Award
FINRA Office of Dispute Resolution

In the Matter of the Arbitration Between:

Claimant
Lily Pirouzian

vs.

Respondent
Credit Suisse Securities (USA) LLC

Nature of the Dispute: Associated Person vs. Member

REPRESENTATION OF PARTIES


For Respondent Credit Suisse Securities (USA) LLC (“Credit Suisse”): Deborah Burstein, Esq., Credit Suisse Securities (USA) LLC, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: June 11, 2019.
Lily Pirouzian signed the Submission Agreement: June 11, 2019.

Statement of Answer filed by Respondent on or about: August 7, 2019.
Credit Suisse Securities (USA) LLC signed the Submission Agreement: August 9, 2019.

CASE SUMMARY

Claimant asserted the following causes of action: expungement of Occurrence Number 1885326.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested expungement of the Occurrence from her Central Registration Depository (“CRD”) record pursuant to FINRA Rule 2080(b)(1)(A); and 2080(b)(1)(C); compensatory damages in the amount of $1.00 and such other relief that the Arbitrator deems just and equitable.

In the Statement of Answer, Respondent did not oppose the request for expungement and as a nominal party, will not be appearing at the hearing and requested that no forum fees be awarded against Credit Suisse.
OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrator acknowledges that he has read the pleadings and other materials filed by the parties.

On September 20, 2019, Claimant provided FINRA Office of Dispute Resolution with proof that he notified the customers related to Occurrence Numbers 1885326 of the expungement request and of their right to participate and testify at the expungement hearing and included a copy of the Statement of Claim with the notice.

The Arbitrator conducted a recorded telephonic hearing on December 11, 2019, so the parties could present oral argument and evidence on Lily Pirouzian’s request for expungement.

By correspondence dated August 14, 2019, Respondent notified FINRA Dispute Resolution of its non-participation in the expungement hearing.

The customer in the underlying complaint related to Occurrence Number 1885326 did not participate in the expungement hearing and did not contest the request for expungement.

The Arbitrator reviewed the BrokerCheck® Report for Lily Pirouzian and the settlement documents, considered the amount of payments made to the customer, and considered other relevant terms and conditions of the settlement. The Arbitrator noted that the settlement was not conditioned on the customer not opposing the request for expungement. The Arbitrator also noted that Lily Pirouzian did not contribute to the settlement amount.

The Arbitrator noted that Lily Pirouzian did not previously file a claim requesting expungement of the same disclosure in the CRD.

In recommending expungement the Arbitrator relied upon the following documentary or other evidence: customer’s Statement of Claim and settlement with Credit Suisse; the personal injury settlement, projected cash flow shown to and discussed with the customer; phone logs; emails; online access records demonstrating communication to the customer; Margin Agreement and Claimant’s testimony.

AWARD

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

1. Claimant’s request for $1.00 in compensatory damages is denied.

2. The Arbitrator recommends the expungement of all references to Occurrence Number 1885326 from registration records maintained by the Central Registration Depository (“CRD”), for Claimant Lily Pirouzian (CRD# 5119248), with the understanding that, pursuant to Notice to Members 04-16, Claimant Lily Pirouzian
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, 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 Claimant established that the customer’s allegations were false. They were submitted by a person with power of attorney who was not involved with the customer’s affairs until after the relationship with Claimant had ended. The customer communicated in English, not Polish, as alleged. There were no trades on 2015 as alleged. The bonds previously purchased were suitable and the investment plan and its potential yield were frequently discussed with the customer. There was no loss in value based on the investment strategy. Losses came because the customer withdrew large amounts of cash beyond the income generated by the account. In spite of this, the portfolio’s value increased until almost the end. The customer made no complaints while he was the Claimant’s client. The customer’s Statement of Claim also misstated the size of the settlement used to fund the accounts and its relative importance to the customer’s future income from the personal injury settlement.

3. Any and all claims for relief not specifically addressed herein is denied.

**FEES**

Pursuant to the Code of Arbitration Procedure, the following fees are assessed:

**Filing Fees**

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

| Initial Claim Filing Fee | =$ 50.00 |

*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 Credit Suisse Securities (USA) LLC is assessed the following:

Member Surcharge

=$ 150.00

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, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) pre-hearing session with a single arbitrator @ $50.00/session  = $ 50.00
Pre-hearing conference: October 3, 2019  1 session

One (1) hearing session @ $50.00/session = $ 50.00
Hearing Date: December 11, 2019  1 session

Total Hearing Session Fees = $100.00

The Arbitrator has assessed the $100.00 hearing session fees to the Claimant.

All balances are payable to FINRA Office of Dispute Resolution and are due upon receipt.
ARBITRATOR

Arthur Neil Tolciss - Sole Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

Arbitrator’s Signature

Arthur Neil Tolciss
Sole Public Arbitrator

12/16/2019
Signature Date

December 19, 2019
Date of Service (For FINRA Office of Dispute Resolution office use only)