

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant

Timothy George Hassell

Case Number: 20-02765

vs.

Respondent

Roth Capital Partners, LLC

Hearing Site: Los Angeles, California

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 Timothy George Hassell (“Claimant”): Jennifer P. Farrar, Esq., Farrar Law PLLC, Tomball, Texas.

For Respondent Roth Capital Partners, LLC (“Respondent”): Richard Platt, Esq., Roth Capital Partners, LLC, Newport Beach, California.

CASE INFORMATION

Statement of Claim filed on or about: August 24, 2020.

Claimant signed the Submission Agreement on: August 24, 2020.

Respondent did not file a Statement of Answer or sign the Submission Agreement.

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”).

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Expungement of Occurrence Numbers 241111 and 651983 from Claimant’s CRD records pursuant to:
 - a. FINRA Rule 2080 (b)(1)(A) as the claim, allegation, or information is factually

- impossible or clearly erroneous;
 - b. FINRA Rule 2080(b)(1)(B) as the Claimant was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds; and
 - c. 2080(b)(1)(C) as the claim, allegation, or information is false;
2. Compensatory damages in the amount of \$1.00 from Respondent; and
 3. Any and all other relief that the Arbitrator deems just and equitable.

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.

Respondent did not file a properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code of Arbitration Procedure (“Code”) and, having appeared and testified at the expungement hearing, is bound by the determination of the Arbitrator on all issues submitted.

On March 29, 2021, Claimant advised that the customer in Occurrence Number 241111 (“Customer M”) and the customer in Occurrence Number 651983 (“Customer S”) were served with the Statement of Claim and notice of the date and time of the expungement hearing.

Hereinafter, Customer M and Customer S will be collectively be referred to as “Customers.”

On April 2, 2021, Claimant filed mailed receipts for service confirming that the Customers were served with the Statement of Claim and notice of the date and time of the expungement hearing.

The Arbitrator conducted a recorded, telephonic hearing on March 31, 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 Customers did not participate in the expungement hearing. Customer M submitted an email on March 30, 2021, which stated that she did not oppose the expungement request. 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 occurrences in the CRD.

The Arbitrator also reviewed the settlement documentation related to Occurrence Number 241111, considered the amount of payment 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.

The Arbitrator noted that the disputes related to Occurrence Number 651983 was not settled and, therefore, there was no settlement document to review.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: the pleadings; Claimant's BrokerCheck® Report; service history on the Customers; Claimant's testimony; Claimant's exhibits; and Customer M's email.

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 Numbers 241111 and 651983 from registration records maintained by the CRD for Claimant Timothy George Hassell (CRD Number 2188768) with the understanding that, pursuant to Notice to Members 04-16, Claimant Timothy George Hassell 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.

The claim, allegation, or information is false.

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

Occurrence Number 241111

Claimant was introduced to Customer M by other clients at the firm. Claimant drove to Las Vegas, Nevada to meet with Customer M personally. She advised Claimant that she had 14 years of experience in trading stocks and had suffered both gains and losses, including small and large cap stocks, and had traded on margin in the past with other brokers. Customer M signed a margin agreement, option agreement, and approval form. The stocks she bought were ones that Respondent made a market in and/or had research coverage on. She was aware of and approved all trades and never complained when Claimant was working for Respondent. She did not complain to Respondent until nine months after Claimant had left Respondent's firm, which was approximately one and a half to two years after the stocks at issue were purchased.

Friends of Customer M, who were also clients of Claimant, told Customer M about the Digital Descriptor stock and she directed Claimant to purchase it. After three months, the stock value declined by 15%, so she reduced her position by 25% and advised Claimant she wanted to hold it for a gain. Claimant stated it would have been in his interest to

execute an order to sell all of it because it would result in a bigger commission to him, but she wanted to hold on to the remaining shares to see if she could sell them at a profit. She bought North Star Health in 1995 and the stock went up soon thereafter. She also bought Encon because the same friends recommended that she purchase it. Although they sold it the day the price went down, before others had a chance to sell, Claimant could not disclose to her what his other clients were doing. Customer M never told him to sell.

Claimant was not involved in an arbitration regarding this matter and testified under oath that he did not participate in the negotiation of the settlement, nor did he contribute to it. In fact, he was sorry that Respondent settled without his input. Claimant was not a signatory on the settlement agreement. Customer M continued to be Respondent's client after the settlement.

For these reasons, the Panel grants expungement pursuant to FINRA Rules 2080(b)(1)(A) as the claim, allegation, or information is factually impossible or clearly erroneous and 2080(b)(1)(C) that the claim, allegation, or information is false.

Occurrence Number 651983

Customer S was a physician and had a lot of real estate assets in addition to his other investments. Customer S had a risk exposure set at speculation and high risk, for short-term trading. Customer S also signed a margin agreement. Evidence was also presented that there were handwritten notes stating that the accounts were specifically for short-term, speculative trading, and that Customer S had ten years investment experience. Another broker took over Customer S's account.

Customer S filed an arbitration in November 1998, which was two years after Claimant left Respondent's firm in July 1996. The case went to hearing and an award was issued. The original claim included \$70,000 in damages, lost profits, lost opportunity costs, punitive damages, attorneys' fees, related costs, and interest. Customer S was awarded \$11,125.00 in damages. Claimant was not named in the award, was not charged with any of the damages or costs, and the award specifically stated that, "[a]ny and all claims for relief not specifically addressed herein are denied. Respondent also stated on Claimant's BrokerCheck® Report with regard to this occurrence that all claims against Claimant were denied.

For these reasons, the Panel grants expungement pursuant to FINRA Rule 2080(b)(1)(A) as the claim, allegation, or information is factually impossible or clearly erroneous and 2080(b)(1)(C), that the claim, allegation, or information is false.

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

**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 is assessed the following:

Member Surcharge = \$ 150.00

Postponement Fees

Postponements granted during these proceedings for which fees were assessed or waived:

February 23, 2021, postponement requested by Claimant = \$ 50.00

Total Postponement Fees = \$ 50.00

The Arbitrator has assessed the total postponement fees to Claimant.

Last-Minute Cancellation Fees

Fees apply when a hearing on the merits is cancelled within ten calendar days before the start of a scheduled hearing session:

February 23, 2021, cancellation requested by Claimant = \$ 600.00

Total Last-Minute Cancellation Fees = \$ 600.00

The Arbitrator has assessed the total last-minute cancellation fees to Claimant.

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: December 8, 2020 1 session

One (1) hearing session on expungement request @ \$50.00/session = \$ 50.00
Hearing: March 31, 2021 1 session

Total Hearing Session Fees = \$ 100.00

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

Constance Ellen Boukidis

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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

Constance Ellen Boukidis

Constance Ellen Boukidis
Sole Public Arbitrator

04/20/2021

Signature Date

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April 20, 2021

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