

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
George Stefanou

Case Number: 20-04154

vs.

Respondent
Edward Jones

Hearing Site: Orlando, Florida

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 George Stefanou (“Claimant”): Harris Freedman, Esq., HLBS Law, Westminster, Colorado.

For Respondent Edward Jones a/k/a Edward D. Jones & Co., L.P. (“Respondent”): Jonathan W. Hackbarth, Esq., Quarles & Brady LLP, Milwaukee, Wisconsin.

CASE INFORMATION

Statement of Claim filed on or about: December 23, 2020.
Claimant signed the Submission Agreement: December 23, 2020.

Statement of Answer filed on or about: February 9, 2021.
Respondent signed the Submission Agreement: February 8, 2021.

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.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested expungement of Occurrence Numbers 1729884, 1750394, and 2089946, compensatory damages in the amount of \$1.00, and any and all other relief that the Arbitrator deems just and equitable.

In the Statement of Answer, Respondent opposed any claim for damages or liability.

At the hearing, Claimant withdrew the request for \$1.00 in compensatory damages.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrator acknowledges having read the pleadings and other materials filed by the parties.

On February 26, 2021, the parties jointly agreed to a single arbitrator pursuant to Rule 13401(c) of the Code of Arbitration Procedure ("Code").

On May 10, 2021, Claimant advised that the customers in Occurrence Numbers 1729884, 1750394, and 2089946 ("Customers") were served with the Statement of Claim and notice of the date and time of the expungement hearing ("Notice"). On May 17, 2021, Claimant filed an Affidavit confirming that the Customers were served with the Notice. Claimant also filed a copy of the FedEx tracking information available online for the Notice.

The Arbitrator conducted a recorded, telephonic hearing on August 4, 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 Customers did not participate in the expungement hearing. 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 Numbers 1729884, 1750394, and 2089946 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 testimony, BrokerCheck® Report, exhibits, and post-hearing submission dated August 18, 2021 ("Post-Hearing Submission").

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 1729884, 1750394, and 2089946 from registration records maintained by the CRD for Claimant George Stefanou (CRD Number 5688493) with the understanding that, pursuant to

Notice to Members 04-16, Claimant George Stefanou 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, 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 the documentary evidence reflect that the Customers' allegation that Claimant provided improper advice to them related to the rollover of their retirement accounts is false. Claimant testified that there were no issues associated with the rollover of the Customers' accounts but, rather, the Customers' issues related to the tax penalties associated with their increased withdrawals from their retirement accounts following the rollover. Claimant testified that he advised the Customers on two occasions to seek the advice of a tax advisor with respect to the tax implications of increasing the withdrawals from their retirement accounts and they failed to seek such advice. Claimant's Post-Hearing Submission addressed the additional allegation that Claimant's recommendation to purchase mutual funds was unsuitable because the fees associated with the mutual funds purchased by the Customers were three to four times greater than what the Customers were paying in the retirement accounts transferred to Respondent and the Customers failed to receive the full benefit of available price discounts when purchasing the mutual funds. The argument set forth in this Post-Hearing Submission that this additional allegation is false was persuasive and also supports Claimant's request for expungement. Furthermore, Claimant did not contribute to the settlement and Respondent does not object to the expungement request.

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	= \$ 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(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	= \$	1,900.00
Member Process Fee	= \$	3,750.00

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 @ \$1,1250.00/session	= \$	1,125.00
Pre-Hearing Conference: April 16, 2021	1 session	
One (1) hearing session on expungement request @ \$1,1250.00/session	= \$	1,125.00
Hearing: August 4, 2021	1 session	
Total Hearing Session Fees	= \$	2,250.00

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

Mitchel Weiss

-

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

Mitchel Weiss

Mitchel Weiss
Sole Public Arbitrator

08/19/2021

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.

August 20, 2021

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