78-80.

⁹ *Id.* at 60.

¹⁰ *Id.* at 111.

¹¹ *Id.* at 245-302.

¹² *Id.* at 249-50.

¹³ *Id.* at 302-57.

¹⁴ FINRA *Report on Conflicts of Interest* (Oct. 2013), <https://www.finra.org/sites/default/files/Industry/p359971.pdf>.

to act solely for the benefit of his principal, a fiduciary at common law is forbidden to deal as an adverse party with his principal.¹⁵

The best interest standard lands somewhere in the middle between the suitability and fiduciary standards, where conflict avoidance is encouraged, but it is not necessarily the default starting point for broker-dealers and most certainly is not mandated. Firms can satisfy the rule with policies and procedures that reasonably manage the conflicts through disclosure and mitigation.¹⁶ Moreover, under the best interest rule, a customer will be “deemed” to have consented to a conflict by simply proceeding with a transaction recommended by a broker; whereas, an investment adviser’s fiduciary duty requires they first obtain their customer’s written informed consent.¹⁷

B. How should broker-dealers reform their policies, procedures, and practices to comply with the Regulation Best Interest?

At the proposal stage, commenters asked the SEC to opine on specific scenarios and pleaded for clear guidance on the types of reforms broker-dealers would need to make in order to successfully transition from suitability to the best interest standard. They asked for practical, real-life examples of broker-dealer policies, procedures, or practices that would have satisfied the old suitability standard, but would not pass muster under Regulation Best Interest. In the adopting release, the SEC’s response was “compliance with each of the component obligations of Regulation Best Interest will be principles-based” and “turn on an objective assessment of the facts and circumstances of whether the specific components of Regulation Best Interest are satisfied at the time that the recommendation is made.”¹⁸ The SEC did highlight areas where its scrutiny will be heightened, however, giving firms helpful hints as to where they could initiate self-reviews and provided firms with a dedicated email portal through which they could ask more specific questions.¹⁹

In the adopting release, the SEC advised that it would be looking closely at firm policy and practices involving complex product recommendations,²⁰ how firms assess costs and reasonably available alternatives,²¹ and how sales-based fees and other financial incentives impact the recommendations firms make to retail investors.²² These are some

¹⁵ *In re Arleen Hughes*, Exchange Act Release No. 4048, 27 SEC 629, 1948 WL 29537, *11-12 (Feb. 18, 1948).

¹⁶ Regulation Best Interest (Final), Release No. 34-86031 at 303.

¹⁷ *Id.* at 214-15.

¹⁸ *Id.* at 14 n. 16.

¹⁹ Firms can send email inquiries regarding interpretive issues involving Regulation Best Interest directly to staff at: IABDQuestions@sec.gov.

²⁰ Regulation Best Interest (Final), Release No. 34-86031 at 263-64, 284.

²¹ *Id.* at 39, 253-54, 268.

²² *Id.* at 321-56.

of the same areas that the SEC has prioritized in their 2021 examinations geared toward compliance with the new rule.²³

III. Findings from NASAA's Regulation Best Interest Phase I Report

States have a strong interest in Regulation Best Interest reforms as states share regulatory oversight of broker-dealer firms with the SEC. To get a better handle on where broker-dealer reforms may go and to collect data for their own policy initiatives, states decided they would take an industry snapshot of what firms were doing in 2018 before Regulation Best Interest (Phase I), and then take another industry snapshot a year after the compliance deadline (Phase II) to see what has and has not changed under the rule.²⁴

The state exam data will be valuable for firms (and regulators) in at least two ways. First, the Phase I data, as explained below, has identified differences between FINRA firms operating under the suitability standard and investment advisers operating as fiduciaries. If the new best interest standard is intended to elevate the suitability standard to make it no less stringent than the fiduciary duty standard, broker-dealers can learn from reported discrepancies to help them bridge any gaps. Second, the Phase II data will identify the specific reforms that were made by FINRA firms during the first year of implementation to catalog best practices and identify any areas of regulatory concern.

In February of 2020, thirty-four states launched Phase I of NASAA's national exam initiative, focusing on firm policies, procedures, and practices as they existed in 2018. The states collected responses from more than 2,000 broker-dealer and investment adviser firms, representing more than 360,000 investment professionals and 68 million retail accounts. The Phase II portion of the exam initiative began on July 1, 2021, basically the anniversary date of the compliance deadline for Reg BI, and is tentatively scheduled to conclude by June 30, 2022.

The biggest takeaway from the Phase I exam initiative was that there were key differences between FINRA firms (standalone or dual registrants) operating under a suitability standard and investment advisers (non-FINRA firms) operating exclusively as fiduciaries. Investment advisers took more conservative investment approaches and generally steered clear of costly, complex, risky products. Investment advisers also engaged in less self-dealing and had more robust due diligence, disclosure, and conflict management practices. Under Reg BI, state regulators will be looking for broker-dealers to shore up weaknesses in these policies, procedures, and practices. Below are more specific report findings in each of these areas.

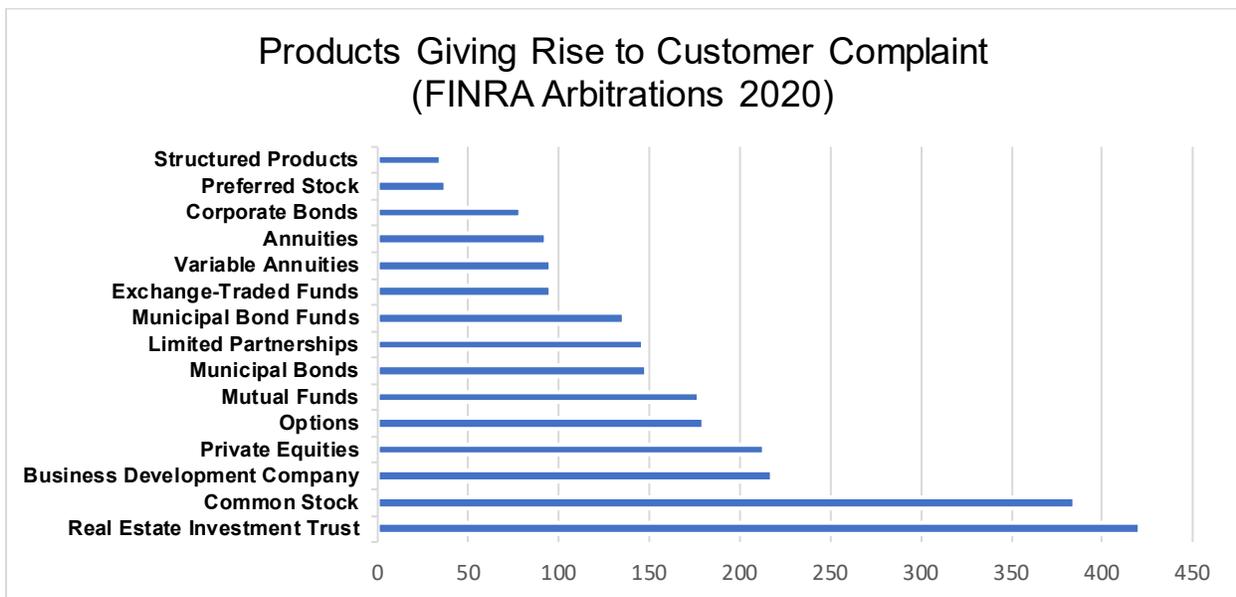
²³ SEC 2021 Report on Examination Priorities (Mar. 3, 2021), <https://www.sec.gov/files/2021-exam-priorities.pdf>.

²⁴ NASAA Regulation Best Interest Implementation Committee: National Examination Initiative: Phase I Report (September 2020), <https://www.nasaa.org/wp-content/uploads/2020/09/Reg-BI-Phase-1-Report.pdf>.

A. Product Offerings

In Phase I, the states focused on four different product types, each of which is an alternative or non-conventional product that regulators deem complex, costly, and risky when compared to traditional investment products: leveraged and inverse exchange-traded funds (“non-traditional ETFs”), private placements, variable annuities, and non-traded real estate funds (“non-traded REITs”). While most (two-thirds) of the firms examined did not make any of these products available to any of their customers, when those products were sold, FINRA firms were usually the ones doing it. Twice the number of FINRA firms than investment advisers recommended non-traditional ETFs. FINRA firms outpaced investment advisers by seven-fold in private placements, eight-fold in variable annuities, and nine-fold in non-traded REITs.

These four product types frequently appear on FINRA’s running report of the *Top 15 Security Types in Customer Arbitrations*.²⁵ The report looks back for a period of five years. In 2020, REITs landed the top spot with a total of 421 cases. BDCs, a similarly structured product, were not far behind with 218 cases. This is quite a remarkable statistic because REITs and BDCs, combined, represent a very small percentage of the products available in our markets. Variable annuities and exchange-traded funds were each involved in 95 separate customer complaints while private securities generated 213 customer complaints involving private equities and 146 customer complaints involving limited partnerships.



One of the reasons that REITs and BDCs might have risen to the top of the list in 2020 could be due to one of the features unique to these products, which allows product

²⁵ FINRA Dispute Resolution Statistics, <https://www.finra.org/arbitration-mediation/dispute-resolution-statistics#top15securitycustomers> (accessed Aug. 4, 2021).

sponsors to suspend redemptions at will.²⁶ Indeed, as the real estate markets tumbled during the pandemic, some REITs and BDCs exercised this feature and halted investor redemptions.²⁷ This meant investors could not cash out their shares.²⁸ This created great stress for smaller investors as they needed to unlock the cash in their holdings to personally navigate job loss and other unanticipated economic challenges occasioned by COVID-19.

B. Due Diligence

One of the most important “know your customer” (KYC) tools that firms have is the investor profile questionnaire. The form should document all of an investor’s unique needs and objectives to help firms narrow the field in determining which products are appropriate or, under the new standard, in the investor’s best interests. There were not significant differences between FINRA firms and investment advisers on these forms in 2018; there was rather a lot of inconsistency throughout. Only 20% of the firms examined documented client education level and less than half documented investor debt. States encouraged all firms to improve policies and procedures in this area.

With respect to product due diligence, few firms had product-specific or age-specific policies and procedures to make sure costly/ complex/ risky products were only sold to investors with the financial capacity, risk tolerance, and sophistication to buy them. Even fewer firms had tools like cost-comparison tools, for example, to assist their agents in comparing investment opportunities. With respect to IRA rollovers, only 30% of firms had any policies and procedures to guide agents on these transactions.

C. Fee Disclosure

Most firms relied on the prospectus and account statements to disclose fees to investors rather than make more meaningful disclosures on these costs at the point-of-sale. Less than half of the firms provided individualized fee disclosure. Moreover, firms were not inclined to inform investors about lower-cost, suitable options available to them, even

²⁶ *Retirees, Don't Get Stranded Hunting Returns*, *supra* note 11 (“Liquidity has also improved, but it’s still limited. Traditionally, redeeming non-traded REIT shares before the REIT listed on an exchange or liquidated assets could be difficult and expensive. Now, many non-traded REITs offer to repurchase shares monthly or quarterly at net asset value. These repurchase offers are generally capped at 20% of shares outstanding annually. To meet regular redemptions, these REITs tend to keep a chunk of their assets in cash and other lower-yielding, more-liquid holdings - which can put a drag on returns. Listed REITs, by contrast, can be traded on an exchange at any time and don’t need this liquidity buffer.”).

²⁷ See, e.g., Kirsten Grind and Jean Eaglesham, *A \$2.5 Billion Business-Development-Corporation Fund Hits Redemption Limit: Volatile markets have prompted rush of investors to exit nontraded business development companies*, Wall Street Journal (Apr. 10, 2020), <https://www.wsj.com/articles/a-2-5-billion-bdc-halts-redemptions-after-limit-reached-1460280602>; *Non-traded REITs Limit Withdrawals Amid Investor Rush To Retrieve Cash: Smaller Investors Feeling The Financial Pressures From The Pandemic Are Finding It Increasingly Difficult To Redeem Shares*, The Real Deal (Apr. 15, 2020), <https://therealdeal.com/2020/04/15/non-traded-reits-limit-withdrawals-amid-investor-rush-to-retrieve-cash/>.

²⁸ *A \$2.5 Billion Business-Development-Corporation Fund Hits Redemption Limit*, *supra* note 27 (“Investors had asked to cash in about 7.4 million shares, but the fund allowed only 41% of those redemptions, according to the filing dated March 11.”).

when those products were on the firm's very own platform. This is something that state regulators will expect firms to change in order to comply with Regulation Best Interest.

D. Compensation Practices

One of the things that securities regulators have been particularly wary of are abusive compensation practices involving sales contests. Pursuant to Regulation Best Interest, the SEC is requiring all firms to eliminate product-specific sales contests and has put firms on notice that all such contests will be scrutinized closely. The Phase I exam revealed that firms had already stopped using product-specific sales contests before Regulation Best Interest, but around 15% of the FINRA firms examined were still utilizing product-agnostic contests. Those sales contests were rare at an investment adviser, with only 1% reporting engaging in that practice in 2018.

A similar pattern of findings emerged with respect to third-party compensation. Around 18% of the FINRA firms examined accepted third-party compensation from a product manufacturer, compared to only 2% of investment advisers. Likewise, around 15% of FINRA firms examined accepted third-party compensation from another financial intermediary, compared to only 3% of investment advisers. As fiduciaries, investment advisers were far less likely to participate in these compensation practices than their FINRA counterparts operating under the suitability standard. As these compensation practices involve financial incentive conflicts, Regulation Best Interest will require FINRA firms to mitigate those conflicts post-implementation.

E. Conflict Management

Although most conflicts of interest are not expressly prohibited by Regulation Best Interest, the SEC does expect firms to manage them. Firms on both sides have a lot of work to do in this area based on the Phase I Report. Only about half of the firms had policies and procedures pertaining to conflicts and less than one-half used conflict registers to help them identify conflicts of interest. Once a conflict is identified, the firm must map out a plan to manage it. Less than one-third of the firms examined had conflict committees/officers to manage conflicts. This is another easy fix and states expect to see significant progress in this regard when they go back out in Phase II.

F. Titles and Services

The last item reported in the Phase I Report were findings on titles and services. Around 40% of the FINRA firms examined allowed their agents to use the "adviser" title while acting specifically in a broker-dealer capacity. That was not surprising; the odd thing was that 26% of the investment advisers also allowed that practice. Many firms also allowed titles like "wealth manager" and "financial consultant." Under Regulation Best Interest, the SEC will be cracking down on any misleading titles, so the states urged all firms to tidy up their practices before post-implementation exams.

IV. State Fiduciary Laws and Regulations

Broker-dealers have been anxious to see how NASAA and individual state securities regulators will respond to the new broker-dealer conduct standard in terms of their own state policy making as well as examination and enforcement approaches to implementation. NASAA has waded slowly and carefully on the policy front. NASAA was actively engaged during the SEC's rulemaking process and expressed both support for and concerns about various aspects of the SEC rule, but has yet to propose a state model rule for member consideration.²⁹

NASAA continues to survey its state members on their views regarding a potential model rule and is undertaking comprehensive data collection efforts on the exam side to inform policy decisions in that regard. NASAA is also looking very closely at what its member states are doing on the best interest and fiduciary fronts to see how things are working there.

There are currently three states that have pursued a fiduciary framework for broker-dealers as an alternative to the SEC's best interest conduct standard. Those states are Nevada, New Jersey, and Massachusetts. Nevada was the first state to introduce a proposal, based on a 2017 statutory directive by their state legislature to impose a fiduciary standard on their brokers. The Massachusetts and New Jersey rules came later in 2019, after Regulation Best Interest was proposed but before it was adopted. Both of these states base their rules on existing state anti-fraud authority that treat breaches as dishonest and unethical business practices.³⁰ Specifics regarding these state rules are discussed below.

A. Massachusetts

The only state that has finalized and adopted a fiduciary rule so far is the Commonwealth of Massachusetts.³¹ Massachusetts proposed their rule in June of 2019, finalized it in February of 2020, and started enforcing it on September 1, 2020. Massachusetts

²⁹ See NASAA letters in SEC Regulation Best Interest comment files: NASAA letter dated Aug. 7, 2018, <https://www.sec.gov/comments/s7-07-18/s70718-4184398-172577.pdf>; NASAA letter dated Aug. 23, 2018, <https://www.sec.gov/comments/s7-07-18/s70718-4259557-173080.pdf>; NASAA letter dated Feb. 19, 2019, <https://www.sec.gov/comments/s7-07-18/s70718-4947456-178566.pdf>;

NASAA letter dated Apr. 25, 2019, <https://www.sec.gov/comments/s7-07-18/s70718-5416320-184548.pdf>.

³⁰ To avoid the preemptive sweep of the National Securities Markets Improvements Act ("NSMIA"), the rules in all three states expressly provide that they impose no capital, custody, margin, record keeping, bonding, or financial or operation reporting requirements that differ from, or are in addition to, the requirements established under federal broker-dealer rules.

³¹ Massachusetts Amendments to Standard of Conduct Applicable to Broker-Dealers and Agents – 950 MASS. CODE REGS. 12.200, Adopting Release (Feb. 21, 2020), <https://www.sec.state.ma.us/sct/sctfiduciaryconductstandard/Adopting-Release.pdf>; Massachusetts Fiduciary Conduct Standard for Broker-Dealers and Agents Frequently Asked Questions & Answers (May 1, 2020), <https://www.sec.state.ma.us/sct/sctfiduciaryconductstandard/fiduciaryrule-faq.htm>.

Secretary of State William Galvin stated that Massachusetts adopted the rule because Regulation Best Interest, in his view, did not go far enough to protect retail investors.

Most would agree that the Massachusetts' rule does goes farther in more explicitly protecting investors than Regulation Best Interest. More specifically:

- Massachusetts imposes an ongoing duty of loyalty on brokers who engage in the core advisory service of discretionary management or provide ongoing advice and/or account monitoring; Regulation Best Interest does not. The SEC states that those type of activities *might* push a broker over the line and require investment adviser registration, to which the ongoing fiduciary duty would apply.
- Massachusetts has more stringent conflict management requirements. Brokers must use reasonable care, skill, prudence and diligence that a prudent person would use; the SEC originally proposed but dropped the prudence component from its rule. Whereas Regulation Best Interest is a little murky in how conflicts are to be mitigated under its rule, Massachusetts is clear that conflict avoidance is the default starting point for their brokers. Firms must use “all reasonably practicable efforts” to avoid conflicts. It is only when a conflict is unavoidable that a firm can resort to disclosure and mitigation. Moreover, Massachusetts explicitly states in the text of its rule that conflicts cannot be mitigated through disclosure alone; that warning appears only in the SEC’s interpretive guidance for Regulation Best Interest, not in the rule itself.
- Massachusetts takes a hard line on fees, financial incentives, and sales contests, adopting the presumption that abusive practices constitute a breach of the broker’s duty of loyalty. Firms need to demonstrate that they are recommending the “best of the reasonably available remuneration options,” while the SEC more vaguely states that “cost is but one factor” and firms may not have to choose the lowest cost option. Likewise, Massachusetts takes broad aim by eliminating all sales contests, whereas the SEC’s rule only prohibits product-specific sales contests.

Notwithstanding these differences, Massachusetts is not wholly different from Regulation Best Interest. Broker-dealers will be looking at fundamentally the same things as part of their due diligence inquiry. Like Best Interest, the Massachusetts rule is focused on recommendations to retail customers and ends after the recommendation is executed, unless there is some contractual agreement to provide ongoing monitoring or discretion. Finally, like the SEC, Massachusetts warns broker-dealers that they may not modify the scope of their fiduciary duty or evade their duties via contract.

B. New Jersey

New Jersey’s fiduciary rule was proposed in April of 2019.³² The obligations proposed in New Jersey’s rules are very similar to those required by Massachusetts as described

³² New Jersey Rule Proposal, *Fiduciary Duty of Broker-Dealers, Agents, Investment Advisers, and Investment Adviser Representatives*, 51 N.J.R. 493(a), vol. 51, issue 8 (Apr. 15, 2019), <https://www.njconsumeraffairs.gov/Proposals/Pages/bos-04152019-proposal.aspx>.

above. Unlike Massachusetts and Regulation Best Interest, however, New Jersey opted to follow an Option A approach, which seeks to harmonize its broker-dealer and investment adviser rules into one uniform conduct standard. New Jersey referenced the SEC's Section 913 findings as support in its proposing release. Like Massachusetts Secretary Galvin, former New Jersey Attorney General Gurbir Grewal (who now serves as the SEC's Director of Enforcement) concluded that Regulation Best Interest did not do enough to protect retail investors.

New Jersey's rule (if adopted) would impose an "prudent person" duty of care on brokers and make it an ongoing duty whenever there is discretion, ongoing advice, or account monitoring. New Jersey would also require brokers to recommend the "best of reasonably available fee options," rejecting the notion that disclosure is sufficient to resolve conflicts of interest. Unlike Massachusetts, however, New Jersey does not explicitly emphasize conflict avoidance as the default form of management in its release. That does not necessarily mean that New Jersey does not interpret its proposed rule in that manner, it is simply not made explicit in the rule or adopting release.

C. Nevada

Nevada, as noted above, was actually the first state to propose a fiduciary rule for broker-dealers. That rule was mandated by a bill (Nevada Senate Bill 383) passed by their state legislature imposing the fiduciary duty standard on investment professionals in 2017.³³ The Nevada Securities Division released for public comment a draft rule back in January of 2019 to implement this legislative change, but Nevada has yet to finalize its rule. If adopted, Nevada's rule would be potentially much broader in scope than Regulation Best Interest and the other state rules and would impose an on-going duty of care on brokers whenever they are providing investment advice or hold themselves out as an investment adviser through use of certain titles.

Execution-only brokers who do not offer investment advice or use advisory titles are exempted from Nevada's fiduciary duty and subjected instead to an episodic, best interest standard of care. Brokers bear the burden of proving they are entitled to the exemption. To avoid investor confusion, dual-hatted brokers are always held to the higher fiduciary standard. Another limitation in the Nevada proposal is that brokers cannot receive third-party revenue streams unless the activity is subject to broker-dealer regulations and the compensation is reasonable and in line with the customer's best interest. Commissions can be paid only where transactional based compensation is in the client's best interest. That would seem to be the case for the "buy and hold" investor that the SEC discussed at length in Regulation Best Interest and its companion release on Form CRS.

³³ Chapter 628A of the Nevada Revised Statutes on Broker-Dealers and Investment Advisers, S.B 383 (Jul. 1, 2017), https://www.leg.state.nv.us/Session/79th2017/Bills/SB/SB383_EN.pdf; Nevada Proposed Rule, Draft Amendments to NRS 90.575, NRS 628A.010, and NRS 628A.020, as modified by SB 383 (Jan. 25, 2019), <https://www.nvsos.gov/sos/home/showdocument?id=6156>.

Under the Nevada statute, firms must disclose any “gains” resulting from a transaction at the time advice is given. “Gains” include: Percentage of assets fee, Sales commissions, Mark ups and mark downs, Market maker commissions, Transaction volume discounts, Management fees, Trailed or deferred fees or commissions, Front and back end loads, Service fees, and Payment for order flow. Nevada’s rule would create a new private right of action for breach.

V. Conclusion

Regulation Best Interest implementation finds itself in the midst of a rather important SEC administration change. Former SEC Chair Jay Clayton, who ushered the rule through, departed his post on December 20, 2020 before any real industry reforms could take shape. President Joe Biden’s nominee, Gary Gensler, was confirmed as SEC Chair on April 14. Gensler is “expected to put teeth in Reg BI — not overturn it.”³⁴ NASAA and the states will be working with new SEC leadership on implementing the new conduct standard and continue their partnership to make sure retail investor interests are well served. NASAA is expected to formulate a model state conduct standard rule for consideration by its members by the end of 2021, which will be heavily influenced by findings made in the states’ Phase II examination efforts later this year.

³⁴ Mark Schoeff, Gensler Expected To Put Teeth in Reg BI – Not Overturn It, *Investment News* (Jan. 19, 2021), <https://www.investmentnews.com/gensler-expected-to-put-teeth-in-reg-bi-not-overturn-it-201499/>.

THE OBLIGATIONS AND REGULATORY CHALLENGES OF ONLINE BROKER-DEALERS AND TRADING PLATFORMS

Christine Lazaro¹ and Teresa J. Verges²

Investing has been evolving for decades. On “Mayday” in 1975, the SEC abolished fixed commissions, changing the face of the brokerage industry.³ A few months later, Charles Schwab opened its first offices, and discount brokerages were born.⁴ By the mid-1980s, there were over 600 discount brokers operating.⁵ By 1990, discount brokerage firms captured just under than 10% of the market, although Charles Schwab captured 40% of the discount brokerage market.⁶ Throughout the 1990s, new firms entered the market, including E*Trade and AmeriTrade.⁷ Online trading became more prevalent; by 1999 25% of all trades occurred online.⁸ The term “day trader” entered our vocabulary.⁹ Commissions declined, until they reached zero.¹⁰

Investors now have more choices than ever when deciding how and with whom to invest. In addition to the large full service brokerage firms, there are independent broker-dealers, discount brokers, and online platforms and apps. Across the models, the level of service varies, as does

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³ See Jason Zweig, *Lessons of May Day 1975 Ring True Today: The Intelligent Investor*, WALL ST. J. (Apr. 30, 2015), <https://www.wsj.com/articles/lessons-of-may-day-1975-ring-true-today-the-intelligent-investor-1430450405>.

⁴ See *id.*

⁵ See Stephen Mihm, *The Death of Brokerage Fees Was 50 Years in the Making*, BLOOMBERG OPINION (Jan. 3, 2020), <https://www.bloombergquint.com/view/how-nyse-went-from-quasi-cartel-to-zero-fee-stock-trading>.

⁶ See Richard D. Hylton, *All About: Discount Brokers; Now Fewer Firms Are Chasing Small Investors* *Discount Brokers*, N.Y. TIMES (June 17, 1990), <https://www.nytimes.com/1990/06/17/business/all-about-discount-brokers-now-fewer-firms-are-chasing-small-investors-discount.html>.

⁷ See Bob Pisani, *Man Vs. Machine: How Stock Trading Got So Complex*, CNBC (Sept. 13, 2010), <https://www.cnbc.com/2010/09/13/man-vs-machine-how-stock-trading-got-so-complex.html>.

⁸ See Arthur Levitt, Chair, Sec. Exch. Comm’n, Remarks to the National Press Club, Plain Talk About On-Line Investing (May 4, 1999), http://3197d6d14b5f19f2f440-5e13d29c4c016cf96cbbfd197c579b45.r81.cf1.rackcdn.com/collection/papers/1990/1999_0429_LevittDraftT.pdf.

⁹ See Pisani, *supra* note 7.

¹⁰ See Mihm, *supra* note 5.

the minimum amount needed to open an account and the ease with which an account can be opened.

Both new and experienced investors responded to these new trading models and reduced barriers to entry. 2020 witnessed a surge in new retail brokerage accounts opened on online platforms.¹¹ One research analyst at JPM Securities estimates that more than 10 million new online brokerage accounts were opened in 2020.¹² According to a joint study conducted by the FINRA Investor Education Foundation and NORC at the University of Chicago, 66% of survey respondents who opened a new account in 2020 were new investors, who had not previously owned a taxable investment account.¹³ The FINRA/NORC Study found that the new investors were younger, had lower incomes, and were more racially diverse, compared to the other groups measured, specifically experienced investors that also opened online brokerage accounts in 2020, or “holdover” account owners who owned a brokerage account but did not open a new account in 2020.¹⁴ The FINRA/NORC Study attributed the surge in new retail investors to the reduction in barriers to entry for retail investing, including no-minimum and low-minimum accounts and low or zero trading commissions.¹⁵

In addition to lowering the barriers to the markets, the online platforms have changed how investors interface with the firm and the markets. They offer a number of different design features, commonly described as “gamification.” These may include games when you open your account; animations, including confetti when a milestone is reached; social networking tools; prizes or rewards for activity streaks; points, badges, and leaderboards; lists of popular stocks; free stocks for referring additional customers; and push notifications.¹⁶

¹¹ See FINRA INVESTOR EDUCATION FOUNDATION AND NORC REPORT, INVESTING 2020: NEW ACCOUNTS AND THE PEOPLE WHO OPENED THEM, at 1 (Feb. 2021) (hereinafter, “FINRA/NORC Study”), https://www.finrafoundation.org/sites/finrafoundation/files/investing-2020-new-accounts-and-the-people-who-opened-them_1_0.pdf.

¹² See Susan Tompor, *Why New Investors Bought Stock During the COVID-19 Pandemic*, DETROIT FREE PRESS (Feb. 5, 2021), <https://www.freep.com/story/money/personal-finance/susan-tompor/2021/02/05/how-invest-stock-market/4360276001/>.

¹³ See FINRA/NORC Study, *supra* note 11 at 2.

¹⁴ See *id.*

¹⁵ See *id.* at 7-8. Another reason for the surge of new investors was the market volatility related to COVID-19 pandemic, prompting new investors to take advantage of market dips. See *id.* at 1, 8. COVID-19 relief stimulus checks also contributed to the spike in online brokerage accounts opened by younger, new investors. See Jessica Menton, *Stimulus Check: Young Investors Use \$1,400 COVID-19 Relief Payments to Join Stock Market Boom*, USA TODAY (Mar. 17, 2021), <https://www.usatoday.com/story/money/2021/03/17/stimulus-check-young-investors-covid-relief-payments-stock-market/4693988001/>.

¹⁶ See Robert W. Cook, President and Chief Executive Officer, FINRA, Statement Before the Financial Services Committee U.S. House of Representatives (May 6, 2021), <https://www.finra.org/media-center/speeches-testimony/statement-financial-services-committee-us-house-representatives>; see also Annie Massa and Tracy Alloway, *Robinhood’s Role in the ‘Gamification’ of Investing*, BLOOMBERG WEALTH (Dec. 19, 2020), <https://www.bloomberg.com/news/articles/2020-12-19/robinhood-s-role-in-the-gamification-of-investing-quicktake>; Robinhood Financial, LLC, Docket No. E-2020-0047 (Mass. Off. of the Sec’y of the Commonwealth Sec. Div. Dec. 16, 2020),

However, regulators are concerned that many new investors, prompted by gamification, have engaged in high-risk trading strategies without an appreciation of the risks. Noting the surge in online trading, including options trading, in its 2021 exam report FINRA identified emerging “digital communications risks” associated with digital platforms and mobile apps that have interactive and “game-like” features, that could mislead investors about the risks of certain trading, such as options trading.¹⁷ FINRA also recently announced that it will seek public comment on gamification practices utilized by these platforms, with a view towards potential new rulemaking.¹⁸ The SEC’s Chairman Gensler also expressed concern about the “gamification” of trading apps with features that “encourage investors to trade more,” and indicated that these new models may require new rules.¹⁹

The concerns raised today about online trading echo concerns raised by then-SEC Chairman Arthur Levitt in 1999.²⁰ Chairman Levitt recognized that a firm’s obligations do not change even though their platforms have changed:

The laws regulating our markets are a product of the New Deal era. To me, their concepts are as immutable as the Constitution. They have weathered challenge after challenge, decade after decade, and are every bit as relevant and effective today as they were the day they were written. Companies offering their shares -- whether off a website or through a prospectus -- still have to disclose what they are selling and why. Brokers -- whether traditional or on-line -- still have the same obligations to their customers. And fraud -- whether perpetrated over the Internet, on the phone, or in-person -- is still fraud.²¹

Chairman Levitt raised concerns about the influx of new and inexperienced investors trading inconsistently with their goals and risk tolerances.²² He recognized that as firms grow, their ability to provide effective customer service must keep pace.²³ He emphasized that firms have an obligation of best execution, regardless of how the trade has been placed.²⁴ He also raised

<https://www.sec.state.ma.us/sct/current/sctrobinhood/MSD-Robinhood-Financial-LLC-Complaint-E-2020-0047.pdf>.

¹⁷ See FINRA, 2021 REPORT ON FINRA’S EXAMINATION AND RISK MONITORING PROGRAM, at 22 (Feb. 2021) (hereinafter “2021 FINRA Report”), <https://www.finra.org/rules-guidance/guidance/reports/2021-finra-examination-and-risk-monitoring-program>.

¹⁸ See Sarah E. Aberg, Shane J. Killeen, *Game On: FINRA Hints at Upcoming Gamification Sweep*, The National Law Review (June 1, 2021), <https://www.natlawreview.com/article/game-finra-hints-upcoming-gamification-sweep>.

¹⁹ Gary Gensler, Chair, Sec. Exch. Comm’n, Statement Before the House Committee on Financial Services, at 2 (May 6, 2021), <https://financialservices.house.gov/uploadedfiles/hhrg-117-ba00-wstate-genslerg-20210506.pdf>.

²⁰ See Levitt, *supra* note 8.

²¹ *Id.*

²² See *id.*

²³ See *id.*

²⁴ See *id.*

concerns about the clarity of communications, and the accuracy of advertising.²⁵ These same concerns are echoed today by FINRA, the SEC, and the state regulators.

Regulators may ultimately promulgate new rules to address unique features of these platforms or amend existing rules to address new technology and communication practices. However, as noted by Chairman Levitt, brokerage firms offering self-directed trading services through digital platforms are still subject to existing rules and standards applicable all broker-dealers. This article reviews these primary regulatory obligations.

I. Duties of Broker-Dealers Operating Online Platforms and Trading Apps to Retail Customers

Digital trading platforms and mobile apps provide investors with the ability to open a brokerage account (often within minutes), and purchase and trade securities from the comfort of their homes. The platforms provide investors with the ability to trade securities for their own accounts, without the guidance or investment recommendations of an individual broker or investment adviser representative. While online broker-dealer platforms may look different from traditional broker-dealers, however, these firms still have the same basic obligations to their customers.

As described below, all brokerage firms have ongoing obligations in connection with approving, opening, and maintaining customer accounts, conducting appropriate due diligence in connection with certain trading approvals, and complying with “know your customer” and anti-money laundering regulations. Firms are also prohibited from making false or misleading statements to investors, and subject to rules governing communications to retail investors, some of which may be deemed an “investment recommendation” and therefore, subject to the SEC’s Regulation Best Interest or FINRA’s suitability rule. All firms are also required to implement written policies and procedures to safeguard confidential customer information, funds and assets. The very technology used by digital trading platforms requires these firms to adopt strong cybersecurity protections for their customers.

A. Opening Customer Accounts, Due Diligence and Suitability Assessments

(i) *Opening and Maintenance of Accounts and Customer Identification Program*

Regardless of its business model, FINRA rules require all firms to obtain, maintain and regularly update specific customer information in connection with the opening and maintenance of a customer account.

FINRA Rule 2090 requires firms to “use reasonable diligence, in regard to the opening and maintenance of every account, to know (and retain) the essential facts concerning every customer and concerning the authority of each person acting on behalf of such customer.”²⁶ The “essential facts” necessary to comply with the know your customer obligation are those required to: “(a)

²⁵ See *id.*

²⁶ FINRA Rule 2090, Know Your Customer. Rule 2090 is modeled after former NYSE Rule 405(1); Rule 2090 and Rule 2111 became effective on October 7, 2011. FINRA REGUL. NOTICE 11-02, SEC APPROVES CONSOLIDATED FINRA RULES GOVERNING KNOW-YOUR-CUSTOMER AND SUITABILITY OBLIGATIONS (Oct. 7, 2011), <https://www.finra.org/rules-guidance/notices/11-02>.

effectively service the customer's account (b) act in accordance with any special handling instructions for the account, (c) understand the authority of each person acting on behalf of the customer, and (d) comply with applicable laws, regulations, and rules."²⁷

The "know your customer" obligation arises at the beginning of the firm's relationship with the customer and extends throughout that relationship.²⁸ This makes sense, as customers' profiles, financial status, investment objectives, risk tolerance and other essential information can and will change over time. Moreover, the know your customer obligation does not depend on whether the broker or the firm has made a recommendation.

At least some (but certainly not all) of the essential facts necessary to comply with the know your customer rule are captured through the firm's compliance with FINRA Rule 4512, which sets forth the minimum information firms must obtain, maintain and update for every customer account.²⁹ For retail investor customer accounts, the firm must obtain the customer's name, residential address, tax identification or social security number, the customer's occupation and name of employer, determine whether the customer is of legal age to open a brokerage account, and if the customer is a corporation, partnership or other legal entity, obtain the names of any persons authorized to trade in the account.³⁰ The firm should also identify for each account the associated person(s), if any, responsible for the account and the scope of each associated person's responsibility,³¹ and the name of a "trusted contact" (unless the customer refused to provide one).³²

²⁷ FINRA Rule 2090.01, Essential Facts.

²⁸ See FINRA, REGUL. NOTICE 11-02, *supra* note 26; see also *Obligations to Your Customers*, FINRA (explaining that the first step in serving the customer is to "know your customer" and ensure that the facts obtained are accurate and updated), <https://www.finra.org/registration-exams-ce/manage-your-career/obligations-your-customers>. Firms typically comply with the maintenance requirement by sending periodic letters or notices to customers (either annually or upon a change in the account) reflecting the information it has for the customer and shifting the burden on the customer to contact the firm if any information is correct.

²⁹ See FINRA Rule 4512, Customer Account Information.

³⁰ See FINRA Rule 4512(a). In 2001, the SEC amended its books and records regulations to add, among other things, a new customer account record rule requiring firms to obtain similar information, but expanded the required information to include investment objectives, annual income and net worth (excluding value of primary home). 17 C.F.R. § 240.17a-3(a)(17) (2021) (eff. May 2, 2003). The SEC adopted the new customer account rule in order to provide SRO and state regulators access to the types of records they would need to determine the firm's compliance with the suitability rule. SEC. EXCH. COMM'N, REL. NO. 34-44992, BOOKS AND RECORDS REQUIREMENTS FOR BROKER AND DEALERS UNDER THE SECURITIES EXCHANGE ACT OF 1934 (Nov. 2, 2001), <https://www.sec.gov/rules/final/34-44992.htm>. However, the SEC exempted brokers and dealers who are not required to comply with the suitability rule. 17 C.F.R. § 240.17a-3(a)(17)(i)(D) (2021) ("this section will not be applicable to an account for which, within the last 36 months, the member, broker or dealer has not been required to make a suitability determination under the federal securities laws or under the requirements of a self-regulatory organization of which it is a member").

³¹ See FINRA Rule 4512(a)(C).

³² See FINRA Rule 4512.06, Trusted Contact Person. The firm must maintain and preserve this information for a period of at least six years after the date the information is obtained or updated. See FINRA Rule 4512.01, Customer Account Retention Periods.

Regardless of business model, a firm's supervisory system must include written procedures for the review and approval of customer accounts in compliance with the firm's regulatory obligations.³³ Rule 4512 requires that the firm maintain a record of the signature of the supervisory principal "denoting that the account has been accepted in accordance with the member's policies and procedures for acceptance of accounts."³⁴

The account approval and maintenance processes are increasingly automated, especially in the context of self-directed, broker trading platforms. Retail investors, particularly younger and new investors, more frequently choose to invest through self-directed discount trading platforms and apps.³⁵ Investors can complete an application online, or through an app, directly providing their customer information to the trading platform, and obtain trading approval in minutes.³⁶

The ease with which new customer accounts can be opened and approved through automated processes, however, underscores the importance of firms developing and implementing a written Customer Identification Program in compliance with the Bank Secrecy Act ("BSA").³⁷ The BSA requires firms to monitor for, detect and report suspicious activity conducted or attempted to the U.S. Treasury's Financial Crimes Enforcement Network ("FinCEN").³⁸ A failure to file suspicious activity reports with FinCEN constitutes a violation of FINRA Rules 3310 and 2010.³⁹

³³ Under FINRA Rule 3110, Supervision, a firm's supervisory system must include written procedures to supervise the types of business in which firm engages and its associated persons that are reasonably designed to achieve compliance with applicable securities laws, regulations and FINRA Rules. See FINRA Rule 3110(b)(1), Supervision. These rules include requirements for the opening and maintenance of every customer account.

³⁴ FINRA Rule 4512(a)(1)(D).

³⁵ See FINRA/NORC Study, *supra* note 11 at 1.

³⁶ See, e.g. Letter of Acceptance, Waiver, and Consent, FINRA Dep't of Enforcement v. Robinhood Financial, LLC, Docket No. 2020066971201 (June 30, 2021) at 17, <https://www.finra.org/sites/default/files/2021-06/robinhood-financial-awc-063021.pdf> (hereinafter "Robinhood 2021 AWC") (account approval "nearly instantaneously").

³⁷ 31 U.S.C. § 5311 *et seq.* The BSA's implementing regulations require that firms "establish, document, and maintain a written Customer Identification Program . . . appropriate for [the firm's] size and business" and that the program contain "procedures for verifying the identity of each customer to the extent reasonable and practicable." 31 C.F.R. § 1023.220(a)(1) and (a)(2) (2021).

³⁸ See 31 C.F.R. § 1023.320 (2021). Title 31 U.S.C. § 5318(g) authorizes the Treasury Department to issue suspicious activity reporting requirements for broker-dealers. The Treasury Department issued the implementing regulation, 31 C.F.R. § 103.19(a)(1) (2021), in July 2002, providing that with respect to any transaction after December 30, 2002, "[e]very broker or dealer in securities within the United States . . . shall file with [the Financial Crimes Enforcement Network (FinCEN)] . . . a report of any suspicious transaction relevant to a possible violation of law or regulation. FinCEN issued 31 C.F.R. § 1023.320 (2021) (the SAR Rule) (effective Jan. 3, 2011) amending BSA regulations, requiring a broker-dealer to make SARs and supporting documentation available to any SRO that examines the broker-dealer for compliance with the requirements of upon the request of the SEC. See FINRA, REGUL. NOTICE 12-08, SEC REQUESTS BROKER-DEALERS MAKE SARs AND SAR INFORMATION AVAILABLE TO FINRA (Jan. 2012), <https://www.finra.org/rules-guidance/notices/12-08>.

³⁹ See, e.g., Letter of Acceptance, Waiver, and Consent, FINRA Dep't of Enforcement v. Precision Securities, LLC, Docket No. 2020067467601 (July 19, 2021) (firm operated a trading platform used

FINRA Rule 3310 requires firms “to develop and implement a written anti-money laundering program reasonably designed to achieve and monitor the member's compliance with the requirements of the [BSA].”⁴⁰ At a minimum, the firm’s AML program must (a) implement policies, procedures and internal controls that can reasonably detect and cause reporting of suspicious transactions; (b) provide for annual testing of the procedures; (c) designate and identify to FINRA by name, title and contact information the personnel responsible for implementing and monitoring the day-to-day operations and controls of the program; (d) include risk-based procedures for ongoing customer due diligence, including understanding the nature and purpose of customer relationships for the purpose of developing customer risk profiles.⁴¹

FINRA has reminded firms about their obligations to implement AML programs to monitor and report suspicious activity. In Regulatory Notice 17-40, FINRA informed firms about additional customer due diligence requirements imposed by FinCEN, specifically, that firms identify and verify the identity of the beneficial owners of all legal entity customers at the time a new account is opened, subject to certain exclusions and exemptions.⁴² FINRA has also brought enforcement actions against online trading platforms for failure to establish a Customer Identification program

primarily by day- and swing-traders; however, firm did not reasonably design AML program to monitor and report suspicious activity in light of the firm’s business model, including suspicious trading from China-based accounts for trading in excess of \$200 million; FINRA fined firm \$350,000); Letter of Acceptance, Waiver, and Consent, FINRA Dep’t of Enforcement v. ITG, Inc., Docket No. 2017054643601 (Mar. 3, 2021) (firm failed to establish and implement AML policies and procedures reasonably designed to detect and cause the reporting of suspicious low-priced securities trading; firm failed to investigate numerous red flags in connection with trading of at least 30 low-priced securities, including a potential pump and dump scheme; firm censured and fined \$450,000).

⁴⁰ FINRA Rule 3310, Anti-Money Laundering Compliance Program.

⁴¹ See *id.* NASD Notice to Members 02-21 was issued shortly after the NASD filed Rule 3310’s predecessor rule, promulgated in response to the passage of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (PATRIOT Act), Pub. L. No. 107-56, 115 Stat. 272 (2001). Title III of the PATRIOT Act, referred to as the International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001 (Money Laundering Abatement Act), imposes obligations on broker/dealers under new anti-money laundering (AML) provisions and amendments to the existing Bank Secrecy Act (BSA) requirements. 31 U.S.C. §§ 5311 *et seq.*

⁴² See FINRA, REGUL. NOTICE 17-40, FINRA PROVIDES GUIDANCE TO FIRMS REGARDING ANTI-MONEY LAUNDERING PROGRAM REQUIREMENTS UNDER FINRA RULE 3310 FOLLOWING ADOPTION OF FINCEN’S FINAL RULE TO ENHANCE CUSTOMER DUE DILIGENCE REQUIREMENTS FOR FINANCIAL INSTITUTIONS (Nov. 2017), <https://www.finra.org/rules-guidance/notices/17-40>. FINRA again reminded firms about their obligations to monitor and report suspicious activity, providing a series of red flags that would alert firms to issues involving: (i) customer due diligence and interactions with customers; (ii) deposits in securities; (iii) red flags in securities trading; (iv) red flags in money movement; (v) red flags in insurance products; and (vi) various other potential red flags associated with the account or account activity. See FINRA, REGUL. NOTICE 19-18, ANTI-MONEY LAUNDERING (AML) PROGRAM (May 2019), <https://www.finra.org/rules-guidance/notices/19-18>.

tailored to the firm's business model,⁴³ and failure to adapt its AML program to its growth sufficient to surveil suspicious money movements and investigate suspicious activity.⁴⁴

Most recently, FINRA warned about the heightened risk for fraud during the COVID-19 Pandemic in Regulatory Notice 20-13, which stated that that firms reported an increase in newly opened fraudulent accounts, with fraudsters targeting online account platforms, particularly "firms that recently started offering such services."⁴⁵ FINRA warned that fraudsters were using stolen or synthetic identities to establish fraudulent accounts to divert congressional stimulus funds, unemployment payments or engage in automated clearing house (ACH) fraud.⁴⁶ For firms that opened accounts through electronic means, FINRA stressed the importance of a strong Customer Identification Program (in the opening and ongoing monitoring of customer accounts), which utilized *both* documentary and non-documentary (i.e., independent verification of customer information), limiting automated approval of multiple accounts opened by the same customer, and other verification procedures for bank accounts and transfers.⁴⁷

FINRA's recent enforcement action against Robinhood Financial included charges against the firm for its failure to establish and implement a reasonably designed Customer Identification Program.⁴⁸ According to the AWC, the firm approved more than 5.5 million new customer accounts between June 2016 to November 2018, relying largely on a customer identification

⁴³ See, e.g., Letter of Acceptance, Waiver, and Consent, FINRA Dep't of Enforcement v. Score Priority Corp., Docket No. 2020067466901 (Apr. 14, 2021) (FINRA imposed \$250,000 fine and censure against online, self-directed broker-dealer that failed to develop and implement an AML program reasonably expected to detect and report suspicious activity from transactions and money movements in domestic and foreign-based retail accounts; firm also failed to establish a Customer Identification Program tailored to the firm's business and a due diligence program reasonably designed to detect money-laundering activities).

⁴⁴ See, e.g., Letter of Acceptance, Waiver, and Consent, FINRA Dep't of Enforcement v. Interactive Brokers LLC, Docket No. 2015047770301 (Aug. 10, 2020) (assessing \$15 million fine and censure against Interactive Brokers, finding that the firm failed to reasonably design its AML program to match its significant growth, and that its existing AML program was deficient because it failed to surveil thousands of suspicious money movements in the hundreds of millions of dollars, and the firm failed to investigate potentially suspicious activity).

⁴⁵ FINRA, REGUL. NOTICE 20-13, HEIGHTENED THREAT OF FRAUD AND SCAMS, FINRA REMINDS FIRMS TO BEWARE OF FRAUD DURING THE CORONAVIRUS (COVID-19) PANDEMIC (May 5, 2020), <https://www.finra.org/rules-guidance/notices/20-13>; see also FINRA, REGUL. NOTICE 19-18, *supra* note 42. Regulatory Notice 19-18 provides a comprehensive list of "money laundering red flags" (that is not exhaustive or all-inclusive) providing examples of red flags in connection with: (i) customer due diligence and interactions with customers; (ii) deposits of securities; (iii) securities trading activity; (iv) unusual or suspicious money movements; (v) red flags in insurance products; and (vi) other general red flags of unusual customer activity. See *id.*

⁴⁶ FINRA, REGUL. NOTICE 20-13, *supra* note 45.

⁴⁷ See *id.* at 2-3. In addition to fraudulently opened accounts, Regulatory Notice 20-13 identified three additional scams which increased during the pandemic, including firm imposter scams (where fraudsters impersonate firms and associated persons in communicating with customers); IT Help Desk scams (fraudsters posing as persons associated with the firm to obtain new sign-on credentials from the firm's IT desk); and business email compromise schemes (fraudsters posing as manager or executive requesting payment for an invoice or other expense). See *id.*

⁴⁸ See Robinhood 2021 AWC, *supra* note 36 at 26.

process that was “largely automated” and suffered from “multiple flaws.”⁴⁹ Among other things, Robinhood did not have any employees whose primary job responsibilities related to the Customer Identification Program, as required by Rule 3310, Anti-Money Laundering Compliance Program, and had just one principal responsible for more than half of the new accounts.⁵⁰ The firm’s automated system approved accounts even after the clearing firm flagged the account as needing “further review” due to the presence of a “fraud victim warning.”⁵¹

Moreover, Robinhood ignored its own written procedures for the verification of these accounts. For example, although the clearing firm recommended thorough verification of flagged accounts, Robinhood *overrode* those alerts to approve the accounts anyway without any additional verification.⁵² As a result of these failures, FINRA found that Robinhood had violated FINRA Rules 3310, Anti-Money Laundering Compliance Program, and 2010, Standards of Commercial Honor and Principles of Trade.⁵³

Brokerage firms’ obligations to conduct customer due diligence, obtain and maintain updated customer information, and implement strong supervisory systems to monitor against fraudulent activity is also central to firm’s obligations to protect customer information and assets, as discussed below.

(ii) Approving Customer Accounts for Options Trading and Margin

The 2021 Report on FINRA’s Examination and Risk Monitoring Program stated that 2020 “witnessed a surge in new retail investors entering the market via online brokers, as well as an increase in certain types of trading, including options,” noting the increase in “game-like” features of trading apps and other communications that may encourage investors to engage in higher risk trading.⁵⁴ Robert Cook, FINRA’s CEO, echoed this concern in his May 6, 2021 statement before the U.S. House of Representatives Financial Services Committee, observing that game-like features on trading Apps “may encourage investor behaviors that impact sound investment decisions.”⁵⁵ Cook announced that FINRA established a cross-departmental working group to

⁴⁹ See *id.* at 26-27.

⁵⁰ See *id.* at 27.

⁵¹ *Id.* The clearing firm flagged accounts as needing further review because, among other reasons, the customer’s social security was not issued by the Social Security Administration, the customer’s age could not be verified, the customer’s address was a storage facility, PO Box or cash-checking facility, or the customer’s address had been used ten times or more by individuals with different social security numbers. *Id.*

⁵² See *id.* Robinhood approved 90,000 accounts that had been flagged for potential fraud, without requesting additional identification (such as a driver’s license or passport), ignoring its own requirements to obtain other physical verification of customer identities. See *id.*

⁵³ See *id.* In the AWC, FINRA tied Robinhood’s violations of its other conduct rules – including Rule 3310 – to Rule 2010 which requires firms maintain a high standards in the conduct of their business. FINRA explained that a violation of Rule 3310 also constitutes a violation of Rule 2010. See *id.*

⁵⁴ 2021 FINRA Report, *supra* note 17 at 22.

⁵⁵ Cook, *supra* note 16.

assess how broker-dealers use their trading platforms and mobile apps to influence customer behavior, and determine whether additional rulemaking or guidance is necessary.⁵⁶

To the extent trading platforms and mobile apps are directing or facilitating higher risk trading in the form of options trading, however, these firms are required to approve each customer for a specific level of options trading (and use of margin) based on the customer's profile and experience.

FINRA Rule 2360 requires firms to conduct due diligence in approving a customer's account for options trading, including obtaining the essential facts about the customer, the customer's financial situation and investment objectives, and the customer's *investment experience* and knowledge (e.g., number of years and type of trading).⁵⁷ FINRA Rule 2360(b)(16)(A)-(D) require a brokerage firm to consider the various levels of options trading (e.g., buying covered calls, uncovered writing), the risks specific to the customer in light of the customer's profile and experience, and "determin[e] whether and *to what extent* to approve the account for options trading."⁵⁸ Subsection (16)(B)(ii)(d) further requires a firm to note in the customer's account records the "[n]ature and types of transactions for which" it is approved. A firm cannot accept an options order unless it has provided the customer with an options disclosure document⁵⁹ and the customer's account has been approved for options trading by a registered Options Principal or Limited Principal – General Securities Sales Supervisor.⁶⁰

FINRA recently reminded firms that the obligations to conduct due diligence in connection with options account approvals and margin equally applies to self-directed accounts.⁶¹ FINRA's reminder was prompted by the significant increase in the number of customers opening self-directed accounts and trading options.⁶² The notice explained that Rule 2360(b)(16) requires the firm to specifically approve (or disapprove) each customer for options trading and the appropriate level of options trading for that customer based upon "detailed customer information, including, among others, the customer's knowledge, investment experience, age, financial situation and investment objectives."⁶³ This obligation applies regardless of whether the firm is self-directed or the options are recommended.⁶⁴

⁵⁶ *See id.*

⁵⁷ FINRA Rule 2360(b)(16)(B), Diligence in Opening Accounts.

⁵⁸ *Id.*

⁵⁹ The specific disclosure document is entitled "Characteristics and Risks of Standardized Options," a 188-page pamphlet available for download on the Options Clearing Corporation website at: <https://www.theocc.com/Company-Information/Documents-and-Archives/Options-Disclosure-Document>.

⁶⁰ *See* FINRA Rule 2360(b)(16)(A), Approval Required.

⁶¹ *See* FINRA, REGUL. NOTICE 21-15, FINRA REMINDS MEMBERS ABOUT OPTIONS ACCOUNT APPROVAL, SUPERVISION AND MARGIN REQUIREMENTS (Apr. 9, 2021), <https://www.finra.org/rules-guidance/notices/21-15>.

⁶² *See id.* at 1.

⁶³ *Id.* at 2.

Since option transactions are often required to be affected in a margin account, the notice reminded firms of margin maintenance requirements under Rule 4210, explaining that firms must also “have procedures to review the limits and types of credit extended to all customers, to review the need for higher margin requirements for individual securities and customers and to formulate their own margin requirements.”⁶⁵

Despite due diligence and supervisory approval requirements, customers frequently get “instant” approval for options trading in margin accounts when opening self-directed accounts online or through an app, like Robinhood. This is because online trading firms have largely automated the customer account opening process, which often includes an application to trade options. Firms are nevertheless required to implement supervisory reviews of any automated process, however, to ensure that they comply with FINRA rules.

One of the charges against Robinhood in FINRA’s recent enforcement action was a failure to establish or maintain a supervisory system to achieve compliance with FINRA Rule 2360(b)(16), because it used an automated system that did not sufficiently implement the due diligence requirements under the rule. The AWC found that the firm had relied almost entirely on an automated system that used algorithms – known by Robinhood as “option account approval bots” – to review customer responses to eligibility questions and, based on those responses, approve or reject option applications “nearly instantaneously.”⁶⁶ But the system failed to comply with Rule 2360(b)(16)’s due diligence and approval obligations in several respects:

- The bots considered only the information provided in the immediate customer application, without regard to any prior application or information provided by the customers;⁶⁷
- The bots approved customers for level 3 trading (requiring three years of trading experience) even if the customers were under 21 years old, or had previously represented they had no options experience, or who had previously certified that they did not understand option spreads;⁶⁸
- Robinhood’s principals reviewed on a weekly basis less than 0.1% of the accounts to ensure that the bots performed as programmed; moreover, the reviews were limited only to ensuring that the bots functioned as programmed, and not whether the information provided was consistent for that customer or whether options trading was appropriate for that customer in the first place;⁶⁹ and

⁶⁴ See *id.* The notice also referenced requirements under FINRA Rule 2090, Know your Customer, Rule 4512, Customer Account Information, and Rule 3310, Anti-Money Laundering (AML) Program. See *id.* at 1-2.

⁶⁵ *Id.* at 4

⁶⁶ Robinhood 2021 AWC, *supra* note 36 at 17.

⁶⁷ See *id.*

⁶⁸ See *id.* at 17-18.

⁶⁹ See *id.* at 18.

- Robinhood’s system approved thousands of accounts where the customer had provided false information, or where the customer had revised risk tolerance information that would have made them ineligible to trade options under the firm’s own criteria.⁷⁰

As a result of these failures, FINRA found that Robinhood failed to supervise its system for approving options trading and exercise due diligence in approving customers for options trading, in violation of FINRA Rules 3110, 2360 and 2010.⁷¹

B. Communications and Investment Recommendations

Brokerage firms have certain obligations when they communicate with the public. The 2200 series of the FINRA rules govern communications and disclosures. FINRA Rule 2210 broadly covers communications with the public. FINRA Rules 2220, 2264, and 2270 cover more specific types of communications: options trading, margin trading, and day-trading. As previously noted, these rules apply regardless of the way the firm does business – through brokers, online, or through a mobile app. Firms are obligated to ensure that all communications comply with FINRA rules.

(i) ***Communicating with the Public***

FINRA categorizes communications as Retail, Correspondence, and Institutional.⁷² A “retail communication” is “any written (including electronic) communication that is distributed or made available to more than 25 retail investors within any 30 calendar-day period.”⁷³ “Correspondence” is defined as “any written (including electronic) communication that is distributed or made available to 25 or fewer retail investors within any 30 calendar-day period.”⁷⁴ An “institutional communication” is defined as “any written (including electronic) communication that is distributed or made available only to institutional investors, but does not include a member’s internal communications.”⁷⁵

How a communication is defined determines the firms’ approval and review obligations in connection with the communication. All retail communications must be approved by a principal of the firm either before it is first used or before it is filed with FINRA.⁷⁶ Correspondence must be reviewed and supervised as determined by FINRA Rule 3110.⁷⁷ Institutional communications must be reviewed by a principal.⁷⁸

⁷⁰ See *id.* at 18-19.

⁷¹ See *id.* at 21.

⁷² See FINRA Rule 2210, Communications with the Public.

⁷³ FINRA Rule 2210(a)(5).

⁷⁴ FINRA Rule 2210(a)(2).

⁷⁵ FINRA Rule 2210(a)(3).

⁷⁶ See FINRA Rule 2210(b)(1)(A).

⁷⁷ See FINRA Rule 2210(b)(2).

⁷⁸ See FINRA Rule 2210(b)(3).

FINRA has also instituted broad content standards for all communications. Communications must be “fair and balanced,” and may not omit any “material fact or qualification if the omission, in light of the context of the material presented, would cause the communications to be misleading.”⁷⁹ Firms are not permitted to make “any false, exaggerated, unwarranted, promissory or misleading statement or claim in any communication.”⁸⁰ Further, communications must “provide balanced treatment of risks and potential benefits.”⁸¹ Additionally, firms must consider to whom they will be making the communication, and provide appropriate details and explanations.⁸²

The rules do not make any differentiation for the method of delivery. Electronic communications are captured by each definition. Accordingly, communications that take place via social media web sites or through apps are subject to the requirements of the rule. FINRA understands that firms are utilizing different means of communication, including icons, illustrations, cartoons, animations, short videos, and pictograms.⁸³ FINRA recognizes that these new technologies can help investors understand the firm’s products and services, while also delivering required disclosures.⁸⁴

Regardless of how the firm communicates with the public, firms are still obligated to follow FINRA rules and ensure communications are fair and balanced and not misleading.⁸⁵ FINRA has provided some guidance as to what that means for non-promotional materials:

- **Brand communications:** Brand communications that only acquaint investors with a firm’s name and the fact that it offers financial services generally require no additional information in order to be fair and balanced.
- **Educational communications:** FINRA encourages members to use educational communications that promote financial literacy. For example, a member might develop a website that explains different types of securities and how markets work, but because it does not promote specific securities or services it may only require a simple statement noting that securities involve risks and an offer to provide additional information. Another example is educational content that only provides basic information about what mutual funds are and does not include information that relates to the desirability of a specific product; such a communication would not need to disclose the specific risks associated with a particular fund.
- **Reference resources:** Some members provide websites, apps or other reference resources that do not promote a specific product or service; instead,

⁷⁹ FINRA Rule 2210(d)(1)(A).

⁸⁰ FINRA Rule 2210(d)(1)(B).

⁸¹ FINRA Rule 2210(d)(1)(D).

⁸² See FINRA Rule 2210(d)(1)(E).

⁸³ See FINRA, REGUL. NOTICE 19-31, ADVERTISING REGULATION (Sept. 19, 2019), <https://www.finra.org/rules-guidance/notices/19-31>.

⁸⁴ See *id.*

⁸⁵ See *id.*

they provide information intended to assist investors with investment decisions. In general, investors must choose to access these resources and interact with them to find the information (e.g., by downloading an app or creating an online account on the firm's website). A resource that does not promote specific products or services might need little or no disclosure under FINRA rules.

- **Post-sale communications:** Once a sale has occurred, members may provide communications to investors that discuss the product, such as changes to its portfolio or information about how the product has responded to changes in market conditions. These subsequent communications typically do not require the same extent of disclosure as communications leading up to a sale. Of course, a post-sale communication that recommends additional purchases or another product would be a promotional communication.⁸⁶

Promotional materials that discuss the benefits of a particular product, type of product, or service may require extensive disclosures, including a balanced discussion of the risks or drawbacks.⁸⁷

FINRA has also provided specific guidance to firms communicating commission discounts. For example, FINRA has stated that the communications must recognize that stocks are not the only type of securities available, and discounts may vary depending on the product traded.⁸⁸ The firms must also acknowledge that certain products, such as mutual funds, may have sales charges that cannot be discounted.⁸⁹ Further, the firm must include a description of any factors that would impact the discount, such as initial deposit requirements, minimum transaction size, or registration fee.⁹⁰ The firm must also disclose any services charges that are applicable, such as charges applicable to limit orders, safekeeping of securities, odd lot transactions, or research.⁹¹

Communications that recommend a particular security or investment strategy are subject to other rules and limitations.

Both FINRA and the SEC set standards of conduct that are applicable when a recommendation of a security or investment strategy is made to an investor. However, neither FINRA nor the SEC define the term "recommendation." When it enacted Reg. Best Interest, the SEC stated that it would define the term consistently with how it had been defined previously, specifically referencing FINRA's Suitability Rule and FINRA Notice to Members 01-23.⁹²

⁸⁶ *Id.*

⁸⁷ *See id.*

⁸⁸ *See Guidance: Recommendations Concerning Advertising and Promotion of Commission Discounts*, FINRA, <https://www.finra.org/rules-guidance/guidance/recommendations-concerning-advertising-and-promotion-commission-discounts>.

⁸⁹ *See id.*

⁹⁰ *See id.*

⁹¹ *See id.*

⁹² *See Regulation Best Interest: The Broker-Dealer Standard of Conduct*, 84 Fed. Reg. 33,318, 33,335 (July 12, 2019) (hereinafter "Reg. Best Interest Adopting Release").

FINRA Notice to Members 01-23, Online Suitability, discusses the obligations of firms when communicating with customers online.⁹³ FINRA explained that:

[T]he “facts and circumstances” determination of whether a communication is a “recommendation” requires an analysis of the content, context, and presentation of the particular communication or set of communications. The determination of whether a “recommendation” has been made, moreover, is an objective rather than a subjective inquiry. An important factor in this regard is whether—given its content, context, and manner of presentation— a particular communication from a broker/dealer to a customer reasonably would be viewed as a “call to action,” or suggestion that the customer engage in a securities transaction. Members should bear in mind that an analysis of the content, context, and manner of presentation of a communication requires examination of the underlying substantive information transmitted to the customer and consideration of any other facts and circumstances, such as any accompanying explanatory message from the broker/dealer. Another principle that members should keep in mind is that, in general, the more individually tailored the communication to a specific customer or a targeted group of customers about a security or group of securities, the greater likelihood that the communication may be viewed as a “recommendation.”⁹⁴

FINRA went on to provide examples of communications that would likely fall outside the definition, and communications that would generally fall within the definition of recommendation.⁹⁵ For example, the following types of communications are likely not recommendations:

- A website with an electronic library that contains research reports, news, quotes, and charts;
- A search tool that allows a customer to sort or filter information about securities, so long as the firm does not limit it to or prefer securities in which the firm makes a market or for which it has issued a “buy” recommendation; and
- An email or other electronic subscription service that alerts a customer to news affecting securities in the customer’s portfolio or on the customer’s “watch list.”⁹⁶

The following communications are more likely to be deemed recommendations:

- An email or pop-up to a targeted customer or targeted group of customers encouraging the purchase of a security;
- A list of stocks accompanied by a request that the customer purchase one or more stocks on the list;
- A portfolio analysis tool that provides a list of specific securities the customer could buy or sell to meet the investment goals the customer has inputted; and

⁹³ See FINRA, NOTICE TO MEMBERS 01-23, ONLINE SUITABILITY (Apr. 2001), <https://www.finra.org/rules-guidance/notices/01-23>.

⁹⁴ *Id.*

⁹⁵ *Id.*

⁹⁶ *See id.*

- Sending or pushing specific investment suggestions following the firm’s use of data mining technology to analyze a customer’s financial or online activity.⁹⁷

FINRA acknowledged that the examples provided were not all inclusive, and were based on then prevalent technologies.⁹⁸ FINRA suggested that firms analyze each communication to determine whether it reasonably could be considered a “call to action,” whether it would influence a customer to trade a particular security or group of securities.⁹⁹ Such analysis should take place regardless of whether the customer requested the information, or if it was a computer software program that determined the information should be sent.¹⁰⁰ FINRA also reminded firms that they cannot discharge or avoid their obligations by using disclaimers.¹⁰¹

FINRA also recognized that firms may communicate on social media. The fact that the communication is widely disseminated or limited to a select one or more individuals is not determinative of whether the firm has made a recommendation.¹⁰² The firm must still consider the facts and circumstances of the communication.¹⁰³

If the communication is deemed to be a recommendation, then the firm must comply with FINRA Rule 2111, Suitability or Reg. Best Interest. FINRA Rule 2111 applies to all recommendations made to customers prior to June 30, 2020. For recommendations made on or after June 30, 2020 either FINRA Rule 2111 or Reg. Best Interest applies. Reg. Best Interest applies to recommendations made to retail investors, defined as natural persons and their legal representatives, seeking advice for personal, family, or household purposes.¹⁰⁴ FINRA Rule 2111 applies to any recommendations not covered by Reg. Best Interest.¹⁰⁵

If FINRA Rule 2111 applies, the firm must comply with the three suitability components, reasonable-basis suitability, customer-specific suitability, and quantitative suitability. Reasonable-basis suitability requires that a firm “have a reasonable basis to believe, based on reasonable diligence, that the recommendation is suitable for at least some investors.”¹⁰⁶ This requires the firm to have an understanding of the recommendation’s risks and rewards.¹⁰⁷ The customer-

⁹⁷ See *id.*

⁹⁸ See *id.*

⁹⁹ See *id.*

¹⁰⁰ See *id.*

¹⁰¹ See *id.*

¹⁰² See FINRA, REGUL. NOTICE 10-06, SOCIAL MEDIA WEB SITES, GUIDANCE ON BLOGS AND SOCIAL NETWORKING WEB SITES (Jan. 2010), <https://www.finra.org/rules-guidance/notices/10-06>.

¹⁰³ See *id.*

¹⁰⁴ Reg. Best Interest Adopting Release, *supra* note 92 at 33,343.

¹⁰⁵ See FINRA Rule 2111.08.

¹⁰⁶ FINRA Rule 2111.05(a).

¹⁰⁷ *Id.*

specific obligation requires that a firm “have a reasonable basis to believe that the recommendation is suitable for a particular customer based on that customer's investment profile.”¹⁰⁸ The customer's investment profile includes the customer's age, other investments, financial situation and needs, tax status, investment objectives, investment experience, investment time horizon, liquidity needs, and risk tolerance.¹⁰⁹ Quantitative suitability requires that the firm “have a reasonable basis for believing that a series of recommended transactions, even if suitable when viewed in isolation, are not excessive and unsuitable for the customer when taken together in light of the customer's investment profile.”¹¹⁰

If the recommendation is governed by Reg. Best Interest, the firm must comply with the Disclosure, Care, Conflict of Interest, and Compliance obligations.¹¹¹ The Care obligation, in many ways, mirrors FINRA Rule 2111. It also consists of reasonable-basis, customer-specific, and quantitative obligations. Pursuant to the reasonable-basis obligation, the firm must “[u]nderstand the potential risks, rewards, and costs associated with the recommendation, and have a reasonable basis to believe that the recommendation could be in the best interest of at least some retail customers.”¹¹² Under the customer-specific obligation, the firm must “[h]ave a reasonable basis to believe that the recommendation is in the best interest of a particular retail customer based on that retail customer's investment profile and the potential risks, rewards, and costs associated with the recommendation and does not place the financial or other interest of the broker, dealer, or such natural person ahead of the interest of the retail customer.”¹¹³ The quantitative obligation requires the firm to “[h]ave a reasonable basis to believe that a series of recommended transactions, even if in the retail customer's best interest when viewed in isolation, is not excessive and is in the retail customer's best interest when taken together in light of the retail customer's investment profile and does not place the financial or other interest of the broker, dealer, or such natural person making the series of recommendations ahead of the interest of the retail customer.”¹¹⁴

As noted, neither FINRA nor the SEC have defined recommendation, and have not said whether they would deem gamification features to be recommendations. Both FINRA and the SEC have recognized that gamification or prompts that promote or encourage trading activity may be subject to Reg. Best Interest.¹¹⁵

Massachusetts has filed an Administrative Complaint against Robinhood that seeks to hold the firm responsible for violations of its newly enacted fiduciary regulation.¹¹⁶ Like the Suitability Rule

¹⁰⁸ FINRA Rule 2111.05(b).

¹⁰⁹ FINRA Rule 2111(a).

¹¹⁰ FINRA Rule 2111.05(c).

¹¹¹ 17 C.F.R. § 240.15l-1(a)(2) (2021).

¹¹² 17 C.F.R. § 240.15l-1(a)(2)(ii)(A) (2021).

¹¹³ 17 C.F.R. § 240.15l-1(a)(2)(ii)(B) (2021).

¹¹⁴ 17 C.F.R. §240.15l-1(a)(2)(ii)(C) (2021).

¹¹⁵ See Cook, *supra* note 16; see also Gensler, *supra* note 19.

¹¹⁶ Robinhood Financial, LLC, *supra* note 16.

and Reg. Best Interest, the regulation imposes obligations on a firm when it makes recommendations. Massachusetts relies in part on Robinhood's communications, including push notifications of lists of stocks, in arguing that Robinhood was making recommendations.¹¹⁷

(ii) Options Communications

In addition to the general rules concerning communications, FINRA has enacted more specific rules with respect to options communications. With the increased prevalence of options trading in self-directed online accounts, FINRA and the SEC have both voiced concerns that investors may not fully appreciate the risks involved.¹¹⁸ When communicating about options, firms must meet additional standards.

There are two different standards to which communications regarding standardized options, prior to the delivery of disclosure documents, must conform.¹¹⁹ If the options are not exempt by Securities Act Rule 238, and the communication is taking place prior to the prospectus delivery that "meets the requirements of Section 10(a) of the Securities Act", then the communication must "conform to Securities Act Rule 134 or 134a, as applicable."¹²⁰ However, if the communications are about options that are exempt from by Securities Act Rule 238, and are made before the delivery of disclosure documents are made, then there are five rules that must be adhered to.¹²¹ First, the options being discussed can only be generally described.¹²² Second, the communication must include contact information to enable the readers to obtain the disclosure documents.¹²³ Third, the communication may not contain "recommendations or past or projected performance figures, including annualized rates of return, or names of specific securities."¹²⁴ However, the communication may include any statement required by state or administrative law.¹²⁵ Finally, the

¹¹⁷ See Defendants' Opposition Memorandum to the Plaintiff's Motion for Preliminary Injunctive Relief, Robinhood Financial v. Glavin, Civil Action No. 2184 CV 00884 BLS (May 10, 2021), https://www.masscourts.org/eservices/search.page.3?x=OWxSoK9I0j0xQ3Ar*dLG8NbPCYo0IMb4t1IMmf gHt8auP6Hex0vgfqBaVPJtIWJxUQkEfkQwmkkRr8E-vtGLgpBP6K4fVmZatR75C65DUmXZIZN5iyDIMQ2Zh8eE2vda58aECDHXC*OQrPTkUElyysGq496D0FLvTZW1zXs8kfs

¹¹⁸ See Cook, *supra* note 16.

¹¹⁹ See FINRA Rule 2220(d), Options Communications.

¹²⁰ FINRA Rule 2220(d)(1)(B).

¹²¹ See FINRA Rule 2220(d)(1)(A).

¹²² See FINRA Rule 2220(d)(1)(A)(I) ("The text may also contain a brief description of options, including a statement that identifies registered clearing agencies for options and a brief description of the general attributes and method of operation of the exchanges on which such options are traded, including a discussion of how an option is priced.").

¹²³ See FINRA Rule 2220(d)(1)(A)(ii).

¹²⁴ FINRA Rule 2220(d)(1)(A)(iii).

¹²⁵ See FINRA Rule 2220(d)(1)(A)(iv).

communication is allowed to contain advertising devices, such as borders, logos, and graphics, provided that such devices are not misleading.¹²⁶

While FINRA Rule 2220(d)(1) deals with the substance of options communications, FINRA Rule 2220(d)(2) deals with communication standards that apply to firms. Firms are prohibited from including in their options communications any information that is false, misleading, or omit any materially relevant information.¹²⁷ Furthermore, firms may not make promises of results, nor make unwarranted claims or forecasts.¹²⁸ Firms are also prohibited from including opinions that lack any reasonable basis.¹²⁹ Additionally, if warnings or caveats are included in such communications, then they must be legible.¹³⁰ Such warnings may not be misleading or irrelevant.¹³¹ These communications may not suggest that a secondary market for the options is available.¹³² Finally, communications may not be made if they “would constitute a prospectus as that term is defined in the Securities Act, unless it meets the requirements of Section 10 of the Securities Act.”¹³³

Firms are further prohibited from using options communications that are deficient in certain ways. Communications must reflect the risks of options trading and the complexities of options as related to investments.¹³⁴ The communication must contain a warning that options are not suitable for all investors.¹³⁵ Conversely, firms are prohibited from making a communication if it suggests that options are suitable to all.¹³⁶ Also, any communications must inform the reader that supporting documentation for all claims made is available upon request.¹³⁷ However, certain of these requirements do not apply to institutional communications.¹³⁸ Finally, all communications

¹²⁶ See FINRA Rule 2220(d)(1)(A)(v).

¹²⁷ See FINRA Rule 2220(d)(2)(A)(i).

¹²⁸ See FINRA Rule 2220(d)(2)(A)(ii).

¹²⁹ See *id.*

¹³⁰ See FINRA Rule 2220(d)(2)(A)(iii).

¹³¹ See *id.*

¹³² See FINRA Rule 2220(d)(2)(A)(v).

¹³³ FINRA Rule 2220(d)(2)(A)(iv).

¹³⁴ See FINRA Rule 2220(d)(2)(A)(vi).

¹³⁵ See FINRA Rule 2220(d)(2)(A)(vii).

¹³⁶ See *id.*

¹³⁷ See FINRA Rule 2220(d)(2)(A)(viii) (such documentation includes “comparison, recommendations, statistics, or other technical data”).

¹³⁸ See FINRA Rule 2220(d)(2)(B); see *also* FINRA Rule 2220(a)(1)(B) (stating that institutional communications are defined by FINRA Rule 2210(a)).

must be equally balanced between the upside benefits with the attendant risks.¹³⁹ All such risk warnings must be as specific as the statement of opportunities.¹⁴⁰

So long as certain conditions are met, projections may be included in options communications.¹⁴¹ First, all such communications must include or follow the options disclosure document.¹⁴² Furthermore, “no suggestion of certainty of future performance [may be] made.”¹⁴³ Additionally, parameters must be given to accompany the projection figures¹⁴⁴ along with “all relevant costs, including commissions, fees, and interest charges.”¹⁴⁵ All projections must be plausible, intended to be used as a point of reference,¹⁴⁶ and all material assumptions for those projections must be identified.¹⁴⁷ The risks for the option transaction must be disclosed.¹⁴⁸ Finally, “in communications relating to annualized rates of return, that such returns are not based upon any less than a 60-day experience; any formulas used in making calculations are clearly displayed; and a statement is included to the effect that the annualized returns cited might be achieved only if the parameters described can be duplicated and that there is no certainty of doing so.”¹⁴⁹

Similarly, options communications may include statistics of past performance of recommendations, and transactions, provided that certain requirements are met.¹⁵⁰ First, the disclosure document must accompany or precede any such information.¹⁵¹ Next, the information must be presented in “a balanced manner.”¹⁵² Additionally, the statistics need to be “confined to a specific “universe” that can be fully isolated and circumscribed and that covers at least the most recent 12-month period.”¹⁵³ All recommendations or transactions must include: the initial date, the initial price at the initial date, and the “date and price of each recommendation or transaction at

¹³⁹ See FINRA Rule 2220(d)(2)(C).

¹⁴⁰ See *id.* (“[B]road generalities must be avoided.”).

¹⁴¹ See FINRA Rule 2220(d)(3).

¹⁴² See FINRA Rule 2220(d)(3)(A).

¹⁴³ FINRA Rule 2220(d)(3)(B).

¹⁴⁴ See FINRA Rule 2220(d)(3)(C).

¹⁴⁵ FINRA Rule 2220(d)(3)(D).

¹⁴⁶ See FINRA Rule 2220(d)(3)(E).

¹⁴⁷ See FINRA Rule 2220(d)(3)(F).

¹⁴⁸ See FINRA Rule 2220(d)(3)(G).

¹⁴⁹ FINRA Rule 2220(d)(3)(H).

¹⁵⁰ See FINRA Rule 2220(d)(4).

¹⁵¹ See FINRA Rule 2220(d)(4)(A).

¹⁵² FINRA Rule 2220(d)(4)(B).

¹⁵³ *Id.*

the end of the period or when liquidation was suggested or effected, whichever was earlier.”¹⁵⁴ The performance must also include the relevant costs, inclusive of commissions, fees, and margin obligations.¹⁵⁵ If annualized rates of return are communicated, then all material assumptions used in those calculations must also be communicated.¹⁵⁶ Furthermore, an overview of general market conditions during the covered periods must be made.¹⁵⁷ Any comparison made between the general state of the market and the performance record must be valid.¹⁵⁸ Also, there must be a specific warning that past performance does not guarantee future results.¹⁵⁹ Finally, the statistics or record must come with the initialed determination of a Registered Options Principal that they “fairly [re]present the status of the recommendations or transactions reported upon.”¹⁶⁰

Communications regarding an options program¹⁶¹ must include “the cumulative history or unproven nature of the program and its underlying assumptions.”¹⁶² Finally, if a firm violates any other SEC or SIPC rule related to options communications, the firm will have also violated FINRA Rule 2220.¹⁶³

(iii) Margin Disclosure Statement

Certain communications must be made if the firm makes a certain type of trading available, regardless of whether the investor has requested it. Before opening a margin account on behalf of a customer, a firm is obligated to provide the customer with a Margin Disclosure Statement.¹⁶⁴ If the firm offers margin accounts, the firm must also make the statement available on its website in a clear and conspicuous manner.¹⁶⁵

¹⁵⁴ FINRA Rule 2220(d)(4)(C). This is further limited as follows: “provided that if the communications are limited to summarized or averaged records or statistics, in lieu of the complete record there may be included the number of items recommended or transacted, the number that advanced and the number that declined, together with an offer to provide the complete record upon request.”

¹⁵⁵ See FINRA Rule 2220(d)(4)(D).

¹⁵⁶ See FINRA Rule 2220(d)(4)(E).

¹⁵⁷ See FINRA Rule 2220(d)(4)(F).

¹⁵⁸ See *id.*

¹⁵⁹ See FINRA Rule 2220(d)(4)(G).

¹⁶⁰ FINRA Rule 2220(d)(4)(H).

¹⁶¹ See FINRA Rule 2220(d)(5) (“i.e., an investment plan employing the systematic use of one or more options strategies”).

¹⁶² *Id.*

¹⁶³ See FINRA Rule 2220(d)(6).

¹⁶⁴ See FINRA Rule 2264(a), Margin Disclosure Statement.

¹⁶⁵ See *id.*

The statement is intended to highlight many of the risks attendant with margin trading. FINRA sets forth the required content of the statement, which includes the following sections: “You can lose more funds than you deposit in the margin account;” “The firm can force the sale of securities or other assets in your account(s);” “The firm can sell your securities or other assets without contacting you;” “You are not entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call;” “The firm can increase its “house” maintenance margin requirements at any time and is not required to provide you advance written notice;” “You are not entitled to an extension of time on a margin call.”¹⁶⁶ Each section contains a brief explanation. At least once a calendar year, the firm must also send to each customer with a margin account, either the statement or a summary disclosure that includes each of the section headings.¹⁶⁷ Firms are permitted to customize the disclosure so long as it is substantially similar to the content required by the rule.¹⁶⁸

(iv) Day-Trading Disclosure Statement

If a firm promotes a day-trading strategy, whether directly or indirectly, the firm may not open an account for any customer unless the firm has provided the customer with the day-trading disclosure statement and posted the statement on its website in a clear and conspicuous manner.¹⁶⁹ FINRA does offer to review communications and provide guidance to firms as to whether the communication will be deemed to be “promoting a day-trading strategy.”¹⁷⁰

Like with the Margin Disclosure Statement, the content of the statement is set forth by FINRA, and includes the following headings: “Day trading can be extremely risky;” “Be cautious of claims of large profits from day trading;” “Day trading requires knowledge of securities markets;” “Day trading requires knowledge of a firm’s operations;” “Day trading will generate substantial commissions, even if the per trade cost is low;” “Day trading on margin or short selling may result in losses beyond your initial investment;” and “Potential Registration Requirements.”¹⁷¹

C. Cybersecurity: Protection of Customer Information, Funds and Securities

The technology that has transformed the brokerage industry and driven the growth of online platforms and brokerage apps has also created supervisory challenges for financial firms. The use of cloud-based servers, remote access to trading platforms and customer data, email and electronic wire transfers, and even algorithms (or “bots”) to open and monitor customer accounts, among other things, provide opportunities for malicious actors to steal confidential information, customer assets, and disrupt a firm’s business operations. In its most recent annual report on examinations and risk monitoring program, FINRA observed that cybersecurity “remains one of the principal operational risks facing broker-dealers” and that it expects firms “to develop

¹⁶⁶ *Id.*

¹⁶⁷ See FINRA Rule 2264(b).

¹⁶⁸ See FINRA Rule 2264(c).

¹⁶⁹ See FINRA Rule 2270(a), Day-Trading Risk Disclosure Statement.

¹⁷⁰ See FINRA Rule 2270.01, Review by FINRA's Advertising Regulation Department.

¹⁷¹ FINRA Rule 2270(a).

reasonably designed cybersecurity programs and controls that are consistent with their risk profile, business model and scale of operations.”¹⁷²

The SEC and FINRA have increasingly focused on cybersecurity risks, issuing risk alerts and guidance to the industry about its obligations to protect confidential customer information under Rule 30 of the SEC’s Regulation S-P, establish written procedures to identify and respond to “identity theft red flags” as required under Rule 201 of the SEC’s Regulation S-ID, and protect against cybersecurity attacks that could result in disruption of operations and services to customer, implicating FINRA Rule 4370.

(i) SEC Regulation S-P Rule 30: The Safeguard Rule

The SEC’s Rule 30 under the SEC’s Regulation S-P, adopted in 2000 and known as “the Safeguard Rule,” requires every broker and dealer to adopt and maintain “written policies and procedures that address administrative, technical, and physical safeguard for the protection of customer records and information.”¹⁷³ The policies and procedures must be reasonably designed to “(1) insure the security and confidentiality of customer records and information; (2) protect against any anticipated threats or hazards to the security or integrity of customer records and information; and (3) protect against unauthorized access to or use of customer records or information that could result in substantial harm or inconvenience to any customer.”¹⁷⁴

After Regulation S-P Rule 30 was initially adopted, firms’ security policies generally focused on administrative and physical risks to customer personally identifiable information (“PII”), rather than risks related to changing technology.¹⁷⁵ FINRA Regulatory Notice 05-49 reminded firms that their policies and procedures to protect against unauthorized access to or use of customer records or PII that could result in substantial harm or inconvenience to customers should “adequately reflect changes” in technology or alternative work arrangements.¹⁷⁶ FINRA acknowledged that there can

¹⁷² 2021 FINRA Report, *supra* note 17.

¹⁷³ Privacy of Consumer Financial Information (Regulation S-P), 65 Fed. Reg. 40,334 (June 29, 2000) (codified at 17 C.F.R. § 248.30(a)). The SEC promulgated Regulation S-P pursuant to Title V of the Gramm-Leach-Bliley Act (“GLBA”), passed in 1999, which directed federal agencies with oversight over financial institutions to establish standards for the protection of customer information. 15 U.S.C. § 6801(b). Title V governs imposed upon financial institutions “an affirmative and continuing obligation . . . to protect the security and confidentiality of [customer] nonpublic personal information.” 15 U.S.C. § 6801(a). It further directed federal agencies with oversight over the financial industry to promulgate rules that “establish appropriate standards for the financial institutions subject to their jurisdiction relating to administrative, technical, and physical safeguards . . .” 15 U.S.C. § 6801(b). The SEC adopted amendments to the Safeguard Rule, effective January 2005, to require that the policies and procedures adopted be in writing. SEC. EXCH. COMM’N, REL. NOS. 34-50781, IA-2332, IC-26685, DISPOSAL OF CONSUMER REPORT INFORMATION (Dec. 2, 2004), <https://www.sec.gov/rules/final/34-50781.htm>.

¹⁷⁴ 15 U.S.C. § 6801(b).

¹⁷⁵ Jeffrey Taft, Matthew Bisanz, and Leslie Cruz, *The SEC’s Regulation S-P in the Age of Cybersecurity*, THE INVESTMENT LAWYER, Vol. 9, No. 9 (Sept. 2019), https://www.mayerbrown.com/-/media/files/perspectives-events/publications/2019/09/il_0919_taftbisanzcruz.pdf (observing that when Regulation S-P was first adopted many safeguarding procedures “focused on administrative and physical safeguards, and to a lesser extent on technical safeguards”).

¹⁷⁶ FINRA, NOTICE TO MEMBERS 05-49, SAFEGUARDING CONFIDENTIAL CUSTOMER INFORMATION at 1 (July 2005), <https://www.finra.org/rules-guidance/notices/05-49>. Regarding the use of wireless networks,

be no “one-size-fits-all” policy or procedure, but stressed that members should consider at a minimum whether: (1) the firm’s existing policy adequately addresses the technology it currently uses; (2) the firm has taken appropriate technological precautions to protect customer information; (3) the firm is providing training to its employees about its available technology, its use and the steps necessary to protect customer information; and (4) the firm is conducting periodic audits to detect vulnerabilities and ensure the systems are, in practice, protecting customer records and information from unauthorized access.¹⁷⁷

Despite its increasing reliance on technology, many financial firms have not adequately adapted its written policies and procedures to new technology or have otherwise failed to address new vulnerabilities in its systems. In 2015, the SEC’s Office of Compliance Examinations and Inspections (“OCIE”) issued a risk alert after a cybersecurity examinations sweep finding that while most of the firms examined had adopted written security policies and procedures, 88% of broker-dealers and 74% of registered investment advisers had experienced cyber-attacks (directly or through one or more of their vendors) or had security gaps.¹⁷⁸

The SEC’s early enforcement cases under Regulation S-P Rule 30 focused on administrative and physical risks to PII, such as handling customer information when winding down business operations.¹⁷⁹ More recently, the SEC has charged brokerage firms and investment advisers with violations of Regulation S-P Rule 30 for failures to adopt, implement or enforce written policies and procedures applicable to the firm’s use of technology, including, the use of email addresses not affiliated with the firm’s domain name to receive over 4,000 faxes containing customer PII (in violation of written policies),¹⁸⁰ storing customer PII on a third-party web server without adopting written policies and procedures regarding the security and confidentiality of that information and the protection of that information from threats or unauthorized access,¹⁸¹ failing to ensure the reasonable design and operation of two web-based applications on the firm’s Intranet that organized customer data and PII, limit access to the PII, or conduct any audits or testing of its applications to guard against unauthorized access.¹⁸²

FINRA stressed the importance of using appropriate safeguards, such as encryption, to prevent unauthorized parties from accessing customer information, and the use of firewalls to mitigate risks of outside intrusion by hackers.

¹⁷⁷ *Id.* at 4.

¹⁷⁸ See SEC. EXCH. COMM’N OFFICE OF COMPLIANCE INSPECTIONS AND EXAMINATIONS, NATIONAL EXAM PROGRAM RISK ALERT, CYBERSECURITY EXAMINATION SWEEP SUMMARY, at 2-3 (Feb. 3, 2015), <https://www.sec.gov/about/offices/ocie/cybersecurity-examination-sweep-summary.pdf>.

¹⁷⁹ See, e.g., David C. Levine, SEC. EXCH. COMM’N, REL. NO. 34-64222, 100 SEC Docket 3049, 2011 WL 1325568, *5 (April 7, 2011) (finding brokerage firm violated, and its senior officer aided and abetted the firm’s violations, of Rule 30(a) of Regulation S-P because firm failed to adopt policies and procedures to protect customer information while firm was winding down its business).

¹⁸⁰ See Craig Scott Capital, LLC, SEC. EXCH. COMM’N, REL. NO. 34-77595 (Apr. 12, 2016) (ordering a cease-and-desist and fining firm \$100,000 penalty, and \$10,000 penalties against individual associated persons who used personal emails in violation of written policies).

¹⁸¹ See R.T. Jones Capital Equities Management, Inc., SEC. EXCH. COMM’N, REL. NO. IA-4204 (Sept. 22, 2015) (the firm’s third-party web server was hacked and the PII of more than 100,000 customers was rendered vulnerable to theft; firm fined \$75,000).

FINRA has brought enforcement actions against broker-dealers for violations of Regulation S-P Rule 30, in connection with similar security breaches due to firms' failure to adopt, implement and enforce written security policies to its current technology. A recurring problem is firms' use of third-party cloud services without adequately assessing and testing the third-party provider's security systems. FINRA charged Lincoln Financial Securities Corp., with violations of Regulation S-P Rule 30 because, commencing in 2011, one of the firm's branch offices started using a third-party cloud service provider to store records, including customer account applications that contained PII, without ensuring that the provider installed antivirus and encryption software.¹⁸³ Although hackers with foreign IP addresses had hacked into the server and gained access to PII for 4500 customers, the firm failed to implement a policy for month after the cyberattack, and failed to ensure its registered representatives and third-party vendor adequately applied the policy.¹⁸⁴ As a result of these supervisory failures, FINRA found that Lincoln Financial violated Regulation S-P Rule 30, and further violated FINRA's supervision rule and Rule 2010, censuring the firm and imposing a penalty of \$650,000.¹⁸⁵

(ii) SEC Regulation S-ID: The Identity Theft Red Flags Rule

The SEC's Rule 201 of Regulation S-ID, adopted in 2013 and known as the "Identity Theft Red Flags Rule,"¹⁸⁶ requires broker-dealers and investment advisers registered (or required to be registered) with the SEC to establish and implement a written Identity Theft Prevention Program that is designed to detect, prevent and mitigate identity theft¹⁸⁷ in connection with the opening of a covered account or any existing covered account.¹⁸⁸ The SEC has explained that an Identity

¹⁸² See Morgan Stanley Smith Barney, SEC. EXCH. COMM'N, REL. NOS. 34-78021, IA-4415 (June 8, 2016) (for nearly three years one of the firm's associated persons exploited flaws in the applications to misappropriate data regarding 730,000 customer accounts; Morgan Stanley was ordered to cease-and-desist, censured, and fined \$1,000,000).

¹⁸³ See Letter of Acceptance, Waiver, and Consent, FINRA Dep't of Enforcement v. Lincoln Financial Securities Corp., Docket No. 2013035036601 (Nov. 14, 2016).

¹⁸⁴ See *id.*

¹⁸⁵ See *id.* at 2-3; 5. See also Letter of Acceptance, Waiver, and Consent, FINRA Dep't of Enforcement v. Oak Tree Securities, Inc., Docket No. 2015043455201 (Sept. 28, 2017) (finding that for nearly two years Oak Tree used third party vendors to create and host its public website, but did not create any policies or procedures to ensure that it maintained the confidentiality of customer PII, or ensure that its vendors had procedures to protect PII; on at least seven occasions an internet search engine was able to access PII for over 700 customers).

¹⁸⁶ SEC. EXCH. COMM'N, REL. NOS. 34-69,359, IA-3582, IC-30,456, IDENTITY THEFT RED FLAGS RULES (Apr. 10, 2013; effective May 20, 2013) (codified at 17 C.F.R. § 248.201), <https://www.sec.gov/rules/final/2013/34-69359.pdf>. The SEC promulgated the rule (jointly issued with the CFTC) to implement provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which amended section 615(e) of the Fair Credit Reporting Act, 15 U.S.C. § 1681, to add the SEC and CFTC to the list of entities required to promulgate rules to require financial institutions and creditors to implement identity theft protection programs. See *id.*

¹⁸⁷ The rule defines "identity theft" as a fraud committed or attempted using the identifying information of another person without authority. 17 C.F.R. § 248.201(b)(9) (2021).

Theft Prevention Program “must include reasonable policies and procedures to: identify relevant red flags for the covered accounts and incorporate them into the Identity Theft Prevention Program; detect the red flags that have been incorporated into the Identity Theft Prevention Program; respond appropriately to any red flags that are detected pursuant to the Identity Theft Prevention Program; and ensure that the Identity Theft Prevention Program is updated periodically to reflect changes in risks to customers from identity theft.”¹⁸⁹

In 2018, the SEC brought its first enforcement case for violations of the Identity Theft Red Flags Rule against Voya Financial Advisors, Inc. (“VFA”), finding that VFA had failed to update its Identity Theft Prevention Program despite significant changes in external cybersecurity risks, and failed to respond to cybersecurity incidents.¹⁹⁰ VFA, a dually registered firm with a national network of independent contractor registered representatives, provided its contractors with access to its brokerage and advisory customer information through a proprietary web portal, VPro.¹⁹¹ The portal was managed and serviced by VFA’s parent company, Voya, which handled VFA’s cybersecurity functions, serviced support call centers, and responded to VFA’s contractor representatives for assistance on VPro.¹⁹²

The SEC found that during three days in April 2016, one or more persons impersonating VFA contractor representatives called the IT support team to reset their passwords, providing PII for the representatives; thereafter the callers were able to access to VPro and, therefore, gained access to the PII for approximately 5,600 customers.¹⁹³ The SEC found that VFA violated the Identity Theft Red Flags Rule by not updating its Identity Theft Prevention Program since 2009, failed to conduct adequate identity theft training, and that the Identity Theft Prevention Program did not include reasonable procedures designed to respond to and prevent red flags.¹⁹⁴

FINRA has also recently charged firms for Regulation S-ID Rule 201 violations in connection with security breaches. FINRA censured and fined Supreme Alliance \$65,000 for failing to take action when the emails of its CEO (who was also the firm’s chief compliance officer) was hacked.¹⁹⁵ The

¹⁸⁸ The rule defines a “covered account” to include an account that a broker-dealer or investment adviser offers or maintains, primarily for personal, family, or household purposes, that involves or is designed to permit multiple payments or transactions, such as a brokerage account with a broker-dealer. 17 C.F.R. § 248.201(b)(3) (2021).

¹⁸⁹ Voya Financial Advisors, Inc., SEC. EXCH. COMM’N, REL. NOS. 34-84288, IA-5048, at 3-4 (Sept. 26, 2018).

¹⁹⁰ *See id.*

¹⁹¹ *See id.* at 2.

¹⁹² *See id.* at 4-5.

¹⁹³ *See id.* at 7-8.

¹⁹⁴ *See id.* at 7. During the relevant period, VFA had detected red flags prior to and after the April 2016 intrusion but did not reasonably respond to the red flags by changing security codes, or implementing other procedures to deny unauthorized persons access to VFA customer accounts. *See id.* The SEC also charged VFA with violations of the Safeguard Rule, Regulation S-P, Rule 30, because its policies and procedures were not reasonably designed to prevent and respond to cybersecurity risks. *See id.* at 3, 10.

¹⁹⁵ *See* Letter of Acceptance, Waiver, and Consent, FINRA Dep’t of Enforcement v. Supreme Alliance LLC, Docket No. 2019062898302 (Dec. 18, 2020).

firm's CEO started receiving hundreds of notifications in his firm email account that his emails could not be delivered to certain external addresses, but he ignored the messages for four months.¹⁹⁶ When the CEO finally forwarded one of the notifications to the firm's outside email vendor, the vendor notified him that his email was likely compromised.¹⁹⁷ Despite learning this, the firm failed to implement any of the procedures of its written policies, or mitigate the risk of identity theft.¹⁹⁸ The AWC explained that at least 200 of the 17,000 emails blind copied to an external source contained customer PII.¹⁹⁹ FINRA found that Supreme Alliance did not have a program to address the identification and detection of red flags, or provide its registered representatives with any guidance in the event an identity theft had occurred; instead, the firm had written "generic policies and procedures not tailored to the firm's actual business model."²⁰⁰ As a result, the firm violated Rule 201 of Regulation S-ID.²⁰¹

(iii) Protecting Customer Funds

FINRA has long stressed the importance of implementing written policies and procedures governing the withdrawal and transmittal of customer funds and assets. In 2009, FINRA reminded firms to have written policies and procedures reasonably designed to review and monitor all instructions to transmit or withdraw assets from customer accounts.²⁰²

Concerns over the rising number of incidents of customer funds stolen as a result of compromised emails and fraudulent email instructions mailed to firms prompted FINRA to issue Regulatory Notice 12-05.²⁰³ FINRA explained that a firm's supervisory control system must include policies and procedures reasonably designed to review and monitor the transmittal of funds or securities from customer accounts to third-party accounts (resulting in a change of beneficial ownership), to outside entities, to locations other than the customer's primary residence, and between customer accounts and registered representatives.²⁰⁴ The procedures must consider the specific risks associated with each method the firm allows for transmittal.²⁰⁵ When firms accept email or other

¹⁹⁶ See *id.* at 3.

¹⁹⁷ See *id.*

¹⁹⁸ See *id.*

¹⁹⁹ See *id.*

²⁰⁰ *Id.* at 2.

²⁰¹ See *id.* at 3. By virtue of its violation of Regulation S-ID, the firm also violated FINRA Rule 2010. *Id.*

²⁰² See FINRA, REGUL. NOTICE 09-64, CUSTOMER ASSETS, VERIFICATION OF INSTRUCTIONS TO TRANSMIT OR WITHDRAW ASSETS FROM CUSTOMER ACCOUNTS (Nov. 2009), <https://www.finra.org/sites/default/files/NoticeDocument/p120372.pdf>. The notice also highlighted questions for firms to consider in evaluating its policies and procedures for the transmittal of funds or securities.

²⁰³ See FINRA, REGUL. NOTICE 12-05, CUSTOMER ACCOUNT PROTECTION, VERIFICATION OF EMAILED INSTRUCTIONS TO TRANSMIT OR WITHDRAW ASSETS FROM CUSTOMER ACCOUNTS (Jan. 2012), <https://www.finra.org/rules-guidance/notices/12-05>.

²⁰⁴ See *id.* at 2.

²⁰⁵ See *id.*

electronic wire or transfer instructions, its policies and procedures should include a method for verifying that the email or instructions were in fact sent by the customer, and train its employees to follow these procedures.²⁰⁶

In December 2020, FINRA charged Lincoln Investment with supervisory failures in connection with its transmittal of customer funds to malicious actors, arising from the failure of the firm to implement policies and procedures to identify and respond to “red flags” or suspicious activity.²⁰⁷ First, the firm received multiple phone calls from a woman impersonating a customer and requesting transfers of funds to a bank account that was not previously associated with the customer.²⁰⁸ The firm transferred funds from the customer’s account despite numerous red flags, including the imposter’s failure to answer security questions correctly.²⁰⁹ Additionally, the firm also failed to follow its own written policy concerning third-party transfer requests, transferring \$30,000 to a third-party after an associated person received an email from a customer’s email account which had been compromised.²¹⁰ FINRA charged Lincoln with violations of Rule 3110(a) for its failure to establish, maintain and enforce policies and procedures to safeguard customer assets, which “includes the responsibility to identify and respond to red flags,” censured the firm and imposed a \$35,000 penalty.²¹¹

(iv) Increasing Cybersecurity Concerns in the Age of COVID-19

The COVID-19 pandemic profoundly affected many aspects of society and our daily lives, leading to millions of Americans working (and studying) from home, relying on technology to remote into workplaces, classrooms, and other sites. The reliance on technology, combined with billions of stimulus checks sent to Americans, created new opportunities for financial fraud, prompting regulators to issue alerts about COVID-19 pandemic scams targeting consumers and investors.²¹²

²⁰⁶ See *id.* at 2-3. Moreover, the obligation to have supervisory procedures for the reviewing and monitoring of customer assets applies both to clearing and introducing firms, and while Rule 4311(c) permits firms to allocate responsibility for the performance of certain functions between the clearing and introducing firms when accounts are carried on a fully disclosed basis, the rule “expressly requires that the carrying firm be allocated the responsibility for the safeguarding of customer funds and securities.” *Id.* at 3. For example, the introducing firm may have the responsibility to verify the customer’s identity and that the instructions came from the customer and, therefore, have policies and procedures to ensure it carries out this function, but the clearing firm must still have adequate policies and procedures to review and monitor all disbursements it makes from the customer’s account. See *id.*

²⁰⁷ See Letter of Acceptance, Waiver, and Consent, FINRA Dep’t of Enforcement v. Lincoln Financial, Docket No. 2018056408401 (Dec. 10, 2020).

²⁰⁸ See *id.* 2-3.

²⁰⁹ See *id.*

²¹⁰ See *id.* at 4.

²¹¹ *Id.* at 2, 4. The AWC referenced FINRA Regulatory Notice 09-64 (Nov. 2009), which reminded members of their supervisory obligations to safeguard customer assets, which includes having policies and procedures governing the withdrawal or transmittal of funds or assets from customer accounts. See *id.* at 2.

²¹² See *Look Out for Coronavirus-Related Investment Scams*, SEC. EXCH. COMM’N (Feb. 4, 2020), <https://www.investor.gov/introduction-investing/general-resources/news-alerts/alerts-bulletins/investor->

According to one study, “[c]ybersecurity was the top near-term concern for independent broker-dealers” working from home or remote offices.²¹³

FINRA has also issued several notices alerting members to the increased risk of fraudulent activity and the challenges for firms in safekeeping customer information and assets. On the heels of nationwide stay at home orders, FINRA reminded firms about their obligations under Rule 4370 and to consider pandemic-related business continuity plans,²¹⁴ and alerted firms about addressing the increased vulnerability to cyberattacks and taking additional steps to protect customer information from being compromised on networks and mobile devices.²¹⁵

In Regulatory Notice 20-08, which focused on providing firms with pandemic-related business continuity planning guidance, FINRA specifically addressed cybersecurity and advised firms to consider the increased risk of cyber events due to use of remote offices or telework.²¹⁶ FINRA stressed the importance that firms “remain vigilant in their surveillance against cyber threats and take steps to reduce the risk of cyber events.”²¹⁷

FINRA Regulatory Notice 20-13 outlined four common scams to which firms and their customers may be exposed during the COVID-19 pandemic.²¹⁸ First, FINRA observed the increase of new customer accounts and warned firms of an increase in fraudulent account openings and money transfers using synthetic or stolen customer identities, pointing firms to the importance of Customer Identification Programs, monitoring for fraud during the account opening process, and

[alerts/look-out; Fraud and Coronavirus \(COVID-19\)](https://www.finra.org/investors/insights/fraud-and-coronavirus-covid-19), FINRA (Mar. 26, 2020), <https://www.finra.org/investors/insights/fraud-and-coronavirus-covid-19>.

²¹³ Bruce Kelly, *Broker-dealers Brace for Cyberthreats*, INVESTMENTNEWS (Jan. 18, 2021), <https://www.investmentnews.com/broke-dealers-brace-for-cyberthreats-201403>.

²¹⁴ See FINRA, REGUL. NOTICE 20-08, PANDEMIC-RELATED BUSINESS CONTINUITY PLANNING, GUIDANCE AND REGULATORY RELIEF (Mar. 9, 2020), <https://www.finra.org/rules-guidance/notices/20-08>. FINRA’s 2021 Report explained that any cybersecurity breach that interrupts member operations or results in denials of service to customers also implicates Rule 4370 (Business Continuity Plans and Emergency Contact Information). See 2021 FINRA Report, *supra* note 17 at 8. Rule 4370 requires member firms to create and maintain a written business continuity plan identifying procedures relating to an emergency or significant business disruption, and update the plan in the event of any material change to the member’s operations, structure, business or location. Rule 4370(a), (b). Although member firms have flexibility to design their business continuity plan, the plan must address the following elements relevant to cybersecurity risks: (1) data back-up and recovery (hard copy and electronic); (2) all mission critical systems; (3) financial and operational assessments; (4) alternative communications between customers and the member; (5) alternative communications between the member and its employees; (6) alternate physical location of employees; and (7) how the member will assure “customers’ prompt access to their funds and securities in the event the member determines it is unable to continue its business.” Rule 4370(c).

²¹⁵ See *Cybersecurity Alert: Measures to Consider as Firms Respond to the Coronavirus Pandemic (COVID-19)*, FINRA (Mar. 26, 2020), <https://www.finra.org/rules-guidance/notices/information-notice-032620>.

²¹⁶ See FINRA, REGUL. NOTICE 20-08, *supra* note 214.

²¹⁷ *Id.*

²¹⁸ See FINRA, REGUL. NOTICE 20-13, *supra* note 45.

verifying transfers in selected circumstances – essentially the very same best practices FINRA has identified for a robust AML program.²¹⁹ Second, FINRA noted the increase of firm imposter scams, where fraudsters impersonate firms or associated persons in either communicating with customers or creating a fake online presence or website, and provided guidance on how firms could mitigate those risks.²²⁰ Third, the notice explained that the use of remote working arrangements increased opportunities for IT Help Desk scams, where fraudster pose as associated persons, and contact the firm’s IT Help Desk staff for a password reset, thereby giving the fraudster access to the firm’s network, confidential information and customer assets.²²¹ The fourth common scam the notice identified was email compromise schemes, where fraudsters taking advantage of remote working arrangements send an email posing as firm leadership or manager to request funds or a transfer.²²²

FINRA has also recently issued Regulatory Notice 21-18, stating that it had received an increasing number of reports regarding online customer account takeovers, involving bad actors using compromised customer information (i.e., username and password), to gain unauthorized access to customers’ online brokerage accounts.²²³ In order to assist firms in identifying, preventing and responding to such attacks, FINRA hosted a roundtable discussion with representatives of 20 member firms of various sizes and business models to discuss approaches to mitigating account takeover risks.²²⁴ The notice identified the relevant regulatory obligations to protect customer information and assets, listed common challenges to protecting customer accounts, and provided a list of best practices and approaches to authenticating customer identities, monitoring accounts, implementing automated threat detection, and procedures to respond to potential or reported account take overs.²²⁵

²¹⁹ See *id.* at 2-4; see also FINRA, REGUL. NOTICE 19-18, *supra* note 42.

²²⁰ See FINRA, REGUL. NOTICE 20-13, *supra* note 45 at 5. FINRA specifically referred to its earlier Information Notice, *Imposter Websites Impacting Member Firms* (Apr. 29, 2019), which warned member firms about “imposter websites,” where a malicious actor uses the names and/or photos of registered representatives to establish websites that look like the representatives’ personal sites, and then directs the customers to enter personal information. *Id.* Several months after issuing Regulatory Notice 20-13, FINRA issued another notice warning firms and associated persons about imposter websites. See FINRA, REGUL. NOTICE 20-30, FRAUDSTERS USING REGISTERED REPRESENTATIVES NAMES TO ESTABLISH IMPOSTER WEBSITES (Aug. 20, 2020), <https://www.finra.org/rules-guidance/notices/20-30>. FINRA explained that firms could take steps to identify these pages by periodically searching the web for the names of its registered representatives or create alerts that automatically search for defined terms. See *id.* at 2.

²²¹ See FINRA, REGUL. NOTICE 20-13, *supra* note 45 at 6. Another variant of the scheme is a fraudster posing as an IT Help Desk staffer who contacts the associated person to harvest his or her credentials or introduce malware. See *id.*

²²² See *id.* at 7.

²²³ See FINRA, REGUL. NOTICE 21-18, CYBERSECURITY (May 12, 2021), <https://www.finra.org/rules-guidance/notices/21-18>.

²²⁴ See *id.* at 1.

²²⁵ See *id.* at 4-7.

II. Conclusion

Technology has evolved the way investors interact with brokerage firms. These changes raise challenges for firms determining how to comply with the existing regulations in light of their new business models. However, the challenges firms face today mirror those in the early stages of online trading. While some things have changed, some have not.

Online platforms and mobile trading apps have increased the ability of investors to access the markets. Although the changes to technology have led more investors to be self-directed, they are still entitled to the protections of FINRA and SEC rules. Firms must still comply with the rules governing opening and approving accounts. Firms must confirm customer identities, even though they are only dealing with the investor virtually. Firms must comply with the communications rules, ensuring all communications are fair and balanced. And finally, firms must safeguard customer information, funds, and securities.

ETHICALLY REMOTE? VIRTUAL REPRESENTATION IN FINRA ARBITRATION

Nicole G. Iannarone, Gabrielle Beers, & Emma Schurmeier*

INTRODUCTION

When the world first shut down in spring 2020 as a result of the Covid-19 pandemic, FINRA took the remarkable step of postponing all arbitration and mediation proceedings that were to be held in person.¹ In so doing, FINRA recognized that closing the in-person hearing option to protect the health and safety of all participants impacted those with pending claims.² Accordingly, FINRA offered a path to move forward: if there was agreement between the parties, the proceeding could go forward electronically via the virtual Zoom platform.³ By 2021, most Americans had become comfortable with the ubiquity of virtual equivalents of our pre-pandemic lives, and many Americans, lawyers included, will continue to conduct work virtually.⁴ Indeed, some argue that virtual representation opens access to justice and permits those who might not otherwise be able to obtain or afford a lawyer to be represented.⁵

Our newfound embrace of virtual representation should not, however, ignore the reality that lawyers can only ethically practice law in jurisdictions where they are licensed to do so. Virtual representation and securities arbitration hearings raise a host of questions about the potential for unlicensed practice of law and violation of the multijurisdictional practice rules. For example,

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¹See FINRA, *Coronavirus Impact on Arbitration Hearings*, <https://www.finra.org/rules-guidance/key-topics/covid-19/arb-hearings>.

²See Nicole G. Iannarone, Kaitlyn Barlow, and Olivia Szumski, *FINRA Arbitration in an Online World*, 27 PIABA B.J. 341, 341 (2020) ("Expedited hearings serve an important goal: ensuring that claimants who have a serious health concern are able to obtain a result as soon as possible. And, in a world where health concerns are front page news and Americans are suffering extreme financial difficulties, concluding a FINRA proceeding expeditiously is extremely important.").

³*Id.* at 341-342 (describing online hearing option). See also FINRA, *FINRA Dispute Resolution Services Arbitrator Resource Guide for Virtual Hearings*, available at <https://www.finra.org/sites/default/files/2020-06/FINRA-Dispute-Resolution-Services-Arbitrator-Resource-Guide-for-Virtual-Hearings.pdf>.

⁴Danielle Braff, *thanks to the COVID-19 Pandemic, Law Firms are Starting to Embrace Virtual Offices – But will it Last?*, ABA Journal (Feb. 1, 2021), available at <https://www.abajournal.com/magazine/article/thanks-to-the-covid-19-pandemic-law-firms-are-starting-to-embrace-virtual-officesbut-will-it-last>.

⁵Alicia Bannon & Janna Adelstein, *The Impact of Video Proceedings on Fairness and Access to Justice in Court*, Brennen Center, available at <https://www.brennancenter.org/our-work/research-reports/impact-video-proceedings-fairness-and-access-justice-court> ("At the same time, other research suggests that remove video proceedings may also enhance access to justice under some circumstances. For example, a Montana study found that the use of video hearings allowed legal aid organizations to reach previously underserved parts of the state.").

assume a Florida-licensed lawyer represents an investor who is temporarily residing in her North Carolina vacation home during the pandemic. The investor lived in New Jersey when a Pennsylvania-based broker provided her with allegedly negligent advice. The claim is assigned to a FINRA New Jersey hearing location. The broker's counsel is licensed in Connecticut, but currently living in Vermont, and the brokerage's firm's counsel is licensed in California, but currently living in New York. After discovery concludes, the investor's case proceeds to a Zoom hearing with all parties, lawyers, and arbitrators participating remotely. Are any of these lawyers violating prohibitions on the unlicensed practice of law? Should they investigate the law of their licensing jurisdiction(s)? Does the law of where the client receives the advice apply? Or is it the law of the hearing location? Are there different answers for each of the participants? What multijurisdictional practice rules even apply when a hearing is conducted over the Internet?

The answers to these questions have a significant impact on lawyers and parties in FINRA arbitration proceedings. Securities arbitration is a specialized field, and scholars have recognized that while repeat player respondents and their counsel in arbitration fare better than consumers, the playing field can be leveled when consumers are represented by lawyers who frequently represent parties in the arbitration forum.⁶ Consumer investors thus face a disadvantage if they are unable to secure experienced counsel as a result of rigid representation rules. Moreover, lawyers who proceed without a thorough investigation of the potentially applicable rules face concerns including the inability to recover their legal fees, suspension or disbarment from practice, or even criminal penalties.

In this article, we discuss ethical concerns and best practices related to multi-jurisdictional law practice and endeavor to provide a framework for lawyers considering representing a client in a FINRA virtual hearing. We begin with an overview of FINRA's rules relating to the representation of parties in a securities arbitration proceeding and their interplay with the American Bar Association (ABA) Model Rule 5.5 dealing with multijurisdictional practice. Section II describes rules related to multi-jurisdictional practice of law and virtual hearings, provides examples of some state approaches to regulating lawyers appearing virtually, and suggests a framework for lawyers navigating virtual representation in the FINRA dispute resolution space.

I. REPRESENTING PARTIES IN FINRA PROCEEDINGS

In order to represent a party in a FINRA proceeding, a lawyer must ensure that they are following FINRA's representation rule, which permits lawyers to appear so long as state law does not prohibit the representation. The rule provides flexibility and allows lawyers to practice outside their licensing jurisdiction where the non-licensing state permits multijurisdictional practice, so long as the lawyer follows the general requirements of that forum. The sections that follow outline FINRA's representation rule and provide a high-level analysis of when jurisdictions permit lawyers to practice on a limited basis in the non-licensing forum.

⁶See, e.g., Andrea Cann Chandrasekher & David Horton, *Arbitration Nation: Data from Four Providers*, 107 CALIF. L. REV. 1, 9 (2019) (“[C]oncern that arbitration favors repeat-playing corporations is well founded. Indeed, businesses that arbitrate often in an institution perform particularly well within that institution. Nevertheless, this is just one-half of the repeat-player story. Arbitration favors repeat players on *both sides*. In a variety of different settings, serially arbitrating *plaintiffs’ law firms* also fare particularly well.”).

A. *FINRA's Representation Rules*

FINRA's Codes of Arbitration Procedure governs who may represent a party in a FINRA arbitration proceeding.⁷ Individuals and business entities may represent themselves if they are parties to a FINRA proceeding.⁸ Parties may also seek representation from others, including a lawyer.⁹ Though lawyers are permitted in FINRA proceedings, Rule 12208(b) also provides that lawyers may not represent a party in a FINRA proceeding if state law prohibits them from doing so.¹⁰ Accordingly, lawyers hoping to represent a party in a FINRA proceeding must determine whether they are permitted to do so under state law. If the client, lawyer, and proceeding are all physically located in the state where the lawyer is actively licensed, the inquiry is straight forward: the lawyer will be permitted to appear under FINRA Rule 12208(b) and no further inquiry is required.

There are several scenarios, however, where lawyers must look to other law to determine whether they are permitted to represent a party in a FINRA proceeding, including:

- The potential client resides in the jurisdiction where the hearing will be held, but the attorney seeking to represent the client is not licensed in that jurisdiction;
- The hearing location and the client's residence are both outside of the lawyer's licensing jurisdiction;
- There is no formal proceeding, but a lawyer is contacted by a client outside the jurisdiction in which the lawyer is licensed;
- A lawyer and client reside within the jurisdiction where the lawyer is licensed, but the hearing venue is in a jurisdiction where the lawyer is not licensed to practice law;
- There is a virtual or hybrid proceeding with parties participating from multiple physical locations; and/or
- The lawyer or client are living in a place that is not their typical residence and the lawyer is not licensed in any of those jurisdictions.

⁷FINRA, Rule 12208 (Representation of parties in customer cases); FINRA, Rule 13208 (Representation of parties in industry cases). Because these rules are identical, for ease of reference, the remainder of this article refers only to the rule in the Code of Customer Procedure.

⁸FINRA Rule 12208(a) ("Parties may represent themselves in an arbitration held in a United States hearing location. A member of a partnership may represent the partnership; and a bona fide officer of a corporation, trust, or association may represent the corporation, trust, or association.").

⁹FINRA Rule 12208(b) (titled "Representation by an Attorney"). Parties may be represented by a non-attorney representative ("NAR") under some circumstances, a topic that is outside the scope of this article. FINRA Rule 12208(c) ("Parties may be represented in an arbitration by a person who is not an attorney, unless: state law prohibits such representation, or the person is currently suspended or barred from the securities industry in any capacity, or the person is currently suspended from the practice of law or disbarred.").

¹⁰FINRA Rule 12208(b).

These challenging situations do not mean, however, that a lawyer should decline all cases simply because the hearing or client are located outside the lawyer's licensing jurisdiction. Many jurisdictions have recognized that the practice of law does not always squarely fit within their boundaries and permit lawyers licensed in other jurisdictions to engage in the practice of law within their borders if certain criteria are met. FINRA has effectively deferred to these jurisdictions

to determine whether the lawyer may proceed outside their licensing jurisdiction in a FINRA arbitration hearing.¹¹

B. Model Guidance: Multijurisdictional Practice

The American Bar Association's Model Rules of Professional Conduct seek to solve the reality that the practice of law in today's world, with modern communication and technology, means that lawyers are often solicited by clients who do not necessarily reside in their state and in proceedings that may be held in multiple jurisdictions.¹² ABA Model Rule 5.5 squarely answers the question of how to proceed if a lawyer is not licensed in a jurisdiction.¹³ While the rule generally prohibits a lawyer from practicing law in violation of a jurisdiction's rules governing the practice of law, a lawyer admitted in another United States jurisdiction can provide "temporary" legal services in a few specifically delineated circumstances.¹⁴ For example, a lawyer not licensed in the jurisdiction may undertake their work with the active assistance of locally-licensed counsel, obtain or expect to obtain authorization to appear before the appropriate court, or prove a reasonable relationship between the legal matter at hand and the lawyer's work in their licensing jurisdiction.¹⁵

In the matter of arbitration and mediation, Rule 5.5(c)(3) states that a lawyer may provide temporary legal services that

are in or reasonably related to a pending or potential arbitration, mediation, or other alternative dispute resolution proceeding in this or another jurisdiction, if the services arise out of or are reasonably related to the lawyer's practice in a jurisdiction in which the lawyer is admitted to practice and are not services for which the forum requires pro hac vice admission.¹⁶

There is no definition of what "arise out of or are reasonably related to the lawyer's practice"

¹¹FINRA Rule 12208(b) (permitting lawyers to represent parties in securities arbitration proceedings so long as not prohibited by state law).

¹²Throughout the text of this paper, American Bar Association Model Rules of Professional Conduct will hereinafter be referred to as "ABA Model Rule [Rule No]."

¹³See Model Rules of Prof'l Conduct R. 5.5.

¹⁴*Id.* at R. 5.5(c).

¹⁵*Id.* at (c)(1)-(4).

¹⁶*Id.* at (c)(3).

means, though comments to Rule 5.5 provide some explanation.¹⁷ The comment recognizes there cannot be a one-size-fits-all definition, but instead that “[a] variety of factors evidence such a relationship.”¹⁸ Among those factors are whether the lawyer has previously represented the client, the matter has a significant connection with the jurisdiction, or the lawyer’s work may be significantly connected to the jurisdiction.¹⁹ Most applicable to lawyers who practice securities arbitration, the requisite connection may be found when “the services may draw on the lawyer’s recognized expertise developed through the regular practice of law on behalf of clients in matters involving a particular body of federal, nationally-uniform, foreign, or international law.”²⁰

Lawyers should not, however, take ABA Model Rule 5.5(c)(3) as permission to represent any client in any FINRA proceeding no matter the state in which it is pending, what law applies, or where the client resides. First, lawyers must recognize that the ABA Model Rules are exactly that – models. While most states have adopted some variant of Model Rule 5.5, a lawyer must first determine that the relevant jurisdiction permits the out of state representation. Though most states have adopted some variation of Model Rule 5.5, each state that adopted the rule considered its own jurisdiction and some have drastically deviated from the ABA’s Model Rule 5.5.²¹ Second, the lawyer must ensure that the representation they are undertaking is indeed “temporary.”²² Each jurisdiction may treat temporary representation separately, and a residence or office in the jurisdiction may mean that the representation is not deemed temporary.²³ A lawyer may inadvertently violate the “temporary” practice exception by soliciting clients in the jurisdiction, appearing in the jurisdiction on multiple occasions, or otherwise holding themselves out as being able to assist clients in the state, including by advertising.²⁴ Moreover, even if states do permit temporary practice by lawyers licensed outside the jurisdiction, certain requirements must be met by the lawyer seeking to avail themselves to the state’s equivalent of ABA Model Rule 5.5.²⁵ Finally, lawyers should consider the additional contours of virtual representation and how it may

¹⁷*Id.* at Cmt [14].

¹⁸*Id.*

¹⁹*Id.*

²⁰*Id.*

²¹See AMERICAN BAR ASSOCIATION, CPR POLICY IMPLEMENTATION COMMITTEE, VARIATIONS OF THE ABA MODEL RULES OF PROFESSIONAL CONDUCT: RULE 5.5 UNAUTHORIZED PRACTICE OF LAW; MULTIJURISDICTIONAL PRACTICE OF LAW (Feb. 20, 2020), https://web.archive.org/web/20210120173353/https://www.americanbar.org/content/dam/aba/administrative/professional_responsibility/mrpc_5_5.pdf.

²²ABA Model Rule 5.5(c)(3).

²³See, e.g. Colo. R. Civ. P. 205.1(1)(b) (lawyer may practice remotely from Colorado only if not a Colorado domiciliary); *Gould v. Fla. Bar*, 259 F. App’x 208 (11th Cir. 2007) (lawyer’s practice not temporary due to residence and office in state).

²⁴ABA Model Rule 5.5.

²⁵See, e.g., FINRA, FINRA Dispute Resolution Services Party’s Reference Guide, available at <https://www.finra.org/sites/default/files/Partys-Reference-Guide.pdf> at 49-53 (listing special requirements for attorneys seeking to appear in California, Florida, and Oregon based FINRA proceedings who are not licensed in those jurisdictions).

impact the analysis under Model Rule 5.5, concerns that are addressed in the section that follows.

II. MULTI-JURISDICTIONAL PRACTICE AND VIRTUAL REPRESENTATION

The COVID-19 pandemic in early 2020 set in motion a myriad of logistical challenges, many of which continue to be relevant. Not only have attorneys had to adjust to the general strangeness and unpredictability of conducting their normal business from outside of the office, but multijurisdictional practice quickly acquired more challenging dimensions than many lawyers had previously considered. From the start of the pandemic, stay-at-home orders and social distancing requirements have forced attorneys to re-configure their practices and oftentimes subsequently re-evaluate their ethical compliance.²⁶

Accidentally violating multi-jurisdictional practice boundaries added an extra layer of difficulty for many lawyers, particularly those who found themselves practicing from residences outside their licensing jurisdiction.²⁷ Some lawyers adopted the (risky) mindset that they can likely get away with potentially violating Rule 5.5 simply because “everybody is doing it,” and the pandemic has forced a large number of practitioners to cross state lines virtually in some form.²⁸ Such a *laissez-faire* approach may result in harm to clients and to the lawyer’s ability to practice at all. First, if an opponent challenges the lawyer’s ability to represent a client in the proceeding, the lawyer may be excluded from the forum, placing the client in a precarious position where they need to locate new counsel at a late stage in the proceeding and often at a higher cost but less knowledge about the case. Second, lawyers are subject to discipline if they engage in the unauthorized practice of law, ranging from a reprimand to suspension to disbarment.

A. American Bar Association Guidance on Virtual Law Practice

The American Bar Association stepped in with an ethics opinion that sought to clarify lawyers’ responsibilities and when remote law practice would run afoul of ABA Model Rule 5.5. On December 16, 2020, the American Bar Association (“ABA”) Standing Committee on Ethics and Professional Responsibility released Formal Opinion 495, “Lawyers Working Remotely,” clarifying how a lawyer may avoid unintentional unauthorized practice of law while working remotely from another jurisdiction that she is not licensed in. The ABA attempted to create a bright line rule that identifies when a lawyer may work remotely within three parameters found within the Model Rules.²⁹

A lawyer may not remotely practice law in their licensed jurisdiction if that local jurisdiction has determined that the conduct in question constitutes unlicensed practice.³⁰ Accordingly, the lawyer’s first research inquiry should be how the jurisdiction defines unlicensed practice and identify any applicable practice rules. This may be a research-intensive practice, as the definition

²⁶Keith R. Fisher, *COVID-19 and the “Invisible” Lawyer*, Bus. L. Today, April 2021, at 1.

²⁷*Id.*

²⁸See Russel, *supra* n __.

²⁹ABA Standing Comm. on Ethics and Prof’l Responsibility, Formal Op. 495 (2020).

³⁰*Id.*

of unlicensed practice may appear within a statute,³¹ state rule of professional conduct,³² state rule of civil procedure,³³ advisory opinion by the local state's highest court³⁴ or state bar association,³⁵ or through case law.³⁶ Should the local jurisdiction determine that working remotely while physically located in the jurisdiction constitutes the unauthorized or unlicensed practice of law, the ABA states in their opinion that the conduct would also be prohibited by Model Rule 5.5(a).³⁷

However, so long as there is not a prohibition by the local jurisdiction, the ABA makes clear in its opinion that "a lawyer may practice law pursuant to the jurisdiction(s) in which the lawyer is licensed (the "licensing jurisdiction") even from a physical location where the lawyer is not licensed (the "local jurisdiction")" as long as the lawyer ensures that three conditions are met.³⁸ If those conditions are met, "the lawyer may practice from home (or other remote location) whatever law(s) the lawyer is authorized to practice by the lawyer's licensing jurisdiction, as they would from their office in the licensing jurisdiction."³⁹

The three conditions for such practice are pragmatic policies that balance public protection and the jurisdiction's interest in regulating its own law with the actual activities the lawyer is undertaking. First, a lawyer may not "hold themselves out as being licensed to practice in the local jurisdiction."⁴⁰ This condition stems from and mirrors Model Rule 5.5(b)(2).⁴¹ To determine whether a lawyer is holding themselves out as being licensed, the ABA identifies several indicators, such as contact information tied to the local jurisdiction on websites, the lawyer's

³¹See N.Y. Judiciary Law § 478 (1965).

³²See Ariz. Rules of Prof'l Conduct r. 5.5.

³³See Colo. R. Civ. P. 205.1.

³⁴See *Fla. Bar re Advisory Op. - Out-of-State Attorney Working Remotely from Fla. Home*, 2021 Fla. LEXIS 803 (Fla. 2021).

³⁵See State of Maine Board of Overseers of the Bar Prof'l Ethics Comm., Ethics Op. #189: Unauthorized Practice of Law in Maine by Admittees of Foreign Jurisdiction; Utah State Bar Ethics Advisory Op. Comm., Op. No. 19-03.

³⁶See *The Florida Bar v. Moses*, 380 So. 2d 412, 417 (Fla. 1980).

³⁷ABA Standing Comm. on Ethics and Prof'l Responsibility, Formal Op. 495 (2020). Rule 5.5(a) states that "a lawyer shall not practice law in a jurisdiction in violation of the regulation of the legal profession in that jurisdiction, or assist another in doing so." Model Rules of Prof'l Conduct r. 5.5(a) (Am. Bar. Ass'n 1983).

³⁸ABA Standing Comm. on Ethics and Prof'l Responsibility, Formal Op. 495 (2020).

³⁹*Id.*

⁴⁰ABA Standing Comm. on Ethics and Prof'l Responsibility, Formal Op. 495 (2020).

⁴¹Rule 5.5(b)(2) states that a lawyer who is not admitted to practice in the local jurisdiction may not "hold out to the public or otherwise represent that the lawyer is admitted to practice law in this jurisdiction." Model Rules of Prof'l Conduct r. 5.5(b)(2) (Am. Bar. Ass'n 1983).

letterhead, business cards, or advertising materials.⁴² Should the lawyer, however, identify in these materials that they are limited to practice outside the jurisdiction, “do not provide an address in the local jurisdiction, and do not offer to provide legal services in the local jurisdiction,” the lawyer’s representation is within the ambit of Model Rule 5.5.⁴³ Second, the lawyer may not “advertise or otherwise hold out as having an office in the local jurisdiction.”⁴⁴ This guideline is similar to the first in that it is concerned with the implication that a lawyer is licensed in the local jurisdiction through their local contact information, including an address. A lawyer may avoid violating this requirement by only using their address in their licensing jurisdiction. To prevent confusion of physical presence, the ABA offers the solution to include a disclaimer of “by appointment only” or “for mail delivery” when referencing the address in the licensing jurisdiction.⁴⁵ Third, a lawyer may not “provide or offer to provide legal services in the local jurisdiction.”⁴⁶ A lawyer licensed in New York, for example, may not provide or offer to provide legal services in New Jersey or for New Jersey clients if not also licensed in that state.

The ABA’s Opinion 495 provides guidance to lawyers whose practice temporarily moved from their licensing jurisdiction to another jurisdiction.⁴⁷ Accordingly, it should be read along with the analysis of Model Rule 5.5(c)(3) in Section I, above, that permits lawyers to provide “temporary”⁴⁸ legal services outside their licensing jurisdiction if those services “are in or reasonably related to a pending or potential arbitration, mediation, or other alternative dispute resolution proceeding in this or another jurisdiction, if the services arise out of or are reasonably related to the lawyer’s practice in a jurisdiction in which the lawyer is admitted to practice and are not services for which the forum requires *pro hac vice* admission.”⁴⁹

B. Jurisdiction-Specific Research Required

Though ABA Opinion 495 provides lawyers with a framework for evaluating multijurisdictional practice questions in virtual settings, lawyers cannot rely solely on the ABA’s guidance. Carefully reviewing the rules of the relevant jurisdiction is crucial. While it is out of the scope of this short article to provide a nationwide survey of applicable guidance, some examples are helpful to

⁴²ABA Standing Comm. on Ethics and Prof’l Responsibility, Formal Op. 495 (2020).

⁴³*Id.*

⁴⁴ABA Standing Comm. on Ethics and Prof’l Responsibility, Formal Op. 495 (2020).

⁴⁵*Id.* at n.3.

⁴⁶ABA Standing Comm. on Ethics and Prof’l Responsibility, Formal Op. 495 (2020).

⁴⁷*Id.*

⁴⁸See ABA Model Rule 5.5 Comment [6] (describing characteristics of temporary practice).

⁴⁹Model Rules of Prof’l Conduct r. 5.5(c)(3) (Am. Bar. Ass’n 1983).

Lawyers should note that FINRA defers to jurisdictions that may require special procedures be followed in order to practice pursuant to that jurisdiction’s equivalent to Model Rule 5.5(c)(3). See, e.g., FINRA, *Notice to Attorneys and Parties Represented by Out-of-State Attorneys*, <https://www.finra.org/arbitration-mediation/notice-attorneys-and-parties-represented-out-state-attorneys> (providing resources for out of state attorneys, including special requirements for California, Florida, and Oregon-based proceedings).

illustrate the need for jurisdiction-specific research.

Attorneys might assume that they can safely practice only the law of their home jurisdiction while residing in another jurisdiction, but some states appear to prohibit the virtual practice emanating from their borders.⁵⁰ One jurisdiction, while permitting virtual representation of an outside jurisdiction's law within its borders conditioned the acceptance of the practice on the pendency of the pandemic, permitting virtual representation only while emergency conditions exist. Thus, in Opinion 24-20, the District of Columbia Court of Appeals established that a lawyer can practice another jurisdiction's law remotely from the District of Columbia if the lawyer is doing so because of the pandemic, a temporary condition related to sheltering in place.⁵¹ Several conditions are placed on this temporary remote practice, however. The lawyer is not engaging in unlicensed practice if

the attorney (1) is practicing from home due to the COVID-19 pandemic; (2) maintains a law office in a jurisdiction where the attorney is admitted to practice; (3) avoids using a District of Columbia address in any business document or otherwise holding out as authorized to practice law in the District of Columbia, and (4) does not regularly conduct in-person meetings with clients or third parties in the District of Columbia."⁵²

The temporary nature of the District of Columbia's rule suggests that virtual representation will not be permitted at the conclusion of the pandemic emergency.

Jurisdictions that prohibit virtual representation from within the state – or only permit it during the pandemic – seem to be in the minority. Multiple jurisdictions have determined that a lawyer may practice law remotely from their jurisdiction. Thus, Colorado permits a lawyer to practice remotely from Colorado so long as they are not a domiciliary in Colorado.⁵³ Utah permits out-of-state lawyers to practice law representing non-Utah clients from their Utah home.⁵⁴ Maine reached the same conclusion: lawyers who are licensed in one state but working remotely from another are not engaging in the unauthorized practice of law.⁵⁵ Maine would also reach a similar conclusion for a lawyer who lived in the state of Maine and worked remotely for a firm in another jurisdiction.⁵⁶

⁵⁰See N.Y. Judiciary Law § 478 (1965); Colo. R. Civ. P. 205.1.

⁵¹District of Columbia Court of Appeals Committee on Unauthorized Practice of Law Opinion 24-20 (Mar. 23, 2020).

⁵²District of Columbia Court of Appeals Committee on Unauthorized Practice of Law Opinion 24-20 (Mar. 23, 2020).

⁵³Colo. R. Civ. P. 205.1(1)(b).

⁵⁴Utah State Bar Ethics Advisory Op. Comm., Op. No. 19-03 (What interest does the Utah State Bar have in regulating an out-of-state lawyer's practice for out-of-state clients simply because he has a private home in Utah? And the answer is the same – none.”).

⁵⁵See State of Maine Board of Overseers of the Bar Prof'l Ethics Comm., Ethics Op. #189: Unauthorized Practice of Law in Maine by Admittees of Foreign Jurisdiction.

⁵⁶State of Maine Board of Overseers of the Bar Prof'l Ethics Comm., Ethics Op. #189: Unauthorized Practice of Law in Maine by Admittees of Foreign Jurisdiction. “Where the lawyer's practice is located in

Florida also permits non-Florida attorneys to work remotely from their Florida homes.⁵⁷ Other states have concurred with the ABA's approach in Opinion 495. Pennsylvania, for example, released an ethics opinion formally adopts the ABA's opinion for its state rule of professional conduct.⁵⁸ Lawyers should take care, however, not to engage in legal practice in the guest jurisdiction or exceed the boundaries of their permissible virtual representation. Illinois cautions that "even if the virtual office were not based in Illinois, the fact that the State X lawyer would do work for Illinois clients and would seek legal work in Illinois establishes a systematic and continuous presence" and violates Illinois' prohibition on unlicensed practice of law.⁵⁹

C. Best Practices for Avoiding Unauthorized Practice of Law when Virtually Representing Clients

In order to avoid allegations of impermissible multijurisdictional practice or the unauthorized practice of law, the prudent lawyer should first investigate the remote and temporary practice rules of the jurisdiction from which they are practicing remotely during the pandemic.⁶⁰ In addition to evaluating rules of the location from which they are virtually practicing, the lawyer should also determine where the proceeding is being held, a necessary question since at least one jurisdiction noted more than two decades ago that lawyers could engage in unlicensed practice of law through purely virtual presence in the jurisdiction.⁶¹ Finally, the lawyer should research the applicable practice rules of the jurisdictions where the client resides or whose law governs the proceeding as a jurisdiction may have interests not only in proceedings that go forward within their borders but also to protect their residents and the law of their forum.⁶² Accordingly, virtual representation may involve a lawyer ensuring compliance with more than one jurisdiction's multijurisdictional practice rules, any one of which may prohibit the representation. Prudent lawyers should adhere to the most stringent jurisdiction's requirements for multijurisdictional practice.

another state and where the lawyer is working on office matters from afar, we would conclude that the lawyer is not engaged in the unauthorized practice of law. We would reach the same conclusion with respect to a lawyer who lived in Maine and worked out of his or her home for the benefit of a law firm and clients located in some other jurisdiction."

⁵⁷*Fla. Bar re Advisory Opinion--Out-of-State Working Remotely from Fla. Home*, 2021 Fla. LEXIS 803, *7 (Fla. 2021). See also *Florida Bar v. Sperry*, 2021 Fla. LEXIS 803 (attorney licensed in New Jersey but working remotely from his Florida home could work remotely on federal intellectual property matters for a law firm based in New Jersey).

⁵⁸43 Pennsylvania Lawyer 56 - Joint Formal Opinion 2021-100.

⁵⁹Illinois State Bar Assn Professional Conduct Advisory Opinion No. 12-09 (2012). See also *In re Towne*, 929 A.2d 774 (Del. 2007) (disbarring PA lawyer who represented DE clients on DE law from office in PA).

⁶⁰See Devika Kewalramani et. al., *Social Distance Lawyering: How Close Is Your Ethical Compliance?*, N.Y. ST. B.J., 35, 38 (2020).

⁶¹See, e.g., *Birbrower, Montalbano, Condon & Frank v. Superior Court*, 949 P.2d 1 (Ca. 1998). See also *In re Towne*, 929 A.2d 774 (Del. 2007) (disbarring PA lawyer who represented DE clients on DE law from office in PA).

⁶²See generally ABA Model Rule 5.5.

CONCLUSION

Though the pandemic has highlighted the need for guidance regarding multijurisdictional practice and virtual representation, these dilemmas predated stay-at-home orders and will likely persist post-pandemic. In this article, we have provided a basic framework for evaluating representation of parties outside of an attorney's licensing jurisdiction when the representation is undertaken virtually. Multiple jurisdictions' laws may be implicated, and prudent lawyers should approach every virtual representation by researching the law of each interested jurisdiction before agreeing to undertake the representation.

PIABA AND THE PIABA FOUNDATION

2021 UPDATED STUDY ON FINRA EXPUNGEMENTS

**A SERIOUSLY FLAWED PROCESS
THAT SHOULD BE FIXED NOW
TO PROTECT THE INTEGRITY OF THE PUBLIC RECORD**

Authored By:

David P. Meyer (PIABA President), Jason R. Doss (PIABA Foundation President) and Lisa Bragança (PIABA Foundation Vice-President)

On Behalf of PIABA and The PIABA Foundation



ABOUT THE GROUPS AND ACKNOWLEDGMENTS

The Public Investors Advocate Bar Association is an international bar association whose members represent investors in disputes with the securities industry. Currently, there are members from 44 states, Puerto Rico, and Japan. The mission of PIABA is to advocate for equal access to justice for investors in all forums. PIABA works to promote fairness in the rules governing dispute resolution for investor claims against securities and commodities brokerage firms, registered investment advisory firms, and their associated representatives. PIABA also works toward creating, improving, and enforcing statutes, rules, regulations, case law, and policies designed to promote investor rights and to prevent misconduct by those who sell investments to the public. [REDACTED]

The PIABA Foundation is a 501(c)(3) charitable organization that was formed in 2012 by attorneys who are devoted to representing investors in disputes with brokers and brokerage firms in FINRA arbitrations. The Foundation's mission is to promote investor protection through investor education. The Foundation's research and work to release this Study was performed by attorney volunteers with experience in representing parties in FINRA's arbitration process and the funds to purchase the data for this Study were paid for through charitable donations. The Foundation would like to thank our donors for making this important Study a reality.

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BROKERCHECK AND EXPUNGEMENT

FINRA's BrokerCheck tool provides critical information about brokers that helps investors make informed decisions about who they allow to manage their life savings. Accurate and complete complaint history on brokers is also critical to preserve the ability of state and federal securities regulators to identify bad brokers to help these regulators perform their regulatory functions.

For years, PIABA and the PIABA Foundation ("Foundation") have documented and studied how FINRA's expungement arbitration process has allowed brokers and brokerage firms to erase valid complaints from their publicly available complaint histories. The findings of those studies are documented in reports published in 2013, 2019, and now in 2021.

In 2013, PIABA released a report that analyzed approximately 1,600 arbitration awards rendered in cases initiated by investors against brokerage firms and/or brokers for cases filed during the five-year time period between January 1, 2007 and December 31, 2011. Most of these arbitration awards were rendered by a panel of three arbitrators and expungement requests were made in the underlying customer arbitrations. That "2013 Study" showed that arbitrators granted expungement requests approximately 90% of the time ("2013 Study"). A copy of PIABA's 2013 Study can be found on the Foundation's website at www.piabafoundation.org.

At that time, brokers and brokerage firms were gaming the expungement process by conditioning settlements with investors on their agreement not to oppose expungement requests in the underlying customer disputes. PIABA recommended that FINRA prohibit its members from conditioning settlements on investors' agreement not to oppose expungements. PIABA also recommended that FINRA provide additional arbitrator training to try and solve the problem of arbitrators granting expungement requests too frequently.

2013 AND 2019 FINDINGS & FINRA CHANGES

After the release of the 2013 Study, FINRA changed the rules to prohibit its members from conditioning settlement on an investor's agreement not to oppose subsequent expungement requests. FINRA's current guidance on expungements states in pertinent part:

Effective July 30, 2014, FINRA Rule 2081 prohibits firms and registered representatives from conditioning settlement of a customer dispute on—or otherwise compensating a customer for—the customer's agreement to consent to, or not to oppose, the firm's or representative's request to expunge such information from CRD.¹

FINRA also committed to provide additional expungement training to arbitrators to try and ensure only appropriate expungement requests were granted, thus reducing the number of expungements being granted. Additional training did not work. Moreover, brokers and brokerage firms found new ways to game the expungement process.

In October 2019, the Foundation released a study which examined 1,078 expungement arbitration awards from January 1, 2015 to July 31, 2019 (“2019 Study”). The 2019 Study found that beginning in 2014-2015, brokers changed tactics from requesting expungement in underlying customer arbitrations to waiting until the conclusion of customers’ dispute and filing a new separate arbitration solely against their brokerage firm requesting expungement of the customer claims, i.e., straight-in expungements. A straight-in expungement case is an arbitration initiated by a broker against their current or former brokerage firm solely for the purpose of seeking expungement. The customer who made the complaint is not a party.

Brokers and brokerage firms also started gaming FINRA’s arbitration process by including a bogus demand for \$1.00 in damages to reduce the number of arbitrators considering expungement requests from a panel of three arbitrators to a single arbitrator. The “\$1.00 trick” also saved brokers and brokerage firms thousands of dollars per case. The 2019 Study found that by allowing its members to file these cases, FINRA lost over \$6 million in revenue.

The 2019 Study also found that not much had changed: brokers requested that over 2,000 customer complaints be expunged from their records and arbitrators granted those requests in over 80% of the cases. Clearly, despite more training, expungement requests were not treated as an extraordinary remedy.

SUMMARY OF 2021 UPDATED STUDY FINDINGS

¹ See <https://www.finra.org/arbitration-mediation/notice-arbitrators-and-parties-expanded-expungement-guidance>.

PIABA and the Foundation provide this updated Study (“2021 Updated Study”), which analyzes seven hundred (700) additional expungement awards from August 1, 2019 to October 31, 2020.

The results are clear. Arbitrators have continued to grant expungement requests 90% of the time, and the data shows that FINRA’s arbitration process allows brokers and brokerage firms to make expungement requests to arbitrators that are unopposed the vast majority of the time.

FINRA’s expungement process does not provide those with an interest in the outcome of the expungement request, *e.g.*, securities regulators and the customers who submitted the complaints, a meaningful opportunity to present evidence opposing expungement when appropriate.

The solution is simple. To effectively prevent expungements of valid customer complaints, FINRA must provide a meaningful opportunity for those with an interest in the outcome of the expungement request, *e.g.*, securities regulators and the customers who submitted the complaints, to present evidence opposing expungement, when appropriate. FINRA’s current expungement arbitration process provides no notice to state regulators until after an award granting expungement is issued and broker seeks to have a final arbitration award confirmed by a court of law. In addition, FINRA’s arbitration rules do not provide a way for state regulators to participate in the expungement arbitration where they can review the validity of the claim and present evidence opposing the expungement request.

While the current expungement process provides notice to customers so they can appear, it does not have safeguards to ensure that customers can participate in a meaningful way.

While FINRA’s current rule proposal purports to stop some of the abusive tactics used by brokers and brokerage firms in the arbitration proceedings that were identified in the 2019 Study, the proposed changes will not decrease the high percentage (90%) of expungements being granted. Without an opposing party in the expungement arbitrations, brokers and brokerage firms will continue to obtain expungements of customer complaints that are valid and valuable to securities regulators and the investing public.

The Securities Exchange Commission (“SEC”) is currently considering whether to approve FINRA’s proposed rule changes. The deadline for the SEC to approve FINRA’s proposed rule change is May 28, 2021.

While PIABA and the Foundation appreciate FINRA efforts to improve its process, the data all from all three PIABA/Foundation studies, which analyzed a total of 3,378 expungement awards over a period spanning fourteen (14) years, shows that FINRA’s current proposed plan to require a panel of three randomly selected arbitrators from a special roster will not significantly reduce the percentage of expungement requests. This is because the proposed rule will still allow brokers to present unopposed expungement requests. More training will not work. As the data conclusively demonstrates, since FINRA implemented enhanced expungement training in 2014, expungements are still being granted approximately 90% of the time. The data strongly indicates that arbitrators are granting expungement requests 90% of the time because they are being provided with one-sided presentations about the merits of the customer complaints, not because of lack of training.

This Updated Study also provides an example in a currently pending straight-in expungement arbitration of gamesmanship used by brokers and brokerage firms that demonstrate that the process is not designed for customers to meaningfully participate and oppose expungement requests without an attorney willing to handle the case *pro bono*.

If the SEC approves FINRA’s current proposed incremental rule changes, it will likely be several more years until this issue is revisited. In the meantime, brokers and brokerage firms will find new ways to game the system and thousands of additional valid customer complaints will be wrongfully erased from the public record. These erasures not only hurt the investing public who need accurate background information on brokers when selecting a trusted financial professional, but it also will harm securities regulators’ ability to perform their critical regulatory functions.

Now is the time to fix the systemic problem and craft a solution that ensures that arbitrators treat expungement as an extraordinary remedy. The time has come for state securities regulators and customers to have a meaningful opportunity to participate in these expungement proceedings directly or through an advocate so that, when appropriate, evidence opposing expungement can be presented to arbitrators.

Finally, recognizing the reality that customers are not going to pay an attorney to represent them in these expungement proceedings, the Foundation started a program that coordinates with attorneys and law school clinics to represent customers who wish to participate and oppose expungement requests *pro bono*. The costs necessary to administer this *pro bono* program and the expenses for customers and attorneys to participate in these expungement proceedings in arbitration, (*e.g.*, court reporter costs) will also be funded through charitable donations. If you wish to support this important work, please visit our website, www.piabafoundation.org.

CRD AND STANDARD FOR GRANTING EXPUNGEMENT

The Financial Industry Regulatory Authority (“FINRA”) works with state securities regulators to maintain a database, known as the Central Registration Depository (“CRD”), of information on individuals working as current and former registered representatives in the brokerage industry. Complaints by investors, for example, are included in the CRD records. Those records can be accessed by the public through FINRA’s BrokerCheck tool on FINRA’s website, as well as obtained from some state securities regulators. FINRA and state and federal securities regulators actively encourage investors to use FINRA’s BrokerCheck tool and look for customer complaints when deciding whether to hire a particular broker to manage the customer’s life savings. Therefore, as FINRA recognizes, it is important that the information on the CRD system, and by extension BrokerCheck, be complete and accurate.

To remove customer complaint information from the CRD system, a broker must request that the information be expunged. A broker can request expungement in the customer arbitration if one is filed. A broker also may request expungement in a separate case. If an arbitration panel grants the request and the broker obtains court confirmation of the arbitration award, FINRA removes the information from the CRD system. FINRA instructs arbitrators that customer complaints should be removed from a broker’s CRD only in **extraordinary circumstances**. FINRA instructs arbitrators to grant the extraordinary remedy of expungement only after they make an affirmative finding that:

- (A) the claim, allegation or information is factually impossible or clearly erroneous;
- (B) the registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds; or

(C) the claim, allegation or information is false.

Over time, FINRA has expanded the type of customer complaints that must be reported on a broker's CRD. In May 2009, FINRA expanded its rules to require CRD reporting of customer complaints even if the financial advisor is not named as a party to the arbitration. That change resulted in a drastic increase in the number of complaints being reported, and in turn, a drastic increase in the number of expungements being sought. Since then, advocates for and against the expungement process have debated the best way to effectively balance the competing interests of full and complete disclosure and protection of brokers' reputations.

The 2019 Study illustrated that FINRA's expungement arbitrations were being systematically gamed, exploited and abused with one-sided hearings. The gamesmanship also involved the manipulation of arbitrator selection, the expungement of large groups of customer complaints in one arbitration proceeding and included abusive conduct by the brokers and broker-dealer respondents to such an extent that the Foundation recommended that the entire process be frozen until it could be repaired.

CURRENT FINRA PROPOSAL

After the release of the 2019 Study, FINRA proposed changes to the expungement process that, if approved, it claims would correct many of the problems identified in the 2019 Study. The Securities Exchange Commission ("SEC") is currently considering whether to approve FINRA's proposed rule changes and the current deadline for the SEC to make a decision on whether to approve FINRA's proposed changes is May 28, 2021.

PIABA and the Foundation appreciate FINRA efforts to incrementally improve the process. However, the data illustrated below shows that FINRA's proposed changes will not fix the systemic problem of arbitrators continuing to grant expungement requests too frequently, because the expungement process does not provide state regulators and customers, who have a vested interest in the outcome of the expungement requests, a meaningful opportunity to participate and present evidence opposing the expungement.

FINRA concedes that arbitrators historically have not treated expungement requests as an extraordinary remedy. FINRA's current proposed solution is to create a roster of specially trained expungement arbitrators from the chair-qualified

arbitrator roster to decide expungement cases and require a panel of three (3) randomly selected arbitrators from that roster to decide expungement requests. As explained below, an analysis of historical arbitration awards going back more than a decade demonstrates that these methods have already been tried and have failed. These changes will not reduce the percentage of expungement requests being granted.

DATA SHOWS FINRA PROPOSAL IS NOT THE SOLUTION

A summary of the pertinent data showing why FINRA's proposal is fatally flawed is below:

I. Summary of Findings

A. Number of Expungement Requests Remains High

2019 Study:

The 2019 Study showed that there was an explosive increase in the filing of what are known as straight-in expungement cases, which rose 924% from 59 in 2015 to 545 in 2018. As explained above, a straight-in expungement case is an arbitration initiated by a broker against their current or former brokerage firm solely for the purpose of seeking expungement. The customer who made the complaint is not a party.

2021 Update Study:

The updated data finds that the number of expungement requests per year remains very high. For example, there were 700 expungement awards from August 1, 2019 to October 31, 2020.

B. Average Number of Complaints Sought to be Expunged per Case Remains Steady

2019 Study:

The 2019 Study showed that the number of customer complaints requested to be expunged increased by 1016% from 102 in 2015 to 1,026 in 2018. For example, brokers requested that 2,194 customer complaints be expunged in 1,078 arbitration awards issued during the time-period analyzed, an average of two complaints per

case. In 2018, the highest number of customer complaints put at issue in one case was thirteen (13).

2021 Updated Study:

The updated data shows that the number of expungement requests per case continues to be high. For example, brokers requested that 1,360 customer complaints be expunged in the 700 awards, approximately two complaints per case. The highest number of complaints sought to be expunged in a single case was twenty-nine (29).

C. Brokerage Firms Continue to Consent to Expungement Requests by Brokers

2019 Study:

The 2019 Study showed that expungement proceedings are rarely adversarial. Of the 1,078 cases analyzed, the respondent brokerage firm did not object or otherwise oppose the individual broker's expungement request 1,055 times – over 98% of the time. This demonstrated that brokers and their firms have a common interest in erasing customer complaints from the brokers' records and, as a result, are not truly in opposition to each other in a straight-in expungement case.

2021 Updated Study:

The updated data shows that straight-in expungements have continued as non-adversarial proceedings and that broker-dealer respondents continued not to oppose expungement requests 98% of the time.

D. Customer Participation in Expungement Proceedings Remains Low

2019 Study:

The 2019 Expungement Study shows that of the 1,078 expungement cases filed between 2015 and 2019, customers appeared to oppose the expungement requests only 141 times – approximately 13% of the time.

2021 Updated Study:

The updated data shows that customers continue not to participate in the vast majority of expungement proceedings. Customers appeared to oppose the expungement requests of brokers only 106 times – approximately 15% of the time. That arbitrators are routinely deciding expungement requests without input from anyone other than the broker and brokerage firm, which have a common interest in expungement.

E. Whether One Arbitrator or Three Arbitrators – FINRA Expungements Are Granted at About the Same Rate

2019 Study:

The 2019 Study showed that overall, expungement requests were granted 81% of the time. A panel of three arbitrators was only slightly more likely to deny expungement requests than a single arbitrator. The data showed that in 2018, panels of three arbitrators granted expungement 88% of the time, and single arbitrator panels granted expungement 87% of the time.

2021 Updated Study:

The updated data shows that from July 2019 to October 31, 2020, expungement requests were granted in part in 90% of the straight-in expungement cases and a panel of three arbitrators is only slightly more likely to deny expungement requests than a single arbitrator. The data shows that panels of three arbitrators grant expungement 89% of the time and single arbitrator panels grant expungement 84% of the time.

F. FINRA’s Proposal of Three-Arbitrator Panels of Specialists Will Not Solve the Problem

FINRA’s proposed rule seeks to reduce the rate at which expungements are granted by requiring that the cases be heard by a panel of three arbitrators, instead of a single arbitrator. The 2019 and 2021 data show that a panel of three arbitrators is only slightly less likely to grant expungement as a single arbitrator. The systemic problem is that the expungement requests are treated by the parties and arbitrators as unopposed motions.

This conclusion is further supported by PIABA's 2013 Expungement Study, which analyzed approximately 1,600 expungement requests rendered in customer-initiated arbitrations or as a separate straight-in cases filed during the five-year time period between January 1, 2007 and December 31, 2011. Most, if not all, of these arbitration awards were rendered by a panel of three arbitrators and the data showed that expungement requests were granted approximately 90% of the time. In the 2013 Study, PIABA recommended that FINRA provide additional training with the hope that more training would reduce the high rate of expungements being granted. FINRA did provide more expungement training to arbitrators, but as shown in the 2019 Study and 2021 Updated Study, additional training has not reduced the high rate of expungements being granted.

G. Arbitrators Are Much More Likely to Deny Expungement Requests When Interested Parties Oppose the Request.

2019 Study:

The 2019 Study showed that arbitrators are 4 times more likely to deny expungement requests when customers oppose expungement. The 2019 Expungement Study shows that of the 1,078 expungement cases filed between 2015 and 2019, customers appeared to oppose the expungement requests only 141 times – approximately 13% of the time. Over the entire period analyzed, the study found, however, that when customers opposed expungement, arbitrators denied the requests 36% of the time. In contrast, when customers did not object or participate, arbitrators denied the expungement request only 9% of the time. Based on this data, the 2019 Expungement Study concluded that arbitrators are 4 times more likely to deny an expungement request when customers object.

2021 Updated Study:

The updated data shows that arbitrators are 5.4 times more likely to deny expungement when the respondent brokerage firm opposes expungement and are 4.3 times more likely to deny expungement when customers oppose expungement.

RECOMMENDATION: ESTABLISH AN INVESTOR ADVOCATE

FINRA should provide a meaningful opportunity for those with an interest in the outcome of the expungement request, such as state securities regulators and customers who lodged complaints at issue, to present evidence opposing the request, when appropriate. FINRA's current rule proposal does not solve the systemic problem that arbitrators do not treat expungement requests as an extraordinary remedy.

Expungement is a regulatory decision that should be placed in the hands of regulators. If the expungement process is going to remain in FINRA arbitration, however, PIABA and the Foundation recommend that FINRA and the SEC create and embed an advocate ("Advocate") into the expungement process similar to the role that a *guardian ad litem* serves in a court case. The purpose of the Advocate would be to protect the integrity of CRD data, which are state records and which the investing public is encouraged to rely on as current and accurate.

At this time, state securities regulators are not notified when a broker files a petition for expungement. FINRA should provide state securities regulators with notice of the expungement request at the time that the petition for expungement is filed **and give them a meaningful opportunity to participate in the arbitration proceeding –either by permitting them to intervene in the arbitrations directly or permitting them to participate indirectly through the Advocate.**

Under the current system, the notice FINRA provides to state regulators – through NASAA, the association representing state regulators – is provided only after a petition for expungement has been granted and the broker seeks to confirm that arbitration award in a court of law. At that time, states must very quickly decide whether to intervene and oppose expungement without having adequate information to make that decision.

Under FINRA's current proposal, FINRA would notify NASAA within thirty (30) days of when a "complete" expungement request is filed in arbitration, which is earlier in the process. But, as NASAA explained in its comment letter in response to the proposed rule change, earlier notice to state securities regulators is meaningless if the regulators are not provided a meaningful opportunity to participate in the expungement arbitration proceeding. NASAA explains this problem in its comment letter as follows:

While it is true that NASAA would receive earlier notice, this notice alone would not address the fact that NASAA members would have no opportunity to intervene during the arbitration hearing. Although states would be notified that a broker is requesting an expungement and the occurrence number, there would be no meaningful disclosure of information on which to assess the expungement request, nor would there be a legal mechanism to facilitate regulator involvement, the critical part of our 2018 framework that is missing from the current Proposal. The bottom line is that the Proposal fails to provide a pathway to contest the expungement relief request during the arbitration should a state determine it is appropriate to do so. Without NASAA's members having a legal mechanism to intervene at this stage of the arbitration, notice is either meaningless or could force an investigation into every situation in which a broker requests expungement. While NASAA appreciates FINRA's willingness to give it earlier notice of expungements, NASAA strongly prefers this relief be deferred to a proposal that would allow states to act on it.²

The Advocate, acting independently or through state securities regulators, would serve to advocate for the integrity of the CRD regulatory record and would be responsible for investigating the validity of the customer complaint, obtaining and reviewing relevant documents, as well as interviewing the customer, customer's counsel, and any other relevant witnesses. The Advocate would assist those customers who want to appear and oppose the request, when appropriate. The Advocate could also participate in the expungement hearing by making an opening statement, cross examining the individual broker, presenting testimony and documents, and providing a written report with a recommendation to the arbitration panel on whether expungement should be granted.

Logistically, this could be accomplished in several ways. The Advocate role could be embedded into the arbitration process to assist the arbitrators in gathering information and making a recommendation on whether to grant expungement. The Advocate could assist customers interested in opposing expungement as well.

² See NASAA Comment Letter dated October 22, 2020 at <https://www.sec.gov/comments/sr-finra-2020-030/srfinra2020030-7936105-224674.pdf>.

Alternatively, the Advocate could work with state securities regulators to help them decide whether to participate in and oppose expungement.

For those customers who settled their cases, there is the real risk of the broker or brokerage firm suing them for breach of confidentiality or non-disparagement provisions in their settlement agreements and potentially forfeiting their settlement payments. FINRA's rules do not allow brokerage firms to condition settlement on a customer's agreement not to oppose expungement, but it not reasonable to believe that a customer without an attorney could find that rule and navigate other the legal considerations of opposing expungement. As a result, without an Advocate, *pro se* customers will largely continue to choose not to participate in expungement proceedings regardless of when they are notified that a petition for expungement has been filed.

Rather than create a mechanism through state regulators and/or an Advocate to present evidence opposing expungement request, FINRA's rule proposal places the burden solely on arbitrators to investigate and oppose expungement when appropriate. Arbitrators are required to be neutral, not advocates for or against a position. Imposing such a burden on arbitrators in unopposed straight-in expungements is wholly inconsistent with their role as neutral factfinders and decisionmakers. As a result, the solution is not (1) to increase the number of arbitrators per case or (2) to blur the traditional roles of arbitrator and advocate or (3) to require additional training or (4) to create a special roster of arbitrators as FINRA has proposed. The data shows that arbitrators are treating straight—in expungement requests like unopposed motions. The solution is to have someone like the Advocate represent stakeholders in the integrity of the CRD system. The Advocate and/or state securities regulators must have a meaningful opportunity to inquire into facts indicating that expungement should be denied and present those facts in the expungement proceeding.

In further support of this recommendation, in October 2019, the Foundation created a *pro bono* expungement program where attorneys who are experienced in FINRA arbitrations volunteer to represent customers in opposing expungement. The Foundation is pleased to announce it has successfully represented several customers in opposing expungements. The Foundation is also grateful for the insights of students and faculty from The University of Nevada, Las Vegas, William S. Boyd School of Law's Public Policy Clinic, which also provided *pro bono* representation of customers opposing expungement.

The Foundation has found the process to be rewarding not only through obtaining awards denying expungement requests, but also in gaining a better

understanding of the obstacles to customers being able to oppose expungement requests. Expense is the greatest obstacle. Because the expungement process is simply too daunting for the vast majority customers to represent themselves *pro se* (it is opaque and difficult for attorneys to navigate), customers who want to oppose expungement are facing having to spend thousands of dollars to retain an attorney to represent them. FINRA's Revised Proposal for earlier notice to customers does not cure this problem.

If the SEC approves FINRA's current proposed rule changes, it will likely be several more years until this issue is revisited. In the meantime, thousands of additional customer complaints will be wrongfully erased from public records. These erasures not only hurt the investing public who need accurate background information on brokers when selecting a trusted financial professional but erasing records harm securities regulators' ability to perform their regulatory functions.

STUDY METHODOLOGY

In preparing this 2021 Updated Study, the Foundation supplemented its data from the 2019 Study and reviewed data that it requested Securities Arbitration Commentator (SAC) to provide with respect to all arbitration awards issued in straight-in expungement cases filed from July 1, 2019 through October 31, 2020 (the "Review Period"). The data from 2019 Study is listed below along with the new updated data to better demonstrate long-term trends.

The Foundation requested that SAC extract the following information for each award and for each case:

- (a) Docket No;
- (b) Venue;
- (c) Date Case Filed;
- (d) First Date of Evidentiary Hearing;
- (e) Date Award Issued;
- (f) Name of Respondent(s);
- (g) Name of Respondents' Attorney (Firm);
- (h) Name of Claimant Broker;
- (i) Name of Broker's Attorney (Firm);
- (j) Whether Respondent BD Objected to Expungement;
- (k) Whether Customer Objected to Expungement;
- (l) Number of customer complaints requested to be expunged;
- (m) Name of broker requesting expungement;

- (n) Name of Arbitrator;
- (o) Number of Hearing Sessions.

See SAC Spreadsheet #1 attached as Exhibit A.

To prepare the report, the Foundation used the information from Exhibit A to create a Consolidated Spreadsheet, which is attached as Exhibit B.

DETAILED FINDINGS

I. Expungements Are Not Treated As An Extraordinary Remedy, As They Were Intended.

1. FINRA has always taken the position that expungement is an extraordinary remedy and should only be granted in appropriate circumstances.³ Yet, from 2015 to mid-2019, FINRA arbitrators granted expungement requests over 80% of the time. The updated data from August 1, 2019 - October 31, 2020 (“Updated Data”) further supports that expungements are not being treated as an extraordinary remedy, showing that expungement requests were granted at least in part in 636 out of 700 awards, a rate of 90%.

Year	Expungements Granted (%)
2015	93
2016	81
2017	81
2018	81
Updated Data	90

³ FINRA Regulatory Notice 12-42 (“It has been FINRA’s long-held position that expungement of customer dispute information is an extraordinary measure, but it may be appropriate in certain circumstances.”)

https://www.finra.org/sites/default/files/notice_doc_file_ref/Regulatory-Notice-17-42.pdf

Once these complaints are expunged, they disappear completely from the CRD system and BrokerCheck – making them no longer visible to investors.

II. The Number of Straight-In Expungements Has Skyrocketed Since January 1, 2015.

2. The number of straight-in expungements filed with FINRA continues to increase.

Year	Cases filed
2015	59
2016	135
2017	339
2018	545
Updated Data	700

III. Multiple Customer Complaints Are Being Expunged Per Case.

3. Individual brokers frequently request that multiple customer complaints be expunged in a single expungement case. As a result, the 2019 Study showed that while the total number of straight-in expungement cases for the 2015-2018 period was 1,078, the number of customer complaints that the brokers asked be expungement was 2,194, which is an average of approximately two (2) customer complaints per case.

The updated data shows that the number of expungement requests per case continues to be high. Brokers requested that 1,360 customer complaints be expunged in the 700 awards, i.e., again approximately two (2) complaints per case.

4. The number of customer complaints that brokers requested be expunged from CRD increased significantly.

Year	Number of customer complaints brokers requested be expunged
2015	102
2016	300

Year	Number of customer complaints brokers requested be expunged
2017	756
2018	1036
Updated Data	1360

In the Updated Data, one broker in a single expungement case asked for the erasure of twenty-nine (29) customer complaints from their CRD record.

IV. Expungement Requests are Rarely Opposed by Brokerage Firms or Customers

A. Expungement Requests Are Not Opposed by Respondent Brokerage Firms 98% Of The Time.

5. Brokerage firms very rarely oppose brokers' requests for expungement. The 2019 Study showed that of the 1,078 cases, the respondent brokerage firm did not object or otherwise oppose the individual broker's expungement request 1,055 times out of 1,078 – over 98% of the time. Brokerage firms objected to these expungement requests in only 21 of the 1,078 total requests. That is less than 2% of the time.

6. The 2021 Updated Study reflected similar results. In the seven hundred (700) awards issued between August 1, 2019 to October 31, 2020, the respondent brokerage firm did not object or otherwise oppose the individual broker's expungement request 684 times out of 700 awards – over 98% of the time. Brokerage firms objected to these expungement requests in only 16 of the 700 total requests. Again, that is approximately 2% of the time.

B. Customers Rarely Participate and Oppose Expungement Requests.

7. Customers are not named parties in straight-in expungement cases so they are not required to appear. The Foundation does not recommend that customers be named as parties to these cases. Customers should not be required to essentially relitigate cases they have settled or otherwise resolved. The 2019 Study found that of the 1,078 straight-in expungement cases, customers whose complaints are the

subject of expungement requests participated and objected to brokers' expungement requests only 141 times, 13% of the time.

8. The 2021 Updated Study found similar results. Of the 700 straight-in expungement cases, customers whose complaints are the subject of expungement requests participated and objected to brokers' expungement requests only 106 times, 15% of the time.

C. Panels of Three Arbitrators Will Not Reduce the High Rates of Expungements Being Granted.

9. Expungement rates show that expungement is not treated as extraordinary remedy and three arbitrators are no better than one.

2019 Study	(%)
% of expungements granted in part (2018)	87
% of expungements granted- 3 Arbitrators	88
% of expungements granted- 1 Arbitrator	87

Updated Data	(%)
% of expungements granted in part	90
% of expungements granted- 3 Arbitrators	89
% of expungements granted- 1 Arbitrator	84

10. FINRA's proposed rule seeks to reduce the rate in which expungements are granted by requiring that the cases be heard by three arbitrators, instead of a single arbitrator. Our data shows that a panel of three arbitrators is just as likely to grant expungement as a single arbitrator. The systemic problem is that the expungement requests are treated by the parties and arbitrators as unopposed motions.

D. Arbitrators Are Significantly More Likely to Deny Expungement Requests When Someone Objects.

11. The 2019 Study found that, even though respondent brokerage firms opposed expungement less than 2% of the time, when brokerage firms opposed expungement, arbitrators denied the expungement request 48% of the time. In contrast, when brokerage firms did not object, arbitrators denied the expungement request only 11% of the time. Therefore, arbitrators are 4.36 times more likely to

deny expungement requests when a brokerage firm objects to the expungement request.

12. Even though customers opposed expungements only 13% of the time, when customers opposed expungement, arbitrators denied the requests 36% of the time. In contrast, when customers did not object, arbitrators denied the expungement request only 9% of the time. Arbitrators are four (4) times more likely to deny an expungement request when a customer objects.

13. The 2021 Update Study results show similar results. The updated data shows that arbitrators are 5.4 times more likely to deny expungement when the broker-dealer respondent opposes expungement and are 4.3 times more likely to deny expungement when customers oppose expungement.

14. This data supports the conclusion that the most effective way to reduce the rate in which arbitrators grant expungement is to present the arbitrators with evidence opposing the request.

E. Without an Opposing Party, There Are No Procedural Safeguards to Prevent Brokers and Brokerage Firms from Presenting One-Sided and/or False Information to Arbitrators.

15. Brokers and brokerage firms are the only parties to straight-in expungement cases, and both have an incentive to expunge customer complaints from brokers' CRD records. The customers whose complaints are the subject of the expungement request are not parties to the straight-in expungement arbitration and if they participate, their role is akin to a fact witness. They cannot conduct discovery, engage in motion practice, or have the other due process rights given a party to an arbitration.

16. Since brokerage firms do not oppose brokers' expungement requests 98% of the time and customers oppose expungement in only 13%-15% of cases, it logically follows that there should be procedural safeguards in place to prevent brokers from presenting one-sided, false or misleading information to arbitrators, who are ethically required to remain neutral in the pending arbitration.

17. FINRA puts the burden of ensuring that only valid expungement requests are granted on arbitrators. But imposing such a burden on arbitrators in unopposed straight-in expungement cases is wholly inconsistent with their role as neutral factfinders and decisionmakers.

18. In fact, FINRA’s arbitrator training materials prohibit arbitrators from conducting their own independent investigations into the validity of the underlying customer complaints. FINRA Dispute Resolution Arbitrator’s Guide states in pertinent part:

Questions by Arbitrators and Factual Investigations

Each case must be judged solely on the written and testimonial evidence presented at the hearing. Each arbitrator has a right to question witnesses. Even though it is proper for an arbitrator to ask questions, every effort should be made to avoid taking over a hearing or becoming an advocate. Parties and their attorneys should be permitted to try their own cases. Generally, arbitrators should refrain from questioning a witness until all parties have finished their examination.

Arbitrators should not make independent factual investigations of a case. When arbitrators are in doubt about an issue, legal or otherwise, they should request briefs from the parties. If cases are cited in a party’s motion or brief, and the arbitrators wish to read the full court opinions, the arbitrators should ask the parties to supply copies. Arbitrators generally should review only those materials presented by the parties.

See FINRA Arbitrator’s Guide at page 60 (emphasis added).

19. While FINRA’s expungement training materials encourage arbitrators to ask questions during the expungement hearing and request additional documents from the parties, this does not change the fact that arbitrators must remain neutral. As such, arbitrators cannot be the sole gatekeeper to protect the integrity of the CRD database and valid customer complaints from being erased.

F. Brokers and Firms Continue to Find New Ways to Game the Arbitration Process to Obtain Expungement Awards.

20. The example below is happening right now in a currently pending straight-in expungement case where the customer hired attorneys through the Foundation’s *pro bono* expungement program to oppose expungement. This example shows how brokerage firms and brokers engage in gamesmanship and why state regulators need early notice of expungements and the ability to participate directly or through the proposed Advocate. This example also illustrates how FINRA’s expungement process is not designed for investors to meaningfully

participate without an attorney and why the Foundation's *pro bono* expungement program provides valuable services.

Case Study

The Foundation's Expungement Project, through which attorneys represent customers opposing expungement on a *pro bono* basis, has discovered some of the new and innovative tactics that brokers and firms are using in violation of FINRA's directive that customers be permitted to appear and oppose a broker's request to oppose expungement.

For example, in a pending case, the customer filed a FINRA arbitration against the broker-dealer for unsuitable investment recommendations by the firm's broker. The arbitration settled late last year for an undisclosed amount. The customer believed that his dispute was over and dismissed the arbitration proceeding against the broker-dealer. In January 2021, the broker filed a straight-in expungement arbitration against the broker-dealer seeking to expunge the customer's complaint.

The customer retained a *pro bono* attorney through the Foundation Expungement Project to oppose the straight-in expungement arbitration. Now, the brokerage firm is objecting to the customer using documents the firm produced in the original arbitration that support denial of the expungement relief on the basis that those documents were designated as confidential and could only be used in the original arbitration. In an email exchange attached hereto, the attorney representing the brokerage firm made the following objection:

... [Firm] objects to you, your firm, or any other individual reviewing any confidential documents and information produced by [Firm] in Customer v. Firm. Given the confidential and proprietary nature of those documents, the parties in the [Customer] matter expressly agreed that the documents would be used solely in connection with prosecuting, defending, and settling that matter. Further dissemination of the documents would destroy or diminish the value of such information, causing [Firm] severe and irreparable harm. That concern is heightened by your vague reference below to sharing documents with your "firm [] and other counsel" for [Customer]. Moreover, those documents are irrelevant and beyond the scope of what is necessary to decide the pending expungement claim. The documents potentially responsive to the expungement claim—such as the Statement of Claim,

the Answer, the settlement agreement, and [Customer's] account documents—are within [Customer's] possession already.

Here, the brokerage firm attempts to prohibit the customer and his attorneys from using documents the firm produced in the prior case to oppose the expungement relief in the subsequently filed straight-in expungement arbitration. The brokerage firm is also improperly and unilaterally defining what documents and information are relevant to the expungement request.

Simply put, without an attorney, there is no way that customers can effectively represent themselves in these straight-in expungements. Resolving the discovery issue described above will require the filing a motion to compel before the arbitration panel or filing a declaratory judgment action in a court of law. This spurious discovery dispute will likely take hours to resolve and would have cost thousands of dollars in attorney's fees to resolve were the customer not represented on a *pro bono* basis. Customers cannot and should not be asked to bear that cost.

CONCLUSION

PIABA and the Foundation have conducted studies of FINRA's expungement awards for over a decade and the results are clear. Increasing the number of arbitrators per case and providing arbitrators with more training will not lower the incidence of granting expungement or get arbitrators to treat expungement as an "extraordinary remedy."

The data unquestionably leads to the conclusion that the most effective way to reduce the rate in which arbitrators grant expungement is to stop the practice of arbitrators deciding expungement based on a one-sided presentation of evidence. FINRA should provide a meaningful opportunity for parties with an interest in the outcome of the expungement request, such as state securities regulators and customers who lodged complaints at issue, to present evidence opposing the request, when appropriate.

The data shows that the current system of deciding expungement through straight-in expungement arbitrations requires the establishment of an Investor Advocate, who will be charged with helping to preserve the integrity of CRD data.

Expungement Requests in Industry-Initiated Arbitrations Issued 8/1/19-10/31/20

Sorted by Docket #
Prepared for: PIABA Foundation



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											Expunge-ment Requests	Expunge-ment Results				
17-02146	San Francisco, CA	08/10/2017	07/30/2018	08/06/2019	Customers only	Customer	Richard Anthony McCollam	Thomas Law Group PC	NO	NO	1	G	Richard Anthony McCollam		Peter H. Daly - Chair; D. Peter Gleichenhaus; Frank R. Weaver, Jr., Esq.	12
18-01550	Denver, CO	04/27/2018	11/16/2018	12/13/2019	Geneos Wealth Management Incorporated	Kutak Rock LLP	Joseph Sylvester Sturniolo	AdvisorLaw; HLBS Law	NO	NO	5	G	Joseph Sylvester Sturniolo		Donald Neil Tolin	4
18-01739	Los Angeles, CA	05/03/2018	05/22/2019	09/27/2019	Centaurus Financial Incorporated; Prudential Equity Group LLC; Voya Financial Advisors Incorporated	ISC (CF); Law Offices of Alan S. Brodherson (PEG); Winget Spadafora & Schwartzberg (VFA)	Timothy Neil Tremblay	The Law Offices of Tyson W. Kovash	NO	OB/NO	21	G/W	Timothy Neil Tremblay		Robert E. Jenks	1
18-01977	Philadelphia, PA	05/23/2018	06/10/2019	11/01/2019	SA Stone Wealth Management Incorporated	ISC	Richard Michael Wesselt	AdvisorLaw LLC	NO	NO	5	G	Richard Michael Wesselt		Louis P. Wagman	3
18-02119	Los Angeles, CA	06/06/2018	11/14/2018	08/08/2019	UBS Financial Services Incorporated	Keesal Young & Logan	David Sanford James	HLBS Law	NO	OB/NO	4	G/D	David Sanford James		Joseph C. Watson, Esq.	3
18-02120	Los Angeles, CA	06/06/2018	06/18/2019	08/05/2019	Morgan Stanley	ISC	Isidro Z. Miramontes	Law Offices of David Harrison	NO	NO	1	G	Isidro Z. Miramontes		Robert D. Sussin, Esq.	1
18-02144	Los Angeles, CA	06/08/2018	08/06/2019	08/15/2019	Morgan Stanley & Company LLC	ISC	Isidro Z. Miramontes	Law Offices of David Harrison	NO	NO	1	G	Isidro Z. Miramontes		Kirtley M. Thiesmeyer, Esq.	1
18-02528	Orlando, FL	07/12/2018	10/24/2019	08/09/2019	Morgan Stanley	ISC	Dale Grubb	Bressler Amery & Ross	NO	NO	1	G	Dale Grubb		John B. Roe	2
18-02715	Louisville, KY	07/31/2018	05/16/2019	08/07/2019	Ameriprise Financial Services Incorporated	ISC	Scott Armstrong Brooks	FA Expungement LLC	NO	NO	2	G	Scott Armstrong Brooks		Mark Alexander Sipper	1
18-02745	Los Angeles, CA	08/02/2018	08/22/2019	09/11/2019	Morgan Stanley & Company LLC	ISC	Isidro Z. Miramontes	Law Offices of David Harrison	NO	NO	1	G	Isidro Z. Miramontes		Andrew M. Mintzer, CPA	1
18-02773	San Francisco, CA	08/07/2018	03/04/2019	09/05/2019	ePlanning Securities Incorporated	No-show	Scott Layne Hultsman	Markun Zusman & Compton	NO	NO/NN	7	G	Scott Layne Hultsman		Michael Lancaster Garcia - Chair; Jonathan H. Krottinger, Esq.; James R. Dickson	1
18-02782	Los Angeles, CA	08/07/2018	11/13/2019	11/25/2019	Morgan Stanley & Company LLC; UBS Financial Services Incorporated;	ISC (MS); Keesal Young & Logan (UBS)	Isidro Z. Miramontes	Law Offices of David Harrison	NO	NO	1	G	Isidro Z. Miramontes		George Herman Frisch	1
18-02825	New York, NY	08/10/2018	10/28/2019	01/06/2020	JP Morgan Securities LLC	ISC	Ling Yung Wu	Satterlee Stephens LLP	NO	NO	1	G	Ling Yung Wu		Karimu F. Hill-Harvey, Esq. - Chair; Dan Brecher, Esq.; Norman Feit	1
18-02837	Orlando, FL	08/13/2018	08/06/2019	09/04/2019	Customers only	Customers	Robbie L. Kennerson	Holcomb & Ward	OB/NO	OB/NO	4	G/D	Robbie L. Kennerson		Richard J. Fuller, CPA - Chair; William E. Schneider; Glenn W. Wheelock	1

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											Expunge-ment Requests	Expunge-ment Requests				
18-03081	Los Angeles, CA	08/30/2018	08/15/2019	10/08/2019	Morgan Stanley & Company Incorporated	ISC	Isidro Z. Miramontes	Law Offices of David Harrison	NO	NO	1	G	Isidro Z. Miramontes		Anita Rae Shapiro, Esq.	1
18-03100	Cleveland, OH	09/04/2018	08/08/2019	08/19/2019	TIAA-CREF Individual & Institutional Services LLC	ISC	Louis B. Dissel	FA Expungement LLC	NO	NO	2	D		Louis B. Dissel	Michael J. Meeusen, Esq.	1
18-03117	Cincinnati, OH	09/04/2018	08/27/2019	10/21/2019	UBS Financial Services Incorporated	Bressler Amery & Ross	John Spencer Bradley	O'Gara Law PLLC	NO	NN	2	G/D	John Spencer Bradley		Julius Z. Frager	1
18-03155	Seattle, WA	09/06/2018	09/27/2019	02/03/2020	Pacific West Securities Incorporated	No-show	Erinn June Ford	Markun Zusman et al.	NO	OB	1	G	Erinn June Ford		Charles Scott McClellan - Chair; Ian Stephen Birk; Frederick B. Mueller	2
18-03207	Los Angeles, CA	09/12/2018	07/23/2019	08/14/2019	Goldman Sachs & Company LLC	Cohen & Gresser	Drew Scott Freides	Kalberer LLP	NO	NO	1	G	Drew Scott Freides		Morris S. Getzels, Esq.	1
18-03328	Chicago, IL	09/21/2018	07/22/2019	08/05/2019	Citigroup Global Markets Incorporated	Bressler Amery & Ross	Darren Allen Golde	Law Offices of Joshua B. Kons	NO	OB/NO	3	G	Darren Allen Golde		Hon. Michael S. Jordan	1
18-03422	Los Angeles, CA	09/28/2018	05/23/2019	08/05/2019	United Planners' Financial Services of America	No-show	Brian Edward Parker	FA Expungement LLC	NO	NO	1	D		Brian Edward Parker	Nancy G. Harris	2
18-03572	Boca Raton, FL	10/12/2018	07/10/2019	08/05/2019	Wells Fargo Clearing Services LLC	ISC	Robert J. Cannella	Baritz & Colman	NO	NN	7	G	Robert J. Cannella		Robert G. Geeseman, Esq.	1
18-03581	Newark, NJ	10/12/2018	07/09/2019	08/05/2019	Customers only	Customer	Joseph J. Goscienski	Murphy & McGonigle	NO	NO	1	G	Joseph J. Goscienski		Robert E. Anderson, Esq. - Chair; Fred S. Pieroni; Carl Mario Martorano	1
18-03660	Los Angeles, CA	10/22/2018	09/24/2019	10/11/2019	Morgan Stanley & Company LLC; UBS Financial Services Incorporated	Keesal Young & Logan	Isidro Z. Miramontes	Law Offices of David Harrison	NO	NO	1	G	Isidro Z. Miramontes		Natalie Panossian-Bassler	1
18-03766	Raleigh, NC	10/31/2018	07/09/2019	11/08/2019	Janney Montgomery Scott LLC; UBS Financial Services Incorporated	ISC (JMS); Bressler Amery & Ross (UBS)	John R. Kline	FA Expungement LLC	NO	OB	1	G	John R. Kline		Margaret Elizabeth Gee	2
18-03772	Newark, NJ	10/31/2018	09/25/2019	10/04/2019	Invest Financial Corporation	ISC	Peter Dizdar	Imbesi Law PC	NO	NO	1	G	Peter Dizdar		Joseph H. Cerame, Esq.	1
18-03819	Los Angeles, CA	11/12/2018	06/10/2019	08/07/2019	Breck & Young Advisors Incorporated; Securities America Incorporated	No-show (B&YA); Freeman Mathis & Gary (SA)	Thomas J. Goodson	Markun Zusman et al.	NO	NO	1	G	Thomas J. Goodson		Robert E. Jenks	1
18-03840	Seattle, WA	11/05/2018	07/11/2019	08/09/2019	UBS Financial Services Incorporated	ISC	Colin J. Hawkes; Stacy Ryan Oster	Keesal Young & Logan	NO	NO	2	G	Colin J. Hawkes; Stacy Ryan Oster		Sterling N. Frost	1
18-03915	Los Angeles, CA	11/27/2018	07/11/2019	08/13/2019	Cetera Advisor Networks LLC	ISC	Stuart Shoji Tsujimoto	Ulmer & Berne	NO	NN	1	G	Stuart Shoji Tsujimoto		Alan M. Rosen	1
18-03995	New York, NY	11/20/2018	08/27/2019	10/04/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Craig Kinard; Guido Graff	Morgan Lewis & Bockius	NO	NO	2	G	Craig Kinard; Guido Graff		Keely D. Parr, Esq.	2
18-04037	Denver, CO	11/27/2018	07/24/2019	09/16/2019	Cetera Advisors LLC; Pacific West Securities Incorporated	ISC (CA); No-show (PWS)	Erinn June Ford	Markun Zusman et al.	NO	NO	1	G	Erinn June Ford		Donald Neil Tolin	1

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											Expunge-ment Requests	Expunge-ment Requests				
18-04054	Boca Raton, FL	11/28/2018	08/21/2019	09/06/2019	IAA Financial LLC	ISC	Brian Joseph Lombardi	Sallah Astarita & Cox	NO	NO	1	G	Brian Joseph Lombardi		Jason Allen Rosner	1
18-04058	Phoenix, AZ	12/04/2018	08/14/2019	09/16/2019	LPL Financial LLC	ISC	John Michael Cartolano	Tiffany & Bosco	NO	NO	3	G	John Michael Cartolano		W. Michael Kelley, Esq. - Chair; Ernst Janensch; Marcia A. Herrmann	1
18-04064	Boca Raton, FL	11/28/2018	08/20/2019	09/09/2019	JP Morgan Securities LLC	Ulmer & Berne	Michael Varga	None	NO	NO	1	G	Michael Varga		Nanci Sondra Landy	1
18-04071	Baltimore, MD	11/30/2018	08/20/2019	09/13/2019	Wells Fargo Advisors Financial Network	ISC	John Kirkland Moy	Crowe & Dunlevy	NO	NO	3	G	John Kirkland Moy		David L. Ruderman, Esq. - Chair; Marian Smith Glenn; Joan M. Smith, CFP	1
18-04072	Baltimore, MD	11/30/2018	03/20/2020	05/04/2020	Wells Fargo Advisors Financial Network	ISC	John Kirkland Moy	Crowe & Dunlevy	NO	NO	2	G	John Kirkland Moy		Jane Kwok Ping Tam - Chair; Edward J. Gutman; Joan H. Palmer	1
18-04076	Newark, NJ	11/30/2018	07/10/2019	08/16/2019	APW Capital Incorporated	ISC	Alan Louis Augulis	FA Expungement LLC	NO	NO	1	D		Alan Louis Augulis	Denise L. Quarles, Esq.	1
18-04120	Dallas, TX	12/04/2018	08/12/2019	09/30/2019	UBS Financial Services Incorporated	Keesal Young & Logan	Jeff Malcolm Davis	AdvisorLaw LLC	NO	OB/NO	6	G	Jeff Malcolm Davis		David A. Schuler	2
18-04124	New York, NY	12/05/2018	12/04/2019	12/19/2019	American Capital Partners LLC; First Asset Management Incorporated; Milestone Financial Services Incorporated	ISC (ACP); No-show (FAM & MFS)	Edward Michael Cahill	Sichenzia Ross Ference LLP	NO	NO/NN	3	G	Edward Michael Cahill		Robert E. Anderson, Esq.	1
18-04132	Detroit, MI	12/06/2018	10/10/2019	11/04/2019	LPL Financial LLC	ISC	Mark A. Law	The Mazzara Law Firm	NO	NN	1	G	Mark A. Law		Stephen D. Kursman, Esq.	1
18-04142	Cleveland, OH	12/06/2018	07/23/2019	08/05/2019	Walnut Street Securities Incorporated; Cetera Advisor Networks LLC; Ameriprise Financial Services Incorporated	Reminger Co. LPA (WSS, CAN); ISC (AFS)	Daniel J. Lauletta	Ulmer & Berne	NO	NO	2	G	Daniel J. Lauletta		Michael L. Fortney, Esq.	1
18-04169	Atlanta, GA	12/10/2018	07/25/2019	08/02/2019	Himco Distribution Services Company	ISC	Alfred Lee Dingler	FA Expungement LLC	NO	NO	1	G	Alfred Lee Dingler		Harry G. Mason, JD	1
18-04182	New Orleans, LA	12/10/2018	05/21/2019	08/19/2019	UBS Financial Services Incorporated	Bressler Amery & Ross	Brian Neil Lawrence	Liskow & Lewis	NO	OB/NO	3	G/D	Brian Neil Lawrence		Mark A. Myers, Esq.	1
18-04185	Denver, CO	12/10/2018	08/13/2019	10/03/2019	Pruco Securities LLC	Law Offices of Alan S. Brodherson	James Michael O'Leary	Jeffrey S. Greenhaus PA	NO	NO	1	G	James Michael O'Leary		Charles G. Michaels, Esq.	1
18-04284	Cleveland, OH	12/19/2018	09/16/2019	10/23/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Phillip David Irvin	HLBS Law	NO	NN	1	G	Phillip David Irvin		Kevin R. Zehe	1
18-04317	Detroit, MI	12/20/2018	11/04/2019	11/08/2019	Sigma Financial Corporation	ISC	Tomas J. Velken	Saretsky Hart et al.	NO	UN	3	D		Tomas J. Velken	Barry Goldman, Esq.	1
18-04318	Philadelphia, PA	12/20/2018	07/12/2019	08/06/2019	Pruco Securities LLC	Law Offices of Alan S. Brodherson	Mark Steven Kruman	AdvisorLaw LLC	NO	NO	1	G	Mark Steven Kruman		John F. Burns, Esq.	1

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											Expunge-ment Requests	Expunge-ment Requests				
18-04321	Denver, CO	12/20/2018	07/25/2019	08/13/2019	American Portfolios Financial Services Incorporated	ISC	Eric Veve	HLBS Law	NO	OB	1	G	Eric Veve		William F. Skewes, Esq.	1
18-04322	San Diego, CA	12/20/2018	10/01/2019	10/21/2019	LPL Financial LLC	ISC	Sandeep Varma; Steven Joseph Musser	HLBS Law	NO	NO	4	G	Sandeep Varma; Steven Joseph Musser		Mark R. Lee	1
18-04323	Los Angeles, CA	12/20/2018	10/31/2019	11/22/2019	ePlanning Securities Incorporated	No-show	Iaian L. Filippini	Kelley Clarke PC	NO	OB	2	G/W	Iaian L. Filippini		Anita Rae Shapiro, Esq.	1
18-04325	Los Angeles, CA	12/20/2018	08/23/2019	09/19/2019	ePlanning Securities Incorporated	No-show	Alexandro Louis Filippini; Iaian L. Filippini	Keesal Young & Logan	NO	NO	2	G	Alexandro Louis Filippini; Iaian L. Filippini		Erik R. Siering	1
18-04330	Indianapolis, IN	12/20/2018	08/08/2019	08/16/2019	CFD Investments Incorporated	ISC	Roy Matthew Strong	AdvisorLaw LLC	OB	NN	1	D		Roy Matthew Strong	Lynn Hirschfeld Brahin, Esq.	1
18-04335	Milwaukee, WI	12/20/2018	07/01/2019	08/08/2019	Cetera Investment Services LLC; Fifth Third Securities Incorporated	ISC (CIS); No-show (FTS)	Mark Vernon Rottler	AdvisorLaw LLC	NO	NO	1	G	Mark Vernon Rottler		Michael S. Matek, Esq.	1
18-04344	Los Angeles, CA	12/21/2018	10/23/2019	11/08/2019	Independent Financial Group LLC; The Equitable Life Assurance Society of the United States	ISC (IFG); Gordon Rees et al. (TELASUS)	Cynthia Mary Couyoumjian	AdvisorLaw LLC	NO	UN	2	D		Cynthia Mary Couyoumjian	Joyce L. Hurley	1
18-04349	Newark, NJ	12/21/2018	08/05/2019	08/14/2019	American Portfolios Financial Services Incorporated	ISC	Anthony DeGregorio	AdvisorLaw LLC	NO	NO	1	G	Anthony DeGregorio		Michael Fischetti, PhD	1
18-04350	Philadelphia, PA	12/21/2018	02/06/2020	03/19/2020	Wells Fargo Clearing Services LLC	ISC	Mary Ellen Wagner	AdvisorLaw LLC	NO	NO/NN	4	G/D	Mary Ellen Wagner		James W. (Jim) Geiger	1
18-04355	New York, NY	12/24/2018	08/27/2019	10/16/2019	Itradedirect.com Corporation	ISC	Sean M. Case	None	NO	OB/NO	2	G/D	Sean M. Case		Lynne M. Reid-McQueen, Esq.	1
18-04357	New York, NY	12/24/2018	11/07/2019	11/22/2019	Citigroup Global Markets Incorporated	Kauff Laton Miller LLP	Jeffrey Frank Damasco	AdvisorLaw LLC	NO	OB/NO	4	G	Jeffrey Frank Damasco		Howard D. Jacob, Esq.	1
18-04358	Wilmington, DE	12/24/2018	08/13/2019	09/11/2019	LPL Financial LLC	ISC	Wayne David Wagner Jr.	AdvisorLaw LLC	NO	OB/NO	2	G	Wayne David Wagner Jr.		Louis H. Miron, Esq.	1
18-04359	Los Angeles, CA	01/18/2019	08/07/2019	09/11/2019	Purshe Kaplan Sterling Investments Incorporated	ISC	Matthew Allen Bradley	HLBS Law	NO	OB	1	G	Matthew Allen Bradley		Constance Ellen Boukidis	1
18-04361	Charlotte, NC	12/21/2018	10/02/2019	11/15/2019	NyLife Securities LLC	Morgan Lewis & Bockius	Donald Paul Robbins	AdvisorLaw LLC	NO	OB/NO	3	G/D/W	Donald Paul Robbins		Michael J. Ahlstrom, Esq.	1
18-04362	Los Angeles, CA	12/21/2018	09/19/2019	02/11/2020	First Allied Securities Incorporated; LPL Financial LLC	ISC	Cynthia Mary Couyoumjian	AdvisorLaw LLC	NO	NN	8	D		Cynthia Mary Couyoumjian	Robert D. Sussin, Esq.	2
18-04367	Seattle, WA	12/21/2018	08/14/2019	08/29/2019	UBS Financial Services Incorporated	Keesal Young & Logan	Aaron Robert Olson	AdvisorLaw LLC	NO	NO	2	G	Aaron Robert Olson		Philip Aaron Tymon, JD	1

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											Expunge-ment Requests	Expunge-ment Requests				
18-04368	Seattle, WA	12/21/2018	07/23/2019	08/02/2019	Morgan Stanley	ISC	Timothy Allen Thomas	AdvisorLaw LLC	NO	NO	1	G	Timothy Allen Thomas		David William Hickman, JD	1
18-04369	Las Vegas, NV	12/21/2018	10/14/2019	11/07/2019	UBS Financial Services Incorporated	Keesal Young & Logan	Robert Z. Disman	AdvisorLaw LLC	NO	NO	1	G	Robert Z. Disman		Kirtley M. Thiesmeyer, Esq.	1
18-04373	New Orleans, LA	12/24/2018	08/22/2019	09/05/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Amanda Moore Hinton	AdvisorLaw LLC	NO	OB	1	G	Amanda Moore Hinton		Lynne M. Gomez, Esq.	1
18-04375	San Diego, CA	12/25/2018	08/06/2019	08/28/2019	WFP Securities	ISC	Kenneth A. Corlett	HLBS Law	NO	NO	1	G	Kenneth A. Corlett		Mark R. Lee	1
18-04376	San Francisco, CA	12/25/2018	09/10/2019	10/11/2019	LPL Financial LLC	ISC	Mark Clifford Richmond	HLBS Law	NO	NN	1	G	Mark Clifford Richmond		Michael Lancaster Garcia	1
18-04377	Denver, CO	12/25/2018	08/07/2019	08/13/2019	Ameriprise Financial Services Incorporated	ISC	John Edward Venable	HLBS Law	NO	OB	1	D		John Edward Venable	Charles G Michaels, Esq.	1
18-04379	Los Angeles, CA	12/25/2018	08/08/2019	08/26/2019	ePlanning Securities Incorporated	No-show	Alexandro Louis Filippini; Iaian L. Filippini	HLBS Law	NO	NN	2	G	Alexandro Louis Filippini; Iaian L. Filippini		Kirtley M. Thiesmeyer, Esq.	1
18-04383	Baltimore, MD	12/26/2018	06/04/2019	09/12/2019	Janney Montgomery Scott LLC	ISC	Todd E. Mitchell	Donovan & Rainie	NO	NO-D	1	G	Todd E. Mitchell		Brenda J. Stovall, Esq.	1
18-04386	Tampa, FL	12/26/2018	10/01/2019	10/21/2019	Morgan Stanley	ISC	Kevin Clayton Cox	HLBS Law	NO	NO	1	G	Kevin Clayton Cox		Karl A. Vogeler, III	1
18-04387	Pittsburgh, PA	12/24/2018	08/01/2019	08/15/2019	Morgan Stanley; Morgan Stanley DW Incorporated	ISC	Brian Scott Eagon	AdvisorLaw LLC	NO	NO	3	G/D	Brian Scott Eagon		Richard W. Dissen, Esq.	1
18-04389	Dallas, TX	12/26/2018	08/09/2019	09/16/2019	Morgan Stanley	ISC	Jeff Malcolm Davis	AdvisorLaw LLC	NO	NO	2	G	Jeff Malcolm Davis		Maxel B. (Bud) Silverberg, Esq.	1
18-04390	Pittsburgh, PA	12/26/2018	07/22/2019	08/14/2019	PNC Investments	Seyfarth Shaw LLP	Jeffrey Alan Nedley	AdvisorLaw LLC	NO	NO	1	G	Jeffrey Alan Nedley		Robert E. Anderson, Esq.	1
18-04391	Cleveland, OH	12/26/2018	11/04/2019	12/03/2019	KeyBanc Capital Markets Incorporated	Uimer & Berne	Bryan Arthur Weber	HLBS Law	E, OB	NO/NN	4	G/D	Bryan Arthur Weber		Susan L. Walker, Esq.	1
18-04392	Cleveland, OH	02/07/2019	09/10/2019	09/26/2019	Robert W. Baird & Company Incorporated	ISC	Bryan Arthur Weber	HLBS Law	NO	UN	1	D		Bryan Arthur Weber	Barry Goldman, Esq.	1
18-04407	Syracuse, NY	12/26/2018	08/20/2019	10/07/2019	AG Edwards & Sons Incorporated	ISC	Clive Grady Buchan	AdvisorLaw LLC	NO	NO	1	G	Clive Grady Buchan		Stuart M. Schwartz, Esq.	1
18-04409	Philadelphia, PA	12/26/2018	07/22/2019	08/19/2019	The Prudential Insurance Company of America	Law Offices of Alan S. Brodherson	Theodore Joseph Durante Jr.	AdvisorLaw LLC	NO	NO	1	G	Theodore Joseph Durante Jr.		Diane Ciccone, Esq.	1
18-04411	Seattle, WA	12/26/2018	08/26/2019	09/09/2019	UBS Financial Services Incorporated	Keesal Young & Logan	Kathleen M. Hobart	AdvisorLaw LLC	NO	OB	1	G	Kathleen M. Hobart		Helen Marinak Blohm, Esq. (fka Helen M. Marinak, Esq.)	1
18-04416	Detroit, MI	12/26/2018	09/30/2019	10/29/2019	Questar Capital Corporation	Faegre Baker Daniels LLP	Mark Gerard Kosanke	HLBS Law	NO	NO	1	G	Mark Gerard Kosanke		Tracy L. Allen, Esq.	1
18-04417	Detroit, MI	12/26/2018	09/09/2019	09/18/2019	Professional Asset Management Incorporated	No-show	Mark Gerard Kosanke	HLBS Law	NO	NO	1	G	Mark Gerard Kosanke		Tracy L. Allen, Esq.	1
18-04418	Chicago, IL	12/26/2018	07/25/2019	10/03/2019	The Equitable Life Assurance Society of the United States	ISC	Marc Jacob Jacobson	AdvisorLaw LLC	NO	NO	1	G	Marc Jacob Jacobson		Lynn Hirschfeld Brahlin, Esq.	2

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											No. of Expunge-ment Requests	Expunge-ment Requests				
18-04419	Chicago, IL	12/26/2018	09/10/2019	10/04/2019	AXA Advisors LLC; Pruco Securities LLC	ISC (AXA); Law Offices of Alan S. Broderson (PS)	Marc Jacob Jacobson	AdvisorLaw LLC	NO	NO/NN	7	G/D	Marc Jacob Jacobson		Kenneth N. Adamson, Esq.	1
18-04425	Newark, NJ	12/26/2018	06/18/2019	08/01/2019	Citigroup Global Markets Incorporated	Kauff Laton Miller LLP	Kenneth William Levene	AdvisorLaw LLC	NO	NO/NN	3	G	Kenneth William Levene		Catherine Stewart, Esq.	1
18-04431	Richmond, VA	12/26/2018	08/27/2019	09/30/2019	SunTrust Investment Services Incorporated	Gray Robinson PA	Jaret Clinton Mutter	AdvisorLaw LLC	NO	NO/NN	4	G/D	Jaret Clinton Mutter		Edward Blumstein, Esq.	1
18-04432	Charlotte, NC	12/26/2018	07/24/2019	08/08/2019	AXA Advisors LLC	ISC	Christopher Thomas Miller	AdvisorLaw LLC	NO	NO	2	G	Christopher Thomas Miller		Michael J. Ahlstrom, Esq.	1
18-04433	Portland, OR	12/28/2018	08/06/2019	09/03/2019	CUSO Financial Services Limited Partnership	ISC	Richard Brandon Hall	AdvisorLaw LLC	NO	NO	1	G	Richard Brandon Hall		William W. Haskell, Esq.	1
18-04434	Chicago, IL	12/28/2018	05/14/2019	08/16/2019	Robert W Baird & Company Incorporated; Sigma Financial Corporation; Ameriprise Financial Services Incorporated	ISC	Chad Henry	Holcomb & Ward	NO	OB/NO	4	G	Chad Henry		Steven H. Vogel, Esq.	3
18-04436	Chicago, IL	12/27/2018	08/01/2019	08/16/2019	Goldman Sachs & Company LLC	Cohen & Gresser	Stuart Drummond Buck	AdvisorLaw LLC	NO	NO	1	G	Stuart Drummond Buck		Philip J. Glick, Esq.	1
18-04438	Chicago, IL	12/27/2018	08/27/2019	09/05/2019	Goldman Sachs & Company LLC	Cohen & Gresser	David Rocco Yaccino	AdvisorLaw LLC	NO	UN	1	D		David Rocco Yaccino	Walter Patrick Giblin	1
18-04443	Orlando, FL	12/27/2018	10/18/2019	12/03/2019	Banc of America Investment Services Incorporated; Wells Fargo Advisors LLC	Bressler Amery & Ross (BAIS); ISC (WFA)	Marcos Cigagna	Sallah Astarita & Cox	NO	NO	2	G	Marcos Cigagna		Thomas Joseph Atkinson, Sr., JD	1
18-04446	Atlanta, GA	12/27/2018	08/15/2019	08/28/2019	Questar Capital Corporation	Faegre Baker Daniels LLP	Kent Alan Balch	AdvisorLaw LLC	NO	NO	1	G	Kent Alan Balch		Michael J. Ahlstrom, Esq.	1
18-04449	New York, NY	12/28/2018	10/03/2019	12/23/2019	Sanford C. Bernstein & Company LLC	Milbank LLP	Marcus Foster Kline	AdvisorLaw LLC	NO	NO	1	G	Marcus Foster Kline		Ted M. Rosen, Esq.	1
19-00002	Newark, NJ	12/30/2018	07/23/2019	08/15/2019	National Securities Corporation	ISC	Richard Jae Libretti	FA Expungement LLC	NO	NO	1	G	Richard Jae Libretti		Annamaria Boccia-Smith, Esq. (fka Annamaria Boccia-Kovarcik, Esq.)	1

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											Expunge-ment Requests	Expunge-ment Requests				
19-00003	New York, NY	01/29/2019	11/14/2019	08/18/2020	Spartan Capital Securities LLC; Laidlaw & Company (UK) Limited; Prestige Financial Center Incorporated; EKN Financial Services Incorporated; Empire Financial Group Incorporated; AR Baron & Company Incorporated; Tasin & Company Incorporated	ISC (L&C); No-show (PFC, EKNFS, EFG, ARB&C, T&C)	Kerry Patrick Raheb	Giordano Halleran & Ciesla	OB/NO	NN	7	G/D	Kerry Patrick Raheb		Noel B. Berman, Esq.	3
19-00011	San Francisco, CA	12/31/2018	07/11/2019	10/10/2019	Securities America Incorporated	Freeman Mathis & Gary	Garret Ray Morgan	RMO LP	NO	NO	4	G	Garret Ray Morgan		Mary Margaret Bush, Esq.	2
19-00014	San Diego, CA	12/31/2018	08/19/2019	09/12/2019	Caplink Securities Incorporated	ISC	Derek Clifford Myron	HLBS Law	NO	UN	2	D		Derek Clifford Myron	Herbert Liberman	1
19-00015	Los Angeles, CA	12/31/2018	09/30/2019	10/08/2019	Citigroup Global Markets Incorporated; Morgan Stanley & Company LLC	Kauff Laton Miller LLP (CGM); ISC (MS)	Lisa Ann Detanna	RMO LLP	NO	NO	3	G/W	Lisa Ann Detanna		Robert D. Sussin, Esq.	1
19-00019	Boca Raton, FL	12/28/2018	09/03/2019	09/10/2019	Wells Fargo Clearing Services LLC	ISC	Francesco Traina	HLBS Law	NO	NO/NN	3	G	Francesco Traina		Carl Shechter, Esq.	1
19-00020	Boca Raton, FL	12/28/2018	10/28/2019	11/05/2019	UBS Financial Services Incorporated	Bressler Amery & Ross	Don Anthony D'Adesky	HLBS Law	NO	NO	1	G	Don Anthony D'Adesky		Will Murphy, Esq.	1
19-00023	Milwaukee, WI	12/28/2018	07/31/2019	08/27/2019	Ameriprise Financial Services Incorporated	ISC	Edward Carlton Fox III	AdvisorLaw LLC	NO	NO	1	G	Edward Carlton Fox III		Susanne J. Hollander, Esq.	2
19-00029	Omaha, NE	01/02/2019	09/26/2019	10/25/2019	UBS Financial Services Incorporated	ISC	Jonathan Verne Beukelman; Mark B. Geist	Keesal Young & Logan	NO	NO	4	G	Jonathan Verne Beukelman; Mark B. Geist		Lynn Hirschfeld Brahin, Esq.	2
19-00035	Boca Raton, FL	12/28/2018	10/16/2019	10/24/2019	Citigroup Global Markets Incorporated	Kauff Laton Miller LLP	Francesco Traina	HLBS Law	NO	NO-D	1	G	Francesco Traina		Mark C. Perry, Esq.	1
19-00047	San Francisco, CA	01/02/2019	08/15/2019	08/29/2019	LPL Financial LLC	ISC	Mark Randall Wilburn	HLBS Law	NO	NO	1	G	Mark Randall Wilburn		Laurel Littman Gothelf, MPH	1
19-00048	Portland, OR	01/02/2019	08/13/2019	09/16/2019	American Independent Securities Group LLC	Gordon & Rees et al.	Thomas Wayne Davis Jr.	AdvisorLaw LLC	NO	OB	1	G	Thomas Wayne Davis Jr.		Daniel B. MacLeod, Esq.	1
19-00056	Charlotte, NC	01/03/2019	07/16/2019	08/09/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Andrew Alan Harding	AdvisorLaw LLC	NO	NO	3	G	Andrew Alan Harding		Michael J. Ahlstrom, Esq.	1
19-00062	Charlotte, NC	01/03/2019	09/12/2019	10/28/2019	UBS Financial Services Incorporated	Bressler Amery & Ross	Alan Earl Brookshire	AdvisorLaw LLC	NO	NO	5	G	Alan Earl Brookshire		Harvey R. Linder, Esq.	1

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											Requests	Requests				
19-00063	Tampa, FL	01/03/2019	07/09/2019	09/24/2019	Locust Street Securities Incorporated	Winget Spadafora & Schwartzberg	Nancy Ellen Biddle	HLBS Law	NO	NO	1	G	Nancy Ellen Biddle		Darryl C. Wilson, Esq.	2
19-00079	New York, NY	01/04/2019	06/18/2019	08/08/2019	UBS Financial Services Incorporated; Citigroup Global Markets Incorporated	ISC (UBS); Kauff Laton Miller LLP (CGM)	Robert Joseph Conzo	Bressler Amery & Ross	NO	NO	2	G	Robert Joseph Conzo		Sandra Gale Behrle, Esq.	1
19-00084	San Francisco, CA	01/06/2019	08/22/2019	09/18/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Nicholas V. Economos	FA Expungement LLC	NO	NO	1	G	Nicholas V. Economos		Kenneth Paul Strongman	1
19-00086	Indianapolis, IN	01/07/2019	07/31/2019	08/29/2019	Citigroup Global Markets Incorporated	Bressler Amery & Ross	Gordon Leonard Bryan	AdvisorLaw LLC	NO	NO	1	G	Gordon Leonard Bryan		Tracy L. Allen, Esq.	1
19-00091	Minneapolis, MN	01/04/2019	07/30/2019	08/06/2019	Ameriprise Financial Services Incorporated	ISC	Timothy Robert Jirak	AdvisorLaw LLC	NO	NN	1	G	Timothy Robert Jirak		Barry Goldman, Esq.	1
19-00094	Houston, TX	01/06/2019	07/30/2019	08/19/2019	Sagepoint Financial Incorporated	ISC	Tina Tyann Matthews	FA Expungement LLC	NO	NO	1	D		Tina Tyann Matthews	James A. Parker	1
19-00096	Boca Raton, FL	01/04/2019	03/02/2020	03/19/2020	CIBC World Markets Corporation	ISC	William Earl Elmore, Jr.	HLBS Law	NO	NO	2	G	William Earl Elmore, Jr.		Seth L. Finkel, Esq.	1
19-00104	Philadelphia, PA	01/07/2019	09/09/2019	10/16/2019	MML Investors Services LLC	Stevens & Lee	John Michael Novak	AdvisorLaw LLC	NO	NO	1	G	John Michael Novak		Thomas Benjamin Salzer, Esq.	1
19-00107	New Orleans, LA	01/07/2019	08/14/2019	09/27/2019	Transamerica Financial Advisors Incorporated	ISC	Gilberto Briseno	AdvisorLaw LLC	NO	NO	1	G	Gilberto Briseno		Mark C. Watler, JD	1
19-00108	Bismarck, ND	01/07/2019	07/30/2019	08/09/2019	LPL Financial LLC	ISC	Gary Lawrence Wageman	AdvisorLaw LLC	NO	NO	2	G	Gary Lawrence Wageman		Helen Marinak Blohm, Esq. (fka Helen M. Marinak, Esq.)	1
19-00117	Manchester, NH	01/09/2019	07/18/2019	09/23/2019	Pruco Securities LLC	Law Offices of Alan S. Brodherson	Craig Evan Moore	AdvisorLaw LLC	NO	NO	1	G	Craig Evan Moore		Samuel Harrison Chorches, Esq.	1
19-00125	Omaha, NE	01/09/2019	09/03/2019	09/09/2019	National Planning Corporation	ISC	Brian D. Luther	Cline Williams et al.	NO	NO	1	G	Brian D. Luther		Charles G. Michaels, Esq. - Chair; Thomas F. Mahoney, Esq.; Bryan L. Johnson	1
19-00126	Oklahoma City, OK	01/09/2019	07/16/2019	01/03/2020	AXA Advisors LLC	ISC	Jerry Dale Kiefer	AdvisorLaw LLC	NO	NO	2	G/D	Jerry Dale Kiefer		Lawrence R. Maxwell, Jr., Esq.	2
19-00129	Newark, NJ	01/09/2019	08/01/2019	09/13/2019	William Scott & Company LLC	Semper Flight LLC	Joseph Scott Glodek	FA Expungement LLC	NO	NO	2	D		Joseph Scott Glodek	Jay Alan Kranis	1
19-00130	Newark, NJ	01/09/2019	08/08/2019	11/13/2019	William Scott & Company LLC; National Securities Corporation	ISC	Joseph Scott Glodek	FA Expungement LLC	NO	UN	3	G	Joseph Scott Glodek		Veronica Ann Williams	1
19-00142	San Francisco, CA	01/09/2019	08/06/2019	08/15/2019	Edward D Jones & Company Limited Partnership	ISC	Sima Alefi	Gonser Law PC	NO	NO	1	G	Sima Alefi		Sterling N. Frost	1
19-00146	Chicago, IL	01/10/2019	09/04/2019	09/09/2019	Citigroup Global Markets Incorporated	Kauff Laton Miller LLP	Michael Kevin Rhodes	HLBS Law	NO	NO	1	G	Michael Kevin Rhodes		Lynn Hirschfeld Brahni, Esq.	1
19-00148	Boca Raton, FL	01/09/2019	10/02/2019	10/14/2019	Oppenheimer & Company Incorporated	ISC	William Earl Elmore Jr.	HLBS Law	NO	NO	1	G	William Earl Elmore Jr.		Edward R. Niederriter, Esq.	1

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											Expunge-ment Requests	Expunge-ment Requests				
19-00152	Albany, NY	01/10/2019	07/24/2019	08/26/2019	Wells Fargo Advisors Financial Network	ISC	David Patrick Keator	Law Office of Peter F. Flynn	NO	OB	1	G	David Patrick Keator		Martin A. Edelstein, Esq.	1
19-00153	Los Angeles, CA	01/10/2019	01/29/2020	02/06/2020	Deutsche Bank Securities Incorporated	Paduano & Weintraub	Michael John Tusing	HLBS Law	NO	NO	1	G	Michael John Tusing		Mary M. O'Neil	1
19-00158	New Orleans, LA	01/10/2019	09/18/2019	10/15/2019	Edward D Jones & Company Limited Partnership	Kuchler Polk Weiner LLC	Aaron Michael Ogea	AdvisorLaw LLC	NO	OB	3	D		Aaron Michael Ogea	Mark C. Watler, JD	1
19-00160	Boca Raton, FL	01/10/2019	08/27/2019	09/11/2019	Ameriprise Financial Services Incorporated	Murphy & Anderson	Riad Shanaway	HLBS Law	NO	NO	1	D		Riad Shanaway	Elena G. Rodriguez	1
19-00163	Los Angeles, CA	01/11/2019	10/03/2019	10/17/2019	Morgan Stanley & Company LLC	ISC	Isidro Z. Miramontes	Law Offices of David Harrison	NO	NO	1	G	Isidro Z. Miramontes		Elliott David Finkel, Esq.	1
19-00164	Los Angeles, CA	01/11/2019	08/27/2019	09/10/2019	Cuso Financial Services Limited Partnership	ISC	Timothy Steele Werdel	Wolper Law Firm PA	NO	NO	1	G	Timothy Steele Werdel		Neil S. Jasper	1
19-00169	New York, NY	01/11/2019	12/10/2019	01/08/2020	Edward D Jones & Company Limited Partnership	ISC	James D. Zahakos	HLBS Law	NO	NO	1	G	James D. Zahakos		Sandra J. Mullings, Esq.	1
19-00170	Charlotte, NC	01/11/2019	09/04/2019	10/17/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Alan Earl Brookshire	AdvisorLaw LLC	NO	OB	2	G	Alan Earl Brookshire		Jason Alexander Diamond	1
19-00173	Detroit, MI	01/14/2019	12/18/2019	01/02/2020	Dominion Investor Services Incorporated	Saretsky Hart et al.	Kathy Lynne Colby	J H. Spiegel PLLC	NO	NO	1	G	Kathy Lynne Colby		Jeffrey Mark Bauer, Esq.	1
19-00181	Boca Raton, FL	01/14/2019	08/20/2019	08/29/2019	RBC Capital Markets LLC	ISC	Gary Robert Burwick	Wolper Law Firm PA	NO	NO	1	G	Gary Robert Burwick		Mark Allen Bilawsky	1
19-00205	Cleveland, OH	01/16/2019	09/12/2019	10/02/2019	Commonwealth Financial Network	No-show	Matthew William Campbell	FA Expungement LLC	NO	OB	1	G	Matthew William Campbell		Gerald W. Hepp	1
19-00215	San Francisco, CA	01/16/2019	09/25/2019	11/05/2019	Commonwealth Financial Network	ISC	Kenneth Ancell	HLBS Law	NO	NO/NN	2	G	Kenneth Ancell		Mary Margaret Bush, Esq.	1
19-00216	San Francisco, CA	01/16/2019	09/18/2019	09/30/2019	NyLife Securities LLC	Morgan Lewis & Bockius	Clayton Kwok Shum	HLBS Law	NO	NO	1	G	Clayton Kwok Shum		Laurel Littman Gothelf, MPH	1
19-00217	San Francisco, CA	01/16/2019	08/08/2019	04/28/2020	First Midwest Securities Incorporated	No-show	Clayton Kwok Shum	HLBS Law	NO	NN	1	D		Clayton Kwok Shum	Michael Lancaster Garcia	4
19-00256	Des Moines, IA	01/22/2019	08/15/2019	08/23/2019	Raymond James Financial Services Incorporated	ISC	Chad David Andrews	FA Expungement LLC	NO	UN	1	D		Chad David Andrews	Barry Goldman, Esq.	1
19-00272	New Orleans, LA	01/22/2019	09/03/2019	10/03/2019	Morgan Stanley	ISC	Lee Siegal Henderson	FA Expungement LLC	NO	NO	1	G	Lee Siegal Henderson		Simeon B. Reimonenq, Jr., Esq.	1
19-00286	Denver, CO	01/23/2019	08/26/2019	09/18/2019	Prudential Equity Group LLC	Law Offices of Alan S. Broderson	Robert Alan Schwarz	HLBS Law	NO	NO	1	G	Robert Alan Schwarz		Charles G. Michaels, Esq.	1
19-00288	Orlando, FL	01/24/2019	09/03/2019	10/11/2019	Morgan Stanley DW Incorporated	ISC	Donald Anthony Wojnowski	HLBS Law	NO	NO/NN	3	G	Donald Anthony Wojnowski		Stuart K. Furman	1

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											No. of Expunge-ment Requests	Expunge-ment Results				
19-00289	Detroit, MI	01/24/2019	10/02/2019	10/28/2019	Oppenheimer & Company Incorporated; UBS Financial Services Incorporated	ISS (O&C); Keesal Young & Logan (UBS)	Brian Joseph Rener	Gordon Rees et al.	OB/NO	UN	3	G/D	Brian Joseph Rener		Jeffrey Mark Bauer, Esq.	1
19-00293	San Diego, CA	01/24/2019	10/01/2019	10/22/2019	Wells Fargo Investments LLC	ISC	Stephen Mark Seewer	HLBS Law	NO	NO/NN	1	G	Stephen Mark Seewer		Kevin K. Forrester, Esq.	1
19-00294	Dallas, TX	01/24/2019	09/18/2019	10/08/2019	Banc of America Investment Services Incorporated	Bressler Amery & Ross	Charles Donald Smith Jr.	AdvisorLaw LLC	NO	NO	1	G	Charles Donald Smith Jr.		Andrea U. Calve, Esq.	1
19-00296	Oklahoma City, OK	01/24/2019	09/25/2019	10/07/2019	LPL Financial LLC	ISC	Charles Donald Smith Jr.	AdvisorLaw LLC	NO	NO	1	G	Charles Donald Smith Jr.		C. Sumpter Logan	1
19-00300	New York, NY	01/24/2019	09/10/2019	10/29/2019	National Securities Corporation; First Montauk Securities Corporation	ISC	James J. Mariani	FA Expungement LLC	NO	NO	3	G	James J. Mariani		Arthur M. Handler, Esq.	1
19-00318	Dallas, TX	01/28/2019	08/06/2019	09/03/2019	MML Investors Services LLC	Stevens & Lee	Wesley Jay Cumbie	Wolper Law Firm PA	NO	NN	1	G	Wesley Jay Cumbie		Maxel B. (Bud) Silverberg	1
19-00319	Omaha, NE	01/28/2019	08/16/2019	08/26/2019	Waddell & Reed Incorporated	Bryan Cave et al.	Kevin J. Engbers	Wolper Law Firm PA	NO	NO	1	G	Kevin J. Engbers		Susan L. Walker, Esq.	1
19-00320	Dallas, TX	01/28/2019	09/19/2019	11/15/2019	LPL Financial LLC	ISC	Robert W. Huntley	Wolper Law Firm PA	NO	NO	1	G	Robert W. Huntley		C. Sumpter Logan	2
19-00321	Detroit, MI	01/28/2019	11/19/2019	12/09/2019	LPL Financial LLC	ISC	Scott Alan Kanai	Wolper Law Firm PA	NO	NO	1	G	Scott Alan Kanai		Tracy L. Allen, Esq.	1
19-00324	Boca Raton, FL	01/25/2019	09/26/2019	10/02/2019	Lincoln Financial Securities Corporation; LPL Financial LLC	ISC	Christopher G. Nichols	Wolper Law Firm PA	NO	OB/NO	2	G	Christopher G. Nichols		Carl Shechter, Esq.	1
19-00342	Dallas, TX	01/29/2019	08/07/2019	08/19/2019	LPL Financial LLC	ISC	Lee Byron Thomson	AdvisorLaw LLC	NO	NO	1	G	Lee Byron Thomson		Patricia Beaujean Lehtola, Esq.	1
19-00345	Raleigh, NC	01/29/2019	09/03/2019	09/18/2019	Kestra Investment Services LLC; Transamerica Financial Advisors Incorporated	D'Amura & Zaidman (KIS); ISC (TFA)	Stephanie Devan Abee	HLBS Law	NO	OB	2	G	Stephanie Devan Abee		Kenneth R. Starr, Esq.	1
19-00353	New York, NY	01/30/2019	10/17/2019	11/13/2019	UBS Financial Services Incorporated	ISC	Peter J. Klein	Bressler Amery & Ross	NO	NO	3	G	Peter J. Klein		Richard W. Cutler, Esq. - Chair; Howard D. Jacob, Esq.; Emily M. Altman	1
19-00355	New York, NY	01/30/2019	12/11/2019	12/13/2019	MBSC Securities Corporation	Saiber LLC	Michael John Fornasier	None	E	UN	1	D	Michael John Fornasier	Michael John Fornasier	Anna Lascar - Chair; James G. Paulsen; Timothy P. Kebbe Esq.	1
19-00378	San Juan, PR	01/31/2019	09/10/2019	09/24/2019	UBS Financial Services Incorporated	McConnell Valdes LLC	David L. Rojas	Toro Colon Mullet PSC	NO	NO	1	G	David L. Rojas		Elena G. Rodriguez	1
19-00381	San Diego, CA	02/01/2019	08/21/2019	09/06/2019	Fidelity Brokerage Services LLC	ISC	Jeff Jacob Menning	HLBS Law	NO	UN	1	D	Jeff Jacob Menning	Jeff Jacob Menning	Herbert Liberman	1
19-00384	San Juan, PR	02/01/2019	08/06/2019	08/15/2019	UBS Financial Services Incorporated	McConnell Valdes LLC	David L. Rojas	Toro Colon et al.	NO	NO	1	G	David L. Rojas		Barth Satuloff, CPA	1

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											Expunge-ment Requests	Expunge-ment Requests				
19-00386	Philadelphia, PA	02/01/2019	09/09/2019	09/10/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Carl G. Gordinier	AdvisorLaw LLC	NO	NO	1	G	Carl G. Gordinier		Steven T. Stern, Esq.	1
19-00390	Denver, CO	02/01/2019	08/27/2019	08/29/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Ron Allen Zimmermann	HLBS Law	NO	NO	1	G	Ron Allen Zimmermann		Susan M. Thevenet, Esq.	1
19-00402	Manchester, NH	02/05/2019	09/23/2019	10/22/2019	Questar Capital Corporation	Faegre Baker Daniels LLP	Benjamin C. Brayshaw	AdvisorLaw LLC	NO	NO	1	G	Benjamin C. Brayshaw		Linda J. Baer, Esq.	1
19-00411	San Diego, CA	02/06/2019	10/10/2019	11/14/2019	Morgan Stanley DW Incorporated	ISC	Robert Eric Rose	HLBS Law	NO	NO	1	G	Robert Eric Rose		Mark R. Lee	1
19-00412	San Diego, CA	02/05/2019	10/07/2019	10/23/2019	Morgan Stanley & Company LLC	ISC	Robert Eric Rose	HLBS Law	NO	NO/NN	3	G	Robert Eric Rose		Michael E. Rohde, Esq.	1
19-00413	San Diego, CA	02/05/2019	09/06/2019	10/04/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Robert Eric Rose	HLBS Law	NO	NO	1	G	Robert Eric Rose		Herbert Liberman	1
19-00423	Orlando, FL	02/07/2019	11/01/2019	11/22/2019	Raymond James & Associates Incorporated	ISC	Keith A. Davis	Bruce W. Barnes PA	NO	NO	1	G	Keith A. Davis		John P. Cullem, Esq. - Chair; Lewis Gordon Brewer; Howard A. Baker, Esq.	1
19-00445	Boca Raton, FL	02/08/2019	01/27/2020	02/11/2020	Wells Fargo Clearing Services LLC	ISC	Matthew Aaron Gerst	Stein & Stein	NO	OB	1	G	Matthew Aaron Gerst		Will Murphy, Esq. - Chair; Robert G. Falbisaner; Scott Louis Fishman	1
19-00446	Wilmington, DE	02/08/2019	06/17/2020	06/26/2020	Private Consulting Group Incorporated	No-show	Alan Charles Gottlob	The Gilmore Firm LLC	NO	NN	1	D		Alan Charles Gottlob	Gordon M. Wase, Esq. - Chair; Robert E. Anderson, Esq.; Alan J. Blocher	1
19-00448	New York, NY	02/08/2019	12/17/2019	12/26/2019	Continental Broker-Dealer Corporation	ISC	Joon Han Rhee	Carmel Milazzo & DiChiara	NO	NO	1	G	Joon Han Rhee		William G. Binckes, Esq.	1
19-00451	Des Moines, IA	02/11/2019	09/17/2019	10/01/2019	Robert W. Baird & Company Incorporated	ISC	Russell Gerard Nieland	Wolper Law Firm PA	NO	NO	1	G	Russell Gerard Nieland		Thomas F. Mahoney, Esq.	1
19-00452	St. Louis, MO	02/11/2019	09/12/2019	09/26/2019	LPL Financial LLC	ISC	Mark H. Schlipman	Wolper Law Firm PA	NO	NO	1	G	Mark H. Schlipman		Robert J. Scafuri, Esq.	1
19-00453	Orlando, FL	02/11/2019	10/08/2019	11/21/2019	LPL Financial LLC	ISC	James Robert Caldwell	Wolper Law Firm PA	NO	NO	3	G	James Robert Caldwell		Maurice M. Feller, Esq.	1
19-00454	Baltimore, MD	02/11/2019	09/05/2019	10/02/2019	Hornor Townsend & Kent Incorporated	Leake & Andersson	Mark J. Ring	Wolper Law Firm PA	NO	NO	1	G	Mark J. Ring		Brenda J. Stovall, Esq.	1
19-00456	New York, NY	02/08/2019	08/27/2019	09/09/2019	National Securities Corporation	ISC	Glenn Bryan Hechler	Finkelstein & Feil	NO	NO	1	G	Glenn Bryan Hechler		Howard L. Sobel	1
19-00467	Los Angeles, CA	02/11/2019	09/16/2019	10/16/2019	UBS Financial Services Incorporated	Keesal Young & Logan	Jerald Joseph Halverson; Michael Joseph Winn	Elkins Kalt et al.	NO	NO	2	G	Jerald Joseph Halverson; Michael Joseph Winn		Robert D. Sussin, Esq. - Chair; Richard M. Norman, Esq.; Christine A. Page, Esq.	1
19-00468	Orlando, FL	02/12/2019	11/13/2019	11/29/2019	Wells Fargo Clearing Services LLC	ISC	Michael David Hopkins	Bressler Amery & Ross	NO	NO	2	G	Michael David Hopkins		Stuart K. Furman	1
19-00469	San Juan, PR	02/11/2019	08/13/2019	08/27/2019	UBS Financial Services Incorporated	McConnell Valdes LLC	Sonia Pou	Toro Colon Mullet PSC	NO	NO	1	G	Sonia Pou		Stuart K. Furman	1

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											Expunge-ment Requests	Expunge-ment Requests				
19-00472	Columbia, SC	02/12/2019	09/26/2019	11/04/2019	Lutheran Brotherhood Securities Corporation; Thrivent Investment Management Incorporated	Bryan Cave et al.	Eric Lloyd Vogen	AdvisorLaw LLC	NO	NO-D	1	G	Eric Lloyd Vogen		Michael J. Ahlstrom, Esq.	1
19-00473	Columbia, SC	02/12/2019	09/16/2019	10/01/2019	FSC Securities Corporation	ISC	Eric Lloyd Vogen	AdvisorLaw LLC	NO	OB	1	G	Eric Lloyd Vogen		Michael J. Ahlstrom, Esq.	1
19-00479	Boca Raton, FL	02/12/2019	10/11/2019	10/16/2019	UBS Financial Services Incorporated	ISC	Stephen Mark Sullivan	Bressler Amery & Ross	NO	NO	1	G	Stephen Mark Sullivan		Seth L. Finkel, Esq.	1
19-00487	Detroit, MI	02/14/2019	10/23/2019	11/20/2019	Royal Securities Company	ISC	William Calvin Kapteyn Jr.	HLBS Law	NO	NO-D	1	G	William Calvin Kapteyn Jr.		Terrance J. Dorcy	2
19-00488	Boca Raton, FL	02/13/2019	10/04/2019	10/17/2019	Ameriprise Financial Services Incorporated	ISC	Robert Michael Burns Jr.	HLBS Law	NO	NO	1	G	Robert Michael Burns Jr.		Monica I. Salis, Esq.	1
19-00493	Boca Raton, FL	02/13/2019	11/05/2019	11/26/2019	Wells Fargo Clearing Services LLC	ISC	Robert Michael Burns Jr.	HLBS Law	NO	NO	1	G	Robert Michael Burns Jr.		James W. Geiger, Esq.	1
19-00495	Tampa, FL	02/14/2019	10/03/2019	11/19/2019	LPL Financial LLC; UBS Financial Services Incorporated	ISC (LPL); Bressler Amery & Ross (UBS)	Stephen Joseph Martin	Wolper Law Firm PA	NO	NO	4	G	Stephen Joseph Martin		John P. Cullem, Esq.	1
19-00515	Los Angeles, CA	02/18/2019	09/10/2019	10/10/2019	Cetera Advisor Networks LLC	ISC	Steven Craig Henningson	Wolper Law Firm PA	NO	NO	1	G	Steven Craig Henningson		George L. Tindall	1
19-00518	Los Angeles, CA	02/18/2019	09/24/2019	10/11/2019	Equity Services Incorporated	Winget Spadafora & Schwartzberg	Gal Sherman	Wolper Law Firm PA	NO	NO/NN	3	G	Gal Sherman		George L. Tindall	1
19-00527	Detroit, MI	02/20/2019	08/08/2019	10/22/2019	LPL Financial LLC	ISC	Thomas Phillip Norris	Joseph H. Spiegel PLLC	NO	NO	2	G	Thomas Phillip Norris		Robert J. Scafuri, Esq.	2
19-00538	San Francisco, CA	02/19/2019	11/14/2019	11/26/2019	LPL Financial LLC	ISC	Kent Douglas Kuhlmann	Wolper Law Firm PA	NO	NO/NN	1	G	Kent Douglas Kuhlmann		Laurel Littman Gothelf, MPH	1
19-00563	New York, NY	02/22/2019	12/02/2019	02/06/2020	Prudential Securities LLC; Shearson Lehman Brothers LLC	Law Offices of Alan S. Brodherson (PS); ISC (SLB)	Anthony Sica	Weltz Law	NO	NO	5	G	Anthony Sica		Joan M. Traub, Esq.	2
19-00584	Cleveland, OH	02/26/2019	11/20/2019	12/05/2019	Fifth Third Securities Incorporated	Jackson Lewis PC	Douglas Ryan Magers	HLBS Law	NO	NO	1	G	Douglas Ryan Magers		Tracy L. Allen, Esq.	1
19-00587	Dallas, TX	02/26/2019	12/05/2019	12/23/2019	First Financial Equity Corporation; Securities America Incorporated	ISC	Brian W. Armstrong	Wolper Law Firm PA	NO	NO	1	G	Brian W. Armstrong		C. Sumpter Logan	1
19-00589	San Juan, PR	02/25/2019	08/14/2019	08/22/2019	UBS Financial Services Incorporated	McConnell Valdes LLC	Xavier A. Aguayo Diaz	Toro Colon et al.	NO	NO	7	G	Xavier A. Aguayo Diaz		Martin A. Feigenbaum, Esq.	1
19-00600	New York, NY	02/26/2019	10/10/2019	10/16/2019	Park Avenue Securities LLC	ISC	Michael H. Olivia	Baritz & Colman	NO	NO	1	G	Michael H. Olivia		Joan M. Traub, Esq.	1
19-00605	Newark, NJ	02/28/2019	08/07/2019	09/11/2019	Raymond James Financial Services Incorporated	ISC	Nicholas William Sergio	Ghabai Law Group LLC	NO	NO	1	G	Nicholas William Sergio		Robert E. Anderson, Esq.	1
19-00619	Omaha, NE	02/28/2019	01/06/2020	01/21/2020	LPL Financial LLC	ISC	Ronald L. Carson, Jr.	Wolper Law Firm PA	NO	NO	2	G/D	Ronald L. Carson, Jr.		Philip J. Glick, Esq.	1

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											Expunge-ment Requests	Expunge-ment Requests				
19-00627	New York, NY	03/01/2019	08/13/2019	10/09/2019	Raymond James & Associates Incorporated	ISC	Alan Robert Rosenberg	Morrit Hock & Hamroff	NO	OB/NO	2	G	Alan Robert Rosenberg		Susan A. Romano - Chair; Susan C. Lushing, Esq.; Michael I. Stolar	1
19-00645	Boca Raton, FL	03/04/2019	12/11/2019	12/27/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Gustavo Carvajal	GrayRobinson PA	NO	NO	1	G	Gustavo Carvajal		Carl Shechter, Esq.	1
19-00649	Charlotte, NC	03/05/2019	10/01/2019	10/18/2019	UBS Financial Services Incorporated	Bressler Amery & Ross	Wesley Eugene Singleton	Wolper Law Firm PA	NO	NO	1	G	Wesley Eugene Singleton		Patricia Ann Tracey, Esq.	1
19-00671	San Juan, PR	03/07/2019	08/20/2019	09/04/2019	UBS Financial Services Incorporated	McConnell Valdes LLC	Rafael E. Rivera	Toro Colon Mullet PSC	NO	NO	17	G	Rafael E. Rivera		Martin A. Feigenbaum, Esq.	1
19-00678	New York, NY	03/10/2019	09/18/2019	10/11/2019	GunnAllen Financial Incorporated; First Midwest Securities Incorporated; First Cambridge Securities Corporation; Investec Ernst & Company	No-show (GAF, FMS & FCS); Herrick Feinstein LLP (IE)	Michael Raymond Gimeli	Weltz Law PC	NO	OB/NO	4	G/D	Michael Raymond Gimeli		Cheryl H. Agris, PhD	1
19-00679	Tampa, FL	03/11/2019	09/17/2019	10/02/2019	Lincoln Financial Securities Corporation	ISC	Marie King Colbert	Saretsky Hart et al.	NO	NO	1	G	Marie King Colbert		Gayle B. Carlson, Esq.	1
19-00710	Norfolk, VA	03/13/2019	10/07/2019	10/17/2019	UBS Financial Services Incorporated	Keesal Young & Logan	Michael Thomas Brooks	FA Expungement LLC	NO	UN	1	D		Michael Thomas Brooks	Gregory Hunter Mathews	1
19-00716	New York, NY	03/13/2019	11/12/2019	12/13/2019	The Jeffrey Matthews Financial Group LLC	ISC	Jeffrey Ross Halpert	Jardim Meisner & Sussre	NO	OB/NO	3	G/D	Jeffrey Ross Halpert		Carol Maria Luttati	2
19-00722	Des Moines, IA	03/14/2019	09/25/2019	12/20/2019	LPL Financial LLC	ISC	James Philip Sandager	AdvisorLaw LLC	NO	NN	1	G	James Philip Sandager		William M. Azkoul, JD	2
19-00730	San Juan, PR	03/14/2019	09/18/2019	11/13/2019	UBS Financial Services Incorporated	McConnell Valdes LLC	Carlos Arturo Pou	Toro Colon Mullet PSC	NO	NO	1	G	Carlos Arturo Pou		Seth L. Finkel, Esq.	1
19-00739	Seattle, WA	03/15/2019	08/13/2019	10/24/2019	Geneos Wealth Management Incorporated	Kutak Rock LLP	Morgan Lewis Arford; Brian Joseph Lockett	Ryan Swanson & Cleveland	NO	NO	12	G	Morgan Lewis Arford; Brian Joseph Lockett		Philip E. Cutler, Esq.	1
19-00749	San Juan, PR	03/18/2019	09/17/2019	10/01/2019	UBS Financial Services Incorporated	McConnell Valdes LLC	Carlos Arturo Pou	Toro Colon Mullet PSC	NO	NO	4	G	Carlos Arturo Pou		Martin A. Feigenbaum, Esq.	1
19-00750	Newark, NJ	03/18/2019	10/30/2019	12/05/2019	The Investment Center Incorporated	ISC	Jeffrey Heinel	Winget Spadafora & Schwartzberg	NO	NN	1	G	Jeffrey Heinel		Jack Friedman, Esq. - Chair; Marvin L. Schuldiner; Richard Morse	1
19-00761	Chicago, IL	03/19/2019	12/04/2019	12/11/2019	Edward D Jones & Company Limited Partnership	Bressler Amery & Ross	Kelly Jean Daniels	Gregory B. Simon Law LLC	NO	NO/NN	1	G	Kelly Jean Daniels		Leon Fox, JD	1
19-00773	Boston, MA	03/20/2019	09/25/2019	10/29/2019	Customers only	Customer	Frank Congemi	Reminger Co. LPA	NO	NO	1	G	Frank Congemi		Howard N. Gorney - Chair; Ericka B. Gray; Debra M. Brown, Esq.	1
19-00797	San Juan, PR	03/22/2019	10/08/2019	10/16/2019	UBS Financial Services Incorporated	McConnell Valdes LLC	Jose E. Crescioni	Toro Colon Mullet PSC	NO	NO	1	G	Jose E. Crescioni		Louis David Huss	1

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											Expunge-ment Requests	Expunge-ment Requests				
19-00799	New York, NY	03/22/2019	11/06/2019	12/16/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Mark E. Johnson	Stowell & Friedman	NO	NN	2	G	Mark E. Johnson		Ellyn S. Roth	1
19-00835	Boca Raton, FL	03/28/2019	09/05/2019	09/13/2019	LPL Financial LLC	ISC	Austin Frye	Ghabai Law Group LLC	NO	NO	1	G	Austin Frye		Mark C. Perry, Esq.	1
19-00849	San Juan, PR	03/28/2019	10/02/2019	10/15/2019	UBS Financial Services Incorporated	McConnell Valdes LLC	Casto Miguel Coll Del Rio	Toro Colon Mullet PSC	NO	NO	1	G	Casto Miguel Coll Del Rio		Christopher J. Klein, Esq.	1
19-00868	Tampa, FL	04/01/2019	10/17/2019	11/07/2019	Securities America Incorporated	ISC	Daniel Jay Wolff	FA Expungement LLC	NO	OB	1	G	Daniel Jay Wolff		Nicholas John Taldone, Esq.	1
19-00869	Tampa, FL	04/01/2019	11/05/2019	11/06/2019	Moors & Cabot Incorporated	Mintz Levin PC	Marc S. Wolff	FA Expungement LLC	OB	UN	1	D		Marc S. Wolff	James Mathieu	1
19-00878	Providence, RI	04/01/2019	09/25/2019	11/25/2019	Signator Investors Incorporated	ISC	Danny L. Bullock	Law Office of John M. Verdecchia	NO	UN	4	D		Danny L. Bullock	Patrick Richard Westerkamp, Esq. - Chair; Paul A. Auerbach; Michael Jonathan Chazan	1
19-00880	Charlotte, NC	04/01/2019	01/16/2020	02/04/2020	Ameritas Investment Corporation; Equity Services Incorporated	ISC (A1); Winget Spadafora & Schwartzberg (ES)	Carl Edward Rogers	FA Expungement LLC	NO	NO/NN	4	G	Carl Edward Rogers		Dwane Edward Vickstrom	1
19-00881	Oklahoma City, OK	04/01/2019	08/20/2019	10/15/2019	Raymond James Financial Services Incorporated	ISC	Jeremy Dean Lott	FA Expungement LLC	NO	NO	1	G	Jeremy Dean Lott		Daniel J. Pagnano, Esq.	2
19-00882	New York, NY	04/01/2019	10/29/2019	11/19/2019	Parkland Securities LLC	ISC	G. Scott Diddel	FA Expungement LLC	NO	OB/NO	3	G/D	G. Scott Diddel		Albert Rizzo	1
19-00900	Newark, NJ	04/02/2019	08/15/2019	09/30/2019	Hennion & Walsh Incorporated	ISC	Stephen George Kowalski	ISC	NO	OB/NO	4	G/D	Stephen George Kowalski		Annamaria Boccia-Smith, Esq. (fka Annamaria Boccia-Kovarcik, Esq.)	1
19-00901	New York, NY	04/02/2019	11/12/2019	11/27/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Matthew T. Leone	Law Offices of Patrick R. Mahoney PC	NO	NO	1	G	Matthew T. Leone		Richard W. Cutler, Esq.	1
19-00934	Tampa, FL	04/04/2019	11/25/2019	01/10/2020	Summit Brokerage Services Incorporated	Winget Spadafora & Schwartzberg	Ronald Dean Clark	Jenks & Harvey	NO	NO/NN	9	G	Ronald Dean Clark		Gayle B. Carlson, Esq.	1
19-00938	Indianapolis, IN	05/01/2019	09/11/2019	10/03/2019	USA Financial Securities Corporation	ISC	Bradley S. Ford	Barnes & Thornburg	NO	OB	1	G	Bradley S. Ford		Robert David Epstein	1
19-00940	New York, NY	04/05/2019	09/12/2019	09/17/2019	American Portfolios Financial Services Incorporated	ISC	Andrew Gerard Corrigan	RJM Counsel PLLC	OB	NN	1	G	Andrew Gerard Corrigan		Gerald M. Levine	1
19-00942	New York, NY	04/05/2019	11/12/2019	12/13/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Adam Christopher Stevko	FA Expungement LLC	NO	NO	1	G	Adam Christopher Stevko		Robert J. Kheel, Esq.	2
19-00949	Newark, NJ	04/05/2019	09/05/2019	10/23/2019	Hennion & Walsh Incorporated	ISC	Mamode Abdullah Oozeerally	ISC	NO	NO	3	G	Mamode Abdullah Oozeerally		Robert E. Anderson, Esq.	1
19-00951	Dallas, TX	04/08/2019	11/19/2019	12/16/2019	Samco Capital Markets Incorporated	Hedrick Kring PLLC	Roger James Engemoen Jr.	Akin Gump et al.	NO	NO	21	G	Roger James Engemoen Jr.		Eric Ross Cromartie	1

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19-00967	New York, NY	04/09/2019	03/18/2020	04/27/2020	Cetera Advisor Networks LLC	ISC	Ralph Lawrence Roth	Jardim Meisner & Susser	NO	NN	1	G	Ralph Lawrence Roth		Howard L. Sobel	1
19-00974	Los Angeles, CA	04/09/2019	10/11/2019	11/26/2019	Ameriprise Financial Services Incorporated	ISC	Louis Basil Windawi	Freeman Mathis & Gary	NO	NO-D	1	G	Louis Basil Windawi		Milton N. Gross	1
19-00984	New York, NY	04/10/2019	10/22/2019	10/30/2019	Voya Financial Advisors Incorporated	Winget Spadafora & Schwartzberg	G. Scott Diddel	FA Expungement LLC	NO	NO	3	G	G. Scott Diddel		Susan A. Romano	1
19-00985	Memphis, TN	04/10/2019	11/14/2019	12/09/2019	UBS Financial Services Incorporated	Keesal Young & Logan	David Anthony Pickler	FA Expungement LLC	NO	OB	1	G	David Anthony Pickler		Michael J. Ahlstrom, Esq.	1
19-00986	Phoenix, AZ	04/10/2019	09/17/2019	09/30/2019	Woodbury Financial Services Incorporated	ISC	William Ryan Zenk	FA Expungement LLC	NO	NO	1	G	William Ryan Zenk		Richard D. Fincher, Esq.	1
19-00995	Phoenix, AZ	04/11/2019	09/05/2019	09/16/2019	Pruco Securities LLC	Law Offices of Alan S. Brodherson	Scott Douglas Genzman	AdvisorLaw LLC	NO	NO	1	G	Scott Douglas Genzman		I. Douglas Dunipace, Esq.	1
19-00996	New York, NY	04/11/2019	09/09/2019	10/17/2019	The GMS Group LLC	ISC	Paul David Mante	Lubiner Schmidt Palumbo LLC	NO	NO	5	G	Paul David Mante		Joseph H. Cerame, Esq.	1
19-01025	Philadelphia, PA	04/12/2019	11/20/2019	03/12/2020	AXA Advisors LLC	ISC	Anthony P. Lubrano	Akerman LLP	NO	NO	2	G	Anthony P. Lubrano		Carol H. Gold, Esq.	2
19-01027	Chicago, IL	04/16/2019	10/21/2019	11/01/2019	Customers only	Customer	Matthew Erich Lemke	, Law Office of John A. Dienner	NO	NO	1	G	Matthew Erich Lemke		Leon Fox, JD - Chair; Michael S. Matek, Esq.; Theodore W. Wroblewski, Esq.	1
19-01032	Raleigh, NC	04/16/2019	02/07/2020	03/05/2020	SunTrust Investment Services Incorporated	Gray Robinson PA	Nicole June Robertson	AdvisorLaw LLC	NO	OB/NO	2	G	Nicole June Robertson		John P. Cullem, Esq.	1
19-01052	Hartford, CT	04/17/2019	10/02/2019	10/22/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Thomas Hutchison; Joshua Kampf	Winget Spadafora & Schwartzberg	NO	NO/NN	3	G	Thomas Hutchison; Joshua Kampf		Robert B. Titus - Chair; Michael P. Breton; Richard Hallett Nichol (Withdrawn)	1
19-01059	Newark, NJ	04/17/2019	08/14/2019	09/11/2019	The GMS Group LLC	ISC	Paul David Mante	Lubiner Schmidt Palumbo LLC	NO	NO	2	G	Paul David Mante		Robert E. Anderson, Esq.	1
19-01060	Newark, NJ	04/17/2019	08/07/2019	10/01/2019	The GMS Group LLC	ISC	Paul David Mante	Lubiner Schmidt Palumbo LLC	NO	NO	1	D		Paul David Mante	Louis H. Miron, Esq.	1
19-01078	Newark, NJ	04/19/2019	09/25/2019	10/28/2019	RBC Capital Markets LLC	Dorsey & Whitney	John Peter Micera	Bressler Amery & Ross	NO	NO	2	G	John Peter Micera		Morton S. Bunis, Esq.	2
19-01080	New Orleans, LA	04/19/2019	09/10/2019	10/31/2019	Edward D Jones & Company Limited Partnership	ISC	Benjamin Thomas Domingue	AdvisorLaw LLC	NO	NN	1	G	Benjamin Thomas Domingue		Brian James Tagtmeier	1
19-01102	Baltimore, MD	04/23/2019	10/17/2019	11/21/2019	Citigroup Global Markets Incorporated	Bressler Amery & Ross	Thomas Harold Clark	AdvisorLaw LLC	NO	NO	2	G	Thomas Harold Clark		Richard E. Lauziere, CPA	1
19-01112	Los Angeles, CA	04/23/2019	11/12/2019	12/26/2019	Wells Fargo Clearing Services LLC	ISC	Allen Frances Schreiber	HLBS Law	NO	NO	1	G	Allen Frances Schreiber		Benjamin F. Breslauer	1
19-01113	New Orleans, LA	04/23/2019	12/09/2019	12/12/2019	Pan-American Financial Advisers; Raymond James Financial Services Incorporated	ISC (RJFS); No show (P-AFA)	Stanley Jerome Keyes	AdvisorLaw LLC	NO	UN	2	D		Stanley Jerome Keyes	Brian P. Jakes, Sr.	1

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											Expunge-ment Requests	Expunge-ment Requests				
19-01114	Phoenix, AZ	04/23/2019	12/10/2019	12/23/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Brian Francis Scanlon	AdvisorLaw LLC	NO	NO	1	G	Brian Francis Scanlon		Walter Steven Schwartz	1
19-01115	Los Angeles, CA	04/23/2019	09/23/2019	10/22/2019	LPL Financial LLC	ISC	Jennifer Lynne Turner	Ghabai Law Group LLC	NO	NO	1	G	Jennifer Lynne Turner		Neil S. Jasper	1
19-01145	Orlando, FL	04/25/2019	11/04/2019	01/07/2020	Wells Fargo Advisors LLC	ISC	George Edward Mathis	Bruce W. Barnes PA	NO	NO-D	2	G	George Edward Mathis		John P. Cullem, Esq. - Chair; Lewis Gordon Brewer; Gregory L. Hess	1
19-01174	New Orleans, LA	04/26/2019	03/12/2020	03/25/2020	FSC Securities Corporation; Kovack Securities Incorporated	ISC	Stanley Jerome Keyes	AdvisorLaw LLC	NO	OB/NO	2	G/D	Stanley Jerome Keyes		Mark C. Watler, JD	1
19-01176	Charlotte, NC	04/28/2019	11/22/2019	11/27/2019	Kalos Capital Incorporated	ISC	Christopher Scott Hobart	FA Expungement LLC	NO	NO	1	G	Christopher Scott Hobart		Susan L. Luck	1
19-01188	New York, NY	05/01/2019	10/25/2019	11/11/2019	Ameriprise Financial Services Incorporated	ISC	Donald Ford Weaver	AdvisorLaw LLC	NO	NO	1	G	Donald Ford Weaver		Robert E. Anderson, Esq.	1
19-01189	Chicago, IL	04/29/2019	01/09/2020	01/13/2020	Ameriprise Financial Services Incorporated	ISC	Jorge Israel Blanco	Gregory B. Simon Law LLC	NO	NO	1	G	Jorge Israel Blanco		Gregory G. Gocek	1
19-01194	San Juan, PR	04/29/2019	09/24/2019	10/08/2019	UBS Financial Services Incorporated	ISC	Alfonso Boneta	Toro Colon Mullet PSC	NO	NO	1	G	Alfonso Boneta		Martin A. Feigenbaum, Esq.	1
19-01205	Reno, NV	04/30/2019	10/29/2019	10/31/2019	Stifel Nicolaus & Company Incorporated	ISC	Mark Jay Elston	AdvisorLaw LLC	NO	NO-D	1	G	Mark Jay Elston		Helen Marinak Blohm, Esq. (fka Helen M. Marinak, Esq.)	1
19-01211	New York, NY	05/01/2019	08/06/2019	08/19/2019	UBS Financial Services Incorporated	ISC	Bryan Travis Stephens	Bressler Amery & Ross	NO	NO	1	G	Bryan Travis Stephens		Howard D. Jacob, Esq.	1
19-01213	San Juan, PR	05/01/2019	09/25/2019	10/18/2019	UBS Financial Services Incorporated	ISC	Roberto De Jesus Pou	Toro Colon Mullet PSC	NO	NO	1	G	Roberto De Jesus Pou		Seth L. Finkel, Esq.	1
19-01215	San Juan, PR	05/01/2019	09/19/2019	10/02/2019	UBS Financial Services Incorporated	ISC	Francisco Landivar	Toro Colon Mullet PSC	NO	NO	1	G	Francisco Landivar		Gerald Silverman, Esq.	1
19-01225	Providence, RI	05/02/2019	11/15/2019	12/04/2019	Kestra Investment Services LLC	ISC	D'Amura & Zaidman	James Lewis Worrell	NO	NO	1	G	James Lewis Worrell		Robert E. Anderson, Esq.	1
19-01228	Denver, CO	05/02/2019	10/18/2019	11/04/2019	LPL Financial LLC	ISC	Peter Finley Tedstrom	Ghabai Law Group LLC	NO	NO	3	G/D	Peter Finley Tedstrom		Charles G. Michaels, Esq.	1
19-01238	Jacksonville, FL	05/06/2019	11/05/2019	11/19/2019	Wells Fargo Clearing Services LLC	ISC	Scott Andrew Hilton	Locke Lord LLP	NO	NO	1	G	Scott Andrew Hilton		Maurice M. Feller, Esq. - Chair; Adam Murray Walters; Niels Patrick Murphy	1
19-01252	Richmond, VA	05/06/2019	11/06/2019	01/28/2020	Morgan Stanley	ISC	Haider Sharifi	AdvisorLaw LLC	NO	UN	1	D		Haider Sharifi	Carl F. Bowmer, Esq.	2
19-01256	Pittsburgh, PA	05/07/2019	10/31/2019	11/20/2019	Royal Alliance Associates Incorporated	ISC	Daniel Gerrard Kress	Knox McLaughlin et al.	NO	NO-D	2	G	Daniel Gerrard Kress		Robert E. Anderson, Esq.	1
19-01281	New York, NY	05/08/2019	02/12/2020	02/25/2020	Chase Investment Services Corporation	ISC	Satterlee Stephens LLP	Rinico Sawyer	E, NO	NO-D	1	D		Rinico Sawyer	Laura Wong-Pan	1
19-01283	Cincinnati, OH	05/08/2019	12/03/2019	01/16/2020	Edward D Jones & Company Limited Partnership	ISC	Brian D. Addis	FA Expungement LLC	NO	UN	4	D		Brian D. Addis	Barry Goldman, Esq.	3

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											Expunge-ment Requests	Expunge-ment Requests				
19-01291	San Juan, PR	05/08/2019	10/22/2019	10/28/2019	UBS Financial Services Incorporated	McConnell Valdes LLC	Gabriel A. Matos	Toro Colon Mullet PSC	NO	NO	3	G	Gabriel A. Matos		Louis David Huss	1
19-01309	Boston, MA	05/10/2019	10/23/2019	11/13/2019	LPL Financial LLC	ISC	Regina Ann Bernarduci	HLBS Law	NO	NO	1	G	Regina Ann Bernarduci		Denise L. Presley, Esq.	1
19-01316	New York, NY	05/10/2019	10/29/2019	11/20/2019	Commerce One Financial Incorporated	ISC	Michael Patrick Murphy	AdvisorLaw LLC	NO	NO	1	G	Michael Patrick Murphy		Susan C. Lushing, Esq.	1
19-01321	Boca Raton, FL	05/10/2019	02/04/2020	02/12/2020	UBS Financial Services Incorporated; Morgan Stanley	Bressler Amery & Ross (UBS); ISC (MS)	Henry Grinberg	Kaufman Dolowich & Voluck	NO	OB/NO	3	G	Henry Grinberg		Martin A. Feigenbaum, Esq.	1
19-01330	New York, NY	05/13/2019	10/08/2019	11/05/2019	Wells Fargo Advisors Financial Network LLC	ISC	Michael Patrick Murphy	AdvisorLaw LLC	NO	NN	1	G	Michael Patrick Murphy		Annamaria Boccia-Smith, Esq. (fka Annamaria Boccia-Kovarcik, Esq.)	1
19-01331	New York, NY	05/13/2019	01/10/2020	01/22/2020	Aegis Capital Corporation; A.G.P./Alliance Global Partners	Sichenzia Ross Ference LLP (AC); ISC (AGP)	Jean-Matthieu Josse	Kaufman Dolowich & Voluck	NO	NO	2	G	Jean-Matthieu Josse		Dan Brecher, Esq.	1
19-01332	New York, NY	05/13/2019	11/08/2019	12/04/2019	Columbus Advisory Group Limited	ISC	Michael Patrick Murphy	AdvisorLaw LLC	NO	NO/NN	5	G/D	Michael Patrick Murphy		Josian Antoine, Esq.	1
19-01339	Atlanta, GA	05/13/2019	12/10/2019	12/27/2019	Money Concepts Capital Corporation	ISC	Roger Scott Green	AdvisorLaw LLC	NO	OB	1	G	Roger Scott Green		Harvey R. Linder, Esq.	1
19-01354	Houston, TX	05/15/2019	11/20/2019	12/05/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Craig Wakefield	McGuireWoods LLP	NO	NO	1	G	Craig Wakefield		Lynne M. Gomez, Esq. - Chair; Mary Esther Escobedo; Kathy R. Holler	1
19-01357	Newark, NJ	05/15/2019	11/06/2019	12/03/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Alexander A. Napoli	AdvisorLaw LLC	NO	NO	1	G	Alexander A. Napoli		Annamaria Boccia-Smith, Esq. (fka Annamaria Boccia-Kovarcik, Esq.)	1
19-01358	New York, NY	05/15/2019	05/28/2020	06/16/2020	AXA Advisors LLC; The Equitable Life Assurance Society of the United States	ISC	Ferdinand Alexander Ruplin	FA Expungement LLC	NO	NO	2	G	Ferdinand Alexander Ruplin		Sam Antar, Esq.	1
19-01360	San Diego, CA	06/04/2019	10/24/2019	11/22/2019	LPL Financial LLC	Markun Zusman et al.	Terrance W. Arges	Mirch Law Firm	NO	NO	1	G	Terrance W. Arges		Mitchell Lee Lathrop - Chair; Dan Deuprey; Steven A. Fox	2
19-01362	Cincinnati, OH	05/15/2019	02/11/2020	04/01/2020	Bankers Life Securities Incorporated	Steven K. Huffer & Associates PC	Ryan Owen Tarjanyi	FA Expungement LLC	OB	UN	2	D		Ryan Owen Tarjanyi	Joseph R. Soraghan, Esq.	2
19-01376	New Orleans, LA	05/16/2019	12/10/2019	01/23/2020	Prudential Equity Group LLC	Law Offices of Alan S. Broderson	Michael A. Boagni	AdvisorLaw LLC	NO	OB/NO	3	G	Michael A. Boagni		C. Sumpter Logan	1
19-01381	New York, NY	06/12/2019	02/24/2020	03/03/2020	Grunta & Company LLC	No-show	Jordan Whitney Waring	AdvisorLaw LLC	NO	NN	1	G	Jordan Whitney Waring		Elena G. Rodriguez	1
19-01382	Richmond, VA	05/16/2019	11/11/2019	01/27/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Gregory Lucky Nerantzis	AdvisorLaw LLC	NO	OB/NO	2	G	Gregory Lucky Nerantzis		Jane Kwok Ping Tam	1
19-01408	New York, NY	05/21/2019	11/07/2019	12/05/2019	Aegis Capital Corporation	ISC	Joseph Anthony Cordi	Weltz Kakos et al.	NO	NO/NN	2	G	Joseph Anthony Cordi		Mary Lou Allen McManney, PhD	1
19-01412	Seattle, WA	05/21/2019	11/07/2019	12/19/2019	Kestra Investment Services LLC	D'Amura & Zaidman	Jeffrey Norman Cashman	AdvisorLaw LLC	NO	NO	1	G	Jeffrey Norman Cashman		David William Hickman, JD	1

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											Expunge-ment Requests	Expunge-ment Requests				
19-01419	Oklahoma City, OK	05/22/2019	11/04/2019	12/06/2019	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Michael C. Rodriguez	Rogge Dunn Group PC	NO	NO	1	G	Michael C. Rodriguez		Raymond C. Kerr, Esq. - Chair; Robert J. Gregory; Colleen Margaret Baker	1
19-01429	San Juan, PR	05/22/2019	01/16/2020	01/30/2020	Popular Securities LLC	ISC	Roberto Luis Rivera Vazquez	Kaufman Dolowich & Voluck	NO	NO	1	G	Roberto Luis Rivera Vazquez		Martin A. Feigenbaum, Esq.	1
19-01448	Jackson, MS	05/23/2019	10/08/2019	10/31/2019	LPL Financial LLC	ISC	Joseph Oscar Bollinger Jr.	Shumaker Loop & Kendrick	NO	NO	2	G	Joseph Oscar Bollinger Jr.		Stuart K. Furman - Chair; Langfred W. White, Esq.; Robert E. Graves, JD	1
19-01454	Albany, NY	05/24/2019	12/11/2019	01/02/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Todd Edward Silaika	AdvisorLaw LLC	NO	NO	1	G	Todd Edward Silaika		Alice E. Winkler, Esq.	1
19-01458	Los Angeles, CA	05/24/2019	01/22/2020	01/30/2020	LPL Financial LLC	ISC	David Munho Choi	HLBS Law	NO	NO	1	G	David Munho Choi		Robert D. Sussin, Esq.	1
19-01463	Washington, DC	05/24/2019	11/20/2019	12/27/2019	Citigroup Global Markets Incorporated	Kauff Laton Miller LLP	Kevin Brent Collison	AdvisorLaw LLC	NO	NO/NN	1	G	Kevin Brent Collison		Larry E. Ray, Esq.	1
19-01482	New York, NY	05/29/2019	11/14/2019	01/13/2020	Quick & Reilly Incorporated	Bressler Amery & Ross	Lysandra Danielle Maxim	AdvisorLaw LLC	NO	NO	1	G	Lysandra Danielle Maxim		Ted M. Rosen, Esq.	1
19-01484	Charlotte, NC	05/29/2019	12/17/2019	04/13/2020	Woodbury Financial Services Incorporated	ISC	Steven Matthew Broughton	FA Expungement LLC	NO	NN	1	G	Steven Matthew Broughton		Michael J. Ahlstrom, Esq.	1
19-01494	Tampa, FL	05/30/2019	12/10/2019	12/24/2019	Sagepoint Financial Incorporated; Cetera Advisors LLC	ISC (SF); Winget Spadafora & Schwartzberg (CA)	Tyler Harrelson	Wolper Law Firm PA	NO	NO	3	G	Tyler Harrelson		Karl A. Vogeler, III	1
19-01500	Chicago, IL	05/30/2019	12/19/2019	12/30/2019	Thrivent Investment Management Incorporated	ISC	David James Henry	Wolper Law Firm PA	NO	NO	2	G	David James Henry		Philip J. Glick, Esq.	1
19-01501	San Juan, PR	05/30/2019	10/23/2019	10/29/2019	UBS Financial Services Incorporated	McConnell Valdes LLC	Ricardo Eboli-Kodesh	Toro Colon Mullet PSC	NO	NO	1	G	Ricardo Eboli-Kodesh		Martin A. Feigenbaum, Esq.	1
19-01534	Seattle, WA	05/31/2019	12/05/2019	12/13/2019	Banc of America Investment Services Incorporated	Bressler Amery & Ross	Jason M. Trichler	AdvisorLaw LLC	NO	NO	1	G	Jason M. Trichler		Kenneth James Pedersen	1
19-01536	Los Angeles, CA	05/31/2019	01/22/2020	02/05/2020	Goldman Sachs & Company	Cohen & Gresser	Tiffany L. Wright	AdvisorLaw LLC	NO	NO	1	G	Tiffany L. Wright		Joyce L. Hurley	1
19-01549	Seattle, WA	06/03/2019	11/27/2019	12/03/2019	Royal Alliance Associates Incorporated	ISC	Earl Barney Hartley	AdvisorLaw LLC	NO	NO	1	G	Earl Barney Hartley		Katherine Hendricks, Esq.	1
19-01556	San Francisco, CA	06/04/2019	03/03/2020	03/17/2020	Morgan Stanley	ISC	Daniella R. Rand	HLBS Law	NO	NO	2	G	Daniella R. Rand		Daniel M. Yamshon, Esq.	1
19-01576	Boca Raton, FL	06/04/2019	02/04/2020	02/19/2020	Raymond James & Associates Incorporated	ISC	Dianne Shouldice Townsend	HLBS Law	NO	OB	1	D		Dianne Shouldice Townsend	Seth L. Finkel, Esq.	1
19-01577	Boca Raton, FL	06/04/2019	02/10/2020	02/14/2020	Raymond James & Associates Incorporated	ISC	Seth Adrian Townsend	HLBS Law	NO	OB	1	G	Seth Adrian Townsend		Edward R. Niederriter, Esq.	1
19-01605	New York, NY	06/09/2019	01/07/2020	03/20/2020	Chase Investment Services Corporation; National Securities Corporation	Satterlee Stephens LLP (CIS); ISC (NS)	Mark Sam Kolta	FA Expungement LLC	NO	NO	3	G	Mark Sam Kolta		Richard W. Vallario, Esq.	2

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											Expunge-ment Requests	Expunge-ment Requests				
19-01622	Wichita, KS	06/10/2019	11/21/2019	12/10/2019	Carey Thomas Hoover & Breault Incorporated	ISC	Thomas Paul Hoover	AdvisorLaw LLC	NO	NO/NN	2	G	Thomas Paul Hoover		Joseph Neal Richardson	1
19-01623	Milwaukee, WI	06/10/2019	04/16/2020	04/24/2020	Northwestern Mutual Investment Services LLC	ISC	Eric David Raether	AdvisorLaw LLC	NO	OB	1	D		Eric David Raether	Michael S. Matek, Esq.	1
19-01639	Los Angeles, CA	06/11/2019	03/25/2020	04/17/2020	Centaurus Financial Incorporated; National Planning Corporation	ISC (CF); Saretsky Hart et al. (NP)	Steven Phillip Margulin	The Law Offices of Tyson W. Kovash	NO	NO-D	1	G	Steven Phillip Margulin		George L. Tindall	1
19-01647	New York, NY	06/11/2019	12/11/2019	12/19/2019	Credit Suisse Securities (USA) LLC	ISC	Lily Pirouzian	Bracewell LLP	NO	NO	1	G	Lily Pirouzian		Arthur Neil Tolciss, Esq.	1
19-01650	Charlotte, NC	06/11/2019	01/17/2020	04/23/2020	Kalos Capital Incorporated	ISC	Steven Andrew Greer	FA Expungement LLC	NO	NO	1	G	Steven Andrew Greer		Richard James Igou	2
19-01651	Los Angeles, CA	06/11/2019	07/30/2019	08/14/2019	Cambridge Investment Research Incorporated	ISC	Bryan Michael Stebel	Freeman Mathis & Gary	NO	NO	1	G	Bryan Michael Stebel		Mary M. O'Neil	1
19-01656	San Juan, PR	06/12/2019	11/05/2019	11/18/2019	UBS Financial Services Incorporated	McConnell Valdes LLC	David L. Rojas	Toro Colon Mullet PSC	NO	NO	1	G	David L. Rojas		Martin A. Feigenbaum, Esq.	1
19-01658	Birmingham, AL	06/12/2019	04/20/2020	06/11/2020	Raymond James & Associates Incorporated	ISC	Karen Lynn Gallahar	Bressler Amery & Ross	NO	NO	23	G	Karen Lynn Gallahar		Michael J. Ahlstrom, Esq.	2
19-01659	Birmingham, AL	06/12/2019	02/25/2020	03/20/2020	Raymond James & Associates Incorporated	ISC	David Ray Gallahar	Bressler Amery & Ross	NO	NO/NN	19	G	David Ray Gallahar		Harvey R. Linder, Esq.	1
19-01666	San Juan, PR	06/12/2019	11/19/2019	11/22/2019	UBS Financial Services Incorporated	McConnell Valdes LLC	Jose E. Chaves	Toro Colon Mullet PSC	NO	NO	1	G	Jose E. Chaves		Barth Satuloff, CPA	1
19-01667	New York, NY	06/13/2019	02/11/2020	02/13/2020	Morgan Stanley	ISC	Ken Kavanagh	AdvisorLaw LLC	NO	NO	1	G	Ken Kavanagh		Michael H. DuBoff, Esq.	1
19-01676	Little Rock, AR	06/13/2019	02/04/2020	02/19/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Pamela R. Raben; Brent Taylor Henry; Dustin Clay Colebank	AdvisorLaw LLC	NO	OB/NO	4	G	Pamela R. Raben; Brent Taylor Henry; Dustin Clay Colebank		Lynne M. Gomez, Esq.	1
19-01677	Los Angeles, CA	06/13/2019	12/04/2019	12/18/2019	Money Concepts Capital Corporation	Akerman LLP	Alan Jerome Schryer	HLBS Law	NO	OB/NO	2	G	Alan Jerome Schryer		Milton N. Gross	1
19-01681	New York, NY	06/14/2019	09/12/2019	10/18/2019	UBS Financial Services Incorporated	ISC	Benjamin Stephen Sax	Bressler Amery & Ross	NO	NO	2	G	Benjamin Stephen Sax		Robert J. Kheel, Esq.	1
19-01682	Pittsburgh, PA	06/14/2019	12/18/2019	01/13/2020	HD Vest Investment Services	ISC	Paul Samuel Carpenter	AdvisorLaw LLC	NO	OB	1	G	Paul Samuel Carpenter		Catherine Stewart, Esq.	1
19-01688	Denver, CO	06/14/2019	12/16/2019	02/28/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Steven Philip Southworth	HLBS Law	NO	NO	1	G	Steven Philip Southworth		Frances Johnson-Wright, Esq.	2
19-01704	New York, NY	06/17/2019	11/25/2019	01/06/2020	Wilmington Capital Securities LLC	Lawrence R. Gelber, Attorney-at-Law	Shi Zhou	Kaufmann Gildin & Robbins	OB	NO	1	G	Shi Zhou		Michael S. Lazan, Esq.	1

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											Expunge-ment Requests	Expunge-ment Requests				
19-01720	Los Angeles, CA	06/18/2019	02/27/2020	03/13/2020	AGP/Alliance Global Partners	No-show	Matt Ward	Kalberer LLP	NO	UN	1	D		Matt Ward	Joyce L. Hurley	1
19-01721	Chicago, IL	06/18/2019	01/10/2020	01/16/2020	Wells Fargo Clearing Services LLC	ISC	Paul Burdette Reider	David A. Genelly Limited	NO	NO-D	1	G	Paul Burdette Reider		Susan L. Walker, Esq.	1
19-01741	Minneapolis, MN	06/19/2019	12/17/2019	01/15/2020	Edward D Jones & Company Limited Partnership	ISC	Natalie Ann Brinkman	Heley Duncan et al.	NO	NO	1	G	Natalie Ann Brinkman		Susan L. Walker, Esq.	1
19-01756	Baltimore, MD	06/20/2019	01/07/2020	01/29/2020	SunTrust Investment Services Incorporated	Williams & Connolly	Steven Michael Goldberg	Herskovits PLLC	NO	OB/NO	4	G	Steven Michael Goldberg		Steven Irving Platt	1
19-01784	San Juan, PR	06/21/2019	11/14/2019	11/20/2019	UBS Financial Services Incorporated	McConnell Valdes LLC	Casto Miguel Coll Del Rio	Toro Colon Mullet PSC	NO	NO	1	G	Casto Miguel Coll Del Rio		Nancy J. Cliff, Esq.	1
19-01790	Dallas, TX	06/24/2019	02/20/2019	03/03/2020	BBVA Securities Incorporated	Balch & Bingham	Careena Patel	AdvisorLaw LLC	NO	NO	1	G	Careena Patel		Frances Johnson-Wright, Esq.	1
19-01804	Kansas City, MO	06/25/2019	01/28/2020	03/13/2020	DH Hill Securities LLP	Markun Zusman et al.	Todd Franklin Gregory	Ulmer & Berne	NO	NO/NN	3	G	Todd Franklin Gregory		Susan L. Walker, Esq.	1
19-01806	New York, NY	06/25/2019	01/07/2020	03/06/2020	Cowen & Company	ISC	Steven Philip Southworth	HLBS Law	NO	NO-D	5	G/D	Steven Philip Southworth		Ellyn S. Roth	3
19-01808	Detroit, MI	06/25/2019	01/21/2020	01/28/2020	UBS Financial Services Incorporated	No-show	Steven Michael Gretchko	HLBS Law	NO	NO	1	G	Steven Michael Gretchko		Terrance J. Dorcy	1
19-01831	Los Angeles, CA	06/27/2019	01/16/2020	02/04/2020	RBC Capital Markets LLC	Dorsey & Whitney	Mark William Lininger	HLBS Law	NO	NO	1	G	Mark William Lininger		Morris S. Getzels, Esq.	1
19-01832	Dallas, TX	06/27/2019	12/17/2019	01/09/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Jean Ann Fisher	AdvisorLaw LLC	NO	NO/NN	2	G	Jean Ann Fisher		David A. Schuler	1
19-01835	Philadelphia, PA	06/27/2019	01/07/2020	01/14/2020	SA Stone Wealth Management Incorporated	ISC	Richard Michael Wesselt	AdvisorLaw LLC	NO	NO	1	G	Richard Michael Wesselt		Julie K. Chapin	1
19-01848	San Francisco, CA	06/28/2019	01/09/2020	02/14/2020	Bank of America Investment Services Incorporated	Bressler Amery & Ross	Demian Marc Fitzgerald	AdvisorLaw LLC	NO	NO/NN	2	G	Demian Marc Fitzgerald		Helen Marinak Blohm, Esq. (fka Helen M. Marinak, Esq.)	1
19-01853	Newark, NJ	07/01/2019	01/21/2020	01/28/2020	Bank of America Investment Services Incorporated	Bressler Amery & Ross	Gary Christopher Ribe	AdvisorLaw LLC	NO	NO	1	G	Gary Christopher Ribe		Joan M. Traub, Esq.	1
19-01864	Wilmington, DE	07/02/2019	02/19/2020	02/27/2020	Lincoln Financial Advisors Corporation	ISC	Nick Harris Meyers; Philip Ross Stern	Saretsky Hart et al.	NO	OB	2	G	Nick Harris Meyers; Philip Ross Stern		James W. (Jim) Geiger	2
19-01876	Dallas, TX	07/03/2019	02/18/2020	03/18/2020	Woodbury Financial Services Incorporated	ISC	Michael David Kolacz	The Dale Law Firm	NO	NO	1	G	Michael David Kolacz		Nicole T. LeBoeuf, Esq.	1
19-01880	Newark, NJ	07/03/2019	07/07/2020	07/24/2020	Morgan Stanley Smith Barney	ISC	Matthew Farley Lane	Giordano Halleran & Ciesla	NO	NO	1	G	Matthew Farley Lane		Robert E. Anderson, Esq. - Chair; Jay Alan Kranis; Richard Gaspere Dragotta	1
19-01905	Richmond, VA	07/09/2019	01/23/2020	02/13/2020	SunTrust Investment Services Incorporated	Gray Robinson PA	Jaret Clinton Mutter	AdvisorLaw LLC	NO	NO/NN	1	G	Jaret Clinton Mutter		James W. (Jim) Geiger	1
19-01911	Atlanta, GA	07/09/2019	02/18/2020	03/04/2020	SunTrust Investment Services Incorporated	Gray Robinson PA	Michael Shane Godbee	None	NO	NO	1	G	Michael Shane Godbee		Cassandra Kimberly Ward, Esq. (fka Cassandra Kimberly Ward-Brown, Esq.) Chair; Jeffrey Alperin; Jack Walsh	1

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											Expunge-ment Requests	Expunge-ment Requests				
19-01917	Boca Raton, FL	07/10/2019	02/20/2020	03/09/2020	Questar Capital Corporation	Wland Guerra King PA	William Alan Gruntler	HLBS Law	NO	NO	2	G/D	William Alan Gruntler		Gerald Silverman, Esq.	1
19-01922	Portland, OR	07/11/2019	04/02/2020	04/17/2020	Edward D Jones & Company Limited Partnership	ISC	Benjamin Alfred Lanphar	Gregory B. Simon Law LLC	NO	NO	2	G	Benjamin Alfred Lanphar		David William Hickman, JD	1
19-01937	Charlotte, NC	07/12/2019	03/03/2020	06/22/2020	Commonwealth Financial Network	No-show	Suzanne Ross Street Banzet	Fitzgerald Litigation	NO	NO	5	G	Suzanne Ross Street Banzet		Mary E. Woytek, Esq. - Chair; Marie Paulette Levine; Stephen Edwin Anderson	1
19-01944	Boston, MA	07/15/2019	01/24/2020	04/02/2020	MML Investors Services LLC	Stevens & Lee	Gregory Jude Pinto	Wolper Law Firm PA	NO	NO	1	G	Gregory Jude Pinto		John Francis Markuns	2
19-01962	Kansas City, MO	07/16/2019	02/06/2020	02/18/2020	Berthel Fisher & Company Financial Services Incorporated; Cetera Advisors LLC	ISC	Jahanguir "John" Azodi	FA Expungement LLC	NO	OB/NO	4	G	Jahanguir "John" Azodi		John R. Loss, Esq.	1
19-01978	Honolulu, HI	07/17/2019	01/07/2020	02/04/2020	Parkland Securities LLC; H. Beck Incorporated	ISC (PS); , D'Amura & Zaidman (HB)	Jeffrey David Buck	HLBS Law	OB/NO	NO	3	G	Jeffrey David Buck		Helen Marinak Blohm, Esq. (fka Helen M. Marinak, Esq.)	1
19-01987	New York, NY	07/17/2019	12/11/2019	12/20/2019	RBC Capital Markets LLC	Dorsey & Whitney	David McIlroy	KW Law Group LLC	NO	NO	1	G	David McIlroy		Gerald M. Levine	1
19-01996	Boca Raton, FL	07/17/2019	01/29/2020	02/14/2020	Wells Fargo Advisors Financial Network LLC	ISC	Mary-Lee Widder	HLBS Law	NO	NO	1	G	Mary-Lee Widder		Elena G. Rodriguez	1
19-02017	Phoenix, AZ	07/22/2019	01/28/2020	02/14/2020	Voya Financial Advisors Incorporated	Winget Spadafora & Schwartzberg	Brent Stanley Pine	Wolper Law Firm PA	NO	NO	1	G	Brent Stanley Pine		Roger A. Geddes	1
19-02021	Wilmington, DE	07/22/2019	03/25/2020	06/18/2020	Capital Financial Services Incorporated	Corporate Legal LLC	Kevin Michael Fox	AdvisorLaw LLC	NO	NO/NN	2	G	Kevin Michael Fox		Patrick Richard Westerkamp, Esq.	1
19-02035	Atlanta, GA	07/23/2019	12/03/2019	12/18/2019	Transamerica Financial Advisors Incorporated	ISC	Thomas Richard Mathews Jr.	Ulmer & Berne; The Jade Law Offices of Kim Scouller	NO	OB	1	G	Thomas Richard Mathews Jr.		James C. Hoover, Esq.	1
19-02036	Atlanta, GA	07/23/2019	12/17/2019	01/09/2020	Citigroup Global Markets Incorporated	ISC	Michael Jay Grace	Bressler Amery & Ross	NO	NO/NN	29	G	Michael Jay Grace		Harvey R. Linder, Esq.	1
19-02037	Phoenix, AZ	07/24/2019	03/04/2020	03/23/2020	National Planning Corporation; SunAmerica Securities Incorporated	ISC (SAS); Saretsky Hart et al. (NP)	James Harman Bishopp	AdvisorLaw LLC	NO	NO-D	2	G	James Harman Bishopp		Walter Steven Schwartz	1
19-02043	New York, NY	07/24/2019	12/18/2019	01/03/2020	Oppenheimer & Company Incorporated	ISC	Mitchell Ian Hassenbein	Phillipson & Uretsky	NO	NO	1	G	Mitchell Ian Hassenbein		Michele S. Riley	1
19-02046	Los Angeles, CA	07/24/2019	03/24/2020	03/26/2020	Centaurus Financial Incorporated	ISC	Troy Nicholas Tremblay	Keesal Young & Logan	NO	NO	2	G	Troy Nicholas Tremblay		Joyce L. Hurley	1
19-02060	New York, NY	07/25/2019	03/10/2020	03/27/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Joseph James Guarneri	Law Offices of Patrick R. Mahoney PC	NO	NO	1	G	Joseph James Guarneri		Annamaria Bocchia-Smith, Esq. (fka Annamaria Bocchia-Kovarcik, Esq.)	1
19-02061	New York, NY	07/25/2019	03/03/2020	03/09/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Joseph James Guarneri	Law Offices of Patrick R. Mahoney PC	NO	NO	1	G	Joseph James Guarneri		Sandra J. Mullings, Esq.	1

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											Expunge-ment Requests	Expunge-ment Requests				
19-02062	New York, NY	07/25/2019	02/24/2020	03/04/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Joseph James Guarneri	Law Offices of Patrick R. Mahoney PC	NO	NO	1	G	Joseph James Guarneri		Madelon M. Rosenfeld, Esq.	1
19-02063	Newark, NJ	07/26/2019	05/13/2020	06/29/2020	LPL Financial LLC	ISC	Peter Neuberg	Hamburger Law Firm LLC	NO	OB/NO	2	G/D	Peter Neuberg		Jay Alan Kranis - Chair; Bryan David Glass; Ron Greenfield	2
19-02064	Columbia, SC	07/25/2019	01/07/2020	02/10/2020	Edward D Jones & Company Limited Partnership	ISC	Paul Michael Baily	Ghabai Law Group LLC	NO	NO	1	G	Paul Michael Baily		Richard S. Zaifert, Esq.	1
19-02072	Hartford, CT	07/26/2019	06/03/2020	06/10/2020	MML Investors Services LLC	Stevens & Lee	Justin T Podielski; Xochil A. Rivera	O'Connell Attmore & Morris	NO	NO	2	G	Justin T Podielski; Xochil A. Rivera		Mark Stuart Gurevitz - Chair; Samuel Harrison Chorches, Esq.; Dale S. Cronnell, CFP	1
19-02073	New York, NY	07/26/2019	01/09/2020	01/13/2020	Citigroup Global Markets Incorporated	Kauff Laton Miller LLP	Paul David Campbell	, Law Offices of Janet K. DeCosta	NO	NO	2	G	Paul David Campbell		Gerald M. Levine	1
19-02074	Boston, MA	07/27/2019	02/11/2020	03/16/2020	Wells Fargo Clearing Services LLC	ISC	Lawrence Eppolito	Wolper Law Firm PA	NO	NO	1	G	Lawrence Eppolito		Denise L. Presley, Esq.	1
19-02077	St. Louis, MO	07/29/2019	01/28/2020	02/07/2020	Securities Service Network LLC	ISC	Michael Edward O'Reilly	AdvisorLaw LLC	NO	UN	2	D		Michael Edward O'Reilly	Michael S. Matek, Esq.	1
19-02083	New York, NY	07/29/2019	02/21/2020	02/26/2020	David Lerner Associates Incorporated	ISC	Timothy J. Cheriaparampil	Stevens & Lee	NO	OB	1	G	Timothy J. Cheriaparampil		Anna Lascar - Chair; Andrew Morganstern; Ronald Jay Horowitz	1
19-02086	Louisville, KY	07/29/2019	01/14/2020	01/17/2020	Morgan Keegan & Company LLC	ISC	Charles Mercer	FA Expungement LLC	NO	NO	3	G	Charles Mercer		Mark Alexander Sipper	1
19-02124	Philadelphia, PA	07/31/2019	01/31/2020	02/07/2020	The Investment Center Incorporated	ISC	Marc Stuart Goldberg	Winget Spadafora & Schwartzberg	NO	NO	1	G	Marc Stuart Goldberg		Thomas Benjamin Salzer, Esq. - Chair; Timothy Towles Stevens; Glenn J. Hansen, CFP	1
19-02157	New York, NY	08/01/2019	12/09/2019	01/06/2020	Fidelity Brokerage Services LLC	ISC	Charles Chan	Bressler Amery & Ross	NO	NO	1	G	Charles Chan		Patricia Kathleen Costello	1
19-02159	Newark, NJ	08/01/2019	01/08/2020	01/28/2020	HD Vest Investment Services	ISC	Edward Joseph Ryan Jr.	AdvisorLaw LLC	NO	OB/NO	2	G/D	Edward Joseph Ryan Jr.		Louis H. Miron, Esq.	1
19-02168	Nashville, TN	08/02/2019	01/09/2020	01/30/2020	Wiley Bros-Aintree Capital LLC	ISC	Paul Christian Allen	Holcomb & Ward	NO	NO-D	1	G	Paul Christian Allen		Harvey R. Linder, Esq.	1
19-02183	New York, NY	08/05/2019	01/13/2020	01/21/2020	Wells Fargo Advisors Financial Network	Drinker Biddle & Reath	Mikhail Filshinskiy	Winget Spadafora & Schwartzberg	NO	NO	1	G	Mikhail Filshinskiy		Annamaria Boccia-Smith, Esq. (fka Annamaria Boccia-Kovarcik, Esq.)	1
19-02185	Manchester, NH	08/05/2019	01/13/2020	01/16/2020	Fidelity Brokerage Services LLC	ISC	Martin John Cunningham	AdvisorLaw LLC	NO	NN	1	G	Martin John Cunningham		John James McGovern, Jr., Esq.	1
19-02186	New York, NY	08/05/2019	02/18/2020	04/01/2020	Windsor Street Capital Limited Partnership	No-show	Nas Adel Allan	AdvisorLaw LLC	NO	UN	2	D		Nas Adel Allan	Brian John Gallagher	1
19-02190	Birmingham, AL	08/05/2019	02/25/2020	03/18/2020	Triad Advisors LLC	ISC	Christopher Todd Holder	HLBS Law	NO	NO	1	G	Christopher Todd Holder		Frances Johnson-Wright, Esq.	1
19-02191	Los Angeles, CA	08/05/2019	02/19/2020	03/16/2020	Wells Fargo Investments LLC	ISC	David Christopher Sipe	HLBS Law	NO	NO	1	G	David Christopher Sipe		Benjamin F. Breslauer	1

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											Expunge-ment Requests	Expunge-ment Requests				
19-02195	Newark, NJ	08/05/2019	05/22/2020	06/23/2020	Morgan Stanley; UBS Financial Services Incorporated	ISC	Ralph Brian Marra	Kaufman Dolowich & Voluck	NO	NO/NN	5	G	Ralph Brian Marra		Michael H. DuBoff, Esq.	1
19-02211	Baltimore, MD	08/07/2019	03/02/2020	03/06/2020	Sanders Morris Harris LLC	ISC	Edward William Henry Kissinger	Offit Kurman PA	NO	NO	1	G	Edward William Henry Kissinger		Catherine Esther Bocskor	1
19-02217	Portland, OR	08/07/2019	02/25/2020	03/13/2020	Private Consulting Group Incorporated	No-show	Michael Stephen Myers	AdvisorLaw LLC	NO	OB/NO	2	D		Michael Stephen Myers	James John Jurinski, JD	1
19-02223	Manchester, NH	08/07/2019	02/18/2020	02/24/2020	MML Investors Services LLC	Stevens & Lee	Andrew Marvin Rocco	Wolper Law Firm PA	NO	NO	2	G	Andrew Marvin Rocco		Samuel Harrison Chorches, Esq.	1
19-02228	New York, NY	08/07/2019	02/13/2020	03/31/2020	National Securities Corporation	ISC	Mark Sam Kolta	FA Expungement LLC	NO	NO	3	G	Mark Sam Kolta		Robert E. Anderson, Esq.	1
19-02230	Phoenix, AZ	08/07/2019	02/25/2020	03/26/2020	MSI Financial Services Incorporated	Harris & Affiliates Ltd.	Wayne David Kandas	AdvisorLaw LLC	NO	NO	7	G	Wayne David Kandas		Walter Steven Schwartz	1
19-02247	New York, NY	08/08/2019	02/25/2020	03/23/2020	Laidlaw & Company (UK) Limited; Sands Brothers & Company Limited	ISC	Craig Aaron Bonn	FA Expungement LLC	NO	NO	2	G	Craig Aaron Bonn		Jill Pilgrim, Esq.	1
19-02248	Boston, MA	08/08/2019	02/27/2020	03/06/2020	Ameriprise Financial Services Incorporated	ISC	Michael Scott	Ghabai Law Group LLC	NO	NO	1	G	Michael Scott		Gene M. Bauer, Esq.	1
19-02251	Phoenix, AZ	08/08/2019	03/16/2020	03/17/2020	Sagepoint Financial Incorporated	ISC	Keith Paul DeGreen	Tiffany & Bosco	NO	NO	3	G	Keith Paul DeGreen		Renee Bryna Gerstman - Chair; Kenneth Layne Morrill; James M. Gerber	1
19-02262	Baltimore, MD	08/12/2019	03/23/2020	03/27/2020	PNC Investments	Seyfarth Shaw LLP	Shaun Michael Blakeslee	AdvisorLaw LLC	NO	NO	1	G	Shaun Michael Blakeslee		Jane Kwok Ping Tam	1
19-02275	Los Angeles, CA	08/12/2019	02/27/2020	03/13/2020	Chase Investment Services Corporation	Duane Morris LLP	David Christopher Sipe	HLBS Law	NO	NO-D	1	G	David Christopher Sipe		Kirtley M. Thiesmeyer, Esq.	1
19-02286	Charlotte, NC	08/13/2019	03/05/2020	03/20/2020	HD Vest Investment Services	ISC	Dorothy H. Yandle	FA Expungement LLC	NO	OB	1	G	Dorothy H. Yandle		Leonard E. Benade, PhD	1
19-02291	Minneapolis, MN	08/14/2019	02/18/2020	03/23/2020	Securities America Incorporated	ISC	Tiow Keng Chan	FA Expungement LLC	NO	NO	1	G	Tiow Keng Chan		Phyllis Karasov, Esq.	2
19-02294	Wilmington, DE	08/14/2019	02/27/2020	03/25/2020	Citigroup Global Markets Incorporated	Kauff Laton Miller LLP	Richard Joseph Conway	FA Expungement LLC	NO	NO	2	G	Richard Joseph Conway		Robert E. Anderson, Esq.	1
19-02297	Milwaukee, WI	08/14/2019	03/19/2020	03/30/2020	BC Ziegler & Company	Quarles & Brady	Michael Alan Kramer	AdvisorLaw LLC	NO	NO	4	G	Michael Alan Kramer		Leon Fox, JD	1
19-02315	Newark, NJ	08/15/2019	03/24/2020	06/12/2020	Citigroup Global Markets Incorporated; Merrill Lynch Pierce Fenner & Smith Incorporated	Kauff Laton Miller LLP (CGM); Bressler Amery & Ross (MLPFS)	Stephen P. O'Donnell, Sr.	AdvisorLaw LLC	NO	OB	1	G	Stephen P. O'Donnell, Sr.		Robert E. Anderson, Esq.	2
19-02320	San Juan, PR	08/15/2019	01/22/2020	01/29/2020	UBS Financial Services Incorporated	McConnell Valdes LLC	Angel Manuel Canabal	Toro Colon Mullet PSC	NO	NO	1	G	Angel Manuel Canabal		Martin A. Feigenbaum, Esq.	1

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											No. of Expunge-ment Requests	Expunge-ment Results				
19-02324	Jacksonville, FL	08/16/2019	03/10/2020	03/23/2020	UBS Financial Services Incorporated	ISC	David James Vigil	HLBS Law	NO	NO	2	G	David James Vigil		Brian Michael Kane	1
19-02325	Jacksonville, FL	08/16/2019	02/13/2020	03/21/2020	Morgan Stanley	ISC	David James Vigil	HLBS Law	NO	NO/NN	1	G	David James Vigil		Karl A. Vogeler, III	1
19-02336	Birmingham, AL	08/16/2019	02/18/2020	03/03/2020	Raymond James & Associates Incorporated	ISC	David Henderson Anthony	Bressler Amery & Ross	NO	NO/NN	2	G	David Henderson Anthony		G. Maynard Green, JD	1
19-02337	Atlanta, GA	08/16/2019	02/04/2020	02/18/2020	LPL Financial LLC	ISC	Joy Katina Hurst	Ghabai Law Group LLC	NO	OB	1	G	Joy Katina Hurst		Harvey R. Linder, Esq.	1
19-02341	Boca Raton, FL	08/15/2019	02/18/2020	02/27/2020	NatCity Investments Incorporated et al.	Seyfarth Shaw LLP	Michael H. Gross	None	NO	NO	1	G	Michael H. Gross		Thomas W. Allen - Chair; Peter Susser; Bart Samuel Cohodas	1
19-02348	San Juan, PR	08/16/2019	02/25/2019	03/05/2020	UBS Financial Services Incorporated	McConnell Valdes LLC	Francisco Javier Landivar	Toro Colon Mullet PSC	NO	NO	2	G	Francisco Javier Landivar		Nancy J. Cliff, Esq.	1
19-02353	San Juan, PR	08/16/2019	02/04/2020	02/14/2020	UBS Financial Services Incorporated	McConnell Valdes LLC	Edgardo H. Ferrer	Toro Colon Mullet PSC	NO	NO	1	G	Edgardo H. Ferrer		Louis David Huss	1
19-02390	Tampa, FL	08/20/2019	03/23/2020	04/14/2020	LPL Financial LLC	ISC	Shon Edward Flaharty	HLBS Law	NO	NO	1	G	Shon Edward Flaharty		John P. Cullem, Esq.	1
19-02391	Chicago, IL	08/23/2019	03/19/2020	03/23/2020	Money Concepts Capital Corporation	ISC	Roch Richard Tranel	Akerman LLP	NO	NN	1	G	Roch Richard Tranel		Mark L. Miller, Esq.	1
19-02399	New York, NY	09/26/2019	06/12/2020	06/26/2020	Customers only	Customer	Stephen John Caruso	Malecki Law	NO	NO	1	G	Stephen John Caruso		Howard L. Sobel - Chair; Harvey Barrison, Esq.; Shelley Teitelbaum Esq.	1
19-02400	Los Angeles, CA	08/20/2019	01/22/2020	03/16/2020	Stifel Nicolaus & Company Incorporated	No-show	Timothy Charles Metcalf	Gordon Rees et al.	NO	NO	1	G	Timothy Charles Metcalf		Mary M. O'Neil	1
19-02414	New York, NY	08/21/2019	03/03/2020	03/11/2020	National Securities Corporation	ISC	Mark Angelo Gassoso	FA Expungement LLC	NO	NO	3	G	Mark Angelo Gassoso		Howard L. Sobel	1
19-02436	Tampa, FL	08/22/2019	01/14/2020	01/30/2020	Wells Fargo Clearing Services LLC	ISC	Christopher Robert Roman	Akerman LLP	NO	NO	1	G	Christopher Robert Roman		Maurice M. Feller, Esq.	1
19-02515	Seattle, WA	08/23/2019	05/05/2020	05/27/2020	Edward D Jones & Company Limited Partnership	ISC	Heather Alleyn Lewis	McDougal Law Group P.S.	NO	OB/NO	2	G	Heather Alleyn Lewis		Joseph C. Roberts, Esq. - Chair; Kenneth James Pedersen; Robert E. Meston	1
19-02546	Atlanta, GA	08/26/2019	03/19/2020	03/26/2020	Edward D Jones & Company Limited Partnership; Wells Fargo Clearing Services LLC	ISC	Scott Alan Tittle	Kalberer LLP	NO	NO/NN	7	G	Scott Alan Tittle		James C. Hoover, Esq.	1
19-02547	Charlotte, NC	08/26/2019	02/18/2020	03/02/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Steven Bonetto	Baritz & Colman	NO	OB	1	G	Steven Bonetto		Douglas Earl McLaren, Esq.	1
19-02551	Boca Raton, FL	08/26/2019	03/18/2020	04/08/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Kirk L. Gravelle	Stein & Stein	NO	NN	1	G	Kirk L. Gravelle		Seth L. Finkel, Esq. - Chair; Rosemarie Ann Jannuzzi, Esq.; Gregory S. Tendrich, Esq.	1

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19-02555	Boca Raton, FL	08/26/2019	05/22/2020	06/01/2020	Citigroup Global Markets Incorporated); Wells Fargo Advisors Financial Network LLC	Kauff Laton Miller LLP (CGM); ISC (WFAN)	Michael Joseph Cowan	HLBS Law	NO	NO	2	G/D	Michael Joseph Cowan		Leslie L. Cooney, Esq.	1
19-02570	Louisville, KY	08/27/2019	02/19/2020	02/26/2020	JJB Hilliard and WL Lyons LLC	Bressler Amery & Ross	S. Andrew Baird	Gess Mattingly & Atchison	NO	NO	2	G	S. Andrew Baird		Gregory Hunter Mathews	1
19-02585	Chicago, IL	08/28/2019	04/01/2020	04/09/2020	Prudential Equity Group LLC	Paduano & Weintraub	William Laheta	Lewitas Hyman P.C.	NO	NO	2	G	William Laheta		Thomas F. Mahoney, Esq.	1
19-02593	Charlotte, NC	08/28/2019	05/05/2020	07/07/2020	Wells Fargo Advisors Financial Network	ISC	Stephen Linden Thomas	FA Expungement LLC	NO	NO	1	D		Stephen Linden Thomas	Joyce A. Mitchell, Esq.	1
19-02594	Los Angeles, CA	08/28/2019	06/10/2020	06/30/2020	LPL Financial LLC	ISC	Ross Robert Pake	FA Expungement LLC	NO	NO	2	G	Ross Robert Pake		Barbara M. Zak, Esq.	1
19-02595	San Francisco, CA	08/28/2019	05/08/2020	07/02/2020	Wells Fargo Clearing Services LLC	ISC	John Kurt Baughman	FA Expungement LLC	NO	NO	1	G	John Kurt Baughman		Philip Aaron Tymon, JD	1
19-02597	New York, NY	08/28/2019	03/10/2020	04/02/2020	Chase Investment Services Corporation	Duane Morris LLP	Ryan Ackerhalt	FA Expungement LLC	NO	OB/NO	3	G	Ryan Ackerhalt		Albert Rizzo	1
19-02598	Orlando, FL	08/28/2019	05/08/2020	07/23/2020	Kestra Investment Services LLC	D'Amura & Zaidman	Mitchell Brian Walk	HLBS Law	NO	NO	5	D		Mitchell Brian Walk	Martin M. Van Luven	3
19-02601	Boston, MA	08/28/2019		01/21/2020	JP Morgan Securities Incorporated	Ulmer & Berne	Daniel Lawrence Pimental	AdvisorLaw LLC	E	UN	1	D		Daniel Lawrence Pimental	Denise L. Presley, Esq.	0
19-02626	Atlanta, GA	08/30/2019		02/19/2020	JP Morgan Securities LLC	Ulmer & Berne	Jack Stephen Cohen	AdvisorLaw LLC	E	UN	1	D		Jack Stephen Cohen	Harvey R. Linder, Esq.	0
19-02656	Boca Raton, FL	09/02/2019	03/12/2020	03/24/2020	National Securities Corporation	ISC	Carter David Mansbach	FA Expungement LLC	NO	NO	1	D		Carter David Mansbach	David P. Slater, Esq.	1
19-02657	New York, NY	08/29/2019	03/27/2020	05/27/2020	VSR Financial Services Incorporated	ISC	Marc Alan Seeherman	Winget Spadafora & Schwartzberg	NO	NO/NN	1	G	Marc Alan Seeherman		Ted M. Rosen, Esq.	1
19-02660	St. Louis, MO	09/03/2019	03/26/2020	05/05/2020	Larson Financial Securities LLC	ISC	Paul Douglas Larson	AdvisorLaw LLC	NO	OB	1	D		Paul Douglas Larson	Michael S. Matek, Esq.	3
19-02661	Chicago, IL	09/03/2019	05/04/2020	05/07/2020	Securities America Incorporated	ISC	Patricia Mary Loris	AdvisorLaw LLC	NO	NO	1	G	Patricia Mary Loris		Donald M. Thompson, Esq.	1
19-02682	Phoenix, AZ	09/05/2019	03/02/2020	03/26/2020	Ameriprise Financial Services Incorporated	ISC	William Patrick O'Connell	AdvisorLaw LLC	NO	NO	3	G	William Patrick O'Connell		Walter Steven Schwartz	1
19-02694	Hartford, CT	09/06/2019	10/28/2019	11/06/2019	UBS Financial Services Incorporated	ISC	Richard Anton Cyphers	Bressler Amery & Ross	NO	NO	1	G	Richard Anton Cyphers		Samuel Harrison Chorches, Esq.	1
19-02697	Columbia, SC	09/06/2019	03/05/2020	03/17/2020	Voya Financial Advisors Incorporated	Winget Spadafora & Schwartzberg	Aaron Justin Gore; Samuel Ray Head; Ronald Franklin Metcalf; David Cameron Monckton	Akerman LLP	NO	OB	3	G	Aaron Justin Gore; Samuel Ray Head; Ronald Franklin Metcalf; David Cameron Monckton		Richard S. Zaifert, Esq. - Chair; Harvey R. Linder, Esq.; Brian Stafford	1

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											ment Requests	ment Requests				
19-02717	Washington, DC	09/09/2019	04/20/2020	06/10/2020	Prudential Equity Group LLC	Paduano & Weintraub	Scott Shulman	AdvisorLaw LLC	NO	NO/NN	7	G/D	Scott Shulman		Patricia Horan Latham, Esq.	1
19-02718	Pittsburgh, PA	09/10/2019	09/10/2020	09/14/2020	UBS Financial Services Incorporated	ISC	Ahmiel Eliezer Baum	AdvisorLaw LLC	NO	UN	1	D		Ahmiel Eliezer Baum	Patrick Richard Westerkamp, Esq.	1
19-02720	New Orleans, LA	09/10/2019	03/09/2020	03/26/2020	HD Vest Investment Services	ISC	Craig Anthony Cheramie	AdvisorLaw LLC	NO	NO	1	G	Craig Anthony Cheramie		Brian P. Jakes, Sr.	1
19-02735	Boca Raton, FL	09/11/2019	06/17/2020	06/30/2020	United Planners' Financial Services of America	ISC	Aaron Pierce Sevigny	FA Expungement LLC	NO	NO	1	G	Aaron Pierce Sevigny		Robert G. Geeseman, Esq.	1
19-02738	New York, NY	09/11/2019	04/06/2020	05/13/2020	Citigroup Global Markets Incorporated	Kauff Laton Miller LLP	Paula M. Steinberg	AdvisorLaw LLC	NO	NO/NN	2	G	Paula M. Steinberg		Carolyn A. Mann	1
19-02739	New York, NY	09/11/2019	03/30/2020	04/08/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Paula M. Steinberg	AdvisorLaw LLC	NO	NO	1	G	Paula M. Steinberg		Michael S. Lazan, Esq.	1
19-02740	Raleigh, NC	09/11/2019	03/03/2020	03/17/2020	LPL Financial LLC; UVEST Financial Services Group Incorporated	ISC (LPL); No-show (UVEST)	Don Michael Rudolph	AdvisorLaw LLC	NO	NO/NN	1	G	Don Michael Rudolph		Harvey R. Linder, Esq.	1
19-02747	Boca Raton, FL	09/11/2019	10/23/2020	10/30/2020	SunTrust Investment Services Incorporated	Gray Robinson Attorneys at Law	Vincent John Luongo	None	NO	NN	2	G	Vincent John Luongo		S. Ronald Daniels - Chair; Barry David Thorpe, Esq. (fka Barry K. Thorpe, Esq.); Everett Scott Youngberg	1
19-02748	Syracuse, NY	09/12/2019	04/15/2020	04/27/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Michael Christopher Hearn	None	NO	NN	1	G	Michael Christopher Hearn		Robert E. Anderson, Esq. - Chair; Richard D. Rosenbloom, Esq.; Francis Xavior Daumen	1
19-02762	Phoenix, AZ	09/13/2019	03/19/2020	05/08/2020	Geneos Wealth Management Incorporated	Kutak Rock LLP	Michael John Osland	AdvisorLaw LLC	NO	OB/NO	3	G/D	Michael John Osland		Jay Lawrence Witkin, Esq.	2
19-02764	Denver, CO	09/13/2019	06/11/2020	07/17/2020	VSR Financial Services Incorporated	ISC	Robert Charles Bragg	HLBS Law	NO	OB/NO	4	G/D	Robert Charles Bragg		Milton N. Gross	2
19-02765	Los Angeles, CA	09/13/2019	04/03/2020	04/16/2020	JP Morgan Securities LLC	ISC	Justin John Pearce	Keesal Young & Logan	NO	NO	1	G	Justin John Pearce		Elliott David Finkel, Esq.	1
19-02767	Houston, TX	09/16/2019	04/15/2020	04/17/2020	Cetera Investment Services LLC	ISC	Bradley Alan Bowman	AdvisorLaw LLC	NO	NO	1	G	Bradley Alan Bowman		Lynne M. Gomez, Esq.	1
19-02774	New York, NY	09/16/2019	02/20/2020	02/25/2020	UBS Financial Services Incorporated	ISC	Robert Scott Gilman	Baritz & Colman	NO	NO	1	G	Robert Scott Gilman		Sandra J. Mullings, Esq.	1
19-02781	Los Angeles, CA	09/16/2019	05/12/2020	06/04/2020	JP Morgan Securities LLC	Satterlee Stephens LLP	Luis-Diego Quiroz	HLBS Law	NO	NO	1	G	Luis-Diego Quiroz		Robert D. Sussin, Esq.	1
19-02796	Boca Raton, FL	09/16/2019	03/11/2020	03/24/2020	Geneos Wealth Management Incorporated	Kutak Rock LLP	Marc Allan Silverman	Winget Spadafora & Schwartzberg	NO	OB	1	G	Marc Allan Silverman		Mark C. Perry, Esq.	1
19-02801	Las Vegas, NV	09/17/2019	05/05/2020	05/08/2020	AG Edwards & Sons Incorporated	ISC	Derek David Rosenberg	AdvisorLaw LLC	NO	NN	1	G	Derek David Rosenberg		Andrew M. Mintzer, CPA	1
19-02825	Las Vegas, NV	09/19/2019	05/28/2020	06/10/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Derek David Rosenberg	AdvisorLaw LLC	NO	NO	1	G	Derek David Rosenberg		Kirtley M. Thiesmeyer, Esq.	1
19-02830	Hartford, CT	09/19/2019	03/30/2020	04/06/2020	LPL Financial LLC	ISC	Careena Patel	AdvisorLaw LLC	NO	NO	1	G	Careena Patel		Robert E. Anderson, Esq.	1

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											Expunge-ment Requests	Expunge-ment Requests				
19-02853	Minneapolis, MN	09/23/2019	09/03/2020	09/11/2020	US Bancorp Investments Incorporated	Dorsey & Whitney	Craig Steven Zeeb	AdvisorLaw LLC	E, OB	UN	3	D		Craig Steven Zeeb	Thomas J. Gmeinder, Esq.	1
19-02859	Tampa, FL	09/23/2019	03/26/2020	03/31/2020	Signator Investors Incorporated	ISC	Kevin Michael Burkart	Wolper Law Firm PA	NO	NO	1	G	Kevin Michael Burkart		John P. Cullem, Esq.	1
19-02861	Boston, MA	09/23/2019	03/31/2020	04/03/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Terence Hugh Hunt	AdvisorLaw LLC	NO	NO	1	G	Terence Hugh Hunt		Robert J. Ambrogi, Esq.	1
19-02866	New York, NY	09/24/2019	06/18/2020	06/25/2020	NewBridge Securities Corporation	Kaufman Dolowich & Voluck	Maxim Yutsis	Sallah Astarita & Cox	NO	OB/NO	2	G/D	Maxim Yutsis		Sam Antar, Esq.	1
19-02880	New York, NY	09/25/2019	05/12/2020	05/15/2020	Credit Suisse Securities (USA) LLC	ISC	Glenn Paul Wittpenn	AdvisorLaw LLC	NO	NO	1	G	Glenn Paul Wittpenn		Roger B. Jacobs	1
19-02883	New York, NY	09/25/2019	07/27/2020	08/14/2020	Allied Millennial Partners LLC	ISC	Thomas Edwards Grimm	Weltz Kakos et al.	NO	OB/NO	3	G	Thomas Edwards Grimm		Robert E. Anderson, Esq.	1
19-02890	Phoenix, AZ	09/26/2019	08/31/2020	09/17/2020	UBS Financial Services Incorporated	ISC	Andrew Joel Meyer	AdvisorLaw LLC	NO	NO	2	G	Andrew Joel Meyer		Walter Steven Schwartz	1
19-02892	Chicago, IL	09/27/2019	12/20/2019	01/13/2020	UBS Financial Services Incorporated	ISC	Mark Zaharski	Bressler Amery & Ross	NO	NO	1	G	Mark Zaharski		Leon Fox, JD	1
19-02911	New York, NY	09/30/2019	05/21/2020	06/22/2020	Chase Investment Services Corporation; Gilford Securities Incorporated	Duane Morris LLP (CIS); No-show (GS)	Joseph A. Medina	FA Expungement LLC	NO	NO	3	G	Joseph A. Medina		Susan A. Romano	1
19-02937	Charlotte, NC	09/30/2019	04/27/2020	06/12/2020	USA Financial Securities Corporation; The Investment Center Incorporated	ISC	Gerald Best Hanifan, Jr.	AdvisorLaw LLC	NO	OB/NO	4	G/D	Gerald Best Hanifan, Jr.		Richard E. Miley	1
19-02957	New York, NY	10/01/2019	07/09/2020	07/15/2020	UBS Financial Services Incorporated	ISC	Chuck A. Roberts	AdvisorLaw LLC	NO	NN	1	G	Chuck A. Roberts		Joan M. Traub, Esq.	1
19-02958	New York, NY	10/01/2019	04/27/2020	05/26/2020	M.J. Whitman Incorporated	No-show	Chuck A. Roberts	AdvisorLaw LLC	NO	NO	1	G	Chuck A. Roberts		Alice E. Winkler, Esq.	1
19-02959	New York, NY	10/01/2019	03/04/2020	03/25/2020	CIBC World Markets Corporation	ISC	Chuck A. Roberts	AdvisorLaw LLC	NO	OB	1	G	Chuck A. Roberts		Paul S. Biederman	1
19-02961	New York, NY	10/01/2019	03/30/2019	04/09/2020	Citigroup Global Markets Incorporated	Kauff Laton Miller LLP	Chuck A. Roberts	AdvisorLaw LLC	NO	NO	3	G	Chuck A. Roberts		Madelon M. Rosenfeld, Esq.	1
19-02962	New York, NY	10/01/2019	04/09/2020	04/22/2020	Morgan Stanley Smith Barney LLC	ISC	Chuck A. Roberts	AdvisorLaw LLC	NO	OB	1	G	Chuck A. Roberts		Robert E. Anderson, Esq.	1
19-02971	Oklahoma City, OK	10/02/2019	04/17/2020	04/24/2020	Ameriprise Financial Services Incorporated	ISC	Brandt Thomas Brock	AdvisorLaw LLC	NO	NO	1	G	Brandt Thomas Brock		C. Sumpter Logan	1
19-02975	Milwaukee, WI	10/03/2019	08/19/2020	08/27/2020	UBS Financial Services Incorporated	ISC	Patricia Carlin Anderson	AdvisorLaw LLC	NO	NO	2	G	Patricia Carlin Anderson		Michael F. Jordan, Esq.	1
19-02983	Los Angeles, CA	10/03/2019	06/15/2020	07/14/2020	UBS Financial Services Incorporated	ISC	Robert Anthony Daly	Elkins Kalt et al.	NO	NO	4	G	Robert Anthony Daly		Cherie S. Lewis - Chair; Maureen Weston; Michael Lawrence Chappell	2

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											Expunge-ment Requests	Expunge-ment Requests				
19-02995	New York, NY	10/04/2019	03/26/2020	04/03/2020	JP Morgan Securities LLC	Duane Morris LLP	Baruch Azulay	Kaufmann Gildin & Robbins	NO	NO	3	G	Baruch Azulay		Richard W. Vallario, Esq.	1
19-03009	San Juan, PR	10/04/2019	02/05/2020	02/14/2020	UBS Financial Services Incorporated	McConnell Valdes LLC	Ricardo Eboli-Kodesh	Toro Colon Mullet PSC	NO	NO	1	G	Ricardo Eboli-Kodesh		Christopher J. Klein, Esq.	1
19-03019	New York, NY	10/07/2019	05/12/2020	06/08/2020	National Securities Corporation; Joseph Stevens & Company Incorporated; John Thomas Financial	ISC (NS); No-show (JS&C, JTF)	Felippe Teixeira Alves	FA Expungement LLC	NO	NO	4	D		Felippe Teixeira Alves	William G. Binckes, Esq.	1
19-03020	New York, NY	10/07/2019	04/30/2020	05/26/2020	National Securities Corporation	ISC	Adam Ruben Figueroa	FA Expungement LLC	NO	NO	2	G	Adam Ruben Figueroa		Richard W. Cutler, Esq.	1
19-03021	New York, NY	10/07/2019	06/30/2020	07/20/2020	Trident Partners Limited	ISC	James S. Dolan	Weltz Kakos et al.	NO	NO	1	G	James S. Dolan		Steven C. Kasarda	1
19-03022	New York, NY	10/08/2019	07/14/2020	07/24/2020	JD Nicholas & Associates Incorporated; Aegis Capital Corporation	ISC	Daniel Dvorznak	Weltz Kakos et al.	NO	NO	2	G	Daniel Dvorznak		Howard D. Jacob, Esq.	1
19-03029	New York, NY	10/08/2018	09/30/2020	10/28/2020	JD Nicholas & Associates Incorporated; Trident Partners Limited	No-show	Nicholas George Tsikitas	Weltz Kakos et al.	NO	OB/NO	7	G	Nicholas George Tsikitas		Ellyn S. Roth	3
19-03030	New York, NY	10/08/2019	08/10/2020	08/24/2020	Oppenheimer & Company Incorporated	ISC	Laurence Marc Stanger	Weltz Kakos et al.	NO	OB/NO	3	G	Laurence Marc Stanger		Eric Goldman	1
19-03036	New York, NY	10/08/2019	05/15/2020	07/02/2020	Wells Fargo Advisors Financial Network	Faegre Drinker et al.	Steven Matthew Kavall	Deutsch & Lipne	NO	NO	1	G	Steven Matthew Kavall		Joan M. Traub, Esq.	1
19-03038	New York, NY	10/08/2019	08/25/2020	08/26/2020	Oppenheimer & Company Incorporated; UBS Financial Services Incorporated	ISC	Paul Elias Colchamiro	Weltz Kakos et al.	NO	NO	2	G/W	Paul Elias Colchamiro		Michael H. DuBoff, Esq.	1
19-03045	New York, NY	10/09/2019	05/14/2020	06/17/2020	John Thomas Financial	No-show	Evan S. Taub	FA Expungement LLC	NO	NO	1	G	Evan S. Taub		William E. Nuckel	1
19-03053	Denver, CO	10/09/2019	04/07/2020	05/07/2020	LPL Financial LLC	ISC	Jeffrey Arthur Gore	Ghabai Law Group LLC	NO	NO	1	G	Jeffrey Arthur Gore		Philip J. Glick, Esq.	2
19-03059	Birmingham, AL	10/10/2019	04/22/2020	06/01/2020	Raymond James & Associates Incorporated	ISC	Eugene Temple Millsap	Bressler Amery & Ross	NO	NO	1	G	Eugene Temple Millsap		Brock Bingham Gordon, Sr.	2
19-03092	Tampa, FL	10/15/2019	06/02/2020	06/15/2020	Morgan Stanley	ISC	Stephen Overton	HLBS Law	NO	NO	1	G	Stephen Overton		Martin M. Van Luven	1
19-03093	Baltimore, MD	10/23/2019	08/04/2020	08/17/2020	Citigroup Global Markets Incorporated; Legg Mason Wood Walker Incorporated; Morgan Stanley Smith Barney LLC	Kauff Laton Miller LLP (CGM); No-show (LMWW, MSSB)	Gary Theodore Padussis	Niles Barton & Wilmer	NO	NO/NN	5	G/D	Gary Theodore Padussis		David L. Ruderman, Esq.	1

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											Expunge-ment Requests	Expunge-ment Requests				
19-03100	Newark, NJ	10/16/2019	03/23/2020	04/03/2020	Hennion & Walsh Incorporated	ISC	William Hennion	ISC	NO	NO	1	G	William Hennion		Robert E. Anderson, Esq.	1
19-03102	Newark, NJ	10/16/2019	03/19/2020	04/07/2020	Wells Fargo Clearing Services LLC	ISC	Nicole McGrouther	Ghabai Law Group LLC	NO	NO	1	G	Nicole McGrouther		Michael H. DuBoff, Esq.	1
19-03108	New York, NY	10/16/2019	06/19/2020	08/24/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Alan T. Zee	AdvisorLaw LLC	NO	OB	1	G	Alan T. Zee		Ted M. Rosen, Esq.	1
19-03112	New York, NY	10/16/2019	03/26/2020	04/09/2020	Fidelity Brokerage Services LLC	ISC	Bryan S. Hwang	Bressler Amery & Ross	NO	OB	1	G	Bryan S. Hwang		Richard W. Cutler, Esq.	1
19-03113	Los Angeles, CA	10/16/2019	09/16/2020	10/07/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Matthew Todd Yonally	HLBS Law	NO	NO/NN	1	G	Matthew Todd Yonally		Michael D. Harrison, Esq.	1
19-03118	Orlando, FL	10/17/2019	05/14/2020	05/20/2020	Morgan Stanley	ISC	Gregory D. Velho	HLBS Law	NO	NO	1	G	Gregory D. Velho		John P. Cullem, Esq.	1
19-03132	Los Angeles, CA	10/17/2019	04/02/2020	04/09/2020	UBS Financial Services Incorporated	Keesal Young & Logan	Barak Raviv	FA Expungement LLC	NO	NO	3	G	Barak Raviv		Richard Maurice Robinson	1
19-03133	Los Angeles, CA	10/17/2019	05/26/2020	05/27/2020	Raymond James & Associates Incorporated	ISC	Lisa Ann Detanna	RMO LLP	NO	NO	1	G	Lisa Ann Detanna		Robert E. Jenks	1
19-03155	Newark, NJ	10/21/2019	04/27/2020	05/19/2020	Ameriprise Financial Services Incorporated	ISC	Matthew Romolo Rotella	AdvisorLaw LLC	NO	NN	1	G	Matthew Romolo Rotella		Michael H. DuBoff, Esq.	1
19-03156	New York, NY	10/21/2019	06/02/2020	06/10/2020	RBC Capital Markets LLC	Dorsey & Whitney	John Bernard Moran	Offit Kurman	NO	NO	1	G	John Bernard Moran		Annamaria Boccia-Smith, Esq. (fka Annamaria Boccia-Kovarcik, Esq.)	1
19-03158	Charleston, WV	10/22/2019	07/01/2020	07/17/2020	Wells Fargo Advisors Financial Network LLC	ISC	Christopher William Hall	AdvisorLaw LLC	NO	OB/NO	2	G/D	Christopher William Hall		Michael J. Ahlstrom, Esq.	1
19-03166	Detroit, MI	10/22/2019	08/13/2020	08/21/2020	Morgan Stanley	ISC	David Michael Himich	HLBS Law	NO	NO	1	G	David Michael Himich		Tracy L. Allen, Esq.	1
19-03172	Los Angeles, CA	10/22/2019	04/23/2020	05/04/2020	Wells Fargo Clearing Services LLC	ISC	Patrick Fernando Infante	AdvisorLaw LLC	NO	NO	1	G	Patrick Fernando Infante		Benjamin F. Breslauer	1
19-03182	New York, NY	10/23/2019	04/13/2020	04/30/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Arthur J. Springer	Deutsch & Lipner	NO	NO	1	G	Arthur J. Springer		Richard W. Cutler, Esq.	1
19-03183	Newark, NJ	10/23/2019	03/24/2020	04/06/2020	Hennion & Walsh Incorporated	ISC	Marc S. Strafaci	ISC	NO	NO	2	D		Marc S. Strafaci	Jack Friedman, Esq.	1
19-03184	Las Vegas, NV	10/23/2019	04/08/2020	05/01/2020	Banc of America Investment Services Incorporated	Bressler Amery & Ross	David Marcus Winchell	AdvisorLaw LLC	NO	NO	1	G	David Marcus Winchell		Mary M. O'Neil	1
19-03186	Tampa, FL	10/23/2019	04/08/2020	04/15/2020	Trustmont Financial Group Incorporated; Centaurus Financial Incorporated	No-show (TFG); ISC (CF)	Marc Frederick Korsch	HLBS Law	NO	OB	2	G/D	Marc Frederick Korsch		Karl A. Vogeler, III	1
19-03189	Newark, NJ	10/23/2019	09/09/2020	09/21/2020	Hennion & Walsh Incorporated	ISC	Stephen George Kowalski	ISC	NO	NO	1	G	Stephen George Kowalski		Michael H. DuBoff, Esq.	1

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19-03192	Denver, CO	10/23/2019	05/28/2020	06/02/2020	AXA Advisors LLC	ISC	Rex C. Emery	HLBS Law	NO	NO	1	D		Rex C. Emery	Susan L. Walker, Esq.	1
19-03247	Boca Raton, FL	10/29/2019	05/29/2020	06/16/2020	Wells Fargo Advisors LLC	ISC	Michele Elaine Kief	Stein & Stein	NO	NO-D	2	G	Michele Elaine Kief		Will Murphy, Esq. - Chair; Mark Allen Bilawsky; Sandra J. Bakalus	1
19-03255	Chicago, IL	10/31/2019	06/25/2020	07/03/2020	RBC Capital Markets Corporation	Dorsey & Whitney	John Henry Piemonte	Roche & Hormozi	NO	NO	1	G	John Henry Piemonte		Lynn Hirschfeld Brahin, Esq.	1
19-03261	Philadelphia, PA	10/31/2019	04/27/2020	05/14/2020	LPL Financial LLC	ISC	Gary T. Plessi; Kevin D. Houser	Shumaker Loop & Kendrick	NO	OB	2	G	Gary T. Plessi; Kevin D. Houser		John J. Jordan, Esq. - Chair; Stephen J. Scherf; Dale A. Pope	2
19-03263	San Francisco, CA	10/31/2019	05/26/2020	06/04/2020	Edward D Jones & Company Limited Partnership	ISC	Andrew Lane Howard	HLBS Law	NO	NN	1	G	Andrew Lane Howard		Daniel M. Yamshon, Esq.	1
19-03274	Jacksonville, FL	11/01/2019	04/14/2020	04/20/2020	Morgan Stanley & Company Incorporated	ISC	Robert R. Franskousky	Wolper Law Firm PA	NO	NO	2	G	Robert R. Franskousky		Louis David Huss	1
19-03276	New York, NY	11/01/2019	09/02/2020	09/16/2020	Prudential Equity Group LLC	Paduano & Weintraub	Michael Frank Greenstone	Law Offices of Patrick R. Mahoney PC	NO	NO/NN	5	G	Michael Frank Greenstone		Michael H. DuBoff, Esq.	1
19-03283	Newark, NJ	11/01/2019	05/12/2020	05/26/2020	UBS Financial Services Incorporated	ISC	Michael Greenstone	Law Offices of Patrick R. Mahoney PC	NO	NN	1	G	Michael Greenstone		Linda J. Baer, Esq.	1
19-03285	Newark, NJ	11/01/2019	06/29/2020	07/09/2020	UBS Financial Services Incorporated	ISC	Michael Frank Greenstone	Law Offices of Patrick R. Mahoney PC	NO	OB	1	G	Michael Frank Greenstone		Michael H. DuBoff, Esq.	1
19-03287	Newark, NJ	11/01/2019	07/14/2020	07/21/2020	UBS Financial Services Incorporated	ISC	Michael Frank Greenstone	Law Offices of Patrick R. Mahoney PC	NO	NO	1	G	Michael Frank Greenstone		Robert E. Anderson, Esq.	1
19-03288	Newark, NJ	11/01/2019	08/06/2020	08/13/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Michael Greenstone	Law Offices of Patrick R. Mahoney PC	NO	OB	1	G	Michael Greenstone		Martin R. Cramer	1
19-03294	Boca Raton, FL	10/28/2019	03/26/2020	04/07/2020	Securities America Incorporated	ISC	Robert Wayne Warther	Galvin Legal PLLC	NO	NO	1	G	Robert Wayne Warther		Robert G. Geeseman, Esq. - Chair; Diane M. Perry, Esq.; Tiffany Ann Taylor	1
19-03300	Philadelphia, PA	11/04/2019	03/18/2020	03/25/2020	Raymond James & Associates Incorporated	ISC	Terrence Victor Fant	AdvisorLaw LLC	NO	NO	1	G	Terrence Victor Fant		Louis P. Wagman	1
19-03308	Los Angeles, CA	11/05/2019	06/02/2020	06/11/2020	AG Edwards & Sons Incorporated	ISC	Aaron Jeffrey Clark	HLBS Law	NO	NN	1	G	Aaron Jeffrey Clark		Barbara M. Zak, Esq.	1
19-03319	Los Angeles, CA	11/06/2019	06/25/2020	07/07/2020	Wells Fargo Clearing Services LLC	ISC	Aaron Jeffrey Clark	HLBS Law	NO	NN	1	G	Aaron Jeffrey Clark		Andrew M. Mintzer, CPA	1
19-03322	San Juan, PR	11/06/2019	05/21/2020	06/10/2020	UBS Financial Services Incorporated	McConnell Valdes LLC	Haydee M. Delgado	Toro Colon Mullet PSC	NO	NO	1	G	Haydee M. Delgado		Martin A. Feigenbaum, Esq.	1
19-03333	Charlotte, NC	11/07/2019	04/08/2020	04/13/2020	Commonwealth Financial Network	ISC	Robert Carlton Blakely	Shumaker Loop & Kendrick	NO	NO-D	1	G	Robert Carlton Blakely		Susan L. Luck - Chair; Dwane Edward Vickstrom; Robert T. Allen, Jr.	1
19-03334	Los Angeles, CA	11/07/2019	06/16/2020	06/22/2020	Cetera Investment Services LLC	ISC	Doris C. Lau	Winget Spadafora & Schwartzberg	NO	NO	1	G	Doris C. Lau		Andrew M. Mintzer, CPA	1
19-03341	Newark, NJ	11/08/2019	05/04/2020	05/06/2020	Triad Advisors LLC	ISC	Timothy Brian Kenyon	Hamburger Law Firm	NO	NO	1	D		Timothy Brian Kenyon	Robert R. Salman, Esq. - Chair; Fred S. Pieroni; Francine Barbara Colon	1
19-03364	Boca Raton, FL	11/11/2019	06/24/2020	06/29/2020	Oppenheimer & Company Incorporated	ISC	Craig Mitchell Goldstone	None	NO	NO-D	1	G	Craig Mitchell Goldstone		Kimberly A. Gilmour, Esq. - Chair; Michael D. Felton, Esq.; Bernard S. Carrey, Esq.	1

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											Expunge-ment Requests	Expunge-ment Requests				
19-03368	Salt Lake City, UT	11/12/2019	05/27/2020	06/17/2020	Royal Alliance Associates Incorporated	ISC	Craig Brimhall Nelson	AdvisorLaw LLC	NO	NO	1	G	Craig Brimhall Nelson		Mary Margaret Bush, Esq.	1
19-03369	Las Vegas, NV	11/12/2019	05/12/2020	06/12/2020	LPL Financial LLC	ISC	Craig Brimhall Nelson	AdvisorLaw LLC	NO	NO	1	G	Craig Brimhall Nelson		Erik R. Siering	1
19-03374	Hartford, CT	11/12/2019	06/17/2020	06/29/2020	Voya Financial Advisors Incorporated	Winget Spadafora & Schwartzberg	Steven Todd Jacques	None	NO	NO	2	G	Steven Todd Jacques		Mark Stuart Gurevitz - Chair; Samuel Harrison Chorches, Esq.; Eileen Devaney Leo	1
19-03375	New York, NY	11/12/2019	08/18/2020	08/28/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Paul Selvin	Law Offices of Patrick R. Mahoney PC	NO	NO	1	G	Paul Selvin		Arthur Neil Tolciss, Esq.	1
19-03379	Denver, CO	11/12/2019	06/02/2020	06/16/2020	Cetera Advisors LLC; LPL Financial LLC	ISC	Kevin Scott Sanderford	HLBS Law	NO	NO	2	G/D	Kevin Scott Sanderford		Frances Johnson-Wright, Esq.	1
19-03390	Las Vegas, NV	11/13/2019	05/06/2020	05/11/2020	Chase Investment Services Corporation	Duane Morris LLP	Nicholas Joseph Hickly	AdvisorLaw LLC	NO	NO	1	G	Nicholas Joseph Hickly		Milton N. Gross	1
19-03396	Phoenix, AZ	11/13/2019	05/19/2020	06/10/2020	SunAmerica Securities Incorporated	ISC	Todd Michael Foster	AdvisorLaw LLC	NO	NO	1	G	Todd Michael Foster		Jay Lawrence Witkin, Esq.	1
19-03402	Raleigh, NC	11/13/2019	05/04/2020	05/29/2020	Securian Financial Services Incorporated	Faegre Drinker et al.	Robert Carlton Blakely	Shumaker Loop & Kendrick	NO	NO	1	G	Robert Carlton Blakely		John P. Cullem, Esq. - Chair; Joseph Aloysius Newcomb; Charles K. ReCorr	2
19-03405	Washington, DC	11/03/2019	06/25/2020	07/22/2020	Cambridge Investment Research Incorporated; MML Investors Services LLC	ISC (CIR); Stevens & Lee (MML)	Casey Douglas Craig	AdvisorLaw LLC	NO	NO	2	G	Casey Douglas Craig		Jane C. Carney, CPA	1
19-03420	Dallas, TX	11/15/2019	05/01/2020	05/08/2020	Morgan Stanley	Keesal Young & Logan	James D. Stoker II	Berry Odom LLP	NO	NO	1	G	James D. Stoker II		David A. Schuler	1
19-03427	Philadelphia, PA	11/15/2019	07/14/2020	07/21/2020	PFS Investments Incorporated	ISC	Howard Bruce Lashner	Maynard Cooper & Gale	NO	NO	1	G	Howard Bruce Lashner		Carol H. Gold, Esq.	1
19-03428	Philadelphia, PA	11/15/2019	06/23/2020	06/30/2020	PFS Investments Incorporated	ISC	Howard Bruce Lashner	Maynard Cooper & Gale	NO	NO	1	G	Howard Bruce Lashner		Diane Ciccone, Esq.	1
19-03452	Newark, NJ	11/19/2019	06/03/2020	06/09/2020	First Institutional Securities LLC	Dorsey & Whitney	David William Manning	AdvisorLaw LLC	NO	NO	1	G	David William Manning		Joan M. Traub, Esq.	1
19-03453	Seattle, WA	11/19/2019	06/10/2020	07/10/2020	Thrivent Investment Management Incorporated	Bryan Cave et al.	Kevin Jean Pentz	AdvisorLaw LLC	NO	NO	1	G	Kevin Jean Pentz		Daniel B. MacLeod, Esq.	1
19-03454	Detroit, MI	11/19/2019	09/22/2020	09/25/2020	QA3 Financial Corporation	No-show	John Douglas VanDyke	HLBS Law	NO	NO	1	G	John Douglas VanDyke		Tracy L. Allen, Esq.	1
19-03458	Detroit, MI	11/19/2019	05/13/2020	05/15/2020	Wells Fargo Advisors LLC	ISC	David Anthony Smith	Joseph H. Spiegel PLLC	NO	NO-D	1	G	David Anthony Smith		Jeffrey Mark Bauer, Esq.	1
19-03476	San Francisco, CA	11/20/2019	06/22/2020	07/08/2020	Wells Fargo Clearing Services LLC	ISC	Joseph Frederick Eschleman	HLBS Law	NO	OB/NO	2	G/D	Joseph Frederick Eschleman		Daniel M. Yamshon, Esq.	1
19-03478	Phoenix, AZ	11/20/2019	07/07/2020	07/24/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Paul Thomas Rutkowski	AdvisorLaw LLC	NO	NN	2	G	Paul Thomas Rutkowski		Erik R. Siering	1
19-03480	Phoenix, AZ	11/20/2019	06/29/2020	07/17/2020	AXA Advisors LLC	ISC	Paul Thomas Rutkowski	AdvisorLaw LLC	NO	UN	1	D		Paul Thomas Rutkowski	Walter Steven Schwartz	1

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											Expunge-ment Requests	Expunge-ment Requests				
19-03489	Newark, NJ	11/21/2019	05/19/2020	05/29/2020	RBC Capital Markets LLC	Dorsey & Whitney	Ross Evan Feigen	Maryana Feigen, Attorney-at-Law	NO	OB	1	G	Ross Evan Feigen		Paul Allan Massaro	1
19-03506	Portland, OR	11/22/2019	05/14/2020	06/30/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Mary Martha Caldwell	AdvisorLaw LLC	NO	OB/NO	3	D		Mary Martha Caldwell	James John Jurinski, JD	1
19-03522	Boston, MA	11/20/2019	05/28/2020	06/24/2020	MHA Financial Corporation	No-show	C. William Hoilman Jr.	AdvisorLaw LLC	NO	NO	2	G	C. William Hoilman Jr.		Howard N. Gorney	1
19-03526	Little Rock, AR	11/27/2019	06/02/2020	06/16/2020	Edward D Jones & Company Limited Partnership	Bressler Amery & Ross	David Michael Butler	AdvisorLaw LLC	NO	OB	1	G	David Michael Butler		Julie Marie Miller	2
19-03527	Columbia, SC	11/27/2019	06/18/2020	06/26/2020	Scott & Stringfellow LLC	Murphy & McGonigle	Eric Justin Morris	AdvisorLaw LLC	NO	NO	1	G	Eric Justin Morris		Stuart K. Furman	1
19-03546	Newark, NJ	11/27/2019	10/14/2020	10/21/2020	Investors Capital Corporation; JP Turner & Company LLC; NewBridge Securities Corporation	ISC (IC, JPT&C); Kaufman Dolowich Voluck LLC (NBS)	John Owen Slipek	Holcomb & Ward LLP	NO	NO	3	G	John Owen Slipek		Sam Antar, Esq.	1
19-03547	New York, NY	11/30/2019	09/10/2020	10/08/2020	Great American Advisors Incorporated; Lincoln Investment	ISC (GAA); Winget Spadafora & Schwartzberg (LI)	Anthony Thomas Becker	Law Office of Brian Kennedy	NO	NO	3	G	Anthony Thomas Becker		Steven C. Kasarda - Chair; Daniel Adam Schlein; Joanne Basso Mack	1
19-03566	Detroit, MI	12/03/2019	07/14/2020	07/15/2020	Pruco Securities LLC	Paduano & Weintraub	Todd Michael Praschan	HLBS Law	NO	NO	1	G	Todd Michael Praschan		Carl E. Ver Beek, JD	1
19-03580	Los Angeles, CA	12/04/2019	05/27/2020	06/16/2020	A.G.P./Alliance Global Partners; Digital Offering LLC	Kaufman Dolowich & Voluck (AGP); ISC (DO)	Hemant Kathuria	Kalberer LLP	NO	OB/NO	4	G	Hemant Kathuria		Milton N. Gross	1
19-03589	Chicago, IL	12/05/2019	06/03/2020	06/19/2020	Ameriprise Financial Services Incorporated	ISC	John Thomas Fitzgerald	Saretsky Hart et al.	NO	NO	1	G	John Thomas Fitzgerald		Theodore W. Wroblewski, Esq.	2
19-03602	Boston, MA	12/05/2019	01/28/2020	02/03/2020	UBS Financial Services Incorporated	ISC	Andrea B. Bevis	Bressler Amery & Ross	NO	NO	1	G	Andrea B. Bevis		Gerard S. Marsan, Esq.	1
19-03610	Seattle, WA	12/06/2019	07/23/2020	08/19/2020	Wells Fargo Clearing Services LLC	ISC	Susan Hamblin Lawrence	AdvisorLaw LLC	NO	NO	1	G	Susan Hamblin Lawrence		James E. Bartels	1
19-03617	San Francisco, CA	12/06/2019	06/03/2020	06/12/2020	Fifth Third Securities Incorporated	ISC	Virgil John Threlkeld	Barr & Young	NO	NO	2	G/W	Virgil John Threlkeld		Daniel M. Yamshon, Esq.	1
19-03633	Columbus, OH	12/10/2019	02/21/2020	03/09/2020	UBS Financial Services Incorporated	ISC	Steven Edwin LeClair; Leslie Ann Lauer	Bressler Amery & Ross	NO	NO	2	G	Steven Edwin LeClair; Leslie Ann Lauer		Jeffrey Mark Bauer, Esq.	1
19-03636	Dallas, TX	12/10/2019		06/08/2020	Keybank Capital Markets Incorporated; UVEST Financial Services Group Incorporated; Cambridge Investment Research Incorporated; LPL Holdings Incorporated	Ulmer & Berne (KCM); ISC (UVEST); No-show (CIR & LPL)	James T. Buto	Knox McLaughlin et al.	E	UN	1	D		James T. Buto	Nicole T. LeBoeuf, Esq.	0

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											Expunge-ment Requests	Expunge-ment Requests				
19-03647	New York, NY	12/11/2019	08/18/2020	09/10/2020	Casimir Capital Limited Partnership	No-show	Wayde C. Walker	FA Expungement LLC	NO	NO	5	G	Wayde C. Walker		Joan M. Traub, Esq.	1
19-03649	Los Angeles, CA	12/11/2019	07/28/2020	09/04/2020	Raymond James Financial Services Incorporated; JP Turner & Company LLC	ISC	Robert Joseph Binkele	FA Expungement LLC	NO	NN	3	G	Robert Joseph Binkele		Barbara M. Zak, Esq.	1
19-03650	San Francisco, CA	12/11/2019	07/14/2020	07/29/2020	Mutual Service Corporation	Markun Zusman et al.	Thane Ronald Walton	FA Expungement LLC	NO	NN	1	G	Thane Ronald Walton		William Michael Samsel	1
19-03656	New York, NY	12/11/2019	05/19/2020	07/17/2020	American Portfolios Financial Services Incorporated	ISC	Jimmy William Kuhn	RJM Counsel PLLC	NO	NO	2	G	Jimmy William Kuhn		Josian Antoine, Esq.	1
19-03671	Kansas City, MO	12/12/2019	06/16/2020	06/25/2020	Morgan Stanley	Keesal Young & Logan	Thomas Arthur Saunders Jr.	AdvisorLaw LLC	NO	OB/NO	2	G	Thomas Arthur Saunders Jr.		David A. Schuler	1
19-03682	San Francisco, CA	12/13/2019	02/25/2020	03/04/2020	UBS Financial Services Incorporated	ISC	Neil Bruce Konigsberg	Bressler Amery & Ross	NO	UN	2	D/W		Neil Bruce Konigsberg	Laurel Littman Gothelf, MPH	1
19-03688	San Francisco, CA	12/13/2019	06/23/2020	07/06/2020	Wells Fargo Clearing Services LLC	ISC	Brian Patrick Carey	HLBS Law	NO	NO	1	G	Brian Patrick Carey		Daniel M. Yamshon, Esq.	1
19-03693	Kansas City, MO	12/16/2019	08/20/2020	08/31/2020	Walnut Street Securities Incorporated	ISC	Paul Wayne Ewing	AdvisorLaw LLC	NO	NO	2	G	Paul Wayne Ewing		Michael S. Matek, Esq.	1
19-03694	Kansas City, MO	12/16/2019	08/26/2020	09/14/2020	Vestax Securities Corporation	No-show	Paul Wayne Ewing	AdvisorLaw LLC	NO	NO/NN	2	G	Paul Wayne Ewing		Gregory D. Hoffmann	1
19-03695	Chicago, IL	12/16/2019	07/27/2020	07/28/2020	Northwestern Mutual Investment Services LLC	ISC	Timothy Patrick McGrath	AdvisorLaw LLC	NO	NO	1	G	Timothy Patrick McGrath		Thomas F. Mahoney, Esq.	1
19-03699	Charlotte, NC	12/16/2019	05/19/2020	05/28/2020	Wells Fargo Clearing Services LLC	ISC	Keith Gregory Kepley	Womble Bond Dickinson (US) LLP	NO	NO	1	G	Keith Gregory Kepley		Patricia Horan Latham, Esq.	1
19-03708	Washington, DC	12/16/2019	07/27/2020	07/31/2020	BI Investments LLC	Kaufman Dolowich & Voluck	Carolyn Louise DiPrinzio	AdvisorLaw LLC	NO	UN	1	D		Carolyn Louise DiPrinzio	Jane C. Carney, CPA	1
19-03709	New Orleans, LA	12/16/2019	08/11/2020	08/19/2020	HD Vest Investment Services	ISC	Steven Ross Johnson	FA Expungement LLC	NO	NO	1	G	Steven Ross Johnson		Daniel J. Pagnano, Esq.	1
19-03711	Richmond, VA	12/16/2019	08/11/2020	08/17/2020	LPL Financial LLC	ISC	Carolyn Louise DiPrinzio	AdvisorLaw LLC	NO	NO	1	G	Carolyn Louise DiPrinzio		JoAnne Lewis Nolte	1
19-03712	Atlanta, GA	12/16/2019	08/05/2020	10/08/2020	IFG Network Securities Incorporated	ISC	Roger Scott Green	AdvisorLaw LLC	NO	OB/NO	4	G/D	Roger Scott Green		Michael J. Ahlstrom, Esq.	1
19-03715	Boca Raton, FL	12/17/2019	07/30/2020	08/05/2020	UBS Financial Services Incorporated	ISC	Gonzalo Castano; Miguel Benigno Carrillo	Bressler Amery & Ross	NO	NO	2	G	Gonzalo Castano; Miguel Benigno Carrillo		Mark Allen Bilawsky	1
19-03716	Boca Raton, FL	12/17/2019	08/26/2020	09/01/2020	UBS Financial Services Incorporated	ISC	Miguel Benigno Carrillo	Bressler Amery & Ross	NO	NO	1	G	Miguel Benigno Carrillo		Elena G. Rodriguez	1
19-03717	Boca Raton, FL	12/17/2019	07/15/2020	07/22/2020	UBS Financial Services Incorporated	ISC	Gonzalo Castano	Bressler Amery & Ross	NO	NO	1	G	Gonzalo Castano		Leslie L. Cooney, Esq.	1

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19-03718	Boca Raton, FL	12/17/2019	08/20/2020	09/03/2020	UBS Financial Services Incorporated	ISC	Gonzalo Castano	Bressler Amery & Ross	NO	NO	1	G	Gonzalo Castano		Seth L. Finkel, Esq.	1
19-03744	Hartford, CT	12/19/2019	04/28/2020	05/27/2020	Ameriprise Financial Services Incorporated	ISC	Robert John Lucarelli	Saretsky Hart et al.	NO	NO	1	G	Robert John Lucarelli		Thomas Matthew Madden	1
19-03757	Los Angeles, CA	12/20/2019	07/21/2020	08/17/2020	Girard Securities Incorporated	ISC	Matthew Jon Lum	HLBS Law	NO	NO	4	G	Matthew Jon Lum		Gregory Douglas Stone	1
19-03758	Houston, TX	12/20/2019	07/22/2020	07/24/2020	UBS Financial Services Incorporated	ISC	Dax P. McCracken	Bressler Amery & Ross	NO	UN	1	D		Dax P. McCracken	Brian James Tagtmeier	1
19-03791	Orlando, FL	12/23/2019	06/23/2020	07/15/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	David A. Cohen	Shumaker Loop & Kendrick	NO	NO-D	4	G	David A. Cohen		Stuart K. Furman - Chair; Martin M. Van Luven; Thomas Roe Oldt	1
19-03802	Houston, TX	12/31/2019	05/28/2020	06/26/2020	UBS Financial Services Incorporated	Pratt & Flack	Nicholas Laws Erwin	.S. Capital Advisors LLC	NO	NO	1	G	Nicholas Laws Erwin		Thomas A. Martin, Esq.	1
19-03814	Atlanta, GA	12/23/2019	09/02/2020	09/18/2020	Raymond James & Associates Incorporated	ISC	Mark David Kopkin	Smiley Bishop & Porter	NO	NO	1	G	Mark David Kopkin		Michael J. Ahlstrom, Esq.	1
19-03816	Newark, NJ	12/26/2019	10/02/2020	10/19/2020	Ameriprise Financial Services Incorporated	ISC	Timothy Morgan Burklow	AdvisorLaw LLC	NO	NO	1	G	Timothy Morgan Burklow		Micalyn S. Harris, Esq.	1
19-03843	Boca Raton, FL	12/27/2019	05/21/2020	05/29/2020	David Lerner Associates Incorporated et al.	ISC	Gerard Crean; Darren Nomberg	Thompson Hine LLP	NO	NO	2	G	Gerard Crean; Darren Nomberg		Carl Shechter, Esq.	1
20-00005	Minneapolis, MN	01/02/2020	07/21/2020	07/27/2020	Securities America Incorporated	ISC	Dustin Neil Christopherson	AdvisorLaw LLC	NO	NO	1	G	Dustin Neil Christopherson		William M. Azkoul, JD	1
20-00011	New York, NY	12/30/2019	07/21/2020	08/07/2020	Joseph Gunnar & Company LLC	John E. Lawlor, Attorney-at-Law	James V. Lombardo II	FA Expungement LLC	NO	NN	2	G/D	James V. Lombardo II		Brian John Gallagher	1
20-00016	Newark, NJ	12/31/2019	07/09/2020	07/15/2020	National Securities Corporation	ISC	Matthew Fleissner	FA Expungement LLC	NO	NO	2	G	Matthew Fleissner		Annamaria Boccia-Smith, Esq. (fka Annamaria Boccia-Kovarcik, Esq.)	1
20-00031	Kansas City, MO	01/03/2020	09/15/2020	10/02/2020	UBS Financial Services Incorporated; Wells Fargo Clearing Services LLC	ISC	Christopher Lee Walker	FA Expungement LLC	NO	NO	3	G	Christopher Lee Walker		Philip J. Glick, Esq.	1
20-00045	Salt Lake City, UT	01/03/2020	07/02/2020	08/11/2020	Parkland Securities LLC	ISC	Timothy Lee Pearson	AdvisorLaw LLC	OB	NO	1	G	Timothy Lee Pearson		Terry M. Lloyd, CPA, CFA	1
20-00052	Chicago, IL	01/06/2020	09/17/2020	09/28/2020	LPL Financial LLC	ISC	Bradley Joseph Armstrong	FA Expungement LLC	NO	NO	1	G	Bradley Joseph Armstrong		Ray J. Grzebielski, Esq.	1
20-00054	Kansas City, MO	01/08/2020	10/06/2020	10/20/2020	George K Baum & Company	ISC	Gregory Robert Schaff	FA Expungement LLC	NO	NO	2	G	Gregory Robert Schaff		C. Sumpter Logan	1
20-00073	Washington, DC	01/08/2020	08/25/2020	09/08/2020	Edward D Jones & Company Limited Partnership	ISC	Nicholas John Onder	FA Expungement LLC	NO	UN	1	D		Nicholas John Onder	Tina E. Patterson	1
20-00077	New York, NY	01/08/2020	06/25/2020	07/08/2020	David A. Lerner Associates Incorporated et al.	ISC	Robert Spencer Cavanagh	Thompson Hine LLP	NO	NO	1	G	Robert Spencer Cavanagh		Michael H. DuBoff, Esq.	1

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20-00081	Tampa, FL	01/09/2020	09/09/2020	09/14/2020	Investors Capital Corporation	ISC	William Blair Gordon	Baritz & Colman	NO	UN	6	D		William Blair Gordon	Martin M. Van Luven	1
20-00087	Detroit, MI	01/09/2020	08/13/2020	09/04/2020	AXA Advisors LLC	Miller Canfield et al.	Thomas Joseph Vandoorne, Jr.	Saretsky Hart et al.	NO	NO	1	G	Thomas Joseph Vandoorne, Jr.		Terrance J. Dorcy	1
20-00090	Columbia, SC	01/09/2020	05/29/2020	06/08/2020	LPL Financial LLC	ISC	Christopher Bryan Mise	FA Expungement LLC	NO	NO	1	G	Christopher Bryan Mise		Maurice M. Feller, Esq.	1
20-00117	Washington, DC	01/13/2020	07/28/2020	08/28/2020	H. Beck Incorporated	D'Amura & Zaidman	Phylp Arthur Wagner	AdvisorLaw LLC	NO	NO	1	G	Phylp Arthur Wagner		Mary E. Woytek, Esq.	1
20-00119	Los Angeles, CA	01/13/2020	09/25/2020	10/30/2020	UBS Financial Services Incorporated	ISC	Terance T. Power	HLBS Law	NO	OB/NO	4	G	Terance T. Power		Erik R. Siering	1
20-00120	Los Angeles, CA	01/13/2020	08/03/2020	08/20/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Terance T. Power	HLBS Law	NO	NO	1	G	Terance T. Power		Michael D. Harrison, Esq.	1
20-00122	Charlotte, NC	01/13/2020	07/09/2020	07/15/2020	Sagepoint Financial Incorporated	ISC	Christopher R. Bice	AdvisorLaw LLC	NO	NO	1	G	Christopher R. Bice		Michael J. Ahlstrom, Esq.	1
20-00126	New York, NY	01/14/2020	09/03/2020	09/18/2020	JP Morgan Securities LLC	Satterlee Stephens LLP	Anthony Joseph Caravetta	FA Expungement LLC	NO	OB	1	G	Anthony Joseph Caravetta		Robert E. Anderson, Esq.	1
20-00131	Seattle, WA	01/14/2020	08/18/2020	10/29/2020	Transamerica Financial Advisors Incorporated	ISC	Matthew Thomas Bumstead	AdvisorLaw LLC	NO	NO	1	G	Matthew Thomas Bumstead		Stephany Adriene Watson, Esq.	2
20-00136	Philadelphia, PA	01/14/2020	07/14/2020	07/20/2020	Vanguard Marketing Corporation	ISC	Christopher E. Goudey; Michael P. Squier	Stradley Ronon et al.	NO	NO	2	G	Christopher E. Goudey; Michael P. Squier		James W. (Jim) Geiger	1
20-00148	Wilmington, DE	01/15/2020	08/12/2020	08/20/2020	Woodbury Financial Services Incorporated	ISC	Robert Willis Bruner	AdvisorLaw LLC	NO	NO	1	G	Robert Willis Bruner		Robert E. Anderson, Esq.	1
20-00190	New York, NY	01/20/2020	06/24/2020	07/08/2020	Morgan Stanley	ISC	Neil I. Canell	Kalberer LLP	NO	NO	1	G	Neil I. Canell		Joan M. Traub, Esq.	1
20-00191	New York, NY	01/20/2020	07/14/2020	07/17/2020	JP Morgan Securities Incorporated	Duane Morris LLP	Jason E. Latos	Kalberer LLP	NO	NO	1	G	Jason E. Latos		Gerald M. Levine	1
20-00196	Orlando, FL	01/21/2020	08/12/2020	08/18/2020	Securities America Incorporated	ISC	Dale Lawrence Cebert	HLBS Law	NO	OB/NO	3	G	Dale Lawrence Cebert		Mauricio Arcadier, JD	1
20-00197	Orlando, FL	01/21/2020	09/10/2020	09/24/2020	National Planning Corporation	Saretsky Hart et al.	Dale Lawrence Cebert	HLBS Law	NO	NO/NN	2	G	Dale Lawrence Cebert		John P. Cullem, Esq.	1
20-00224	Louisville, KY	01/22/2020	08/24/2020	08/27/2020	Raymond James Financial Services Incorporated	ISC	Thomas Parmelee Dupree Jr.	AdvisorLaw LLC	NO	NO	1	G	Thomas Parmelee Dupree Jr.		James W. (Jim) Geiger	1
20-00226	San Juan, PR	01/21/2020	07/14/2020	07/20/2020	UBS Financial Services Incorporated	ISC	Ricardo Eboli-Kodesh	McConnell Valdes LLC	NO	NO	1	G	Ricardo Eboli-Kodesh		Christopher J. Klein, Esq.	1
20-00239	New York, NY	01/22/2020	10/01/2020	10/28/2020	Wells Fargo Clearing Services LLC	ISC	Robert Lawrence Slovinsky	Law Offices of Alan S. Brodherson	NO	NO	6	G	Robert Lawrence Slovinsky		Gerald M. Levine	1
20-00250	Cincinnati, OH	01/23/2020	08/18/2020	08/24/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	William Troy Neat	AdvisorLaw LLC	NO	NO	2	G	William Troy Neat		Gregory P. Szuter, Esq.	1

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20-00263	Los Angeles, CA	01/23/2020	09/21/2020	10/15/2020	Independent Financial Group LLC	ISC	Cynthia Mary Couyoumjian	HLBS Law	NO	OB	1	G	Cynthia Mary Couyoumjian		Robert B. Hansohn	1
20-00295	New York, NY	01/24/2020	03/27/2020	04/07/2020	Citigroup Global Markets Incorporated	ISC	Cesar Chicayban Neto	Bressler Amery & Ross	NO	NO	1	G	Cesar Chicayban Neto		Madelon M. Rosenfeld, Esq.	1
20-00297	New Orleans, LA	01/24/2020	05/21/2020	05/29/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Theodore John Longo	Crowe & Dunlevy	NO	NO	1	G	Theodore John Longo		Lynne M. Gomez, Esq. - Chair; Brian P. Jakes, Sr.; Eric M. Schorr	1
20-00327	San Juan, PR	01/28/2020	06/25/2020	07/07/2020	UBS Financial Services Incorporated	McConnell Valdes LLC	Jose E. Chaves	Toro Colon et al.	NO	NO	1	G	Jose E. Chaves		Martin A. Feigenbaum, Esq.	1
20-00356	Los Angeles, CA	01/29/2020	08/05/2020	08/20/2020	JP Turner & Company LLC	ISC	Mark John Williams	Gordon Rees et al.	NO	OB	2	G	Mark John Williams		Robert E. Jenks	1
20-00362	Denver, CO	01/30/2020	09/01/2020	09/17/2020	Ameriprise Financial Services Incorporated	ISC	Scott Erwin Arrasmith	HLBS Law	NO	NO	1	G	Scott Erwin Arrasmith		Frances Johnson-Wright, Esq.	1
20-00390	Jacksonville, FL	02/03/2020	07/28/2020	07/30/2020	Morgan Keegan & Company LLC; Raymond James Financial Services Incorporated	ISC	Gregory Alan Scott	FA Expungement LLC	NO	UN	2	D		Gregory Alan Scott	Maurice M. Feller, Esq.	1
20-00397	Pittsburgh, PA	02/04/2020	07/28/2020	08/09/2020	Wells Fargo Clearing Services LLC	ISC	Josephine Frances Mastilak	AdvisorLaw LLC	NO	NO	1	G	Josephine Frances Mastilak		Catherine Stewart, Esq.	1
20-00412	Philadelphia, PA	02/04/2020	08/03/2020	08/07/2020	Wachovia Securities LLC	ISC	Jason Wayne Gonter	Lex Nova Law LLC	NO	NO	1	G	Jason Wayne Gonter		Mark H. Stein, JD - Chair; Emily Kay Declercq; Scott Steven Morrison (Dissents)	1
20-00421	Honolulu, HI	02/05/2020	08/07/2020	08/19/2020	H. Beck Incorporated	ISC	Katie Christine Buck	HLBS Law	NO	OB/NO	2	G/D	Katie Christine Buck		Arocles Aguilar	1
20-00423	Newark, NJ	02/05/2020	09/02/2020	09/23/2020	First Union Brokerage Services Incorporated	ISC	Sylvester Knox	AdvisorLaw LLC	NO	NO	1	G	Sylvester Knox		Louis H. Miron, Esq.	1
20-00427	Newark, NJ	02/05/2020	10/05/2020	10/27/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Sylvester Knox	AdvisorLaw LLC	NO	UN	6	D	Sylvester Knox		Annamaria Boccia-Smith, Esq. (fka Annamaria Boccia-Kovarcik, Esq.)	1
20-00428	Newark, NJ	02/05/2020	10/07/2020	10/14/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Sylvester Knox	AdvisorLaw LLC	NO	OB/NO	6	D	Sylvester Knox		Annamaria Boccia-Smith, Esq. (fka Annamaria Boccia-Kovarcik, Esq.)	1
20-00434	Los Angeles, CA	02/05/2020	08/24/2020	09/11/2020	New England Securities	No-show	Ryan O. Haslam	HLBS Law	NO*	NO	1	G	Ryan O. Haslam		Morris S. Getzels, Esq.	1
20-00435	Newark, NJ	02/05/2020	10/09/2020	10/28/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Sylvester Knox	AdvisorLaw LLC	NO	UN	5	D	Sylvester Knox		Annamaria Boccia-Smith, Esq. (fka Annamaria Boccia-Kovarcik, Esq.)	1
20-00441	San Francisco, CA	02/05/2020	06/16/2020	07/24/2020	LPL Financial LLC	ISC	Jane Alison Scarbrough	Ghabai Law Group LLC	NO	OB	1	G	Jane Alison Scarbrough		Helen Marinak Blohm, Esq. (fka Helen M. Marinak, Esq.)	2
20-00444	San Juan, PR	02/06/2020	08/20/2020	09/04/2020	UBS Financial Services Incorporated	ISC	Anita M. Brennan; Marina Sonya Tudela	McConnell Valdes LLC	NO	NO	6	G	Anita M. Brennan; Marina Sonya Tudela		Martin A. Feigenbaum, Esq.	1
20-00445	Orlando, FL	02/06/2020	10/19/2020	10/30/2020	New England Securities	No-show	Frankie Ricardo Brin	HLBS Law	NO	NO	1	G	Frankie Ricardo Brin		Gayle B. Carlson, Esq.	1

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											Expunge-ment Requests	Expunge-ment Requests				
20-00446	Boca Raton, FL	02/06/2020	07/13/2020	07/23/2020	Wells Fargo Clearing Services LLC	ISC	Michael Smith Kelleher; Peter V. Caruso	Stein & Stein	NO	NO-D	2	G	Michael Smith Kelleher; Peter V. Caruso		Carl Shechter, Esq. - Chair; Robert G. Falbisaner; Robert J. Harvey	1
20-00449	Orlando, FL	02/07/2020	09/09/2020	09/18/2020	Voya Financial Advisors Incorporated	Winget Spadafora & Schwartzberg	Frankie Ricardo Brin	HLBS Law	NO	NO	1	G	Frankie Ricardo Brin		Gail E. Sasnett, MS, JD (fka Gail E. Sasnett-Stauffer, MS, JD)	1
20-00484	Boston, MA	02/11/2020	09/15/2020	09/18/2020	Gleacher & Company Securities Incorporated	No-show	John W. Ohi	AdvisorLaw LLC	NO	NO	1	G	John W. Ohi		Howard N. Gomey	1
20-00489	Detroit, MI	02/12/2020	10/06/2020	10/22/2020	AG Edwards & Sons Incorporated	ISC	Gerard Thaddeus Taylor	HLBS Law	NO	NN	1	G	Gerard Thaddeus Taylor		Lee Hornberger, JD	1
20-00494	Buffalo, NY	02/11/2020	08/05/2020	08/12/2020	Berthel Fisher & Company Financial Services Incorporated	ISC	Alexander L. Skabry	AdvisorLaw LLC	NO	NO	1	G	Alexander L. Skabry		Tracy L. Allen, Esq.	1
20-00497	Cincinnati, OH	02/12/2020	08/19/2020	08/28/2020	UBS Financial Services Incorporated	Bressler Amery & Ross	Shaun Perry Nicholson	HLBS Law	NO	NN	1	G	Shaun Perry Nicholson		Mark Alexander Sipper	1
20-00502	Detroit, MI	02/12/2020	08/12/2020	08/20/2020	LPL Financial LLC	ISC	Joshua M. Barron	Saretsky Hart et al.	NO	NO	1	G	Joshua M. Barron		Jeffrey Mark Bauer, Esq.	1
20-00503	New York, NY	02/12/2020	10/21/2020	10/27/2020	Laidlaw & Company (UK) Limited	ISC	James Ahern	Sichenzia Ross Ference LLP	NO	NO	3	G	James Ahern		Howard D. Jacob, Esq.	1
20-00506	Tampa, FL	02/14/2020	09/28/2020	10/05/2020	Investacorp Incorporated	ISC	Alan Douglass	Kaufman Dolowich & Voluck	NO	NO	2	G	Alan Douglass		Martin M. Van Luven	1
20-00537	New York, NY	02/14/2020	10/05/2020	10/21/2020	Citigroup Global Markets Incorporated	Kauff Laton Miller LLP	Anthony Kenneth Greier	AdvisorLaw LLC	NO	NO	1	G	Anthony Kenneth Greier		Robert E. Anderson, Esq.	1
20-00542	Dallas, TX	02/17/2020	09/23/2020	10/01/2020	Avantax Investment Services Incorporated	ISC	Jeffrey Thomas Dobyns	AdvisorLaw LLC	NO	NO	1	G	Jeffrey Thomas Dobyns		Frances Johnson-Wright, Esq.	1
20-00563	Boston, MA	02/17/2020	09/01/2020	09/14/2020	Morgan Stanley; Prudential Equity Group LLC	ISC (MS); Paduano & Weintraub (PEG)	John Brennan Zitzmann	Kalberer LLP	NO	NO/NN	3	G	John Brennan Zitzmann		Michael P. Breton	1
20-00570	New York, NY	02/18/2020	08/18/2020	08/25/2020	Cadaret Grant & Company Incorporated	ISC	Eugene James Long	FA Expungement LLC	NO	NO	1	G	Eugene James Long		Susan A. Romano	1
20-00571	Chicago, IL	02/18/2020	09/24/2020	10/01/2020	Commonwealth Financial Network	ISC	Scott Anthony Biestek	FA Expungement LLC	NO	NO	1	G	Scott Anthony Biestek		Steven H. Vogel, Esq.	1
20-00572	Columbus, OH	02/18/2020	09/08/2020	09/16/2020	Morgan Stanley	ISC	Dean Thomas Schockling	FA Expungement LLC	NO	NO	3	G/D	Dean Thomas Schockling		Robert J. Scafuri, Esq.	1
20-00592	New York, NY	02/19/2020	10/09/2020	10/16/2020	Morgan Stanley & Company LLC	ISC	Dominick John DiBona	AdvisorLaw LLC	NO	NO-D	1	G	Dominick John DiBona		Robert E. Anderson, Esq.	1
20-00601	New York, NY	02/20/2020	04/28/2020	05/01/2020	UBS Financial Services Incorporated	ISC	Mark Kravietz	Bressler Amery & Ross	NO	NO	1	G	Mark Kravietz		Anna Lascar	1
20-00623	Newark, NJ	02/21/2020	09/15/2020	09/18/2020	Hennion & Walsh Incorporated	ISC	John Vincent Wallace	ISC	NO	NO	1	G	John Vincent Wallace		Louis H. Miron, Esq.	1

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											Expunge-ment Requests	Expunge-ment Requests				
20-00626	Seattle, WA	02/21/2020	09/11/2020	09/18/2020	TD Ameritrade Incorporated	Kutak Rock LLP	Robert Dainard	Eversheds Sutherland (US) LLP	NO	NO	1	G	Robert Dainard		Kenneth James Pedersen - Chair; David William Hickman, JD; David E. Crowe	1
20-00627	San Francisco, CA	02/21/2020	09/17/2020	10/09/2020	TD Ameritrade Incorporated	Kutak Rock LLP	Daniel Chang; Steve Kim	Eversheds Sutherland (US) LLP	NO	NO	1	D		Daniel Chang; Steve Kim	Mary Margaret Bush, Esq. - Chair; Shawn Ridgell; Gary William England	2
20-00639	Louisville, KY	02/25/2020	09/09/2020	09/21/2020	Raymond James & Associates Incorporated	ISC	Robert A.A. Brewer	Maynard Cooper & Gale	NO	OB/NO	8	G/D	Robert A.A. Brewer		C. William (Bill) Swinford, Jr., Esq.	1
20-00644	Cincinnati, OH	02/25/2020	07/09/2020	07/17/2020	Kalos Capital Incorporated	ISC	Curvin Elwood Miller IV	FA Expungement LLC	NO	NO	1	G	Curvin Elwood Miller IV		Paul Lansing, Esq.	1
20-00645	Jacksonville, FL	02/25/2020	07/28/2020	07/30/2020	Morgan Keegan & Company Incorporated; Raymond James Financial Services Incorporated	ISC	Gregory Alan Scott	FA Expungement LLC	NO	UN	2	D		Gregory Alan Scott	Maurice M. Feller, Esq.	1
20-00664	Orlando, FL	02/27/2020	10/09/2020	10/21/2020	ProEquities Incorporated	Wiand Guerra King PA	Lawrence Aloysius Breen III	HLBS Law	NO	NN	1	G	Lawrence Aloysius Breen III		John P. Cullem, Esq.	1
20-00666	Orlando, FL	02/27/2020	09/24/2020	10/05/2020	VSR Financial Services Incorporated	ISC	Lawrence Aloysius Breen III	HLBS Law	NO	NO	1	G	Lawrence Aloysius Breen III		Stuart K. Furman	1
20-00669	San Francisco, CA	02/27/2020	07/16/2020	07/24/2020	Ni Advisors	ISC	Suihock Goy	Ulmer & Berne LLP	NO	NO	1	G	Suihock Goy		Dean J. Dietrich, Esq.	1
20-00678	Buffalo, NY	02/27/2020	08/17/2020	08/24/2020	AXA Advisors LLC	ISC	Lynda Martinsen	AdvisorLaw LLC	NO	OB	1	G	Lynda Martinsen		Michael D. McDowell	1
20-00683	New York, NY	02/28/2020	09/09/2020	09/25/2020	McBarron Capital LLC	No-show	E. Stewart Johnson	Locke Lord LLP	NO	OB	1	G	E. Stewart Johnson		Jill Pilgrim, Esq. - Chair; Betty Chen; Jay L. Zelesnick	1
20-00685	Orlando, FL	02/28/2020	08/12/2020	08/20/2020	Wells Fargo Advisors Financial Network LLC	ISC	James Walter Pillow Jr.	Shumaker Loop & Kendrick	NO	NO	1	G	James Walter Pillow Jr.		Stuart K. Furman - Chair; John Winslow Griesser; Bernard Hornick	1
20-00688	Denver, CO	02/28/2020	09/15/2020	10/19/2020	Geneos Wealth Management Incorporated	Kutak Rock LLP	Joseph Sylvester Sturniolo	HLBS Law	NO	NO	1	G	Joseph Sylvester Sturniolo		Frances Johnson-Wright, Esq.	1
20-00698	Tampa, FL	03/02/2020	09/02/2020	09/04/2020	Ameriprise Financial Services Incorporated	ISC	Armand Anthony Atkinson	Wolper Law Firm PA	NO	NO	1	G	Armand Anthony Atkinson		Mimi B. Osiason	1
20-00712	Newark, NJ	03/03/2020	08/04/2020	08/13/2020	FSC Securities Corporation	ISC	Christopher Paul Scalse	AdvisorLaw LLC	NO	NO	1	G	Christopher Paul Scalse		Joan M. Traub, Esq.	1
20-00714	New York, NY	03/03/2020	09/08/2020	09/17/2020	Summit Brokerage Services Incorporated	ISC	Christopher Paul Scalse	AdvisorLaw LLC	NO	NO	1	G	Christopher Paul Scalse		Anna Lascar	1
20-00725	Washington, DC	03/03/2020	09/15/2020	09/21/2020	Cambridge Investment Research Incorporated	ISC	John Edward Girouard	AdvisorLaw LLC	NO	NO	1	G	John Edward Girouard		Patricia Horan Latham, Esq.	1
20-00745	New York, NY	03/05/2020	08/11/2020	08/25/2020	Oppenheimer & Company Incorporated	ISC	Petar Arizanov	Lax & Neville	NO	NO	4	G	Petar Arizanov		Richard W. Cutler, Esq.	1
20-00746	Chicago, IL	03/05/2020	09/24/2020	09/29/2020	Wells Fargo Clearing Services LLC	ISC	Edward Lee Patzer	AdvisorLaw LLC	NO	NO	1	G	Edward Lee Patzer		Theodore W. Wroblecki, Esq.	1

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											Expunge-ment Requests	Expunge-ment Requests				
20-00757	Charlotte, NC	03/06/2020	09/29/2020	10/01/2020	Bank of America Investment Services Incorporated	Bressler Amery & Ross	Stanley Michael Ciotoli	AdvisorLaw LLC	NO	NO	1	G	Stanley Michael Ciotoli		Harvey R. Linder, Esq.	1
20-00771	Columbia, SC	03/06/2020	09/16/2020	09/18/2020	Transamerica Financial Advisors Incorporated	ISC	Noel Bateman Swain	FA Expungement LLC	NO	NO	1	G	Noel Bateman Swain		Gary E. Marcus	1
20-00789	New York, NY	03/09/2020	07/14/2020	07/23/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Christopher J. Battaglia	FA Expungement LLC	NO	NO	1	G	Christopher J. Battaglia		Susan A. Romano	1
20-00791	Philadelphia, PA	03/09/2020	09/23/2020	10/05/2020	Ameriprise Financial Services Incorporated	ISC	Steven Jablonski	FA Expungement LLC	NO	NO	1	G	Steven Jablonski		Joseph J. Dougherty, JD	1
20-00797	Los Angeles, CA	03/10/2020	08/26/2020	09/17/2020	Cabin Securities Incorporated	ISC	Sam Bhushan	HLBS Law	NO	NO	1	G	Sam Bhushan		Robert D. Sussin, Esq.	1
20-00798	San Diego, CA	03/10/2020	08/27/2020	09/10/2020	Burch & Company Incorporated	Berkowitz Oliver LLP	Sam Bhushan	HLBS Law	NO	NO	1	G	Sam Bhushan		Kevin K. Forrester, Esq.	1
20-00803	Augusta, ME	03/10/2020	10/07/2020	10/30/2020	LPL Financial LLC	ISC	Thomas Owen Shepard	AdvisorLaw LLC	NO	UN	1	D		Thomas Owen Shepard	Richard W. Dissen, Esq.	1
20-00810	Philadelphia, PA	03/10/2020	08/26/2020	09/17/2020	USA Financial Securities Corporation	ISC	Jeffrey Earl Bush Sr.	FA Expungement LLC	NO	NO	1	G	Jeffrey Earl Bush Sr.		Gregory J. Spadea	1
20-00823	Buffalo, NY	03/11/2020	09/01/2020	09/18/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Mark Anthony Eidlin	AdvisorLaw LLC	NO	NO	1	G	Mark Anthony Eidlin		Richard W. Dissen, Esq.	1
20-00882	Detroit, MI	03/17/2020	09/11/2020	09/14/2020	Edward D Jones & Company Limited Partnership	Law Offices of Robert J. Morad	Alicia M. McGovern	, Miller Canfield et al.	NO	NO	1	G	Alicia M. McGovern		Barry Goldman, Esq.	1
20-00884	New York, NY	03/17/2020	09/22/2020	09/24/2020	Citigroup Global Markets Incorporated	Kauff Laton Miller LLP	Robert Alan Franchini	AdvisorLaw LLC	NO	NN	1	G	Robert Alan Franchini		Joan M. Traub, Esq.	1
20-00886	Orlando, FL	03/17/2020	10/23/2020	10/30/2020	Citigroup Global Markets Incorporated	Kauff Laton Miller LLP	Heather D. Churchill	HLBS Law	NO	NO/NN	3	G	Heather D. Churchill		John P. Cullem, Esq.	1
20-00901	Houston, TX	03/18/2020	10/14/2020	10/27/2020	Sanders Morris Harris Incorporated	ISC	James Allen Neuenschwander	AdvisorLaw LLC	NO	NO	2	G	James Allen Neuenschwander		Lynne M. Gomez, Esq.	1
20-00902	Columbia, SC	03/18/2020	10/14/2020	10/27/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Michael Charles Pearson	AdvisorLaw LLC	NO	NO-D	2	G	Michael Charles Pearson		Michael J. Ahlstrom, Esq.	1
20-00903	Newark, NJ	03/18/2020	10/06/2020	10/19/2020	Investors Capital Corporation	ISC	William Scott Sheehan	AdvisorLaw LLC	NO	NO/NN	4	G	William Scott Sheehan		Joan M. Traub, Esq.	1
20-00905	Seattle, WA	03/18/2020	10/06/2020	10/29/2020	Wells Fargo Investments LLC	ISC	George Charter Harrison IV	AdvisorLaw LLC	NO	NO	1	G	George Charter Harrison IV		Kenneth James Pedersen	1
20-00915	Cincinnati, OH	03/20/2020	09/30/2020	10/20/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Gregory Gerrard Achten	Kalberer LLP	NO	OB	1	G	Gregory Gerrard Achten		David F. Barrett	1
20-00927	San Juan, PR	03/20/2020	09/28/2020	10/16/2020	UBS Financial Services Incorporated	ISC	Anita M. Brennan; Marina Sonya Tudela	McConnell Valdes LLC	NO	NO	2	G	Anita M. Brennan; Marina Sonya Tudela		Elena G. Rodriguez	1

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											Expunge-ment Requests	Expunge-ment Requests				
20-00948	Nashville, TN	03/23/2020	09/10/2020	09/24/2020	Merrill Lynch Pierce Fenner & Smith Incorporated	Bressler Amery & Ross	Montee Allan Sneed	AdvisorLaw LLC	NO	NO	1	G	Montee Allan Sneed		Michael J. Ahlstrom, Esq.	1
20-00955	Boca Raton, FL	03/23/2020	10/15/2020	10/27/2020	JP Morgan Securities LLC	ISC	Juan Carlos Freile Franco	Leon Cosgrove LLP	NO	OB	1	G	Juan Carlos Freile Franco		Carl Shechter, Esq.	1
20-00958	Denver, CO	03/23/2020	10/08/2020	10/21/2020	JP Morgan Securities LLC	Duane Morris LLP	Kelly Marie Stewart	HLBS Law	NO	OB/NO	3	G/D	Kelly Marie Stewart		Philip J. Glick, Esq.	1
20-00962	Baltimore, MD	03/24/2020	10/20/2020	10/26/2020	LPL Financial LLC	ISC	Vladimir Michael Greben	AdvisorLaw LLC	NO	OB	1	G	Vladimir Michael Greben		Richard E. Lauziere, CPA	1
20-00969	Minneapolis, MN	03/25/2020	10/15/2020	10/16/2020	LPL Financial LLC	ISC	Michael David Hess	AdvisorLaw LLC	NO	NO	1	G	Michael David Hess		Tracy L. Allen, Esq.	1
20-00972	Denver, CO	03/25/2020	09/28/2020	10/21/2020	Geneos Wealth Management Incorporated	Kutak Rock LLP	Lawrence Paul Finch	HLBS Law	NO	UN	1	D		Lawrence Paul Finch	Frances Johnson-Wright, Esq.	1
20-00988	Jacksonville, FL	03/26/2020	10/28/2020	10/30/2020	Edward D Jones & Company Limited Partnership	ISC	Gregory M. Smith	Wand Guerra King PA	NO	NO	1	G	Gregory M. Smith		Maurice M. Feller, Esq. - Chair; Mitchel Weiss, Esq.; Suzanne E. Reynolds-Brady	1
20-00996	Boca Raton, FL	03/26/2020	09/14/2020	09/17/2020	Banc of America Investment Services Incorporated	Bressler Amery & Ross	Joshua Matthew Garrett	HLBS Law	NO	NO	2	G	Joshua Matthew Garrett		Edward R. Niederriter, Esq.	1
20-01003	Boca Raton, FL	03/26/2020	10/05/2020	10/09/2020	Austin Atlantic Capital Incorporated	ISC	Rodger David Shay Jr.	HLBS Law	NO	NO	4	G	Rodger David Shay Jr.		James W. Geiger, Esq.	1
20-01029	Detroit, MI	03/30/2020	10/19/2020	10/23/2020	Citigroup Global Markets Incorporated	Kauff Laton Miller LLP	John William Boukamp III	Saretsky Hart et al.	NO	OB?	2	D		John William Boukamp III	Jeffrey Mark Bauer, Esq.	1
20-01060	Orlando, FL	04/01/2020	10/13/2020	10/16/2020	Taylor Capital Management Incorporated	No-show	Dean Robert Nowak	HLBS Law	NO	NO	3	G	Dean Robert Nowak		Mitchel Weiss, Esq.	1
20-01079	Memphis, TN	04/01/2020	06/11/2020	06/18/2020	Morgan Keegan & Company LLC	ISC	John Emory Wilfong	Bressler Amery & Ross	NO	NO	10	G	John Emory Wilfong		Harvey R. Linder, Esq.	1
20-01107	New Orleans, LA	04/03/2020	07/24/2020	08/19/2020	Citigroup Global Markets Incorporated; Morgan Stanley; UBS Financial Services Incorporated	ISC	Albert Edward Carpenter	Bressler Amery & Ross	NO	OB/NO	4	G	Albert Edward Carpenter		David A. Schuler	1
20-01127	Houston, TX	04/07/2020	09/29/2020	10/12/2020	Wells Fargo Clearing Services LLC	ISC	Dustin Elliott	FA Expungement LLC	NO	NO	2	G	Dustin Elliott		G. Maynard Green, JD	1
20-01133	Newark, NJ	04/06/2020	09/22/2020	09/25/2020	Lincoln Financial Advisors Corporation	ISC	Bruce Duncan Linger	Stradley Ronon et al.	NO	NO	1	G	Bruce Duncan Linger		Louis H. Miron Esq.	1
20-01158	Hartford, CT	04/08/2020	10/22/2020	10/29/2020	Cambridge Investment Research Incorporated; Portsmouth Financial Services	ISC	Michael Edward Chadwick	FA Expungement LLC	NO	NO	1	G	Michael Edward Chadwick		Steven R. Rolnick, Esq.	1
20-01184	New York, NY	04/10/2020	09/24/2020	09/25/2020	Oppenheimer & Company Incorporated	ISC	Michael Alexander Lackwood	Sichenzia Ross Ference LLP	NO	NO	1	G	Michael Alexander Lackwood		Michael S. Lazan, Esq.	1

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											Expunge-ment Requests	Expunge-ment Requests				
20-01199	Boca Raton, FL	04/13/2020	10/22/2020	10/29/2020	LPL Financial LLC; Sagepoint Financial Incorporated; SII Investments Incorporated	ISC (LPL, SF); Saretsky Hart et al. (SII)	Kevin William McBarron	Louviere Law Firm	NO	NO	2	G	Kevin William McBarron		Kimberly A. Gilmour, Esq.	1
20-01212	Los Angeles, CA	04/14/2020	09/11/2020	09/21/2020	UBS Financial Services Incorporated	ISC	David Joseph Van Acker; Paul Joseph Van Acker	Keesal Young & Logan	NO	NO	2	G	David Joseph Van Acker; Paul Joseph Van Acker		Robert E. Jenks	1
20-01359	New York, NY	04/29/2020	10/16/2020	10/21/2020	JP Turner & Company LLC	ISC	Rocco Guidici Pietro	Holcomb + Ward LLP	NO	NO	1	G	Rocco Guidici Pietro		Howard D. Jacob, Esq.	1
20-01365	Wichita, KS	04/30/2020	10/21/2020	10/29/2020	Kestra Investment Services LLC	D'Amura & Zaidman	Jeffrey Allen Breault	AdvisorLaw LLC	NO	OB	1	G	Jeffrey Allen Breault		Joseph Neal Richardson	1
20-01545	Buffalo, NY	05/15/2020	10/15/2020	10/30/2020	American Portfolios Financial Services Incorporated	No-show	Daniel Kautz	RJM Counsel PLLC	NO	NO	1	G	Daniel Kautz		Tracy L. Allen, Esq.	1
20-01600	Orlando, FL	05/19/2020	10/20/2020	10/30/2020	UBS Financial Services Incorporated	ISC	Victor Lizardi Jr.	Todd A. Zuckerbrod PA	NO	NO	1	G	Victor Lizardi Jr.		Thomas Joseph Atkinson, Sr., JD - Chair; Ron Pekoe; Ken Ziesenheim Esq.	1
20-01968	Newark, NJ	06/22/2020	09/09/2020	09/18/2020	Morgan Stanley	ISC	Jeffrey Michael Alecci	Bressler Amery & Ross	NO	NO/NN	3	G	Jeffrey Michael Alecci		Joan M. Traub, Esq.	1

	2015	2016	2017	2018 Updated Data		Total
Total Broker-Initiated Expungement Only Cases Filed	59	135	339	545	700	1778
Total Number of Customer Complaints Broker Requested To Be Expunged	102	300	756	1036	1360	3554
Highest Number of Customer Complaints Requested Expunged In One Case	10	13	24	13	29	
Total Cases (Three Arbitrators vs. Single Arbitrator)						Total
Three Arbitrator Cases	37	50	46	42	64	239
Single Arbitrator Cases	22	85	293	503	636	1539
Three Arbitrator Cases- %	63%	37%	14%	8%	10%	
Single Arbitrator Cases- %	37%	63%	86%	92%	90%	
Total Cases (Granted/Denied/Granted In Part)						Total
Expungement Recommendation Granted	55	109	276	444	593	1477
Expungement Recommendation Granted- Three Arbitrator Cases	34	39	41	37	57	208
Expungement Recommendation Granted- Single Arbitrator Cases	21	70	235	407	536	1269
Expungement Recommendation Granted- %	93%	81%	81%	81%	85%	
Expungement Recommendation Granted- Three Arbitrator Cases - %	92%	78%	89%	88%	89%	
Expungement Recommendation Granted- Single Arbitrator Cases- %	95%	82%	80%	87%	84%	
						Total
Expungement Denials	3	11	32	68	64	178
Expungement Denials- Three Arbitrator Cases	2	6	3	5	5	21
Expungement Denials- Single Arbitrator Cases	1	5	29	63	59	157
Expungement Denials- %	5%	8%	9%	12%	9%	
Expungement Denials- Three Arbitrator Cases-%	5%	12%	7%	12%	8%	
Expungement Denials- Single Arbitrator Cases-%	5%	7%	10%	13%	9%	
						Total
Expungement Granted In Part, Denied In Part	1	15	31	33	43	123
Expungement Granted In Part, Denied In Part- Three Arbitrator Cases	1	5	2	0	2	10
Expungement Granted In Part, Denied In Part- Single Arbitrator Cases	0	10	29	33	41	113
Expungement Granted in Part, Denied In Part - %	2%	11%	9%	6%	6%	
Total Cases (Respondent BD Objected vs. No Objection)						Total
Resp. Objected to Expungement	3	3	5	10	16	37

	2015	2016	2017	2018 Updated Data		Total
Resp. Did Not Object to Expungement	56	132	334	533	684	1739
Resp. Objected to Expungement- %	5%	2%	1%	2%	2%	
Resp. Did Not Object to Expungement- %	95%	98%	99%	98%	98%	
Expungements Denied When Resp. Objected	1	1	0	5	8	15
Expungements Granted In Part, Denied In Part When Resp. Objected	0	1	2	0	4	7
Expungements Denied When Resp. Did Not Object	1	2	2	5	56	66
Expungements Denied In Part, Granted In Part When Resp. Did Not Object	3	24	32	63	39	161
Expungements Denied At Least in Part When Resp. Objected-%	33%	67%	40%	50%	75%	
Expungements Denied When BD Did Not Object-%	5%	18%	10%	12%	14%	
Percent More Likely To Deny Expungment When BD Objects	660%	372%	418%	417%	536%	
Total Cases (Customer Objected vs. No Objection)						
Customer Objected to Expungement	2	22	54	63	106	247
Customer Did Not Object/Participate	54	105	273	482	557	1471
Customer Objected to Expungement-%	3%	16%	16%	12%	15%	
Customer Did Not Object/Participate- %	92%	78%	81%	88%	85%	
Expungements Denied When Customer Objected	0	2	9	14	9	34
Expungements Granted In Part, Denied In Part When Customer Objected	0	6	14	6	23	49
Expungements Denied When Customer Did Not Object	0	8	23	20	20	71
Expungements Denied At Least In Part When Customer Did Not Object	3	17	14	61	19	114
Expungements Denied At Least In Part When Customer Objected- %	0%	36%	43%	32%	30%	
Expungements Denied At Least In Part When Customer Did Not Object- %	6%	16%	5%	13%	7%	
Percent More Likely To Deny Expungment When Customer Objects	0%	225%	831%	244%	429%	

From: [Brooks, Kevin](#)
To: [Lisa Braganca](#)
Cc: [REDACTED]
Subject: RE: [REDACTED] Petition for Expungement
Date: Wednesday, May 5, 2021 5:20:44 PM

Lisa,

Equitable takes no position on the first and third requests. As for the second request, Equitable objects to you, your firm, or any other individual reviewing any confidential documents and information produced by Equitable in [REDACTED] v. *AXA Advisors, LLC*, No. 19-02986. Given the confidential and proprietary nature of those documents, the parties in the [REDACTED] matter expressly agreed that the documents would be used solely in connection with prosecuting, defending, and settling that matter. Further dissemination of the documents would destroy or diminish the value of such information, causing Equitable severe and irreparable harm. That concern is heightened by your vague reference below to sharing documents with your “firm [] and other counsel” for [REDACTED]. Moreover, those documents are irrelevant and beyond the scope of what is necessary to decide the pending expungement claim. The documents potentially responsive to the expungement claim—such as the Statement of Claim, the Answer, the settlement agreement, and [REDACTED] account documents—are within [REDACTED] possession already.

Thanks,

Kevin

Kevin W. Brooks

Senior Director & Counsel

[REDACTED]
[REDACTED]

From: Lisa Braganca [REDACTED]
Sent: Tuesday, May 4, 2021 4:36 PM
To: Brooks, Kevin [REDACTED]
Cc: [REDACTED]
Subject: FW: [REDACTED] Petition for Expungement

EXTERNAL EMAIL (Outside EQH Network): Use caution with links and attachments.

Mr. Brooks:

My firm has been retained by [REDACTED] to represent him in opposing [REDACTED] petition for expungement, FINRA Case No. 21-00022.

I spoke with Chris Seps this afternoon about several issues concerning the expungement hearing. First, we ask for a short postponement of the hearing date

because [REDACTED] is not available on May 20. Second, we ask for confirmation that my firm – and other counsel for [REDACTED] in this matter – may review documents and information that AXA may have designated as confidential in the underlying customer dispute. We agree to comply with the terms of any applicable confidentiality provisions. Finally, we ask whether you have any objection to our having access to the case on the FINRA Portal, to our bringing a court reporter to the hearing, and to our having one witness in addition to [REDACTED] testify at the hearing.

I look forward to hearing from you.

Lisa

Celiza (Lisa) Bragança | Bragança Law LLC

[REDACTED]

www.SECDefenseAttorney.com

How do you pronounce Bragança? Brah-gahn-sah or you can hear it here:

<https://youtu.be/RWXjKpmncG0>

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From: Lisa Braganca

Sent: Tuesday, May 4, 2021 12:55 PM

To: [REDACTED] >

Subject: [REDACTED] Petition for Expungement

Dear Mr. Seps:

As I mentioned in the voicemail message I left you, my firm has been retained by [REDACTED] to represent him in opposing [REDACTED] petition for expungement, FINRA Case No. 21-00022. I would have included Kevin Brooks of AXA Advisors on this message but cannot because I do not have contact information for him. I would appreciate your providing that to me at your earliest convenience. I will be informing FINRA of our appearance shortly.

We plan to request a short postponement of the May 20 expungement hearing. I am available to talk with you and Mr. Brooks about alternative dates and to discuss other issues concerning the expungement hearing. You can reach me at [REDACTED].

I look forward to working with you.

Lisa

Celiza (Lisa) Bragança | Bragança Law LLC



www.SECDefenseAttorney.com

How do you pronounce Bragança? Brah-gahn-sah or you can hear it here:

<https://youtu.be/RWXjKpmncGO>

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