

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Jadina Lilien

Case Number: 19-02691

vs.

Respondents
Morgan Stanley
Nancy Dawn Glassman

Hearing Site: New York, New York

Awards are rendered by independent arbitrators who are chosen by the parties to issue final, binding decisions. FINRA makes available an arbitration forum—pursuant to rules approved by the SEC—but has no part in deciding the award.

Nature of the Dispute: Customer vs. Member and Associated Person

REPRESENTATION OF PARTIES

For Claimant Jadina Lilien: Elizabeth Goldman, Securities Arbitration Clinic, Benjamin N. Cardozo School of Law, New York, New York.

For Respondents Morgan Stanley and Nancy Dawn Glassman: Andrew Gelfand, Esq., Morgan Stanley, New York, New York.

*FINRA recorded the appearance of Claimant's counsel at the time of filing of the Statement of Claim. Counsel's representation of Claimant may have ended with the parties' settlement. Please see the Other Issues Considered and Decided section of this Award for information on whether Claimant's counsel appeared at the expungement hearing.

CASE INFORMATION

Statement of Claim filed on or about: September 6, 2019.
Jadina Lilien signed the Submission Agreement: September 6, 2019.

Joint Statement of Answer filed by Respondents on or about: December 9, 2019.
Morgan Stanley signed the Submission Agreement: December 19, 2019.
Nancy Dawn Glassman signed the Submission Agreement: December 19, 2019.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: unsuitability; unjust enrichment; breach of contract; breach of fiduciary; negligence; respondeat superior liability; and failure to supervise.

The causes of action relate to stocks and bonds.

Unless specifically admitted in the Joint Statement of Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested damages of \$50,000.00, attorneys' fees, interest, and costs.

In the Statement of Answer, Respondents requested that the Panel dismiss all of Claimant's claims.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrator acknowledges having read the pleadings and other materials filed by the parties.

On December 2, 2020, Claimant filed a notice of settlement and dismissal with prejudice. Respondents also filed a notice requesting that FINRA keep the matter open so that Respondent Nancy Dawn Glassman may seek expungement. Therefore, the Arbitrator made no determination with respect to any of the relief requests contained in the Statement of Claim.

On January 8, 2021, Respondent Nancy Dawn Glassman filed a Motion for Expungement of Occurrence Numbers 2049385 and 2035451. On January 18, 2021, Claimant filed an Opposition to Respondent Nancy Dawn Glassman's Motion for Expungement.

On May 17, 2021, Claimant filed an affidavit in opposition to Respondent Nancy Dawn Glassman request for expungement.

The Arbitrator conducted a recorded, telephonic hearing on May 18, 2021, so the parties could present oral argument and evidence on Nancy Dawn Glassman's request for expungement.

Claimant's counsel participated in the expungement hearing and opposed the request for expungement.

The Arbitrator reviewed Nancy Dawn Glassman's BrokerCheck® Report. The Arbitrator noted that a prior arbitration panel or court has not previously ruled on expungement of the same occurrences in the CRD.

The Arbitrator also reviewed the settlement documentation, considered the amount of payment made to any party to the settlement, and considered other relevant terms and conditions of the settlement. The Arbitrator noted that the settlement was not conditioned on any party to the settlement not opposing the request for expungement and that Nancy Dawn Glassman did not contribute to the settlement amount.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: the pleadings; motion for expungement and exhibits; Claimant's Opposition to Motion for expungement; Respondent Nancy Dawn Glassman's BrokerCheck® Report; the Settlement Agreement; and Respondent Nancy Dawn Glassman's testimony.

AWARD

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

1. The Arbitrator recommends the expungement of all references to Occurrence Number 2035451 and the above-captioned arbitration (Occurrence Number 2049385) from registration records maintained by the CRD for Respondent Nancy Dawn Glassman (CRD Number 1734992) with the understanding that, pursuant to Notice to Members 04-16, Respondent Nancy Dawn Glassman must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by FINRA, parties seeking judicial confirmation of an arbitration award containing expungement relief must name FINRA as an additional party and serve FINRA with all appropriate documents.

Pursuant to Rule 12805 of the Code of Arbitration Procedure (“Code”), the Arbitrator has made the following Rule 2080 affirmative finding of fact:

The claim, allegation, or information is factually impossible or clearly erroneous; and

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

It was clear from the testimony of Ms. Glassman and the documentary evidence presented that Claimant’s allegations in the Statement of Claim were not true. In a series of emails entered into evidence, Claimant was obviously very involved in her investments and was quite knowledgeable of the meaning her investment profile “moderately aggressive” which she referred to several times. Claimant was not the novice she claimed to be. The motion for expungement presented compelling evidence. It depicted Claimant’s interest in possibly investing in marijuana and bitcoin, neither of which is conservative.

2. Any and all claims for relief not specifically addressed herein are denied.

FEES

Pursuant to the Code of Arbitration Procedure (“Code”), the following fees are assessed:

Filing Fees

FINRA Dispute Resolution Services assessed a filing fee* for each claim:

Initial Claim Filing Fee	=\$ 600.00
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**The filing fee is made up of a non-refundable and a refundable portion.*

FINRA Dispute Resolution Services previously deferred Claimant’s filing fee of \$600.00. Upon conclusion of the matter, the Arbitrator determined to waive the \$150.00 non-refundable portion of the filing fee.

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the event giving rise to the dispute. Accordingly, as a party, Respondent Morgan Stanley is assessed the following:

Member Surcharge	= \$ 750.00
Member Process Fee	= \$ 1,750.00

Hearing Session Fees and Assessments

The Arbitrator has assessed hearing session fees for each session conducted. A session is any meeting between the parties and the Arbitrator, including a pre-hearing conference with the Arbitrator, which lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) pre-hearing sessions with a single Arbitrator @ \$450.00/session	= \$ 900.00
Pre-Hearing Conferences: January 17, 2020	1 session
September 23, 2020	1 session
One (1) hearing session on expungement request @ \$450.00/session	= \$ 450.00
Hearing: May 18, 2021	1 session

Total Hearing Session Fees	= \$ 1,350.00
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The Arbitrator has assessed \$450.00 of the hearing session fees to Claimant.

The Arbitrator has assessed \$450.00 of the hearing session fees jointly and severally to Respondents.

The Arbitrator has assessed the \$450.00 hearing session fees for the May 18, 2021 expungement hearing to Respondent Nancy Dawn Glassman.

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

ARBITRATOR

Julian F. Santos

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Sole Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

Arbitrator's Signature

Julian F. Santos

Julian F. Santos
Sole Public Arbitrator

06/02/2021

Signature Date

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June 03, 2021

Date of Service (For FINRA Dispute Resolution Services use only)