

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Matthew Mason

Case Number: 20-02379

vs.

Respondent
J.P. Morgan Securities LLC

Hearing Site: Dallas, Texas

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 Matthew Mason (“Claimant”): Stephan Louviere, Esq., Louviere Law Firm, P.A., Pompano Beach, Florida.

For Respondent J.P. Morgan Securities LLC (“Respondent”): Jeffrey S. Dunlap, Esq. and Trevor J. Hardy, Esq., Ulmer & Berne LLP, Cleveland, Ohio.

CASE INFORMATION

Statement of Claim filed on or about: July 28, 2020.
Claimant signed the Submission Agreement: July 27, 2020.

Statement of Answer filed on or about: September 11, 2020.
Respondent signed the Submission Agreement: September 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 denied the allegations made in the Statement of Claim.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested expungement of Occurrence Number 1630685 and an award of compensatory damages in the amount of \$1.00.

In the Statement of Answer, Respondent opposed the relief sought by Claimant.

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

OTHER ISSUES CONSIDERED AND DECIDED

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

On September 11, 2020, Respondent filed a Motion to Dismiss Pursuant to FINRA Rule 13206 ("Motion to Dismiss"). On October 11, 2020, Claimant filed an Opposition to the Motion to Dismiss. On November 17, 2020, the Arbitrator heard oral arguments on the Motion to Dismiss and other matters. In an Order dated the same day, the Arbitrator denied the Motion to Dismiss.

On January 20, 2021, Claimant advised that the customer in Occurrence Number 1630685 ("Customer") was served with the Statement of Claim and notice of the date and time of the expungement hearing ("Notice"). Claimant also filed a copy of the FedEx tracking information available online for the Notice.

The Arbitrator conducted a recorded, telephonic hearing on February 10, 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 take a position on the request for expungement.

The Customer did not participate in the expungement hearing. The Arbitrator found that the Customer 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 was unable to review a copy of the settlement documentation. The Arbitrator noted that Respondent was unable to locate a copy of the settlement documentation. The Arbitrator determined that Claimant was not involved in the underlying arbitration or the settlement and did not contribute to the settlement amount.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: Claimant's testimony, the pleadings, Claimant's Exhibits A-J, and Respondent's Exhibits A-B.

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:

The Arbitrator recommends the expungement of all references to Occurrence Numbers 1630685 from registration records maintained by the CRD for Claimant Matthew Reese Mason (CRD Number 4584659) with the understanding that, pursuant to Notice to Members

04-16, Claimant Matthew Reese Mason 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 approached Claimant, a representative of Chase (now JP Morgan), with funds to invest following her husband's death. Claimant had several meetings with the Customer and ultimately recommended that she place around a third of her funds into cash, a third into a diversified mutual fund, and a third into a variable annuity. The Customer informed Claimant that she intended to return to work. He structured his recommendation (using the Chase investment software tools) so that cash was available for short term needs, the mutual fund was for short to middle term needs, and the variable annuity was to supplement her retirement income. Claimant was informed of both the benefits and downsides (e.g. penalties for early withdrawal) of the variable annuity. Unfortunately, the Customer quickly spent the cash, liquidated the mutual fund, and began to take withdrawals from the annuity. The Customer complained to Claimant about the variable annuity. Her complaint, after being referred to his supervisors at Chase, was denied. After Claimant left Chase, the Customer's attorney submitted a demand letter and then commenced an arbitration against Chase, complaining solely about the variable annuity. That arbitration was settled. Claimant was not consulted and did not contribute to the settlement. Based on the testimony and evidence presented, I find that the investments recommended to the Customer were suitable and that no misrepresentations were made by Claimant.

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 firms that employed the associated persons at the time of the events giving rise to the dispute. Accordingly, as a party, Respondent is assessed the following:

Member Surcharge Fee = \$ 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 @ \$50.00/session = \$ 50.00
Pre-Hearing Conference: November 17, 2020 1 session

One (1) hearing session on expungement request @ \$50.00/session = \$ 50.00
Hearing: February 10, 2021 1 session

Total Hearing Session Fees = \$ 100.00

The Arbitrator has assessed \$75.00 of the hearing session fees to Claimant.

The Arbitrator has assessed \$25.00 of the hearing session fees to Respondent.

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

ARBITRATOR

Eric Ross Cromartie

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Sole Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument, which is my award.

Arbitrator's Signature

Eric Ross Cromartie

Eric Ross Cromartie
Sole Public Arbitrator

02/16/2021

Signature Date

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February 16, 2021

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