

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Adam T. Hill

Case Number: 21-00711

vs.

Respondent
FSC Securities Corporation

Hearing Site: Columbus, Ohio

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 Adam T. Hill (“Claimant”): Ariel Okonsky, Esq. and Dochter Kennedy, Esq., AdvisorLaw, LLC, Westminster, Colorado.

For Respondent FSC Securities Corporation (“Respondent”): Jennifer Cox, Esq., Advisor Group, Inc., Jersey City, New Jersey.

CASE INFORMATION

Statement of Claim filed on or about: March 18, 2021.
Claimant signed the Submission Agreement: March 18, 2021.

Statement of Answer filed on or about: March 29, 2021.
Respondent signed the Submission Agreement: March 29, 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 Number 1633537 and any and all other relief that the Arbitrator deems just and equitable.

In the Statement of Answer, Respondent did not request any relief.

OTHER ISSUES CONSIDERED AND DECIDED

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

On October 25, 2021, Claimant advised that the customer in Occurrence Number 1633537 (“Customer”) was served with the Statement of Claim and notice of the date and time of the expungement hearing (“Notice”). On October 27, 2021, Claimant filed an Affidavit confirming that the Customer was served with the Notice. Claimant also filed a copy of the FedEx tracking information available online for the Notice.

On November 4, 2021, the Customer submitted correspondence objecting to the factual background in the Statement of Claim.

The Arbitrator conducted recorded, telephonic hearings on November 30, 2021 and January 11, 2022, so the parties could present oral argument and evidence on Claimant’s request for expungement.

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

The Customer did not participate in the expungement hearings. The Arbitrator found that the Customer had notice of the expungement request and hearings.

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 noted that the dispute related to Occurrence Number 1633537 was not settled and, therefore, there was no settlement documentation to review.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: Statement of Claim, Statement of Answer, Claimant’s BrokerCheck® Report, Claimant’s Exhibits 1-6, Claimant’s testimony, correspondence from the Customer dated November 4, 2021.

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 1633537 from registration records maintained by the CRD for Claimant Adam T. Hill (CRD Number 2408234) with the understanding that, pursuant to Notice to Members 04-16, Claimant Adam T. Hill 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 claim, allegation, or information is factually impossible or clearly erroneous; and
- The claim, allegation, or information is false.

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

The claim is clearly erroneous and false because it does not directly involve Claimant. The Customer had filed a claim with the Ohio Department of Insurance (“ODI”) alleging misrepresentations, and the ODI dismissed the claim as being baseless. The Arbitrator took testimony under oath from Claimant who explained the underlying Variable Annuity product and his involvement with the Customer. It clearly appeared that Claimant had not committed any misrepresentations, and at all times properly explained the product to the Customer. I note that the principal sales-person was not Claimant, but another representative. The annuity creator, Jackson National, was the entity the Customer primarily complained about to the ODI and in his email to FINRA

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
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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	= \$	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 @ \$1,125.00/session		= \$	1,125.00
Pre-Hearing Conference: July 26, 2021	1 session		
Two (2) hearing sessions on expungement request @ \$1,125.00/session		= \$	2,250.00
Hearings: November 30, 2021	1 session		
January 11, 2022	1 session		
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Total Hearing Session Fees		= \$	3,375.00

The Arbitrator has assessed the total hearing session fees to Claimant.

The Arbitrator determined to waive \$1,125.00 of the hearing session fees.

All balances are payable to FINRA Dispute Resolution Services and are due upon receipt.

ARBITRATOR

Jeffry M. Bauer

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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

Jeffry M. Bauer

Jeffry M. Bauer
Sole Public Arbitrator

01/14/2022

Signature Date

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January 14, 2022

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