

**Expungement Award  
FINRA Dispute Resolution Services**

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In the Matter of the Arbitration Between:

Claimant  
Samantha P. Hobart

Case Number: 24-02051

vs.

Respondent  
Morgan Stanley

Hearing Site: San Francisco, California

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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 expungement hearing was conducted by videoconference.

**REPRESENTATION OF PARTIES**

For Claimant Samantha P. Hobart (“Claimant”): David I. Hantman, Esq., Bressler, Amery & Ross, P.C., New York, New York.

For Respondent Morgan Stanley (“Respondent”): Suzette J. Barnes, Esq., Morgan Stanley Wealth Management, San Francisco, California.

**CASE INFORMATION**

Statement of Claim filed on or about: September 24, 2024.  
Claimant signed the Submission Agreement: September 24, 2024.

Statement of Answer filed by Respondent on or about: November 7, 2024.  
Respondent signed the Submission Agreement: November 13, 2024.

**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, denied any allegations of wrongdoing made in the Statement of Claim and asserted various

affirmative defenses.

### **RELIEF REQUESTED**

In the Statement of Claim, Claimant (CRD Number 6251748) requested expungement of Occurrence Number 2240722 from her CRD records.

In the Statement of Answer, Respondent requested:

1. The Panel award Claimant no damages from Respondent; and
2. All hearing fees be allocated to Claimant.

### **OTHER ISSUES CONSIDERED AND DECIDED**

The Arbitrators acknowledge that they have each read the pleadings and other materials filed by the parties.

On October 9, 2024 Claimant advised that the customer in Occurrence Number 2240722 ("Customer") was served with a copy of the Statement of Claim within 10 days of filing the Statement of Claim.

On October 15, 2024, Claimant filed a written statement from the Customer that he supported Claimant's request for expungement and did not wish to participate further in the expungement matter, including attending any hearings or receiving further documents in the matter.

On January 13, 2025, Claimant advised that the Customer was served with a copy of the Statement of Answer, but it was not done within 10 days of filing the Statement of Answer.

On January 17, 2025, the authorized representative of the state securities regulator for California submitted a written statement and did not oppose the expungement request.

The Panel conducted a recorded hearing by videoconference on January 21, 2025, so the parties could present oral argument and evidence on Claimant's request for expungement. Claimant participated by videoconference at the expungement hearing. 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 authorized representative of the state securities regulator for California participated in the expungement hearing and did not oppose the expungement request.

The Panel noted Claimant's representation that a prior arbitration panel or court has not previously ruled on expungement of the same occurrence in the CRD.

The Panel noted that the dispute related to Occurrence Number 2240722 was not settled and, therefore, there was no settlement documentation to review.

The Panel relied upon the following documentary or other evidence: Claimant's exhibits and Claimant's testimony.

## **AWARD**

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

1. The Panel awards the expungement of all references to Occurrence Number 2240722 from registration records maintained by the CRD for Claimant Samantha Paige Hobart (CRD Number 6251748) with the understanding that, pursuant to Rule 2080, Claimant Samantha Paige Hobart 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 affirmative findings of fact:

The registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds.

The claim, allegation, or information is false.

The Panel has made the above findings based on the following reasons:

Claimant did not recommend covered call strategies or trade options for anyone, including the Customer. Claimant did not manage covered call strategies. Other people at Respondent performed these activities, and Claimant introduced the Customer to them because her expertise was not in this area. Claimant was a financial planner, and she adopted a holistic approach to financial planning. She advised the Customer of potential strategies in the areas of insurance needs, the Customer's artwork, estate planning, retirement planning, tax planning, and wealth transfer. Claimant also created a financial plan for the Customer. The Customer was a wealthy and sophisticated investor who pursued covered call strategies prior to becoming a customer with Respondent. He wished to pursue these strategies while a customer of Respondent, and Claimant's role was limited to introducing the Customer to other people at Respondent company who could assist him. For the above reasons and because it will not aid the investing public, regulators or prospective broker-dealer employers to keep the Customer's allegations on Claimant's record, the Panel grants Claimant's expungement petition. Claimant was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds. Additionally, the claim, allegation, or information is false as to her.

2. Any and all claims for relief not specifically addressed herein are denied.

## **FEES**

Pursuant to the Code, the following fees are assessed:

**Filing Fees**

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

Initial Claim Filing Fee	= \$	1,600.00
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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 a party, Respondent is assessed/are each 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 Arbitrator(s), including a pre-hearing conference with the Arbitrator(s), which lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) hearing session on expungement request @ \$1,150.00/session	= \$	1,150.00
Hearing: January 21, 2025 1 session		

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Total Hearing Session Fees	= \$	1,150.00
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The Panel has assessed the total hearing session fees to Claimant.

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

**ARBITRATION PANEL**

Mary Kathleen Coleman	-	Public Arbitrator, Presiding Chairperson
Robert H. Putnam, Jr.	-	Public Arbitrator
Kirtley M. Thiesmeyer	-	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**

***Mary Kathleen Coleman***

Mary Kathleen Coleman  
Public Arbitrator, Presiding Chairperson

**02/20/2025**

Signature Date

***Robert H. Putnam, Jr.***

Robert H. Putnam, Jr.  
Public Arbitrator

**02/20/2025**

Signature Date

***Kirtley M. Thiesmeyer***

Kirtley M. Thiesmeyer  
Public Arbitrator

**02/20/2025**

Signature Date

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February 21, 2025

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