

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

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In the Matter of the Arbitration Between:

Claimant  
Brannon Patrick McPherson

Case Number: 19-00888

vs.

Respondent  
International Assets Advisory, LLC

Hearing Site: Denver, Colorado

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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 evidentiary hearing was conducted by videoconference.

**REPRESENTATION OF PARTIES**

Claimant Brannon Patrick McPherson (“Claimant”) appeared pro se.

For Respondent International Assets Advisory, LLC (“Respondent”): Joshua A. Katz, Esq., Sallah Astarita & Cox, LLC, Boca Raton, Florida.

**CASE INFORMATION**

Statement of Claim filed on or about: April 1, 2019.

Amended Statement of Claim filed on or about: May 24, 2019.

Answer to the Counterclaim filed on or about: August 22, 2019.

Claimant signed the Submission Agreement: April 1, 2019.

Statement of Answer and Counterclaim filed by Respondent on or about: August 2, 2019.

Respondent signed the Submission Agreement: August 5, 2019.

**CASE SUMMARY**

In the Statement of Claim, Claimant asserted the following causes of action: breach of contract; withholding of commissions and compensation; libel or slander on Form U5; and wrongful termination.

In the Amended Statement of Claim, Claimant asserted the following causes of action: defamation; breach of contract; quasi-contractual claims; violation of FINRA Rules and By-Laws; conversion; violation of statutory wage and commission laws; tortious interference with contracts; tortious interference with business relationships; and negligence.

Claimant's claims relate to the termination of Claimant's employment with Respondent.

In the Statement of Answer, Respondent denied the allegations made in the Statement of Claim, asserted various affirmative defenses.

In the Counterclaim, Respondent asserted the following causes of action: breach of fiduciary duty; fraud; defamation; interference with business relations; and breach of contract. The causes of action relate to the breach of Independent Contractor Agreement ("Contract") between Claimant and Respondent.

In the Answer to the Counterclaim, Claimant denied the allegations made in the Counterclaim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

In the Statement of Claim, Claimant requested:

1. Actual damages in the amount of \$500,000.00;
2. Punitive damages in the amount of \$500,000.00;
3. Interest;
4. Attorneys' fees and costs; and
5. Expungement of information on Claimant's U5 records.

In the Amended Statement of Claim, Claimant requested:

1. Expungement of all false and defamatory information from Claimant's U5, U4, Investment Adviser Registration Depository and the Central Registration Depository ("CRD") records;
2. Actual damages in an amount proved at hearing;
3. Punitive damages in an amount not less than \$500,000.00; and
4. Attorneys' fees and other expenses and costs of arbitration.

In the Statement of Answer, Respondent requested:

1. All causes of action be denied in their entirety;
2. Claimant is awarded nothing by way of his Amended Statement of Claim;
3. Forum fees be assessed against Claimant; and
4. Legal fees and costs.

In the Counterclaim, Respondent requested:

1. Judgment in favor of Respondent on all counterclaims;
2. Legal fees and costs as authorized in the Contract between Claimant and Respondent;
3. All forum and other fees be assessed against Claimant;
4. Punitive and multiple damages against Claimant; and

5. Any other relief the Panel deems just and fair.

**OTHER ISSUES CONSIDERED AND DECIDED**

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

On October 21, 2020, the parties filed a Joint Stipulation of Dismissal of All Monetary Claims. Therefore, the Panel made no determination with respect to any claims except for Claimant's request for expungement.

The Panel conducted a recorded hearing by videoconference on March 15, 2021, so the parties could present oral argument and evidence on Claimant's request for expungement.

Respondent participated in the expungement hearing and opposed the request for expungement.

**AWARD**

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

The Panel recommends the expungement of the Reason for Termination and Termination Explanation in Section 3 of Claimant Brannon Patrick McPherson's (CRD Number 2586632) Form U5 filed by Respondent International Assets Advisory, LLC on March 14, 2019 and maintained by the CRD. The Reason for Termination shall be changed to "Voluntary" and the Termination Explanation should be deleted in its entirety and shall appear blank. This directive shall apply to all references to the Reason for Termination and Termination Explanation.

The Panel further recommends the expungement of all references to Occurrence Numbers 2020791 and 2020643 maintained by the CRD for Claimant Brannon Patrick McPherson. Any "Yes" answers should be changed to "No," as applicable.

The Panel recommends expungement based on the defamatory nature of the information. The above recommendations are made with the understanding that the registration records are not automatically amended. Claimant Brannon Patrick McPherson must forward a copy of this Award to FINRA's Credentialing, Registration, Education and Disclosure Department for review.

**FEES**

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

**Filing Fees**

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

|                          |      |          |
|--------------------------|------|----------|
| Initial Claim Filing Fee | = \$ | 1,725.00 |
| Counterclaim Filing Fee  | = \$ | 1,700.00 |

*\*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(s) giving rise to the dispute. Accordingly, as a party, Respondent is assessed the following:

|                    |      |          |
|--------------------|------|----------|
| Member Surcharge   | = \$ | 2,475.00 |
| Member Process Fee | = \$ | 5,075.00 |

**Postponement Fees**

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

|  |   |        |
|--|---|--------|
| August 17–21, 2020 and August 24–25, 2020, postponement requested by Parties | = | WAIVED |
|--|---|--------|

**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 three (3) arbitrators @ \$600.00/decision | = \$ | 600.00 |
|---|------|--------|

Claimant submitted one (1) discovery-related motion

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|                                     |      |        |
|-------------------------------------|------|--------|
| Total Discovery-Related Motion Fees | = \$ | 600.00 |
|-------------------------------------|------|--------|

The Panel has assessed the total discovery-related motion fees to Respondent.

**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 session with the Panel @ \$1,300.00/session | = \$      | 2,600.00 |
| Pre-Hearing Conferences: July 15, 2019                          | 1 session |          |
| August 17, 2020   | 1 session |          |

|   |           |          |
|---|-----------|----------|
| One (1) hearing session on expungement request @ \$1,300.00/session | = \$      | 1,300.00 |
| Hearing: March 15, 2021   | 1 session |          |

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|                            |      |          |
|----------------------------|------|----------|
| Total Hearing Session Fees | = \$ | 3,900.00 |
|----------------------------|------|----------|

The Panel has assessed \$1,300.00 of the hearing session fees to Claimant.

The Panel has assessed \$2,600.00 of the hearing session fees to Respondent.

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

**ARBITRATION PANEL**

|                  |   |  |
|------------------|---|--|
| Steven Meyrich   | - | Public Arbitrator, Presiding Chairperson |
| Richard Djokic   | - | Public Arbitrator                        |
| Charles A. Pease | - | Non-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**

***Steven Meyrich***

\_\_\_\_\_  
Steven Meyrich  
Public Arbitrator, Presiding Chairperson

**03/23/2021**

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

***Richard Djokic***

\_\_\_\_\_  
Richard Djokic  
Public Arbitrator

**03/23/2021**

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

***Charles A. Pease***

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Charles A. Pease  
Non-Public Arbitrator

**03/23/2021**

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

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March 23, 2021

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