

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

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In the Matter of the Arbitration Between:

Claimant  
Bradley S. Cooperman

Master Consolidated Case Number:  
20-02985

vs.

Respondent  
Chase Investment Services Corp.

Hearing Site: San Diego, California

***Consolidated with the following case:***

Claimant  
Bradley S. Cooperman

Subordinate Case Number:  
20-02986

vs.

Respondent  
J.P. Morgan Securities, LLC

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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. Members

The evidentiary hearing was conducted by videoconference.

**REPRESENTATION OF PARTIES**

For Claimant Bradley S. Cooperman (“Claimant”): Frances Menzer, Esq., HLBS Law, Westminster, Colorado.

For Respondents Chase Investment Services Corp. (“Chase”) and J.P. Morgan Securities, LLC (“J.P. Morgan”): Samantha D. Parrish, Esq., Keesal, Young & Logan, Long Beach, California.

Hereinafter, Chase and J.P. Morgan are collectively referred to as “Respondents”.

**CASE INFORMATION**

**Master Consolidate Case 20-02985**

Statement of Claim filed on or about: September 3, 2020.

Claimant signed the Submission Agreement: September 3, 2020.

Statement of Answer filed by Chase on or about: December 7, 2020.

Revised Statement of Answer filed by Respondents on or about: December 10, 2020.

Chase signed the Submission Agreement: December 4, 2020.

J.P. Morgan signed the Submission Agreement: December 10, 2020.

**Subordinate Case 20-02986**

Statement of Claim filed on or about: September 3, 2020.

Claimant signed the Submission Agreement: September 3, 2020.

**CASE SUMMARY**

**Master Consolidate Case 20-02985**

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 its Statement of Answer, Chase took no position on Claimant's expungement request.

In the Revised Statement of Answer, Respondents took no position on Claimant's expungement request.

**Subordinate Case 20-02986**

In the Statement of Claim, Claimant asserted a claim seeking expungement of customer dispute information from registration records maintained by CRD.

**RELIEF REQUESTED**

**Master Consolidate Case 20-02985**

In the Statement of Claim, Claimant requested:

1. Expungement of Occurrence Numbers 1448144 and 1878869 from Claimant's CRD records pursuant to FINRA Rule 2080, as:
  - a. the claim, allegation, or information is factually impossible or clearly erroneous; and/or
  - b. Claimant was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds; and/or
  - c. the claim, allegation, or information is false;
2. Compensatory damages in the amount of \$1.00 from Respondents; and
3. Any and all other relief that the Arbitrator deems just and equitable.

In its Statement of Answer, Chase did not set forth a specific relief request.

In the Revised Statement of Answer, Respondents requested that Claimant's request for compensatory damages in the amount of \$1.00 be voluntarily withdrawn by Claimant.

**Subordinate Case 20-02986**

In the Statement of Claim, Claimant requested:

1. Expungement of Occurrence Number 1878869 from Claimant's CRD records pursuant to FINRA Rule 2080;
2. Compensatory damages in the amount of \$1.00 from J.P. Morgan; 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.

On October 7, 2020, the parties filed a stipulation agreeing to consolidate the two above-referenced arbitrations into a single action. Per the parties' stipulation, Chase had merged with J.P. Morgan.

On April 5, 2021, Claimant filed an obituary and the death record from Lexis Nexis database reflecting that one of the customers in Occurrence Number 1448144 ("Ms. A") is deceased and therefore Claimant was unable to serve the Statement of Claim and notice of the date and time of the expungement hearing.

On April 5, 2021, Claimant advised that the other customer in Occurrence Number 1448144 ("Ms. H") was served with the Statement of Claim and notice of the date and time of the expungement hearing. On April 8, 2021, Claimant filed an Affidavit confirming that Ms. A was served with the Statement of Claim and notice of the date and time of the expungement hearing.

On April 8, 2021, Claimant advised that the customer in Occurrence Number 1878869 ("Ms. N") was served with the Statement of Claim and notice of the date and time of the expungement hearing. That same day, Claimant filed an Affidavit confirming that Ms. N was served with the Statement of Claim and notice of the date and time of the expungement hearing.

Hereinafter, Ms. H and Ms. N are collectively referred to as the "Customers".

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

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

At the expungement hearing, the Customers participated and opposed the expungement request. At the expungement hearing, Ms. H participated and opposed the expungement request. Ms. N also participated and opposed the expungement request, but encountered technological difficulties. In order to permit Ms. N to present everything she desired, the Arbitrator issued a Post-Hearing Order, giving Ms. N an additional opportunity to present documents for consideration.

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 noted that the disputes related to Occurrence Numbers 1448144 and 1878869 were not settled and, therefore, there were no settlement documents to review.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: Claimant's Statement of Claim; Claimant's BrokerCheck® Report; Respondents' Statement of Answer; Claimant's expungement hearing exhibits 1-7; Ms. N's response to Claimant's expungement request, dated May 25, 2021; Claimant's response to Ms. N's submission, dated June 4, 2021; Ms. N's letter, dated July 20, 2021; Ms. N's memorandum, dated March 22, 2016; Ms. N's account statement, dated July 1, 2015 through July 31, 2015; Ms. N's retirement statement, dated September 1, 2014 through September 30, 2014; Ms. N's statement, dated November 1, 2014 through November 28, 2014; Ms. N's account statement, dated March 1, 2016; and Ms. N's cost basis 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 Numbers 1448144 and 1878869 from registration records maintained by the CRD for Claimant Bradley S. Cooperman (CRD Number 4046860) with the understanding that, pursuant to Notice to Members 04-16, Claimant Bradley S. Cooperman 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 registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds.

The claim, allegation, or information is false.

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

#### **Occurrence Number 1448144 (in which Ms. A and Ms. H were the Customers)**

In May 2007, Claimant was introduced by a Washington Mutual Bank representative to Ms. A and Ms. H, who were beneficiaries of a trust. Ms. A and Ms. H were seeking a higher rate of interest than the trust was receiving in the CDs. They were interested in investments which also provided liquidity and preservation of capital. Claimant offered

them a fixed annuity, a mutual fund and a variable annuity, and discussed the features of each product. Ms. A and Ms. H opened a non-discretionary account and chose a variable annuity. They were given a notice that they could rescind their choice within 30 days of the purchase. Claimant had multiple in-person meetings with Ms. A and Ms. H. In recommending the products to Ms. A and Ms. H, Claimant considered the suitability of the proposed investments, the financial circumstances of the trust as well as that of Ms. A and Ms. H. The severe downturn in the market during the period of 2008 and 2009 resulted in the trust's investment losing value. Ms. A and Ms. H terminated their relationship with Claimant and Chase. Ms. A and Ms. H subsequently filed a complaint against Claimant. Chase investigated the complaint and ruled it lacked merit. No compensation was paid.

The Arbitrator finds that the claims and allegations against Claimant are clearly erroneous. Claimant was not involved in any alleged investment-related sales practice violations, forgery, theft, misappropriation or conversion of funds. The claims of Ms. H and Ms. A are false.

**Occurrence Number 1878869 (in which Ms. N was the Customer)**

Claimant met Ms. N in 2013, when Ms. N was referred to Claimant by a representative of her home loan specialist. Ms. N was determined to be a relatively sophisticated investor, and at the time had holdings in Fidelity and Vanguard. Ms. N's husband was also a sophisticated investor. Ms. N's holdings consisted of a large number of shares in Terradata Corporation. Claimant suggested that Ms. N diversify more. Ms. N opened a non-discretionary account with Chase. Claimant considered the suitability of all investments he made at the request of Ms. N. Ms. N signed the customer documents herself and Claimant never forged her signature. Ms. N subsequently closed her Chase account and filed a complaint against Claimant. Chase investigated the complaint and ruled it lacked merit. No compensation was paid.

The Arbitrator finds that the claims and allegations against Claimant are clearly erroneous. Claimant was not involved in any alleged investment-related sales practice violations, forgery, theft, misappropriation or conversion of funds. The claims of Ms. N are 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
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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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as a party, Chase 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:

One (1) pre-hearing session with a single Arbitrator @ \$50.00/session	= \$	50.00
Pre-Hearing Conference: January 12, 2021	1 session	

One (1) hearing session on expungement request @ \$50.00/session	= \$	50.00
Hearing: May 4, 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**

Mitchell Lee Lathrop

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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**

***Mitchell Lee Lathrop***

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Mitchell Lee Lathrop  
Sole Public Arbitrator

**07/26/2021**

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Signature Date

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.

July 27, 2021

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