

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Jeffrey Scott Heinel

Case Number: 20-02582

vs.

Respondent
The Investment Center, Inc.

Hearing Site: Philadelphia, Pennsylvania

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 Jeffrey Scott Heinel: Joel Wertman, Esq., Winget, Spadafora & Schwartzberg, LLP, Philadelphia, Pennsylvania.

For Respondent The Investment Center, Inc.: Douglas A. Wright, The Investment Center, Inc., Bedminster, New Jersey.

CASE INFORMATION

Statement of Claim filed on or about: August 11, 2020.

Jeffrey Scott Heinel signed the Submission Agreement: August 11, 2020.

Statement of Answer filed by Respondent on or about: September 11, 2020.

The Investment Center, Inc. signed the Submission Agreement: September 11, 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 supported Claimant’s expungement request.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested expungement of Occurrence Number 1985789.

In the Statement of Answer, Respondent requested that the Panel grant Claimant's request for expungement.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrators acknowledge having read the pleadings and other materials filed by the parties.

On January 15, 2021, Claimant advised that the customer in Occurrence Number 1985789 ("customer") was served with the Statement of Claim and notice of the date and time of the expungement hearing.

The Panel conducted a recorded, telephonic hearing on February 4, 2021, so the parties could present oral argument and evidence on Claimant's request for expungement.

The third Arbitrator was not available for the expungement hearing. Claimant, the only party that participated, agreed to proceed with two Arbitrators.

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

The customer did not participate in the expungement hearing. The Panel found that the customer had notice of the expungement request and hearing.

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

The Panel noted that the dispute related to Occurrence Number 1985789 was not settled and, therefore, there was no settlement documents to review.

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

AWARD

After considering the pleadings, the testimony and evidence presented at the expungement hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The Panel recommends the expungement of all references to Occurrence Number 1985789 from registration records maintained by the CRD for Claimant Jeffrey Heinel (CRD Number 1454586) with the understanding that, pursuant to Notice to Members 04-16, Claimant Jeffrey Heinel 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 Panel has made the following Rule 2080 affirmative finding of fact:

The claim, allegation, or information is factually impossible or clearly erroneous.

The Panel has made the above Rule 2080 finding based on the following reasons:

The underlying customer made false claims repeatedly against Claimant Jeff Heinel in 2016 and 2017. The customer was an experienced investor and had his own Bloomberg terminal. Claimant tried to convince the customer to diversify his investments but the customer refused. The customer made his own decisions in the account.

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 = \$ 1,575.00

**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 events giving rise to the dispute. Accordingly, as a party, Respondent The Investment Center, Inc. is assessed the following:

Member Surcharge = \$ 1,900.00

Member Process Fee = \$ 3,750.00

Hearing Session Fees and Assessments

The Panel has assessed hearing session fees for each session conducted. A session is any meeting between the parties and the Arbitrators, including a pre-hearing conference with the Arbitrators, which lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) pre-hearing session with the Panel @ \$1,125.00/session = \$ 1,125.00
Pre-Hearing Conference: December 1, 2020 1 session

One (1) hearing session on expungement request @ \$1,125.00/session = \$ 1,125.00
Hearing: February 4, 2021 1 session

Total Hearing Session Fees = \$ 2,250.00

The Panel has assessed the total hearing session fees to Claimant.

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

ARBITRATION PANEL

Gregory J. Spadea	-	Public Arbitrator, Presiding Chairperson
Dean L. Scarpa	-	Non-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.

Concurring Arbitrators' Signatures

Gregory J. Spadea

Gregory J. Spadea
Public Arbitrator, Presiding Chairperson

02/24/2021

Signature Date

Dean L. Scarpa

Dean L. Scarpa
Non-Public Arbitrator

02/24/2021

Signature Date

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February 24, 2021

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