

**Award**  
**FINRA Dispute Resolution Services**

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In the Matter of the Arbitration Between:

Claimant  
Clifford L. Deeds

Case Number: 18-02717

vs.

Respondents  
Farmers Financial Solutions, LLC  
Joe McCollum Allbright  
Duane Ray Becker

Hearing Site: Phoenix, Arizona

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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: Customer vs. Member, Associated Person, and Non-Member

This case was decided by an all-public panel.

**REPRESENTATION OF PARTIES**

For Claimant Clifford L. Deeds (“Claimant”): David Liebrader, Esq., The Law Office of David Liebrader, Inc., Las Vegas, Nevada.

For Respondent Farmers Financial Solutions, LLC (“FFS”): Jared L. Sutton, Esq., Lewis Roca Rothgerber Christie LLP, Phoenix, Arizona.

For Respondent Joe McCollum Allbright (“Allbright”): Paul A. Reynolds, Esq., Shustak Reynolds & Partners, P.C., San Diego, California.

Respondent Duane Ray Becker (“Becker”) appeared pro se.

Hereinafter, FFS, Allbright, and Becker are collectively referred to as “Respondents.”

**CASE INFORMATION**

Statement of Claim filed on or about: July 31, 2018.

Amended Statement of Claim filed on or about: February 25, 2019.

Second Amended Statement of Claim filed on or about: April 4, 2019.

Claimant signed the Submission Agreement: July 27, 2018.

FFS did not sign the Submission Agreement or file a Statement of Answer.

Statement of Answer filed by Allbright on or about: February 22, 2019.  
Allbright signed the Submission Agreement: February 22, 2019.

Answer to Amended Statement of Claim filed by Becker and Allbright on or about: April 1, 2019.  
Answer to Second Amended Statement of Claim filed by Becker and Allbright on or about: April 24, 2019.  
Becker signed the Submission Agreement: February 25, 2019.

### **CASE SUMMARY**

In the Statement of Claim, Claimant asserted the following causes of action: breach of fiduciary duty; misrepresentations and omissions; and negligence. The causes of action relate to Allbright's alleged unsuitable recommendation to invest in Future Income Payments, LLC, ("FIP").

In the Amended Statement of Claim, Claimant added Becker as a respondent and asserted that both Allbright and Becker allegedly recommended the unsuitable investment in FIP.

In the Second Amended Statement of Claim, Claimant included additional factual allegations.

Unless specifically admitted in his Statement of Answer, Allbright denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

Unless specifically admitted in their Answer to Amended Statement of Claim, Allbright and Becker denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

In the Statement of Claim and the Amended Statement of Claim, Claimant requested:

1. Compensatory damages in an amount not less than \$432,000.00;
2. Punitive and exemplary damages in an amount to be determined by the Panel;
3. Pre-award and post-award interest at the maximum rate allowed by law from the date of the original investments; and
4. Cost of the arbitration and expenses including reasonable attorneys' fees, expert witness fees and any other costs deemed reasonable.

In the Second Amended Statement of Claim, Claimant requested:

1. Compensatory damages in an amount not less than \$432,000.00;
2. The Premiums that Claimant has been forced to pay "out of pocket" as a result of the FIP structured cash flow program;
3. Punitive and exemplary damages in an amount to be determined by the Panel;
4. Pre-award and post-award interest at the maximum rate allowed by law from the date of the original investments; and
5. Cost of the arbitration and expenses including reasonable attorneys' fees, expert witness fees and any other costs deemed reasonable.

In the Statement of Answer, Allbright requested:

1. Denial of Claimant's claims; and

2. Reimbursement for all filing, forum and hearing fees and costs incurred in this proceeding.

In Answer to the Amended Statement of Claim, Allbright and Becker did not set forth additional requests for relief.

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

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

FFS did not file a properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code of Arbitration Procedure ("Code") and is bound by the determination of the Panel on all issues submitted.

FFS did not file a Statement of Answer. The Panel determined that FFS was served with the Claim Notification letter dated September 24, 2018 by regular mail and certified mail, as evidenced by the signed signature cards on file. The Panel determined that FFS is, therefore, bound by the Panel's ruling and determination.

On December 3, 2018, Claimant filed a notice of settlement with FFS and dismissed FFS from the matter without prejudice.

On February 24, 2019, Claimants filed a Motion to Amend the Statement of Claim to add Becker as a Respondent ("Motion to Amend"). On March 4, 2019, Allbright filed a response to the Motion to Amend stating that he did not oppose the Motion to Amend. On March 12, 2019, the Panel granted the Motion to Amend.

On April 4, 2019, Claimant filed a Motion to Amend the Statement of Claim to add additional claims ("Second Motion to Amend"). Respondents did not file a response to the Second Motion to Amend. On April 5, 2019, the Panel granted the Second Motion to Amend.

On December 29, 2019, Claimant filed a settlement with and notice of voluntary dismissal with prejudice of FFS. On February 14, 2020, Claimant filed a settlement and notice of voluntary dismissal with prejudice of Allbright. Therefore, the Panel made no determination with respect to any of the relief requests against Respondents FFS and Allbright contained in the Statement of Claim, as amended.

On January 14, 2020, Claimant and Becker entered into a settlement agreement to settle the claims of this matter ("Settlement Agreement"). On January 4, 2021, Claimant filed a Motion to Enforce the Settlement Agreement ("Motion to Enforce Settlement"). Becker did not file a response. On January 21, 2021, The Panel granted the Motion to Enforce Settlement.

The Award in this matter may be executed in counterpart copies.

### **AWARD**

After considering the pleadings and the Motion to Enforce Settlement Agreement, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Becker is liable for and shall pay to Claimant the sum of \$107,500.00 in compensatory damages.
2. Becker is liable for and shall pay to Claimant the sum of \$35,797.50 in attorneys' fees pursuant to Section 8 of the Settlement Agreement between Claimant and Becker, dated January 14, 2020.
3. Becker is liable for and shall pay to Claimant \$300.00 to reimburse Claimant for the non-refundable portion of the filing fee previously paid to FINRA Dispute Resolution Services.
4. 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 = \$ 1,425.00

*\*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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as a party, FFS is assessed the following:

Member Surcharge = \$ 1,900.00  
Member Process Fee = \$ 3,750.00

#### **Postponement Fees**

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

August 20 – 23, 2019, postponement requested by Claimant	= \$	Waived
August 19 – 22, 2019, postponement requested by Parties	= \$	1,125.00
October 8 – 10, 2019, postponement requested by Parties	= \$	1,125.00
January 29 – 31, 2020, postponement requested by Parties	= \$	1,125.00
<b>Total Postponement Fees</b>	<b>= \$</b>	<b>3,375.00</b>

The Panel has assessed the total postponement fees to Becker.

#### **Discovery-Related Motion Fees**

Fees apply for each decision rendered on a discovery-related motion.

One (1) decision on a discovery-related motion on the papers with one (1) Arbitrator @ \$200.00/decision = \$ 200.00

Respondent Allbright submitted one discovery-related motion

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Total Discovery-Related Motion Fees	= \$	200.00
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The Panel has assessed the total discovery-related motion fees to Allbright.

**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:

Two (2) pre-hearing sessions with the Panel @ \$1,125.00/session	= \$	2,250.00
Pre-hearing Conferences: December 4, 2018	1 session	
October 14, 2020	1 session	

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Total Hearing Session Fees	= \$	2,250.00
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The Panel has assessed \$1,125.00 of the hearing session fees to Claimant.

The Panel has assessed \$1,125.00 of the hearing session fees to Becker.

**ARBITRATION PANEL**

I Douglas Dunipace	-	Public Arbitrator, Presiding Chairperson
Michael Kelley	-	Public Arbitrator
David S. Eisenberg	-	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**

***I Douglas Dunipace***

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I Douglas Dunipace  
Public Arbitrator, Presiding Chairperson

**02/10/2021**

\_\_\_\_\_  
Signature Date

***Michael Kelley***

\_\_\_\_\_  
Michael Kelley  
Public Arbitrator

**02/10/2021**

\_\_\_\_\_  
Signature Date

***David S. Eisenberg***

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David S. Eisenberg  
Public Arbitrator

**02/10/2021**

\_\_\_\_\_  
Signature Date

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February 12, 2021

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