

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Ralph Gerard Adamo

Case Number: 20-02957

vs.

Respondent
FSC Securities Corporation

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 Ralph Gerard Adamo (“Claimant”): Frances Menzer, Esq., HLBS Law, Westminster, Colorado.

For Respondent FSC Securities Corporation (“Respondent”): Chad Weaver, Esq., Freeman Mathis & Gary, LLP, Seal Beach, California.

CASE INFORMATION

Statement of Claim filed on or about: September 2, 2020.
Claimant signed the Submission Agreement: September 2, 2020.

Statement of Answer filed on or about: November 9, 2020.
Respondent signed the Submission Agreement: November 9, 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 and asserted an affirmative defense.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Expungement of Occurrence Number 1960970 from Claimant's CRD record pursuant to FINRA Rule 2080(b)(1)(A) and 2080(b)(1)(C);
2. Deletion of all Disclosure Reporting Pages corresponding with Occurrence Number 1960970;
3. Compensatory damages in the amount of \$1.00 from Respondent; and
4. Any and all other relief that the Arbitrator deems just and equitable.

In the Statement of Answer, Respondent did not set forth a specific relief request.

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 February 26, 2021, Claimant advised that the customer in Occurrence Number 1960970 ("Customer") was served with the Statement of Claim and notice of the date and time of the expungement hearing. On March 1, 2021, Claimant filed an Affidavit confirming that the Customer was 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 May 25, 2021, so the parties could present oral argument and evidence on Claimant's request for expungement.

Respondent participated 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 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 also reviewed the settlement documentation related to Occurrence Number 1960970, 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.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: Claimant's Statement of Claim; the settlement agreement; and Claimant's testimony provided at the expungement hearing.

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 1960970 from registration records maintained by the CRD for Claimant Ralph Gerard Adamo (CRD Number 1624126) with the understanding that, pursuant to Notice to Members 04-16, Claimant Ralph Gerard Adamo 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 finding of fact:

The claim, allegation, or information is false.

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

Claimant’s testimony and evidence presented indicate that the Customer did not suffer any actual loss as a result of the conduct of Claimant or his firm. Claimant testified that during their relationship, the Customer’s portfolio gained \$2.8 million. The Customer did not present any evidence to the contrary. The Customer did not present any calculation of the amount of loss claimed. Further, the Customer ultimately settled the case for a nominal amount compared to the amount of loss claimed. Claimant did not participate in the settlement.

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 event giving rise to the dispute. Accordingly, as a party, Respondent 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:

Two (2) pre-hearing sessions with a single Arbitrator @ \$50.00/session	= \$	100.00
Pre-Hearing Conferences: January 6, 2021	1 session	
January 13, 2021	1 session	
One (1) hearing session on expungement request @ \$50.00/session	= \$	50.00
Hearing: May 25, 2021	1 session	
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Total Hearing Session Fees	= \$	150.00

The Arbitrator has assessed \$125.00 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

Joyce L. Hurley

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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

Joyce L. Hurley

Joyce L. Hurley
Sole Public Arbitrator

06/14/2021

Signature Date

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June 15, 2021

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