

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant Case Number: 20-01927
Brandon Matthew Sobel

vs.

Respondent Hearing Site: New York, New York
Morgan Stanley

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

REPRESENTATION OF PARTIES

For Claimant Brandon Matthew Sobel: Benjamin Winograd, Esq., AdvisorLaw, LLC, Westminster, Colorado.

For Respondent Morgan Stanley: Abigail D. Elrod, Esq., Morgan Stanley, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: June 18, 2020.

Claimant signed the Submission Agreement: June 18, 2020.

Statement of Answer filed by Respondent on or about: September 10, 2020.

Respondent signed the Submission Agreement: August 10, 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 took no position on the allegations made in the Statement of Claim.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested expungement of Occurrence Number 1964930; 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 objected to Claimant's request for compensatory damages.

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 December 15, 2020, Claimant advised that the customer in Occurrence Number 1964930 was served with the Statement of Claim and with notice of the date and time of the expungement hearing.

The Arbitrator conducted a recorded, telephonic hearing on January 21, 2021 so the parties could present oral argument and evidence on Claimant's request for expungement.

Respondent participated in the expungement hearing and did not oppose the request for expungement.

The customer 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 occurrence in the CRD.

The Arbitrator also reviewed the settlement documents, considered the amount of payments 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 expungement request and that Claimant did not contribute to the settlement amount.

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

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 Number 1964930 from registration records maintained by the CRD for Claimant Brandon Matthew Sobel (CRD Number 4464190) with the understanding that, pursuant to Notice to Members 04-16, Claimant Brandon Matthew Sobel 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; and the claim, allegation, or information is false.

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

The customer is a high-asset, sophisticated investor and had numerous accounts opened with Respondent (at least 10 discretionary accounts and the two non-discretionary accounts at issue here). When Claimant moved to a different firm, the customer moved with him, signifying the customer's satisfaction with Claimant's performance. The customer's periodic Account Confirmations show a risk tolerance ranging over the years between aggressive and moderate, depending upon the individual account, and investment objectives of Speculation and Capital Appreciation generally topping the list. The customer received monthly statements and confirmations of every transaction, and was in very frequent contact with Claimant, including many in-person meetings to discuss investment strategy. The customer approved every transaction in the non-discretionary accounts. Claimant's BrokerCheck reflects only this single complaint over Claimant's almost 20-year period of employment in the industry.

2. Any and all claims for relief not specifically addressed herein 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 events giving rise to the dispute. Accordingly, as a party, Respondent Morgan Stanley 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: October 7, 2020	1 session	

One (1) hearing session on expungement request @ \$50.00/session	= \$	50.00
Hearing Date: January 21, 2121	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

Joan M. Traub

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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

Joan M. Traub

Joan M. Traub
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)