

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant

Danielle DeMarce Stanton

Case Number: 21-02214

vs.

Respondent

LPL Financial LLC

Hearing Site: San Diego, 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.

The evidentiary hearing was conducted by videoconference.

REPRESENTATION OF PARTIES

For Claimant Danielle DeMarce Stanton: Patrick R. Mahoney, Esq., The Law Offices of Patrick R. Mahoney, P.C., Beverly Hills, California.

For Respondent LPL Financial LLC: Kelsey L. Vasko, Esq., LPL Financial LLC, San Diego, California.

CASE INFORMATION

Statement of Claim filed on or about: August 25, 2021.

Claimant signed the Submission Agreement: August 27, 2021.

Statement of Answer filed by Respondent on or about: September 15, 2021.

Respondent signed the Submission Agreement: October 4, 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 2085241 from Claimant's CRD records pursuant to FINRA Rule 2080.

In the Statement of Answer, Respondent made no specific request for relief.

OTHER ISSUES CONSIDERED AND DECIDED

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

On March 17, 2022, Claimant advised that the customer in Occurrence Number 2085241 ("Customer") was served with the Statement of Claim and notice of the date and time of the expungement hearing.

The Panel conducted a recorded hearing by videoconference on March 22, 2022, 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 Customer did not participate in the expungement hearing. The Panel found that the Customer had notice of the expungement request and hearing.

The Panel reviewed Claimant's BrokerCheck® Report. The Panel noted that a prior arbitration panel or court did not previously rule on expungement of the same occurrence in the CRD.

The Panel also reviewed the settlement documentation related to Occurrence Number 2085241, considered the amount of payment made to any party to the settlement, and considered other relevant terms and conditions of the settlement. The Panel 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 Panel relied upon the following documentary or other evidence: Claimant's BrokerCheck® Report; the settlement agreement; Claimant's own uncontradicted testimony; Claimant's Statement of Claim; and the pleadings.

AWARD

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

The Panel recommends the expungement of all references to Occurrence Number 2085241 from registration records maintained by the CRD for Claimant Danielle DeMarce Stanton (CRD Number 2416479) with the understanding that, pursuant to Notice to Members 04-16, Claimant Danielle DeMarce Stanton 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 Panel has made the following Rule 2080 affirmative finding of fact:

The claim, allegation, or information is false.

The Panel has made the above Rule 2080 finding based on the following reasons:

The Customer was a continuing client of Claimant after the death of and inheritance from his mother. In spite of numerous attempts to contact him, complete new investment guidelines and follow advice on selling securities and “rebalancing” his portfolio, the Customer did not cooperate for a period of nearly seven years, and notwithstanding major efforts by Claimant to protect him and his interests. Claimant showed extensive records of her contacts; Claimant’s earning attributed to this Customer were paltry. Yet without warning, the Customer filed a complaint for arbitration, alleging “unsuitability” and claiming high fees, asking for substantial compensation even punitive damages and attorneys’ fees, yet he never tried to change the investments or even leave the financial advisor until some four months after he brought his complaint. Claimant was not named in the customer complaint and did not participate in or contribute to the settlement. Claimant has 40 years in the financial and securities business and no prior complaints. The Customer chose not to participate in the expungement process after notification.

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	= \$ 1,600.00
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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 that employed the associated person at the time of the event giving rise to the dispute. Accordingly, as a party, Respondent is assessed the following:

Member Surcharge	= \$ 2,000.00
Member Process Fee	= \$ 3,850.00

Hearing Session Fees and Assessments

The Panel has assessed hearing session fees for each session conducted. A session is any meeting between the parties and the Panel, including a pre-hearing conference with the Panel, which lasts four (4) hours or less. Fees associated with these proceedings are:

ARBITRATION PANEL

Kirtley M. Thiesmeyer	-	Public Arbitrator, Presiding Chairperson
Thomas L. Marshall	-	Public Arbitrator
Robert A. Lakosil	-	Non-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.

Concurring Arbitrators' Signatures

Kirtley M. Thiesmeyer

Kirtley M. Thiesmeyer
Public Arbitrator, Presiding Chairperson

03/23/2022

Signature Date

Thomas L. Marshall

Thomas L. Marshall
Public Arbitrator

03/23/2022

Signature Date

Robert A. Lakosil

Robert A. Lakosil
Non-Public Arbitrator

03/23/2022

Signature Date

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March 23, 2022

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