

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Gabriel A. Matos

Case Number: 21-02572

vs.

Respondent
UBS Financial Services Inc.
UBS Financial Services Incorporated of Puerto Rico

Hearing Site: San Juan, Puerto Rico

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. Members

REPRESENTATION OF PARTIES

For Claimant Gabriel A. Matos: Roberto C. Quiñones, Esq., McConnell Valdes LLC, San Juan, Puerto Rico.

For Respondents UBS Financial Services Inc. (“UBS”), and UBS Financial Services Incorporated of Puerto Rico (“UBSPR”): Rey F. Medina, Esq., UBS Financial Services Incorporated of Puerto Rico, San Juan, Puerto Rico.

CASE INFORMATION

Statement of Claim filed on or about: October 11, 2021.
Gabriel A. Matos signed the Submission Agreement: October 11, 2021.

Statement of Answer filed by Respondents on or about: November 16, 2021.
UBS signed the Submission Agreement: November 16, 2021.
UBSPR signed the Submission Agreement: November 16, 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, Respondents supported Claimant’s expungement request.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested expungement of Occurrence Numbers 1964923, 1987722, 1720457, 2003690 and 1879090.

In the Statement of Answer, Respondents requested that Claimant's request for expungement be granted.

OTHER ISSUES CONSIDERED AND DECIDED

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

On January 4, 2022, the parties filed a stipulation to proceed with a single arbitrator in this matter.

On February 25, 2022, March 4, 2022, and March 11, 2022, Claimant filed Motions Submitting Proof of Service in which he advised that the customers in Occurrence Numbers 1964923, 1987722, 1720457, 2003690 and 1879090 ("Customers") were each served with the Statement of Claim and notice of the date and time of both the postponed March 10, 2022, expungement hearing and the March 14, 2022, expungement hearing.

The Arbitrator conducted a recorded, telephonic hearing on March 14, 2022, so the parties could present oral argument and evidence on Claimant's request for expungement.

Respondents participated in the expungement hearing and, as stated in the Statement of Answer, supported 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 1964923, 1987722, 1720457 and 2003690, considered the amount of payment made to any party to the settlements, and considered other relevant terms and conditions of the settlements. The Arbitrator noted that the settlements were not conditioned on any party to the settlements not opposing the expungement request and that Claimant did not contribute to the settlement amounts.

The Arbitrator noted that the dispute related to Occurrence Number 1879090 was not settled and, therefore, there was no settlement document to review.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: the testimony of Claimant that he was not the Customers' financial advisor ("FA") at the times of the purchases or at the time of the market downturn which damaged the Customers; Exhibits B-2, B-3, B-4; and the following Supplemental Exhibits: 3, 4, 5, 6, 9, 10, 13, 17, 23, 24, 26, 28-31, 33-35, 37, 39-42, 44-48, 51-62, 64-66, 68, 69, 71, 74 and 77.

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 1964923, 1987722, 1720457, 2003690 and 1879090 from registration records maintained by the CRD for Claimant Gabriel A. Matos (CRD Number 4575302) with the understanding that, pursuant to Notice to Members 04-16, Claimant 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 finding of fact, as to all the occurrences:

The claim, allegation, or information is factually impossible or clearly erroneous.

The Arbitrator has made the above Rule 2080 finding based on the following reasons, as to all the occurrences:

Claimant, Gabriel A. Matos, was not the FA for any of the customers in the underlying cases when the securities complained about were purchased. Likewise, Claimant was not the Customers' FA at the time they sustained losses in their respective accounts. It is clear that Claimant was not the FA for the Customers until well after the Puerto Rican bond market collapsed in late summer of 2013, which is when the Customers sustained the losses complained about in the underlying cases. In short, Claimant was not the Customers' FA when the securities complained about by the customers were purchased, and he was not the customers' FA at the time they suffered damages arising out of the collapse of the Puerto Rican bond market.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

FINRA Dispute Resolution Services assessed a filing fee* for each claim:

Expungement 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(s) that employed the associated person(s) at the time of the event(s) giving rise to

the dispute. Accordingly, as parties, Respondents UBS and UBSPR are each assessed the following:

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

Postponement Fees

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

March 10, 2022, postponement requested by Claimant	= \$ 1,150.00
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Total Postponement Fee	= \$ 1,150.00
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Pursuant to the parties' agreement, the Arbitrator has assessed the entire postponement fee jointly and severally to Respondents.

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:

March 10, 2022, cancellation requested by Claimant	= \$ 600.00
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Total Last-Minute Cancellation Fee	= \$ 600.00
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Pursuant to the parties' agreement, the Arbitrator has assessed the entire last-minute cancellation fee jointly and severally to Respondents.

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 @ \$1,150.00/session	= \$ 2,300.00
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Pre-Hearing Conferences: February 15, 2022	1 session
March 10, 2022	1 session

One (1) hearing session on expungement request @ \$1,150.00/session	= \$ 1,150.00
Hearing: March 14, 2022	1 session

Total Hearing Session Fees	= \$ 3,450.00
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Pursuant to the parties' agreement, the Arbitrator has assessed the total hearing session fees jointly and severally to Respondents.

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

ARBITRATOR

Christopher J. Klein

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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

Christopher J. Klein

Christopher J. Klein
Sole Public Arbitrator

03/21/2022

Signature Date

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March 22, 2022

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