

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Bradley Ross Thompson

Case Number: 20-03651

vs.

Respondent
LPL Financial LLC

Hearing Site: Denver, Colorado

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 Bradley Ross Thompson (“Claimant”): Harris Freedman, Esq., HLBS Law, Westminster, Colorado.

For Respondent LPL Financial LLC (“Respondent”): Jon D. Kaplon, Esq., LPL Financial LLC, Boston, Massachusetts.

CASE INFORMATION

Statement of Claim filed on or about: October 27, 2020.
Claimant signed the Submission Agreement: October 27, 2020.

Statement of Answer filed by Respondent on or about: March 10, 2021.
Respondent signed the Submission Agreement: March 10, 2021.

CASE SUMMARY

In the Statement of, Claimant asserted a claim alleging that the Form U5 filed by Respondent, as part of registration records maintained by the Central Registration Depository (“CRD”), is defamatory in nature.

In the Statement of Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Expungement of Claimant's Form U5 corresponding with Occurrence Number 1884272, and those relevant portions of the Form U4, from Claimant's CRD records on the basis that the statement is defamatory in nature, misleading, inaccurate, and/or erroneous, to include:
 - a. amendment of the Reason for Termination entry in Section 3 of Claimant's Form U5 to read "Voluntary;"
 - b. expungement of the Reason for Termination explanation on Claimant's CRD;
 - c. amendment of the answer to question 7F(1) of Claimant's Form U5, from "Yes" to "No;" and
 - d. deletion of the Termination Disclosure Reporting Pages accompanying Occurrence Number 1884272;
2. Compensatory damages in the amount of \$1.00 from Respondent; and
3. Any other relief as the arbitration Arbitrator deems just and equitable.

In the Statement of Answer, Respondent requested:

1. An award dismissing the matter and/or all allegations of wrongdoing or defamation against Respondent;
2. Any and all demands and requests for damages, costs, and/or fees against Respondent be denied;
3. All arbitration costs, hearing and other fees and expenses be allocated against Claimant; and
4. Such other relief as the Arbitrator may deem appropriate.

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.

The Arbitrator has provided an explanation of the decision in this award. The explanation is for the information of the parties only and is not precedential in nature.

FINDINGS

Claimant received personal loans from three people, his father-in-law and two friends, one who had brokerage accounts at Respondent and another friend who did not have a brokerage account at Respondent. All of the loans were paid back and there were no customer complaints. Claimant testified that he did not realize that he needed to obtain permission from Respondent before obtaining these loans pursuant to a bullet point on one page of Respondent's 251-page "Advisor Compliance Manual". For this reason, Claimant was terminated by Respondent on May 18, 2016.

The information sought to be expunged by Claimant is defamatory in nature. While Associated Persons are expected to know and follow all the rules in their brokerage's compliance manual, the Arbitrator finds Claimant's testimony that he was not aware of this rule when he received the loans and he did not intentionally violate the rule, which was buried in a 251-page Compliance

Manual, credible. No customers were harmed and the loans had no relationship to the customers' accounts. Leaving this information on Claimant's BrokerCheck Report® and CRD records would serve no regulatory purpose.

For these reasons, the Arbitrator finds that the expungement of Claimant's CRD records is appropriate.

AWARD

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

1. The Arbitrator recommends the expungement of the Reason for Termination and Termination Explanation in Section 3 of Bradley Ross Thompson's (CRD Number 3233338) Form U5 filed by LPL Financial LLC (CRD Number 6413) on June 14, 2016 and maintained by the CRD. The Reason for Termination shall be changed to "Voluntary" and the Termination Explanation should be deleted in its entirety and shall appear blank. This directive shall apply to all references to the Reason for Termination and Termination Explanation.

The Arbitrator further recommends the expungement of all references to Occurrence Number 1884272 maintained by the CRD for Bradley Ross Thompson. Any "Yes" answers should be changed to "No," as applicable.

The Arbitrator recommends expungement based on the defamatory nature of the information. The above recommendations are made with the understanding that the registration records are not automatically amended. Bradley Ross Thompson must forward a copy of this Award to FINRA's Credentialing, Registration, Education and Disclosure Department for review.

2. Any and all claims for relief not specifically addressed herein are denied.

FEES

Pursuant to the Code of Arbitration Procedure ("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, Respondent is assessed the following:

Member Surcharge = \$ 150.00

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: February 24, 2021 1 session

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

Anita Rae Shapiro

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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

Anita Rae Shapiro

Anita Rae Shapiro
Sole Public Arbitrator

09/15/2021

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.

September 16, 2021

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