

**Award**  
**FINRA Dispute Resolution Services**

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In the Matter of the Arbitration Between:

Claimant  
Pedro Henrique Dias

Case Number: 20-01464

vs.

Respondent  
J.P. Morgan Securities LLC

Hearing Site: New York, New York

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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

This case was administered under the Special Proceeding option for simplified cases.

**REPRESENTATION OF PARTIES**

For Claimant Pedro Henrique Dias: Dochter Kennedy, MBA, J.D., and Kurt Zimmerman, J.D., AdvisorLaw LLC, Westminster, Colorado.

For Respondent J.P. Morgan Securities, LLC: Jeffrey S. Dunlap, Esq., and McClellon D. Cox, Esq., Ulmer & Berne LLP, Cleveland, Ohio.

**CASE INFORMATION**

Statement of Claim filed on or about: May 8, 2020.

Pedro Henrique Dias signed the Submission Agreement: May 8, 2020.

Statement of Answer filed by Respondent on or about: July 17, 2020.

J.P. Morgan Securities LLC signed the Submission Agreement: January 13, 2021.

**CASE SUMMARY**

In the Statement of Claim, Claimant asserted a claim seeking expungement of Form U5 Termination Disclosure information from registration records maintained by the Central Registration Depository (“CRD”).

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:

- 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, and/or erroneous, to include:
  - amendment of the Reason for Termination entry in Section 3 of Claimant's Form U5 to read "Voluntary;"
  - subsequent expungement of the Reason for Termination explanation on Claimant's CRD; and
  - amendment of the answer to question 7F(1) of Claimant's Form U5, from "Yes" response to "No."
- compensatory damages in the amount of \$1.00 from Respondent; and
- any other relief that the Arbitrator deems just and equitable.

In the Statement of Answer, Respondent requested that all claims asserted by Claimant be dismissed in their entirety; all attorneys' fees, forum fees, and costs incurred in the defense of this action be assessed against Claimant; and any other relief as deemed just and proper.

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.

The Arbitrator conducted a recorded, telephonic hearing on January 14, 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 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 the Termination Explanation in Section 3 of Pedro Henrique Dias' (CRD Number 6106433) Form U5 filed by J.P. Morgan Securities LLC on September 26, 2019 and maintained by the CRD. The Termination Explanation shall be replaced with the following language: "Registered Rep was terminated for allegedly requesting, at the request of the Rep's customer, that a co-worker change the customer name and address on a previously completed and signed banking document." The Reason for Termination shall remain the same. This directive shall apply to all references to the Termination Explanation.
2. The Arbitrator further recommends expungement of the response to Question 4 on the Termination Disclosure Reporting Page concerning Occurrence Number 2047325. The response to Question 4 shall be deleted and replaced with the following language: "Registered Rep was terminated for allegedly requesting, at the request of the Rep's customer, that a co-worker change the customer name and address on a previously

completed and signed banking document.” This directive shall apply to all references to the response to the question concerning allegations on the Termination DRP.

3. The above recommendations are made based on the defamatory nature of the information. The registration records are not automatically amended to include the changes indicated above. Claimant Pedro Henrique Dias must forward a copy of this Award to FINRA’s Credentialing, Registration, Education and Disclosure Department (“CRED”) for review.
4. Any and all claims for relief not specifically addressed herein, including any requests for attorneys’ fees, are denied.

**FEES**

Pursuant to the 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
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*\*The filing fee is made up of a non-refundable and a refundable portion.*

**Member Fees**

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

Member Surcharge	=\$	150.00
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**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: August 25, 2020	1 session	

One (1) hearing session on expungement request @ \$50.00/session	=\$	50.00
Hearing Date: January 14, 2021	1 session	

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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**

Sandra J. Mullings

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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**

***Sandra J. Mullings***

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Sandra J. Mullings  
Sole Public Arbitrator

**01/26/2021**

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Signature Date

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January 27, 2021

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