

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Jay Allan Ambroson

Case Number: 20-01128

vs.

Respondent
Gould, Ambroson & Associates Ltd.

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 Jay Allan Ambroson: Harris Freedman, Esq. and Dochter Kennedy, MBA, J.D., AdvisorLaw, LLC, Westminster, Colorado.

Respondent Gould, Ambroson & Associates Ltd.: Jay Allan Ambroson, Gould, Ambroson & Associates Ltd., Westbury, New York.

CASE INFORMATION

Statement of Claim filed on or about: April 6, 2020.

Jay Allan Ambroson signed the Submission Agreement: April 6, 2020.

Statement of Answer filed by Respondent on or about: April 9, 2020.

Gould, Ambroson & Associates Ltd. signed the Submission Agreement: April 14, 2020.

CASE SUMMARY

In the Statement of Claim, Claimant asserted a claim seeking expungement of customer dispute information from registration records maintained by the Central Registration Depository (“CRD”).

In the Statement of Answer, Respondent did not oppose Claimant’s expungement request.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested: expungement of Occurrence Numbers 1985271, 1985270, 1996706, 1996705, 2032520, 2032519, 2033222, and 2033221, compensatory damages in the amount of \$1.00 from Respondent; and any and all other relief that the Arbitrator deems just and equitable.

In the Statement of Answer, Respondent requested the Arbitrator deny Claimant's request for compensatory damages in the amount of \$1.00.

At the close of 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.

On August 31, 2020, Claimant advised that the customers in Occurrence Numbers 1985271, 1985270, 1996706, 1996705, 2032520, 2032519, 2033222, and 2033221 ("customers") were served with the Statement of Claim and with notice of the date and time of the expungement hearing.

The Arbitrator conducted a recorded, videoconference hearing on January 6, 2021 so the parties could present oral argument and evidence on Claimant's request for expungement.

Respondent did not participate in the expungement hearing and, as stated in the Statement of Answer, did not oppose the request for expungement.

The customers in Occurrence Numbers 1985271, 1985270, 1996706, 1996705, 2032520, 2032519, 2033222, and 2033221 also did not participate in the expungement hearing. The Arbitrator found that the customers had notice of the expungement request and hearing.

The Arbitrator reviewed Claimant's BrokerCheck® Report. The Arbitrator noted that a prior arbitration panel or court did not previously rule on expungement of the same occurrences in the CRD.

The Arbitrator also reviewed the settlement documents, considered the amount of payments made to any party to the settlements, and considered other relevant terms and conditions of the settlements. The Arbitrator noted that the settlements were not conditioned on any party to the settlement not opposing the expungement request and that Claimant contributed to all the settlement amounts. Expungement is still appropriate as Mr. Ambroson in his individual capacity, as well as the Respondent firm where he was the principal owner, Gould, Ambroson & Associates, Ltd. was sued in arbitration by the underlying customer complainants and the settlements were entered into without any admission of liability and to avoid expensive, burdensome and protracted litigation and in the interest of the Claimant.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: pleadings, exhibits, Claimant's credible testimony, Claimant's BrokerCheck® Report, and the settlement documents.

AWARD

After considering the pleadings, the testimony and evidence presented at the expungement hearing, and any post-hearing submissions, 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 Numbers 1985271, 1985270, 1996706, 1996705, 2032520, 2032519, 2033222, and 2033221 from registration records maintained by the CRD for Claimant Jay A. Ambrosion (CRD Number 2997245) with the understanding that, pursuant to Notice to Members 04-16, Claimant Jay A. Ambrosion must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

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

Pursuant to Rule 13805 of the Code of Arbitration Procedure ("Code"), the Arbitrator has made the following Rule 2080 affirmative findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous; the registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds; and the claim, allegation, or information is false.

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

Particularly persuasive is the documentary evidence contained in the pleadings and exhibits introduced by the Claimant in this case, which indicated that the allegations initially alleged by the underlying customers as to the Claimant here were attributable to the activities of a business associate of the Claimant, who as a consequence of his efforts to "sell away" and defraud the underlying complaining customer, for which illegal acts he was prosecuted and plead guilty. Selling away is the act of selling products to clients of the Respondent in this case which were prohibited in the policy manual of the Respondent and without permission from Mr. Ambrosion. Additionally, the Arbitrator relied on the credible testimony of the Claimant which testimony was internally consistent, and no evidence or testimony was controverted in any respect by testimony or other documentary exhibit.

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

FEES

Pursuant to the Code, the following fees are assessed:

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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 Gould, Ambrosion & Associates Ltd. 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:

One (1) pre-hearing session with a single Arbitrator @ \$50.00/session	=\$	50.00
Pre-hearing Conference: July 30, 2020		1 session

One (1) hearing session on expungement request @ \$50.00/session	=\$	50.00
Hearing Date: January 6, 2021		1 session

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

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

01/28/2021

Signature Date

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January 29, 2021

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