

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Clayton Kwok Shum

Case Number: 21-00180

vs.

Respondent
NYLife Securities LLC

Hearing Site: San Francisco, 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 Clayton Kwok Shum: Harris Freedman, Esq., HLBS Law, Westminster, Colorado.

For Respondent NYLife Securities LLC: Jeffrey A. Sturgeon, Esq., Baker & McKenzie LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: January 25, 2021.
Claimant signed the Submission Agreement: January 25, 2021.

Statement of Answer filed by Respondent on or about: March 23, 2021.
Respondent signed the Submission Agreement: March 23, 2021.

CASE SUMMARY

In the Statement of Claim, 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. An award granting expungement of the Form U5 corresponding with Occurrence Number 1197955, 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 answers to questions 7E(1)(c) and 7F(1) on Claimant's Form U5, from "Yes" responses to "No;" and
 - d. deletion of the Termination Disclosure Reporting Pages accompanying occurrence number 1197955;
2. Compensatory damages in the amount of \$1.00; and
3. Any other relief as the Arbitrator deems just and equitable.

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

OTHER ISSUES CONSIDERED AND DECIDED

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

On July 22, 2021, Respondent filed a Motion to Dismiss pursuant to Rule 13206 of the Code of Arbitration Procedure ("Code"). On August 27, 2021, Claimant filed a response opposing the Motion to Dismiss. On September 30, 2021, the Arbitrator heard oral arguments on the Motion to Dismiss. On that same date, the Arbitrator denied the Motion to Dismiss.

AWARD

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

1. Claimant's claim for damages is denied in its entirety.
2. Claimant's (CRD # 4412927) request for expungement of his Form U5 is denied.
3. 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, Respondent is assessed the following:

Member Surcharge = \$ 150.00

Postponement Fees

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

January 27, 2022, postponement requested by Claimant = Waived

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:

January 27, 2022, cancellation requested by Claimant = Waived

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: May 12, 2021	1 session	
June 1, 2021	1 session	
One (1) hearing session @ \$50.00/session	= \$	50.00
Hearing: February 16, 2022	1 session	
Total Hearing Session Fees	= \$	150.00

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

William W. Haskell

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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

William W. Haskell

03/21/2022

William W. Haskell
Sole Public Arbitrator

Signature Date

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March 22, 2022

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