

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

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In the Matter of the Arbitration Between:

Claimant  
Becky Lynn Mathre

Case Number: 20-02554

vs.

Respondent  
Royal Alliance Associates, Inc.

Hearing Site: Houston, Texas

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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

**REPRESENTATION OF PARTIES**

For Claimant Becky Lynn Mathre (“Claimant”): Chelsea Masters, Esq. and Dochter Kennedy, Esq., AdvisorLaw, LLC, Westminster, Colorado.

For Respondent Royal Alliance Associates, Inc. (“Respondent”): James V. Noblett, Esq., Advisor Group, Inc., Jersey City, New Jersey.

**CASE INFORMATION**

Statement of Claim filed on or about: August 11, 2020.  
Claimant signed the Submission Agreement: August 10, 2020.

Statement of Answer filed on or about: August 24, 2020.  
Respondent signed the Submission Agreement: August 24, 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 Number 129268, compensatory damages in the amount of \$1.00, and any and all other relief that the Arbitrator deems just and equitable.

In the Statement of Answer, Respondent did not request any relief.

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.

On December 21, 2020, Claimant advised that the customer in Occurrence Number 129268 (“Customer”) was served with the Statement of Claim and notice of the date and time of the expungement hearing (“Notice”). On December 29, 2020, Claimant filed an Affidavit confirming the Customer was served with the Notice. Claimant also filed a copy of the FedEx tracking information available online for the Notice.

On March 7, 2021, the Customer in Occurrence Number 129268 submitted a written statement in response to Claimant’s request for expungement.

The Arbitrator conducted a recorded, telephonic hearing on March 10, 2021, so the parties could present oral argument and evidence on Claimant’s request for expungement.

Respondent did not participate in the expungement hearing.

The Customer participated in the expungement hearing and opposed the expungement request.

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 the settlement documentation in Occurrence Number 129268. Claimant represented that such documentation could not be provided, because Respondent was unable to produce any documentation. The Arbitrator accepted Claimant’s testimony that she had no recollection of having any involvement in the settlement or a copy of the documentation.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: the pleadings, Claimant’s testimony, the Customer’s testimony and written statement, and Claimant’s BrokerCheck® Report.

### **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 129268 from registration records maintained by the CRD for Claimant Becky Lynn Mathre (CRD Number 1269073) with the understanding that, pursuant to Notice to Members 04-16,

Claimant Becky Lynn Mathre 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:

Claimant testified that the Customer's objectives were growth and income, including tax protection, with moderate risk tolerance. The Customer was an accredited investor, and Claimant recommended mutual funds and limited partnerships, mainly in oil and gas. The Customer did not disagree with this testimony. Claimant further testified that she provided him with all relevant documentation, including any offering memorandums and subscription agreements for these investments, and that she explained all benefits and risks associated with these investments. The Customer testified that he was aware of the risks associated with the recommended investments and that he did not object to most of the investments the Claimant recommended but that he believed certain problems were not disclosed to him.. He indicated, in his testimony, that the problems were associated with a direct oil well investment, which he also mentioned in his written statement. But, it is unclear that the allegation was part of his complaint to Respondent. Due to the age of this matter, none of the underlying documentation was available for review. However, the testimony demonstrated that Claimant fully explained the recommended investments to the Customer and that they were suitable investments. The fact that the investments may have declined over time does not mean that they were unsuitable when they were recommended.

Further, the testimony failed to support the allegation that Claimant failed to disclose how she would be compensated. The Customer became Claimant's client in about 1989, after he was referred to her by his lawyer who, according to the Customer's written statement, had told the Customer that Claimant “charged by the hour and didn't benefit from commissions[,] which might sway her judgement.” Claimant testified that she made the Customer aware of how she would be compensated, on an hourly basis and by commission, and that payment of commissions was further disclosed in the limited partnership documents provided to him. The Customer's testimony suggested that he did not review the documents provided to him and, instead, relied on what his lawyer had told him rather than Claimant's representations and the materials made available to him. Claimant also testified that the commissions she derived from the limited partnerships at issue were not significant and that her recommendations were not based on earning commissions. Claimant further testified that, had that been her motivation, she could have recommended other investments that would have paid much more in commissions and that a direct oil well investment would not have resulted in a commission for her.

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 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
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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 @ \$50.00/session	= \$	50.00
Pre-Hearing Conference: December 2, 2020	1 session	

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

Lynne M. Gomez

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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**

***Lynne M. Gomez***

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Lynne M. Gomez  
Sole Public Arbitrator

**03/15/2021**

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Signature Date

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March 15, 2021

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