

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Zhi Min Li

Case Number: 20-00804

vs.

Respondent
National Financial Services LLC

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: Associated Person vs. Member

The evidentiary hearing was conducted by videoconference.

REPRESENTATION OF PARTIES

For Claimant Zhi Min Li: Dochter Kennedy, MBA, J.D. and Chelsea Masters, Esq., AdvisorLaw, LLC, Westminster, Colorado.

For Respondent National Financial Services LLC: David I. Hantman, Esq., Bressler, Amery & Ross, PC, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: March 10, 2020.

Zhi Min Li signed the Submission Agreement: March 10, 2020.

Statement of Answer filed by Respondent on or about: May 1, 2020.

National Financial Services LLC signed the Submission Agreement: June 16, 2020.

CASE SUMMARY

In the Statement of Claim, Claimant asserted a claim seeking expungement of Form U5/Termination corresponding with Occurrence Number 1968985 based on the defamatory nature of the entry in Claimant's Central Registration Depository ("CRD") records.

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

RELIEF REQUESTED

In the Statement of Claim, Claimant requested an award granting expungement of the Form U5 amendments, and those relevant portions of the Form U4, from Claimant's CRD record on the basis that the statement is defamatory in nature, misleading, inaccurate, and/or erroneous; expungement of the "Yes" answers to Questions 7B and 7F(2) of Claimant's Form U5; amending those "Yes" responses to "No;" and a deletion of any of the accompanying Internal Review and Termination Disclosure Reporting Pages in their entirety; compensatory damages in the amount of \$1.00 from Respondent; and any other relief as deemed just and equitable.

In the Statement of Answer, Respondent requested that the Arbitrator dismiss the Statement of Claim in its entirety; assess all forum fees and costs against Claimant; and for such other, further and different relief as may be deemed appropriate.

At the hearing, Claimant withdrew the request for \$1.00 in damages.

OTHER ISSUES CONSIDERED AND DECIDED

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

The Arbitrator conducted a recorded hearing by videoconference on February 23 and 24, 2021, so the parties could present oral argument and evidence on Claimant's request for expungement.

AWARD

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

1. Claimant's claims are denied in their entirety.
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 =\$ 50.00

**The filing fee is made up of a non-refundable and a refundable portion.*

Member Fees

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

Member Surcharge = \$ 150.00

Hearing Session Fees and Assessments

The Arbitrator has assessed hearing session fees for each session conducted. A session is any meeting between the parties and the Arbitrator, 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 @ \$50.00/session = \$ 100.00
Pre-Hearing Conferences: June 30, 2020 1 session
December 22, 2020 1 session

Three (3) hearing sessions on expungement request @ \$50.00/session = \$ 150.00
Hearings: February 23, 2021 2 sessions
February 24, 2021 1 session

Total Hearing Session Fees = \$ 250.00

The Arbitrator has assessed \$62.50 of the hearing session fees to Claimant.

The Arbitrator has assessed \$187.50 of the hearing session fees to Respondent.

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

ARBITRATOR

Joseph I. Liebman

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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

Joseph I. Liebman

Joseph I. Liebman
Sole Public Arbitrator

03/01/2021

Signature Date

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March 02, 2021

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