

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
OFFICE OF HEARING OFFICERS**

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

SERGE SULEIMANI  
(CRD No. 3272270),

Respondent.

Expedited Proceeding

No. ARB250022

RCM No. 20250885085

Hearing Officer–LOM

**EXPEDITED DECISION**

April 21, 2026

**Respondent failed to pay an arbitration award and failed to prove that he had a bona fide inability to pay the award or make a meaningful partial payment on it. Respondent is therefore suspended from associating with any FINRA member in any capacity until he complies with the award or establishes another valid defense.**

*Appearances*

For the Complainant: Mark Fernandez, Esq., Michael Manning, Esq., and Christopher Perrin, Esq., Department of Enforcement, Financial Industry Regulatory Authority

For the Respondent: Serge Suleimani, *pro se*

**DECISION**

**I. Introduction**

Respondent Serge Suleimani is a registered representative currently employed by a FINRA member firm, Cetera Wealth Services, LLC (“Cetera”). When Respondent moved to Cetera, he failed to pay to his former FINRA member firm employer, Wells Fargo Clearing Services, LLC (“Wells Fargo”), what he owed on a promissory note. Wells Fargo filed a claim in FINRA’s arbitration forum to recover on the note, and an arbitrator entered an award against Respondent in favor of Wells Fargo for \$151,646, plus interest and fees.<sup>1</sup>

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<sup>1</sup> In this decision, all figures are given without any pennies, although pennies may have been included in the figures provided by the parties or contained in their exhibits.

Respondent failed to pay the arbitration award within the 30-day period that FINRA’s rules require. The arbitration claimant, Wells Fargo, and Respondent then engaged in litigation, with Wells Fargo seeking to obtain a judgment confirming the award and Respondent seeking to have the award vacated. In the end, the Superior Court of the State of California for the County of Los Angeles (“Los Angeles Superior Court”) granted Wells Fargo’s petition to confirm the award, and the United States District Court for the District of Alaska (“District Court of Alaska”) denied Respondent’s petition to vacate the award.

FINRA subsequently sent Respondent a notice of intent to suspend him if he did not pay the award or establish a valid defense. Respondent then requested a hearing with FINRA’s Office of Hearing Officers, which stayed the imposition of FINRA’s suspension. As a defense to avoid suspension, Respondent asserts that he is financially unable to pay the arbitration award, which is sometimes referred to as the “inability-to-pay defense.”

When a respondent raises the inability-to-pay defense to avoid suspension, the respondent has the burden of proving that he was unable to pay the arbitration award at any time after its issuance and lacked the ability to marshal resources even to make a meaningful partial payment on it. The burden lies with the respondent because proof of the respondent’s financial condition and circumstances lies uniquely in the respondent’s control.

In accord with the applicable rules, I held a hearing by videoconference on February 17, 2026, to consider Respondent’s inability-to-pay defense. For the reasons discussed below, I find that Respondent failed to establish that he was unable to pay the arbitration award or to make a meaningful partial payment on the award at any time since it was issued. Accordingly, Respondent is suspended from associating with any FINRA member firm in any capacity until he complies with the award or demonstrates another valid defense. I also order him to pay the costs of the hearing.

## **II. Findings of Fact and Conclusions of Law**

### **A. Regulatory Framework for Arbitration in FINRA’s Forum**

FINRA administers its arbitration forum under rules promulgated by FINRA and approved by the Securities and Exchange Commission (“SEC”). FINRA members and their associated persons resolve disputes relating to their business in that forum, and customers may assert claims against FINRA members and their associated persons in FINRA’s forum as well.<sup>2</sup> The purpose of providing an arbitration forum is “to provide parties with a speedier and less costly alternative to litigation.”<sup>3</sup>

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<sup>2</sup> FINRA’s Series 12000 Rules constitute the Code of Arbitration Procedure for Customer Disputes; the Series 13000 Rules are the Code of Arbitration Procedure for Industry Disputes.

<sup>3</sup> *Cunningham v. Ford Motor Co.*, No. 21-cv-10781, 2022 U.S. Dist. LEXIS 127786, at \*9 (E.D. Mich. July 19, 2022) (quoting *Stout v. J.D. Byrider*, 228 F.3d 709, 714 (6th Cir. 2000)), *dismissing by stipulation without prejudice*, 2023 U.S. Dist. LEXIS 218108 (E.D. Mich. Dec. 7, 2023).

To facilitate the quicker, less expensive resolution of disputes in its arbitration forum, FINRA has put in place procedures designed to promote prompt payment of arbitration awards issued.<sup>4</sup> Under FINRA’s arbitration rules, “[a]ll monetary awards shall be paid within 30 days of receipt unless a motion to vacate has been filed with a court of competent jurisdiction.”<sup>5</sup> This prompt payment requirement supports the efficiency and fairness of FINRA arbitration as a means of dispute resolution. It discourages delay in satisfying an award and, if a losing party complies with the prompt payment requirement, it relieves a winning arbitration claimant of the necessity of later turning to other more expensive and time-consuming means of enforcing its rights.

FINRA Rule 9554 establishes an expedited suspension procedure for failure to comply with an arbitration award. If FINRA learns that a respondent has failed to pay an arbitration award within 30 days, Rule 9554 authorizes FINRA to send a suspension notice “stating that the failure to comply within 21 days of service of the [suspension] notice will result in a suspension ... from associating with any member.”<sup>6</sup> The suspension notice must specify the grounds for, and the effective date of, the suspension and must advise respondents of their right to file a written request for a hearing.<sup>7</sup>

Once served with a suspension notice, a respondent may file a request for a hearing with FINRA’s Office of Hearing Officers.<sup>8</sup> A hearing request stays the imposition of the proposed suspension.<sup>9</sup> Such a request must specifically identify all defenses the respondent has to the suspension notice.<sup>10</sup> FINRA recognizes the following defenses:

- The respondent has paid the arbitration award in full;
- The arbitration parties have agreed to installment payments of the award or have otherwise agreed to settle, and the respondent is not in violation of their agreement;
- A motion to vacate or modify the award is pending in a court, or a court has vacated the award; and

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<sup>4</sup> *Keith Patrick Sequeira*, Exchange Act Release No. 85231, 2019 SEC LEXIS 286, at \*25 (Mar. 1, 2019), *petition for review denied*, 816 F. App’x 703 (3rd Cir. 2020).

<sup>5</sup> The same prompt payment within 30 days is required whether the arbitration involves a dispute between industry members, FINRA Rule 13904(j), or between an industry member and a customer, FINRA Rule 12904(j).

<sup>6</sup> FINRA Rule 9554(a).

<sup>7</sup> FINRA Rule 9554(c); *Michael Albert DiPietro*, Exchange Act Release No. 77398, 2016 SEC LEXIS 1036, at \*8–9 (Mar. 17, 2016).

<sup>8</sup> FINRA Rule 9554(e).

<sup>9</sup> FINRA Rule 9554(d).

<sup>10</sup> FINRA Rule 9554(e).

- The respondent has a bankruptcy proceeding pending in United States Bankruptcy Court, or a Bankruptcy Court has discharged the award.<sup>11</sup>

Where the dispute resolved in the underlying arbitration is between industry members (as here, in a dispute between a FINRA member firm and its former associated person), as opposed to a dispute between an industry member and a customer, a respondent may also assert a bona fide inability to pay an award as a defense to a suspension proceeding.<sup>12</sup>

If an associated person fails to pay an arbitration award within the 30 days specified by FINRA and fails to assert and establish one of these defenses, then FINRA's By-Laws provide that the person may be suspended.<sup>13</sup>

## **B. Respondent and Jurisdiction**

Respondent first registered with FINRA in 1999 through his association with a FINRA member firm.<sup>14</sup> Currently, he is a registered representative employed by FINRA member firm Cetera. He joined Cetera on September 29, 2022, as a registered General Securities Representative and General Securities Sales Supervisor.<sup>15</sup> Prior to joining Cetera, he was employed by another FINRA member firm, Wells Fargo.<sup>16</sup>

Under Article V, Section 2(a)(1) of FINRA's By-Laws, a person seeking to become registered through a FINRA member firm must agree to comply with the federal securities laws and FINRA's rules. That provision of the By-Laws further specifies that a person seeking to become registered must agree to comply with all rulings, orders, directions, and decisions issued under FINRA's rules, and any sanctions imposed under those rules. FINRA Rule 0140 additionally specifies that FINRA's rules apply to all FINRA member firms and their associated persons.

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<sup>11</sup> See FINRA By-Laws, Art. VI, Sec. 3(b); NASD Notice to Members 00-55, at 2 (Aug. 2000), <https://www.finra.org/rules-guidance/notices/00-55>.

<sup>12</sup> See, e.g., *William J. Gallagher*, Exchange Act Release No. 47501, 2003 SEC LEXIS 599, at \*12 (Mar. 14, 2003); see also SR-FINRA-2010-014, Order Approving Proposed Rule Change Relating to FINRA Rule 9554 to Eliminate Explicitly the Inability-to-Pay Defense in the Expedited Proceedings Context, Exchange Act Release No. 62211, 2010 SEC LEXIS 1800, 75 Fed. Reg. 32525 (June 2, 2010) (approving change to FINRA Rule 9554 making the defense of inability to pay an arbitration award unavailable to a respondent when the award is issued in favor of public customers and recognizing that bona fide inability to pay is a defense in an expedited proceeding involving an industry arbitration award).

<sup>13</sup> The By-Laws authorize a suspension 15 days after notice in writing of the proposed suspension. Art. VI, Sec. 3(b). Rule 9554, however, gives a person a longer grace period within which to comply with the arbitration award, within 21 days of service of the notice of suspension.

<sup>14</sup> Stipulations ("Stip.") ¶ 1; Joint Exhibit ("JX-\_\_") 1.

<sup>15</sup> Stip. ¶ 1; JX-1, at 4.

<sup>16</sup> JX-1, at 5.

Accordingly, Respondent, who was registered during the period discussed here and who is currently a registered person, has agreed—and is obligated—to comply with FINRA’s rules, including the rule that requires a respondent in an industry dispute to pay an arbitration award within 30 days of receiving it, FINRA Rule 13904(j).

### **C. The Arbitration Award**

On March 20, 2025, an arbitration award was entered against Respondent in *Wells Fargo Clearing Services, LLC v. Serge Suleimani*, FINRA Dispute Resolution Services Arbitration Case No. 24-02670.<sup>17</sup> The arbitration award granted Wells Fargo compensatory damages of \$151,646, plus interest at the rate of 4.12 percent per annum from September 29, 2022, until the award is paid in full, and various fees.<sup>18</sup>

### **D. FINRA Notices**

The day after the arbitration award was issued, on March 21, 2025, FINRA sent notice of the award to Respondent.<sup>19</sup> FINRA also sent Respondent an additional notice of the award on March 21, which called attention to his obligation to pay the award within 30 days and specified that the 30-day window for payment of the award ended on April 21, 2025.<sup>20</sup> That additional notice directed him to review FINRA’s Notice to Members 00-55 for more information and the potential sanctions for noncompliance.<sup>21</sup>

### **E. Respondent’s Failure to Pay and Litigation to Enforce or Vacate Award**

Respondent did not pay the arbitration award within the 30-day window FINRA had specified. About six weeks after the arbitration award was issued, on May 1, 2025, Wells Fargo filed a petition and motion to confirm the arbitration award in the Los Angeles Superior Court.<sup>22</sup> On May 9, 2025, Respondent filed a complaint in the District Court of Alaska.<sup>23</sup> In Respondent’s complaint, he sought “dismissal” of the arbitration award.<sup>24</sup> About a month later, on June 20, 2025, Respondent filed a petition to vacate the award in the litigation in the District Court of Alaska.<sup>25</sup>

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<sup>17</sup> Stip. ¶ 3; JX-2.

<sup>18</sup> Stip. ¶ 4; JX-2, at 1–3.

<sup>19</sup> Stip. ¶ 6; JX-3.

<sup>20</sup> Stip. ¶ 8; JX-4, at 1.

<sup>21</sup> JX-4, at 1.

<sup>22</sup> Stip. ¶ 10.

<sup>23</sup> Stip. ¶ 11.

<sup>24</sup> Stip. ¶ 11.

<sup>25</sup> Stip. ¶ 12.

On August 20, 2025, the Los Angeles Superior Court granted Wells Fargo’s petition to confirm the arbitration award, as reflected in a minute order entered that day.<sup>26</sup> On November 14, 2025, the District Court of Alaska dismissed the action filed by Respondent in that court with prejudice and denied his petition to vacate the award.<sup>27</sup>

#### **F. FINRA’s Suspension Notice**

Even after Respondent’s petition to vacate the arbitration award was denied, he still failed to pay the award. On November 18, 2025, FINRA sent him via FedEx Priority Overnight delivery, addressed to Respondent’s current residential address as recorded in the Central Registration Depository (“CRD Address”), a notice of intent to suspend his association with any member firm.<sup>28</sup> Respondent received the suspension notice on November 21, 2025.<sup>29</sup> The parties have stipulated that the suspension notice was properly served.<sup>30</sup>

The suspension notice informed Respondent that he would be suspended on December 9, 2025, if he failed to comply with the award or to demonstrate one of the specified defenses before that date.<sup>31</sup> The suspension notice listed an inability to pay as one of the possible defenses.<sup>32</sup> It also advised Respondent that he could request a hearing with the Office of Hearing Officers on any claimed defense and that the request for a hearing would stay the effective date of the suspension.<sup>33</sup>

On December 5, 2025, Respondent timely filed a request for a hearing with the Office of Hearing Officers. He asserted as a defense that he was “filing for a Financial Hardship Exemption” because of his “inability to pay the [arbitration] award.” Whether Respondent has a bona fide inability to pay the arbitration award is the issue in this proceeding.

#### **G. The Inability-to-Pay Defense**

When a respondent asserts a bona fide inability to pay an arbitration award as a defense to a suspension, the focus is on the respondent’s financial circumstances during the relevant period. To avoid a suspension, it is the respondent who must establish the inability-to-pay defense by proving an inability to pay the award or to make some meaningful payment toward

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<sup>26</sup> Stip. ¶¶ 13–14; JX-5.

<sup>27</sup> Stip. ¶¶ 15–16; JX-6.

<sup>28</sup> Stip. ¶¶ 17–18; JX-7.

<sup>29</sup> Stip. ¶ 19.

<sup>30</sup> Stip. ¶ 20.

<sup>31</sup> JX-7, at 1.

<sup>32</sup> JX-7, at 1.

<sup>33</sup> JX-7, at 1.

satisfying it.<sup>34</sup> The respondent must document fully his or her financial circumstances,<sup>35</sup> including assets and liabilities.<sup>36</sup> The respondent bears the burden of proof because information regarding a respondent's assets is "peculiarly within [the respondent's] knowledge."<sup>37</sup> The defense fails if the respondent's evidence of financial condition is insufficient or incomplete.<sup>38</sup> It is not Enforcement's duty to prove that Respondent could pay the award. Rather, it is a Respondent's duty to prove that he cannot.

FINRA is entitled to make a searching inquiry into a respondent's assertion of an inability to pay an arbitration award.<sup>39</sup> The searching inquiry relevant to an inability-to-pay defense extends beyond a respondent's financial circumstances at the time of the notice of suspension. The relevant period for the inquiry covers the entire time from the issuance of the arbitration award to the present. A respondent on notice of the obligation to pay an arbitration award cannot dissipate assets in the immediate aftermath of the arbitration proceeding and thereby render himself unable to pay what he owes when he later receives a notice of suspension.<sup>40</sup> When a respondent chooses to use funds for purposes other than paying an arbitration award, that is a choice to prioritize those other purposes over the obligation to pay the award. That allocation choice may diminish the funds available to satisfy the arbitration award, but it does not establish a bona fide inability to pay.<sup>41</sup>

The inquiry into a respondent's asserted inability to pay an arbitration award also covers more than whether a respondent could pay the award in full. To establish a bona fide inability to pay, a respondent must prove not only that he is unable to pay the award in full but that he has been unable to make any meaningful payment on it at any time since the award was issued.<sup>42</sup> As the SEC has said, "To prevail on an inability-to-pay defense a respondent must demonstrate that

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<sup>34</sup> *Daniel Paul Motherway*, Exchange Act Release No. 97180, 2023 SEC LEXIS 753, at \*5–11 (Mar. 21, 2023) (respondent had the burden of establishing his inability-to-pay defense but offered no evidence that his substantial resources were truly unavailable to him to make a meaningful payment on the arbitration award).

<sup>35</sup> *Robert Tretiak*, Exchange Act Release No. 47534, 2003 SEC LEXIS 653, at \*12–13 (Mar. 19, 2003) (respondent failed to establish inability to pay arbitration award because he provided only "approximate and estimated snapshots" of his financial picture).

<sup>36</sup> *Motherway*, 2023 SEC LEXIS 753, at \*8–9 (respondent failed to establish an inability to make a meaningful payment on arbitration award where his and his wife's assets substantially exceeded their liabilities).

<sup>37</sup> *Bruce M. Zipper*, Exchange Act Release No. 33376, 1993 SEC LEXIS 3525, at \*8 (Dec. 23, 1993).

<sup>38</sup> *Gallagher*, 2003 SEC LEXIS 599, at \*9–11 (respondent's evidence "was both insufficient and concededly incomplete").

<sup>39</sup> *Tretiak*, 2003 SEC LEXIS 653, at \*12.

<sup>40</sup> *E.g., Dep't of Enforcement v. Shimko*, No. ARB200002, 2020 FINRA Discip. LEXIS 41, at \*11–12 (OHO Sept. 15, 2020) (pre-payment of mortgage and other liabilities after issuance of arbitration award was an allocation choice inconsistent with inability-to-pay defense).

<sup>41</sup> *Id.* at \*29–34.

<sup>42</sup> *Id.* at \*10–11.

he is unable to make some meaningful payment toward the award from available assets or income.”<sup>43</sup>

Importantly, a respondent’s asserted inability to pay an arbitration award is evaluated taking into consideration all resources that might be available to pay the arbitration award. Analysis of the asserted inability to pay includes not only a respondent’s financial accounts and assets in the respondent’s name but also those of a spouse or other household member.<sup>44</sup> Real estate, including a respondent’s residence, may be a source of funds if a respondent has sufficient equity to borrow against.<sup>45</sup> Other property such as automobiles and boats and investments may be sold to raise funds.<sup>46</sup> If a respondent or spouse is involved in other business activities in addition to the respondent’s work for a FINRA member firm, those businesses may yield funds to pay an arbitration award.<sup>47</sup> A respondent also may have the ability to obtain assistance or a loan from extended family.<sup>48</sup>

A respondent who is obligated to pay an arbitration award has a duty to make an effort to raise the funds to do so.<sup>49</sup> One way is to attempt to borrow funds. “[A]n inability-to-pay defense is unavailable if a respondent can borrow against assets to satisfy the award or pay a meaningful

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<sup>43</sup> *Motherway*, 2023 SEC LEXIS 753, at \*6–7; see also *Dep’t of Enforcement v. Stofleth*, No. ARB210015, 2022 FINRA Discip. LEXIS 1, at \*5 (OHO Jan. 3, 2022) (“To satisfy their burden of proof, respondents must show that since the issuance of the award, they have been unable to pay the full amount and ‘unable to make some meaningful payment toward the award from available assets or income . . . .’”) (quoting *DiPietro*, 2016 SEC LEXIS 1036, at \*16 n.22)).

<sup>44</sup> *Motherway*, 2023 SEC LEXIS 753, at \*7-11 (respondent failed to show that assets in wife’s name were unavailable to respondent to make a meaningful payment toward award); *Dep’t of Enforcement v. Borrero*, No. ARB240010, 2024 FINRA Discip. LEXIS 22, at \*15–18 (OHO Oct. 7, 2024) (financial information of girlfriend who was living with respondent was analyzed to determine whether respondent had inability to pay arbitration award); *Shimko*, 2020 FINRA Discip. LEXIS 41, at \*15–16, \*18–21 (respondent was required to provide financial information about wife’s businesses).

<sup>45</sup> *Borrero*, 2024 FINRA Discip. LEXIS 22, at \*12–15, \*25–27 (respondent failed to explore borrowing against home equity).

<sup>46</sup> *Dep’t of Enforcement v. Tracy*, No. ARB240021, 2025 FINRA Discip. LEXIS 3, at \*14-18 (OHO Mar. 10, 2025) (respondent failed to apply distributions from retirement accounts toward payment of award); *Shimko*, 2020 FINRA Disc. LEXIS 41, at \*23–25 (respondent failed to apply cash or sales of investments in brokerage account to pay arbitration award).

<sup>47</sup> *Tracy*, 2025 FINRA Discip. LEXIS 3, at \*19–21 (respondent failed to explore whether he could raise funds from a side business selling items online); *Borrero*, 2024 FINRA Disc. LEXIS 22, at \*27–28 (respondent and girlfriend who was household member had significant cash flow from car rental business).

<sup>48</sup> *Borrero*, 2024 FINRA Disc. LEXIS 22, at \*28–29 (respondent’s family had significant resources to assist him, as demonstrated by the fact that over the course of less than a year, respondent’s brother paid for respondent and his family, along with other family members, including respondent’s mother and other brother, to travel to Colombia, Spain, and Italy).

<sup>49</sup> *Shimko*, 2020 FINRA Disc. LEXIS 41, at \*11 (“A respondent is expected to take active measures to pay an arbitration award.”).

part of it.”<sup>50</sup> Another way is to reduce expenditures and reallocate funds to payment of the award.<sup>51</sup> The inability-to-pay defense may be rejected if the respondent could reduce living expenses, divert funds from other expenditures, or borrow funds to pay the award.<sup>52</sup> “Merely showing serious financial distress or that it would be hard or painful to pay an arbitration award does not establish the defense.”<sup>53</sup>

## **H. Respondent’s Failure to Prove an Inability to Pay the Arbitration Award**

To show his inability to pay the arbitration award, Respondent submitted a financial statement dated December 18, 2025 (“Financial Statement”).<sup>54</sup> The Financial Statement includes a list of assets and their estimated values, a list of liabilities, and a cash flow summary showing monthly income and expenses.<sup>55</sup> In the days following the submission of the Financial Statement, Respondent also answered Enforcement’s written questions about his financial information and provided some supporting documentation.<sup>56</sup>

A hearing was held on February 17, 2026, by videoconference. Two witnesses testified, Respondent and Christopher Filiberto, a FINRA examiner.<sup>57</sup> The Financial Statement was introduced into evidence as a Joint Exhibit.<sup>58</sup> Correspondence between Respondent and Enforcement and some of the supporting materials he provided were also marked as Joint Exhibits and introduced into evidence at the hearing.<sup>59</sup> In addition, Enforcement introduced into

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<sup>50</sup> *DiPietro*, 2016 SEC LEXIS 1036, at \*20; *see also Gallagher*, 2003 SEC LEXIS 599, at \*11–12 (respondent submitted no evidence that he could not have borrowed against his home and therefore failed to establish an inability to pay the arbitration award).

<sup>51</sup> *Shimko*, 2020 FINRA Disc. LEXIS 41, at \*11.

<sup>52</sup> *Dep’t of Enforcement v. Helbling*, No. ARB210004, 2021 FINRA Discip. LEXIS 14, at \*5–6, \*9–10 (OHO July 23, 2021 (respondent failed to explain why he did not use some of his cash to pay a meaningful portion of the award, failed to show he could not borrow funds to apply to the award, and chose to allocate resources for other purposes)).

<sup>53</sup> *Dep’t of Enforcement v. Markus*, No. ARB210008, 2021 FINRA Discip. LEXIS 17, at \*4–5, \*10 (OHO Aug. 17, 2021) (although respondent’s financial condition was poor, he failed to show that he could not apply substantial cash in a bank account to make a meaningful payment on the award); *see also Shimko*, 2020 FINRA Discip. LEXIS 41, at \*12.

<sup>54</sup> JX-8.

<sup>55</sup> JX-8.

<sup>56</sup> JX-9; JX-10; JX-11; JX-12; JX-13; JX-14; JX-15; JX-16.

<sup>57</sup> Transcript (“Tr.”) 12.

<sup>58</sup> JX-8.

<sup>59</sup> Enforcement’s initial pre-hearing submissions included JX-1 through JX-7. With Respondent’s consent, the Joint Exhibits were revised to include certain documents that Enforcement had initially proposed to offer as its own exhibits. These revised exhibits are JX-8 through JX-27. At the hearing, the Parties agreed that all the Joint Exhibits are admissible into evidence. Tr. (remarks of counsel and Suleimani) 10–11.

evidence four summary exhibits of its own.<sup>60</sup> Respondent did not offer any other exhibits, but he discussed in his testimony some of the Joint Exhibits.<sup>61</sup>

As explained below, Respondent failed to demonstrate an inability to pay, or at least to make a meaningful partial payment on, the arbitration award. He did not provide sufficient documentation to evaluate his financial condition accurately, and his vague, unsupported testimony did not overcome that deficit. Moreover, the information he did provide shows that he has resources he could marshal to pay the arbitration award or make a meaningful payment toward its satisfaction.

### **1. Lack of Required Documentation**

The Financial Statement required Respondent to provide documentation to support the figures listed for assets, liabilities, and cash flow. In some cases, it required him to provide specific financial records.<sup>62</sup>

At the hearing, Respondent failed to introduce required documentation into the evidentiary record. To take one example, the Financial Statement required Respondent to attach all federal and state income tax forms filed by him or on his behalf, including personal, trust, and business returns for the purpose of documenting annual income for the last two years.<sup>63</sup> At the hearing he testified that he and his wife file joint income tax returns.<sup>64</sup> Respondent testified that he provided an “initial” income tax return for 2024 to Enforcement,<sup>65</sup> but he failed to introduce any personal income tax returns into evidence at the hearing. Although he operates what he describes as a small side business and has a bank account for that business, he also failed to introduce any business income tax returns into evidence. Respondent testified that he has filed no business income tax returns.<sup>66</sup>

As a result, there is nothing in the record to corroborate Respondent’s self-interested estimates of income. Respondent’s estimates of his personal and business income are by themselves insufficient to form any conclusion about his financial condition. Because Respondent failed to present any personal or business tax returns for my consideration, I find that he has failed to carry his burden of proving his inability to pay the arbitration award.

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<sup>60</sup> Four of Enforcement’s own exhibits were re-marked as Complainant Exhibit (“CX-\_\_”) 1A, CX-2A, CX-3A, and CX-4A and admitted into evidence without objection. Tr. 125 (CX-1A), 131–32 (CX-2A), 138 (CX-3A), 151 (CX-4A).

<sup>61</sup> Tr. (Suleimani) 45–98, 100–104, 107, 109–11.

<sup>62</sup> JX-8, at 3, 7–8.

<sup>63</sup> JX-8, at 4, 7.

<sup>64</sup> Tr. (Suleimani) 100–01.

<sup>65</sup> Tr. (Suleimani) 100–02. It is unclear what Respondent meant by “initial” tax return.

<sup>66</sup> Tr. (Suleimani) 102–03.

## 2. Respondent's Estimates of Assets

### a. Cash

Respondent claims in his Financial Statement to have only \$2,994 in cash.<sup>67</sup> This is a snapshot of the cash he had at a particular time, mid-December 2025.<sup>68</sup> The estimate does not take into account a nearly \$20,000 deposit from his current broker-dealer firm, Cetera, into his business checking account at the end of December 2025<sup>69</sup> or the ebb and flow of cash in Respondent's bank accounts, as discussed below. Respondent testified that he provided the cash estimate prior to that \$20,000 deposit, and that he could not count on receiving another such large deposit.<sup>70</sup> As he pointed out, his income is unpredictable, because he does not receive a monthly salary.<sup>71</sup>

It appears that Respondent and his wife have access to more cash than the roughly \$3,000 he estimated they have, although it is difficult to say how much cash without better documentation. It also is not possible to determine the source of much of the cash, which gives rise to the question whether Respondent has fully disclosed all his resources.

JX-17 contains bank statements from the Spirit of Alaska Credit Union (the "credit union") for two accounts (a savings account ending in 2001 and a checking account ending in 3823) in the name of Respondent and his wife. The savings account typically shows little money or activity.<sup>72</sup> The bank statements show that the couple regularly make deposits totaling \$5,000 to \$6,000 each month in the checking account ("Joint Account")<sup>73</sup> and sometimes the deposits total even more.<sup>74</sup> The couple usually spend down most of the amount deposited each month on what largely appear to be living expenses.<sup>75</sup> Some of the deposits are identified in the bank statements as "external" deposits from the University of Alaska, where Respondent's wife is

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<sup>67</sup> JX-8, at 1.

<sup>68</sup> Tr. (Suleimani) 46–47.

<sup>69</sup> JX-18, at 182.

<sup>70</sup> Tr. (Suleimani) 45–47.

<sup>71</sup> Tr. (Suleimani) 45–47.

<sup>72</sup> In most months, the savings account held less than \$10. JX-17, at 1, 4, 7, 10, 13, 16, 19, 22, 25, 28. In October 2025, the savings account received a \$7,000 deposit described as "Deposit taxes." JX-17, at 31. In November 2025, Respondent withdrew \$4,739 from the savings account. JX-17, at 34. The November statement shows that he paid \$1,657 on one mortgage identified as the "NewRez mortgage," \$1,282 on a second mortgage identified as the "Smoot mortgage," and \$1,500 on "country insurance." There was still more than \$2,000 left in the account at the end of November. JX-17, at 34. The following month, in December 2025, Respondent made another payment on the NewRez mortgage from the savings account, a payment of \$1,658 on December 5. JX-17, at 37.

<sup>73</sup> JX-17, at 1 (December 2024), 4 (January 2025), 7 (February 2025), 10 (March 2025), 13 (April 2025), 28 (September 2025).

<sup>74</sup> JX-17, at 16 (May 2025 deposits of \$8,397), 19 (June deposits of \$7,423).

<sup>75</sup> *E.g.*, JX-17, at 1–3 (spending on gas and at various retail stores).

employed. The deposits from the University of Alaska are usually around \$1,830 or so, twice a month.<sup>76</sup> Other deposits have no identified source and no pattern. They are simply recorded as deposits without more.<sup>77</sup> The deposits without any indication of source are a significant portion of the deposits in the checking account. For instance, in December 2024 the deposits from unidentified sources totaled \$2,650;<sup>78</sup> in January 2025 they totaled \$1,900,<sup>79</sup> and in February 2025 they totaled \$2,450.<sup>80</sup> The only other significant deposits in those months are the “external” deposits from the University of Alaska.<sup>81</sup> The same pattern holds for most of the following months.<sup>82</sup>

The Joint Account at the credit union is not Respondent’s only account. As discussed below, Respondent has a business outside of his work at his broker-dealer firm. That business is called Hot to Trot, and Respondent maintains a business checking account at Denali State Bank (the “state bank”) in the name of Hot to Trot (account ending in 8683).<sup>83</sup> JX-18 contains monthly statements for the business checking account covering the period from December 2, 2024, through December 31, 2025.<sup>84</sup> Again, the pattern in the account is to receive deposits each month and spend down the funds during the same month for living expenses. Again, a large portion of the deposits come from unidentified sources. For example, in December 2024 the business account received \$10,053 in deposits and credits.<sup>85</sup> Respondent’s broker-dealer firm, Cetera, was responsible for a total of \$3,437 of those deposits,<sup>86</sup> but a larger amount came from an undisclosed source or sources. Three deposits in December 2024 were made without any explanation of the source of the funds, and those deposits totaled \$5,296.<sup>87</sup> The same pattern continued into the next year. For example, in the month of June 2025, the account received a

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<sup>76</sup> JX-17 at 2-3 (12-13, “External Deposit University of AK – 24R25,” \$1,825; 12-27, “External Deposit University of AK – 24R26,” \$1,894), 5 (1-10, “External Deposit University of AK – 25R01,” \$1,829; 1-24, “External Deposit University of AK – 25R02,” \$1,829) 8 (2-07, “External Deposit University of AK – 25R03,” \$1,829; 2-21, “External Deposit University of AK – 25R04,” \$1,829), 11 (3-07, “External Deposit University of AK – 25R05,” \$1,829; 3-21, “External Deposit University of AK – 25R06,” \$1,829), 13-14 (4-04, “External Deposit University of AK – 25R07,” \$1,829; 4-18, “External Deposit University of AK – 25R08,” \$1,829), *et seq.*

<sup>77</sup> *See, e.g.*, JX-17, at 2 (December 9, 21, and 24, 2024), 5 (January 9, 17, and 22, 2025).

<sup>78</sup> JX 17, at 2.

<sup>79</sup> JX-17, at 5.

<sup>80</sup> JX-17, at 8–9.

<sup>81</sup> JX-17, at 2–3, 5, 8.

<sup>82</sup> JX-17, at 10–38.

<sup>83</sup> JX-18.

<sup>84</sup> JX-18.

<sup>85</sup> JX-18, at 1.

<sup>86</sup> JX-18, at 2.

<sup>87</sup> JX-18, at 2.

total of \$4,274 in deposits and credits.<sup>88</sup> Of this amount, most of the cash was from deposits with no indication of the source, a total of \$3,246.<sup>89</sup> The deposits came on various days in various amounts: \$306 on June 5, 2025; \$1,300 on June 13; \$250 on June 17; \$1,200 on June 20; and \$190 on June 24.<sup>90</sup>

Respondent produced monthly financial statements for a third account, his wife's account at Wells Fargo (account ending 8305), which is designated a "primary account."<sup>91</sup> It is a savings account in which there is little money and almost no activity.<sup>92</sup>

In answer to some written questions raised by Enforcement after it reviewed Respondent's Financial Statement, Respondent attempted to explain some of the deposits into the Joint Account at the credit union.<sup>93</sup> He wrote to Enforcement in an email on January 11, 2026, that deposits in the Joint Account came from the business account,<sup>94</sup> presumably the Hot to Trot account at the state bank. Respondent told Enforcement he timed the transfers to cover mortgage payments.<sup>95</sup> He did not, however, point out an example that tied a withdrawal from the Hot to Trot business account to a deposit in the Joint Account or tied a deposit in the Joint Account to a mortgage payment. The amounts of the deposits into the Joint Account from unidentified sources do not match the amount of the mortgage payments. In any event, Respondent's explanation for the deposits in the couple's Joint Account from unidentified sources does not explain the deposits in the business account from unidentified sources. Because the monthly financial statements do not document the source of the deposits in either the couple's Joint Account or the business account, it is impossible to verify Respondent's explanation for the source of multiple deposits.

It appears from review of the Joint Account that Respondent and his wife manage that account to ensure that funds are available to cover their spending each month, including the payment of a mortgage called the NewRez mortgage.<sup>96</sup> The monthly statements show a flow of funds deposited each month that cover the mortgage payment and other expenses. But at the end of the month funds are diminished and need to be replenished the next month to cover the mortgage and expenses.<sup>97</sup> The financial statements for the two active accounts, the couple's Joint

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<sup>88</sup> JX-18, at 102.

<sup>89</sup> JX-18, at 103.

<sup>90</sup> JX-18, at 103.

<sup>91</sup> JX-19.

<sup>92</sup> JX-19. Respondent's wife generally maintains a balance of a little more than \$500 in the savings account. JX-19, at 1, 7, 13, 18, 22.

<sup>93</sup> JX-10, at 1.

<sup>94</sup> JX-10, at 1.

<sup>95</sup> JX-10, at 1.

<sup>96</sup> JX-17.

<sup>97</sup> JX-17.

Account and Respondent's business account, thus show an ebb and flow of cash each month, and in most months more cash flowed through the two accounts than he listed on his Financial Statement.<sup>98</sup> The amount of cash that flows through the couple's Joint Account each month also is more than the regular bi-weekly payments from the University of Alaska to Respondent's wife, which total roughly \$3,600 to \$3,700 each month.<sup>99</sup>

I find that since Respondent was served with the arbitration award on March 21, 2025, his cash in the Joint Account with his wife and in the business account for Hot to Trot, has fluctuated in a range of at least \$3,000 to \$15,000 monthly, more than his estimate of cash holdings. A substantial portion of the cash is derived from unknown sources. Respondent provided no credible explanation for the cash flow in excess of his wife's compensation from the University of Alaska.

### **b. House**

Respondent's Financial Statement contains a \$457,609 estimate of the value of his home.<sup>100</sup> That figure is derived from a Fairbanks North Star Borough Real Property Assessment Report ("Tax Assessment") for Respondent's home,<sup>101</sup> which indicates that the house was built in 2001 and sits on a 1.88 acre lot.<sup>102</sup>

The Tax Assessment states an assessed value for tax purposes. It is unclear what it is based on or how it is calculated, but it is not the same thing as an appraisal of current value. As Respondent pointed out at the hearing, a tax assessor does not go inside a home to evaluate its current state.<sup>103</sup> Respondent disputes whether the Tax Assessment is an accurate estimate of the home's value. He said in a note to his Financial Statement that the Borough's estimate does not reflect the cost of necessary repairs, which Respondent estimates to be as much as \$100,000.<sup>104</sup> When Enforcement asked for the basis for Respondent's estimate of necessary repairs,<sup>105</sup>

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<sup>98</sup> JX-17; JX-18; JX-19.

<sup>99</sup> JX-17, at 1 (December 2024 deposits totaling \$6,375), 4 (January 2025 deposits totaling \$5,615), 7 (February 2025 deposits totaling \$6,468), 10 (March 2025 deposits totaling \$5,909), 13 (April 2025 deposits totaling \$6,139), 16 (May 2025 deposits totaling \$8,397), 19 (June 2025 deposits totaling \$7,423), 22 (July 2025 deposits totaling \$6,064), 25 (August 2025 deposits totaling \$5,808), 28 (September 2025 deposits totaling \$5,659), 31 (October 2025 deposits totaling \$15,719), 34 (November 2025 deposits totaling \$6,505), 37 (December 2025 deposits totaling \$7,852). The October deposits were unusually high because of the external deposit of a federal tax refund of \$8,279. JX-17, at 32.

<sup>100</sup> JX-8, at 1.

<sup>101</sup> JX-24.

<sup>102</sup> JX-24, at 1.

<sup>103</sup> Tr. (Suleimani) 66–67.

<sup>104</sup> JX-8, at 1, 10.

<sup>105</sup> JX-9, at 2.

Respondent said he was waiting for a couple of estimates.<sup>106</sup> He testified that some estimates could not be obtained in the middle of the Alaskan winter, such as an estimate for roof repairs.<sup>107</sup> He talked about waiting for estimates of repairs,<sup>108</sup> but Respondent introduced into the record no third-party estimates of what house repairs, if any, might be needed. Nor has Respondent provided any third-party estimate of the value of the house other than the Tax Assessment. Respondent's assertion that the house has deteriorated is unsupported. It also appears inconsistent with the increasing value noted in the Tax Assessment. Between 2021 and 2025, the Tax Assessment shows an \$80,000 increase in the assessed value of the house.<sup>109</sup>

Because Respondent has provided no documentation as to the value of the house other than the Borough's Tax Assessment and no documentation as to the need for repairs to the house, I find that the house has a value of at least \$457,609, if not more.

### **c. Retirement Accounts**

In his Financial Statement, Respondent listed one retirement account in his name as an asset, an IRA. He indicated that the balance is down to around \$5,000 because he has withdrawn over \$10,000 in the last year "to make ends meet."<sup>110</sup> He provided no documentation showing how he applied the funds.

JX-21 contains monthly statements for the IRA covering the month of December 2024, and the period of March 1, 2025, through November 30, 2025.<sup>111</sup> At the end of December 2024, the account held the securities of two silver mining companies with a then-current market value of \$9,957.<sup>112</sup> The December 2024 statement showed that Respondent received \$18,065 in distributions during 2024.<sup>113</sup> The last statement in the record, the November 2025 statement, showed that Respondent still owned the two silver mining companies and a third mineral company.<sup>114</sup> The market value of all the securities at the end of November 2025 was \$5,281.<sup>115</sup>

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<sup>106</sup> JX-10, at 1.

<sup>107</sup> Tr. (Suleimani) 51, 64–65.

<sup>108</sup> Tr. (Suleimani) 64–65.

<sup>109</sup> JX-24, at 2.

<sup>110</sup> JX-8, at 1, 10, note 2. The Internal Revenue Service treats the term IRA as an abbreviation for "individual retirement arrangement." See Internal Revenue Service, *Individual retirement arrangements (IRAs)*, <https://www.irs.gov/retirement-plans/individual-retirement-arrangements-iras> (last visited Mar. 25, 2026).

<sup>111</sup> JX-21.

<sup>112</sup> JX-21, at 3.

<sup>113</sup> JX-21, at 5.

<sup>114</sup> JX-21, at 99.

<sup>115</sup> JX-21, at 97, 99.

Respondent also disclosed that his wife has a retirement account through her employer, but he gave that account a zero value in his list of assets in the Financial Statement.<sup>116</sup> He produced a retirement savings statement from the University of Alaska for his wife.<sup>117</sup> It shows two subaccounts in his wife’s retirement account, one designated a University of Alaska 401(a) retirement subaccount<sup>118</sup> and the other designated a 403(b) University of Alaska TDA (tax deferred annuity) Plan.<sup>119</sup> The retirement savings statement shows that as of January 14, 2026, the combined value of the two subaccounts was \$637,392.<sup>120</sup> The 401(a) subaccount had a value of \$147,040, and the 403(b) TDA subaccount had a value of \$457,626.<sup>121</sup> Employee contributions were \$15,525, employer contributions were \$3,005, and the combined subaccounts had increased in value by \$14,195, which yielded the total value of \$637,392.<sup>122</sup>

As discussed above, a respondent asserting a bona fide inability to pay must include all household assets as resources that could be drawn upon to pay all or a substantial portion of an arbitration award.<sup>123</sup> Respondent should have included the value of his wife’s retirement account in his assets.

#### **d. Outside Business**

In his notes to his Financial Statement, Respondent said that he has a business called Hot to Trot, but he called it “more of a hobby.”<sup>124</sup> “I don’t keep track of the details of the business,” he said, “if there is any profit it is minimal.”<sup>125</sup> In his written responses, Respondent did not explain exactly what the business is, but he said it is seasonal and that he “go[es] to the Farmer’s Market in the summer for a few times.”<sup>126</sup> He testified at the hearing that the business is selling

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<sup>116</sup> JX-8, at 1, 10, note 3.

<sup>117</sup> JX-22.

<sup>118</sup> JX-22 at 9–10. Under Internal Revenue Code Section 401(a), a state or other political subdivision or agency or instrumentality of a state can establish and maintain for its employees a retirement plan. *See* Internal Revenue Service, *Governmental plans under Internal Revenue Code Section 401(a)*, <https://www.irs.gov/retirement-plans/governmental-plans-under-internal-revenue-code-section-401a> (last visited Mar. 25, 2026).

<sup>119</sup> JX-22, at 9, 14. According to the Internal Revenue Service, a 403(b) plan is a retirement plan offered by public schools and certain 501(c)(3) tax-exempt organizations that is similar to a 401(k) retirement plan. *See* Internal Revenue Service, *IRC 403(b) tax-sheltered annuity plans*, <https://www.irs.gov/retirement-plans/irc-403b-tax-sheltered-annuity-plans> (last visited Mar. 25, 2026).

<sup>120</sup> JX-22, at 9.

<sup>121</sup> JX-22, at 10.

<sup>122</sup> JX-22, at 9.

<sup>123</sup> *See supra* II.G and notes 35–38.

<sup>124</sup> JX-8, at 11.

<sup>125</sup> JX-8, at 11.

<sup>126</sup> JX-8, at 11.

hot sauce at a farmer's market.<sup>127</sup> In his Financial Statement, Respondent did not assign any value to this business.<sup>128</sup> As noted above, Respondent maintains a business checking account in the name of Hot to Trot at the state bank.<sup>129</sup>

In response to Enforcement's written questions about Respondent's business, he said that deposits into the business account came from two sources, either from the sale of personal items like guns or tools or from cash received in connection with the Hot to Trot business.<sup>130</sup> He explained, "In the summer I worked at the Farmer's Market and a portion of the money from sales was in cash that I deposited, when the amount warranted a trip to the bank."<sup>131</sup> He provided no documentation for sales of guns and tools or for his work at the Farmer's Market. No deposits are identified in the business account bank statements in a way that the deposits could be attributed to either activity.

By email dated January 11, 2026, Respondent told Enforcement that he had also transferred money from his IRA retirement account to the Hot to Trot business account.<sup>132</sup> He said that Enforcement "could refer to the IRA statements to see the payments made."<sup>133</sup> The monthly statements for the business account do not signify that any deposits came from Respondent's IRA, and, while the monthly account statements for Respondent's IRA show withdrawals and distributions being made, those statements do not indicate where the funds went.<sup>134</sup>

In response to further inquiries from Enforcement, Respondent said that he started the Hot to Trot business in 2021 but that the only records for the business are the withdrawals and deposits in the bank account.<sup>135</sup> "Because of the low profit, and the fact that there are no deductions," Respondent told Enforcement that he has "not filed any income taxes for the business."<sup>136</sup> Respondent said that total revenues for the Hot to Trot business in 2025 were approximately \$8,500, and total expenses that year were approximately \$7,600.<sup>137</sup> He provided no documents to support these figures.

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<sup>127</sup> Tr. (Suleimani) 103-04.

<sup>128</sup> JX-8, at 1.

<sup>129</sup> JX-18.

<sup>130</sup> JX-10, at 1.

<sup>131</sup> JX-10, at 1.

<sup>132</sup> JX-11.

<sup>133</sup> JX-11.

<sup>134</sup> JX-21.

<sup>135</sup> JX-14, at 1.

<sup>136</sup> JX-14, at 2.

<sup>137</sup> JX-14, at 2.

Respondent's characterization of his business as a seasonal business that is active only in the summer is at odds with the pattern of deposits in the business account. For example, the December 2024 bank statement for the Hot to Trot account shows total deposits of \$10,053 that month.<sup>138</sup> Two deposits from Respondent's firm, Cetera, were responsible for \$3,437 of that amount.<sup>139</sup> Three deposits from unidentified sources were responsible for \$5,296 of that amount.<sup>140</sup> In January 2025, the account received a \$5,870 deposit from an unidentified source.<sup>141</sup> The deposits from unidentified sources during these two winter months total more than Respondent told Enforcement he made from the Hot to Trot business.<sup>142</sup>

Because Respondent's business bank account statements contain unexplained deposits from unknown sources, because Respondent provided no documentation regarding the revenues and expenses of his outside business, Hot to Trot, and because Respondent provided no documentation in connection with his sales of guns and tools and other items, I find that Respondent has failed to provide sufficient reliable evidence to evaluate his ability or inability to marshal resources from these business activities to apply toward full or partial satisfaction of the arbitration award.

#### **e. Miscellaneous Assets**

Respondent estimated that his furniture and household goods have a value of \$5,000 and three automobiles have a value of \$14,362.<sup>143</sup> He did not describe the nature of his furniture and household goods, and he produced no documentation to support his estimate of their value. He produced Kelly Blue Book estimates for the value of the automobiles.<sup>144</sup> The Kelly Blue Book estimates provided a range of values.<sup>145</sup> From those estimates, Respondent used the lowest value estimate in each case.<sup>146</sup> He has no loans on the vehicles.<sup>147</sup>

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<sup>138</sup> JX-18, at 1.

<sup>139</sup> JX-18, at 2.

<sup>140</sup> JX-18, at 2.

<sup>141</sup> JX-18, at 19.

<sup>142</sup> JX-14, at 2.

<sup>143</sup> JX-8, at 1.

<sup>144</sup> JX-27.

<sup>145</sup> JX-27; Tr. (Suleimani) 70–72.

<sup>146</sup> Tr. (Filiberto) 119, 152; Tr. (Suleimani) 70–72.

<sup>147</sup> Tr. (Suleimani) 72.

### 3. Respondent's Liabilities

Respondent reported in his Financial Statement that he has a total mortgage liability of \$234,404.<sup>148</sup> He and his wife have a first mortgage identified as the NewRez mortgage<sup>149</sup> and a second mortgage identified as the Smoot mortgage.<sup>150</sup>

Respondent reported one other liability on his Financial Statement, a \$185,000 judgment owed.<sup>151</sup> He told Enforcement that this was his estimate of what he owed on the arbitration award, plus interest.<sup>152</sup>

The arbitration award, however, should not be included as a liability for the purpose of determining whether Respondent has resources to pay the award. The question is whether, *leaving aside the arbitration award*, Respondent has a net worth that would support payment of the award or, at least, a meaningful portion of the award. It has been recognized in other cases that including the arbitration award in the calculation of net worth “would result in a misleadingly lower valuation of net worth available for [the respondent] to make a meaningful contribution toward satisfaction of the [a]ward.”<sup>153</sup>

Consequently, for purposes of evaluating Respondent's inability to pay the arbitration award, Respondent has only one liability, a total mortgage liability of \$234,404.

### 4. Respondent's Positive Net Worth

Respondent reported a positive net worth of \$71,430.<sup>154</sup> As noted above, Respondent did not include in his Financial Statement the largest asset he and his wife hold, her retirement account, which currently totals approximately \$637,392.<sup>155</sup> Using Respondent's figures for his other assets (even though not adequately documented or reliable) and adding in his wife's retirement account to their household assets, Respondent's assets total at least \$1,128,227. Based on this correction to assets and the exclusion of the arbitration award from liabilities, I find that Respondent has a positive net worth of at least \$893,823 (assets totaling \$1,128,227 minus liabilities of \$234,404).

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<sup>148</sup> JX-8, at 2.

<sup>149</sup> JX-8, at 10; Tr. (Suleimani) 67–68.

<sup>150</sup> Tr. (Suleimani) 67-68.

<sup>151</sup> JX-8, at 2.

<sup>152</sup> Tr. (Filiberto) 137.

<sup>153</sup> *Dep't of Enforcement v. Pendergast*, No. ARB240006, 2024 FINRA Discip. LEXIS 23, at \*15 (NAC Sept. 23, 2024) (quoting *Dep't of Enforcement v. Henry*, No. ARB220023, 2023 FINRA Discip. LEXIS 6, at \*8–9 (OHO Apr. 13, 2023)).

<sup>154</sup> JX-8, at 2.

<sup>155</sup> JX-8, at 1.

## 5. Respondent's Cash Flow

The Joint Exhibits include pay records for Respondent's wife for the period from early September 2025 through December 26, 2025.<sup>156</sup> These records show that Respondent's wife received gross compensation in 2025 before taxes of \$97,710.<sup>157</sup> Respondent provided no equivalent pay records for himself. He said that he receives no pay statements until the end of the year, and that the statements do not include a lot of deductions. He performs some kind of subtraction for deductions "to get to the amount that was deposited into [his] bank account."<sup>158</sup> Respondent asserted at the hearing that "2025 was the first year where I made – I actually made money."<sup>159</sup> In any case, he provided no documentation for his income and did not estimate or quantify the amount of money he made in 2025.

With his Financial Statement, Respondent supplied an estimate of his annual income for 2023 and 2024. He claimed that his annual income in 2023 was \$60,415 and in 2024 was \$69,101.<sup>160</sup> He indicated that these estimates are after-tax income.<sup>161</sup> The estimated income was based almost entirely on his wife's income, because, according to Respondent, he made so little in 2023 and 2024.<sup>162</sup> There is no documentation in the record of how much money Respondent made in 2023 and 2024. The only concrete evidence of income is Respondent's wife's pay records.

Respondent also did not provide documentation to support his estimates of his monthly expenses. For example, he estimated that the couple pay \$1,238 per month on utilities.<sup>163</sup> He provided Enforcement with documentation only for electricity and water.<sup>164</sup> He provided no documentation of payments made for internet, phone, or heating fuel.<sup>165</sup> He claimed that heating fuel costs him \$7,200 per year,<sup>166</sup> but he had no bills or receipts.<sup>167</sup> He said that he goes to a gas station every so often to purchase heating fuel because it is cheaper to do that than to have the fuel delivered.<sup>168</sup> The bank statements Respondent provided show many purchases at one or

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<sup>156</sup> JX-23.

<sup>157</sup> JX-23, at 9.

<sup>158</sup> Tr. (Suleimani) 90.

<sup>159</sup> Tr. (Suleimani) 100.

<sup>160</sup> JX-8, at 4.

<sup>161</sup> JX-8, at 6 (note to item 10 "Income Is After Tax").

<sup>162</sup> Tr. (Suleimani) 100–02.

<sup>163</sup> JX-8, at 6.

<sup>164</sup> Tr. (Suleimani) 91–93; Tr. (Filiberto) 149.

<sup>165</sup> Tr. (Suleimani) 91–93; JX-8, at 10.

<sup>166</sup> JX-8, at 10.

<sup>167</sup> Tr. (Suleimani) 92–94; JX-8, at 10.

<sup>168</sup> Tr. (Suleimani) 92–94; JX-8, at 10.

more gas stations, but the statements do not indicate what was purchased.<sup>169</sup> There is no way to verify Respondent's self-interested estimates of monthly expenses.

In sum, Respondent has failed to provide a credible, verifiable picture of the couple's cash flow. He has not carried his burden to demonstrate his financial condition and inability to pay the arbitration award.

## **6. Respondent's Lack of Effort to Marshal Resources**

As discussed above, a respondent who has an arbitration award outstanding and owing is expected to take active steps to marshal resources to apply toward satisfaction of the award.<sup>170</sup> Respondent has failed to make such an effort.

### **a. Borrowing Against Home Equity**

Based on the tax assessment Respondent provided, I have found that his house has a value of at least \$457,609.<sup>171</sup> He asserts that he has a total mortgage liability of \$234,404.<sup>172</sup> That leaves Respondent with \$223,205 in home equity against which he could borrow.

Respondent did not attempt to refinance his house prior to providing Enforcement with his Financial Statement dated December 18, 2025.<sup>173</sup> But at the hearing on February 17, 2026, he claimed to have recently (a few days before the hearing) applied to refinance the house.<sup>174</sup> There are no documents in the record to verify that claim or to indicate what Respondent might have represented to the potential lender about his financial condition. Even if it is true that Respondent has recently initiated a refinancing of his house, the tardy attempt to refinance demonstrates that Respondent did not actively marshal resources to pay the arbitration award until confronted with the imminent possibility of an adverse decision resulting in a suspension.

### **b. Borrowing from Wife's Retirement Account**

Respondent's wife also could borrow from her University of Alaska TDA (tax deferred annuity) Plan, which as of January 14, 2026, had a value of \$457,626.<sup>175</sup> FINRA's examiner, Filiberto, explained at the hearing that this subaccount is what is referred to as a 403(b) retirement account.<sup>176</sup> A 403(b) retirement account is a tax-sheltered annuity retirement plan

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<sup>169</sup> JX-17.

<sup>170</sup> See *supra* II.G and notes 49–52.

<sup>171</sup> See *supra* II.H.2.b.

<sup>172</sup> See *supra* II.H.3 and note 146.

<sup>173</sup> Tr. (Suleimani) 95–96.

<sup>174</sup> Tr. (Suleimani) 95–96.

<sup>175</sup> See *supra* II.H.2.b.

<sup>176</sup> Tr. (Filiberto) 122–23.

offered by public schools.<sup>177</sup> Such accounts allow employees to save for retirement by contributing to individual accounts.<sup>178</sup>

The FINRA examiner located a plan summary document on the University of Alaska’s website that described the tax-deferred annuity.<sup>179</sup> From that document he learned that participants in that retirement plan are able to borrow from the 403(b) subaccount if the loan complies with the retirement plan’s loan policy.<sup>180</sup> He also found on the University of Alaska’s website a frequently asked question (“FAQ”) page relating to the tax deferred annuity plan.<sup>181</sup> The FAQ page also said loans are permissible.<sup>182</sup>

While loans from the University of Alaska tax deferred annuity plan are permissible, the loan policy for the plan imposes certain restrictions. Loans may only be made from accounts attributable to unmatched pre-tax elective deferrals.<sup>183</sup> The maximum amount that can be borrowed from the fund at any given time is \$50,000,<sup>184</sup> and a person can have up to three loans outstanding.<sup>185</sup>

Filiberto examined whether Respondent’s wife would qualify to borrow from the tax deferred annuity plan. He looked at her pay stubs to see whether her contributions qualified as unmatched pre-tax elected deferrals, making loans from those funds permissible.<sup>186</sup> He found that as of December 13, 2025, Respondent’s wife had made unmatched, elective contributions into the plan year-to-date of \$17,550.<sup>187</sup> The summary of the plan identifies only two types of permitted contributions to the tax deferred annuity plan, employee elective deferrals and

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<sup>177</sup> See Internal Revenue Service, *IRC 403(b) tax-sheltered annuity plans*, <https://www.irs.gov/retirement-plans/irc-403b-tax-sheltered-annuity-plans> (last visited Mar. 25, 2026).

<sup>178</sup> *Id.* The IRS explains on its website, “Just as with a 401(k) plan, a 403(b) plan lets employees defer some of their salary into individual accounts. The deferred salary is generally not subject to federal or state income tax until it’s distributed.” *Id.*

<sup>179</sup> Tr. (Filiberto) 123–24; CX-1A.

<sup>180</sup> Tr. (Filiberto) 124–26; CX-1A, at 13.

<sup>181</sup> Tr. (Filiberto) 128; CX-2A.

<sup>182</sup> Tr. (Filiberto) 128–29; CX-2A, at 2–3.

<sup>183</sup> Tr. (Filiberto) 127; CX-1A, at 15.

<sup>184</sup> Tr. (Filiberto) 127, 130; CX-1A, at 15.

<sup>185</sup> Tr. (Filiberto) 130; CX-1A, at 15. The University of Alaska provides a simplified explanation of the features of the tax deferred annuity plan on its website. CX-2A. That discussion of the plan states that a loan must not exceed \$50,000, but it says that a person can only have two loans outstanding at a given time. CX-2A, at 2–3. The difference in the number of permitted loans is irrelevant here. Respondent and his wife have no outstanding loans from the 403(b) tax deferred annuity subaccount. Tr. (Filiberto) 135–36.

<sup>186</sup> Tr. (Filiberto) 127–28, 133–35.

<sup>187</sup> Tr. (Filiberto) 133–35; JX-23, at 9.

employee rollover contributions.<sup>188</sup> Both of these are voluntary employee contributions. Filiberto concluded from the plan policy and Respondent's wife's pay stubs that she is currently eligible to borrow \$50,000 from that subaccount.<sup>189</sup>

Respondent agreed at the hearing that loans are permitted from his wife's 403(b) subaccount plan.<sup>190</sup> He acknowledged that the couple had borrowed from this account five or six years ago for their son's tuition,<sup>191</sup> but they currently have no outstanding loans from that account.<sup>192</sup> Nevertheless, he claimed he was unaware that the couple could take money out of her plan to contribute to satisfaction of the arbitration award.<sup>193</sup> He thought the purposes were restricted.<sup>194</sup> In correspondence with Enforcement, Respondent provided a list of what he described as permitted purposes for a loan from the 403(b) subaccount plan, such as tuition, uninsured medical expenses, and to prevent eviction from or foreclosure on a primary residence.<sup>195</sup> It is unclear from where Respondent obtained that list. The plan policy posted on the University of Alaska website contains no restriction on the purposes for which a participant can borrow.<sup>196</sup>

I find that the 403(b) tax deferred retirement subaccount is an asset from which Respondent and his wife could borrow up to \$50,000. I further find that Respondent's assertion to Enforcement that loans from the retirement subaccount are limited to specific purposes that would not appear to include making a payment on the award was inaccurate and misleading. It diminishes his credibility.

### **c. Reallocating Discretionary Funds**

As previously discussed, a person who owes money to pay an arbitration award is expected to marshal resources to pay it by decreasing or reallocating discretionary expenditures.<sup>197</sup> There are at least three ways in which Respondent and his wife have made discretionary allocations of funds for other purposes when those funds could have been contributed toward payment of the arbitration award.

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<sup>188</sup> CX-1A, at 4.

<sup>189</sup> Tr. (Filiberto) 136–37.

<sup>190</sup> Tr. (Suleimani) 82–83.

<sup>191</sup> Tr. (Suleimani) 53–54.

<sup>192</sup> Tr. (Suleimani) 83; Tr. (Filiberto) 135–36; JX-23.

<sup>193</sup> Tr. (Suleimani) 54.

<sup>194</sup> Tr. (Suleimani) 54.

<sup>195</sup> JX-14, at 1.

<sup>196</sup> CX-1A, at 15–16. Distributions prior to termination of employment, on the other hand, are subject to certain conditions such as financial hardship, as defined by the plan policy. CX-1A, at 8–9.

<sup>197</sup> See *supra* II.G and notes 49–52.

First, during 2025 Respondent's wife made voluntary contributions to her 403(b) tax deferred annuity account. Her December 26, 2025 pay stub shows that she contributed \$17,550 in 2025.<sup>198</sup> Such contributions are "elective" deferrals of an employee's compensation.<sup>199</sup> Respondent's wife's contributions to the retirement subaccount were not mandatory, and she could stop making them at any time.<sup>200</sup> The pay stub shows that her employer made no contributions to that retirement subaccount.<sup>201</sup> Respondent acknowledged that since the arbitration award was issued, his wife has continued making contributions to her retirement account.<sup>202</sup>

Second, in 2025, Respondent's wife made voluntary contributions to a health savings account, shown on her pay stub as a before federal tax deduction for "HSA Family."<sup>203</sup> Those voluntary contributions amounted to \$9,100 as of mid-December 2025, close to the maximum allowed (\$9,950).<sup>204</sup> Her pay stub shows that her employer made no contributions to the health savings account.<sup>205</sup>

Third, Respondent made at least one stock investment after the arbitration award was issued,<sup>206</sup> instead of applying those funds toward paying the award. He deposited \$5,000 in his brokerage account with his current firm in September 2025, which was used to purchase stock. He declined to call his purchase speculation, saying, "This is not speculating in the stock market. This is money I put aside for future expenses that I deemed more appropriate to invest in stocks rather than have it in cash."<sup>207</sup> Whether it was speculation or not to deposit the funds in his brokerage account, the \$5,000 could have been applied instead toward payment of the arbitration award.

In each of these three cases, Respondent and his wife made discretionary choices to allocate funds they could have applied toward satisfaction of the arbitration award to other purposes. Their allocation choices do not support the claim that Respondent has a bona fide inability to pay the arbitration award. Rather, they reveal that Respondent has failed to marshal all the resources available to him to pay the arbitration award.

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<sup>198</sup> Tr. (Filiberto) 133–35; JX-23, at 9.

<sup>199</sup> CX-1A, at 5.

<sup>200</sup> Tr. (Filiberto) 130–31; CX-2A, at 1.

<sup>201</sup> JX-23, at 9.

<sup>202</sup> Tr. (Suleimani) 97.

<sup>203</sup> Tr. (Suleimani) 97–98; Tr. (Filiberto) 141–43; JX-23, at 9.

<sup>204</sup> Tr. (Filiberto) 142; JX-23, at 9.

<sup>205</sup> JX-23, at 9.

<sup>206</sup> Tr. (Suleimani) 107–09.

<sup>207</sup> Tr. (Suleimani) 98.

## I. Conclusion

Based on the testimony and documentary evidence presented at the hearing, I find that Respondent failed to carry his burden of proof. He did not show that since the arbitration award was issued he has been unable either to pay it in full or to make a meaningful partial payment toward satisfying it.

To summarize,

- Respondent failed to provide any personal or business income tax returns. This information was critical to evaluating his financial condition, and from the outset Respondent knew the returns were required to accompany his Financial Statement. That failure alone is fatal to his assertion of a bona fide inability to pay the arbitration award.<sup>208</sup>
- Respondent and his wife have a substantial net worth, once her retirement account is included in the list of assets and the arbitration award is not treated as a liability.<sup>209</sup>
- Respondent and his wife have a regular cash flow that covers their mortgage and living expenses, although the source of the cash is not clear and many of the necessary living expenses, such as heating fuel, are undocumented.<sup>210</sup>
- Respondent has failed to marshal all the resources available to him to pay the arbitration award or, at least, to make a meaningful payment of a portion of the award. He and his wife have more than \$200,000 in home equity that they could attempt to borrow against. They also could borrow up to \$50,000 from her tax deferred annuity retirement subaccount. And Respondent's wife could stop contributing to her retirement account and her health account in order to reallocate those funds toward paying the arbitration award.<sup>211</sup>

The failure to pay an arbitration award is a serious matter. “‘Honoring arbitration awards is essential to the functioning of the [FINRA] arbitration system,’ and requiring ‘associated persons to abide by arbitration awards enhances the effectiveness of the arbitration process.’”<sup>212</sup> “Conditional suspension of [Respondent’s] association with FINRA members gives him an

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<sup>208</sup> See *supra* II.H.1.

<sup>209</sup> See *supra* II.H.4.

<sup>210</sup> See *supra* II.H.2.a, II.H.6.

<sup>211</sup> See *supra* II.H.6.

<sup>212</sup> *Motherway*, 2023 SEC LEXIS 753, at \*13 (quoting *Gallagher*, 2003 SEC LEXIS 599, at \*13).

incentive to pay the award . . . [and] furthers two central purposes of the Exchange Act—serving the public interest and the protection of investors.”<sup>213</sup>

By contrast, letting Respondent “remain in the industry without paying the award, or meeting his burden to demonstrate a bona fide inability to pay the award would . . . undermine the arbitration process.”<sup>214</sup> Doing so “would also expose investors to an individual who has refused to accept the results of that process by failing to make any effort, meaningful or otherwise, towards paying the amounts he was found to owe, despite having agreed to do so when becoming a FINRA associated person.”<sup>215</sup>

### III. Order

Based on the foregoing, and pursuant to Article VI, Section 3(b) of FINRA’s By-Laws, and FINRA Rule 9559(n), I **SUSPEND** Respondent, Serge Suleimani, from associating with any FINRA member firm in any capacity, upon the issuance of this Decision. The suspension shall remain in effect until Respondent produces sufficient documentary evidence to FINRA to show that:

- He has paid the arbitration award in full;
- He and Wells Fargo have entered into a fully executed, written settlement agreement relating to payment of the arbitration award, and he is current in fulfilling his obligations under the settlement terms; or
- He has filed a petition in a United States Bankruptcy Court, or a United States Bankruptcy Court has discharged the debt representing the arbitration award.<sup>216</sup>

If Respondent makes such a showing, the suspension will automatically terminate.

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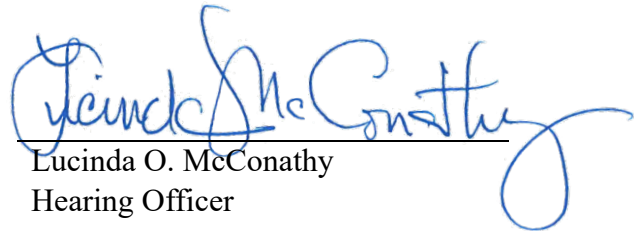
<sup>213</sup> *DiPietro*, 2016 SEC LEXIS 1036, at \*24.

<sup>214</sup> *Motherway*, 2023 SEC LEXIS 753, at \*13.

<sup>215</sup> *Id.* at \*13–14.

<sup>216</sup> The District Court of Alaska has already denied Respondent’s petition to vacate the arbitration award.

I **ORDER** Respondent, Serge Suleimani, to pay the costs of this proceeding, which include \$1,855.62 for the hearing transcript plus a \$750 administrative fee, for a total of \$2,605.62.<sup>217</sup> These costs are due and payable upon the issuance of this Decision.<sup>218</sup>

  
Lucinda O. McConathy  
Hearing Officer

Copies to:

Serge Suleimani, Respondent (via OHO Docket Portal)  
Michael Manning, Esq., FINRA Enforcement (via OHO Docket Portal)  
Mark Fernandez, Esq., FINRA Enforcement (via OHO Docket Portal)  
Christopher Perrin, Esq., FINRA Enforcement (via OHO Docket Portal)

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<sup>217</sup> Respondent must pay the costs of the hearing before the suspension terminates.

<sup>218</sup> I have considered all the parties' arguments, which I accept to the extent they are consistent with this Decision and reject to the extent they are not.