

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant

Brooklight Place Securities, Inc.

Case Number: 19-03088

vs.

Respondents

Interactive Financial Advisors, Inc.,
Joanne Woiteshek, and Rick Peterbok

Hearing Site: Chicago, Illinois

and

Counter-Claimants

Interactive Financial Advisors, Inc. and
Joanne Woiteshek

vs.

Counter- and Third-Party Respondents

Brooklight Place Securities, Inc. and
Charles Brettell

and

Claimant and Third-Party Counter/Cross-Claimant

Brooklight Place Securities, Inc. and Charles Brettell

vs.

Respondents

Interactive Financial Advisors, Inc.,
Joanne Woiteshek, and Rick Peterbok

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: Member vs. Non-Member and Associated Persons
Non-Member and Associated Person vs. Member and Associated Person
Member and Associated Person vs. Non-Member and Associated Persons

This case was decided by a majority-public panel.

The evidentiary hearing was conducted by videoconference.

REPRESENTATION OF PARTIES

For Claimant Brooklight Place Securities, Inc. (“Claimant”) and Third-Party Respondent Charles Brettell (“Brettell”): Kristi L. Browne, Esq., Patterson Law Firm, LLC, Chicago, Illinois.

For Respondents Interactive Financial Advisors, Inc. (“IFA”), Joanne Woiteshek (“Woiteshek”) and Rick Peterbok (“Peterbok”): James L. Kopecky, Esq. and Daryl M. Schumacher, Esq., Kopecky Schumacher Rosenberg LLC, Chicago, Illinois.

CASE INFORMATION

Statement of Claim filed on or about: October 15, 2019.

Statement of Answer to Counterclaim filed by Claimant on or about: September 30, 2020.

Amended Statement of Claim and Counterclaim filed by Claimant and Brettell on or about: October 13, 2020.

Statement of Answer to Third-Party Claim filed by Brettell on or about: November 9, 2020.

Claimant signed the Submission Agreement: October 11, 2019.

Brettell signed the Submission Agreement: November 10, 2020.

Statement of Answer filed by IFA on or about: December 6, 2019.

Counterclaim and Third-Party Claim filed by IFA and Woiteshek on or about: July 30, 2020.

Statement of Answer to Amended Statement of Claim and Counterclaim filed by IFA and Woiteshek on or about January 6, 2021.

IFA signed the Submission Agreement: December 10, 2019.

Woiteshek did not sign the Submission Agreement.

Statement of Answer to Amended Statement of Claim and Counterclaim filed by Peterbok on or about March 26, 2021.

Peterbok signed the Submission Agreement: March 24, 2021.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: breach of contract, tortious interference with contract, and tortious interference with prospective economic advantage. The causes of action related to Claimant’s allegations that IFA breached their Selling Agreement and interfered with Claimant’s business relationships with its registered representatives and clients.

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

In the Counterclaim and Third-Party Claim, IFA and Woiteshek asserted the following causes of action: defamation, unfair competition, and violations of FINRA Rule 2110. The causes of action related to IFA and Woiteshek’s allegation that Claimant and Brettell defamed Woiteshek in the

Form U5 filed by Claimant, as part of her registration records maintained by the Central Registration Depository ("CRD").

Unless specifically admitted in the Statement of Answer to Counterclaim, Claimant denied the allegations made in the Counterclaim and asserted various affirmative defenses.

Unless specifically admitted in the Statement of Answer to Third-Party Claim, Brettell denied the allegations made in the Third-Party Claim and asserted various affirmative defenses.

In the Amended Statement of Claim and Counterclaim, Claimant and Brettell reasserted the causes of action in the Statement of Claim and, in addition, asserted breach of fiduciary duty, misappropriation of trade secrets in violation of 765 ILCS 1065, unfair competition, and defamation.

Unless specifically admitted in the Statement of Answer to Amended Statement of Claim, IFA and Woiteshek denied the allegations made in the Amended Statement of Claim and Counterclaim and asserted various affirmative defenses.

In the Statement of Answer to Amended Statement of Claim, Peterbok adopted and incorporated by reference the Statement of Answer to Amended Statement of Claim filed by IFA and Woiteshek. Further, unless specifically admitted in the Statement of Answer to Amended Statement of Claim filed by IFA and Woiteshek, Peterbok denied the allegations made in the Amended Statement of Claim and Counterclaim.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested an award for its favor in an amount to be shown at the arbitration hearing.

In the Statement of Answer, IFA requested that the Panel deny and dismiss Claimant's claims in their entirety and enter an award in its favor for fees and costs.

In the Counterclaim and Third-Party Claim, IFA and Woiteshek requested damages in an amount to be determined at hearing, expungement of the Form U5 filed by Claimant, and any further relief determined to be appropriate by the Panel.

In the Statement of Answer to Counterclaim, Claimant did not request any relief.

In the Statement of Answer to Third-Party Claim, Brettell did not request any relief.

In the Amended Statement of Claim and Counterclaim, Claimant and Brettell requested damages in an amount to be proven at the hearing and attorneys' fees and costs incurred in prosecuting this action and defending the counterclaim.

In the Statement of Answer to Amended Statement of Claim, IFA and Woiteshek requested that the Panel deny and dismiss Claimant's claims in their entirety and enter an award in favor of IFA and against Claimant for fees and costs.

In the Statement of Answer to the Amended Statement of Claim, Peterbok adopted and incorporated by reference the Statement of Answer to the Amended Statement of Claim filed by IFA and Woiteshek.

OTHER ISSUES CONSIDERED AND DECIDED

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

Woiteshek did not file a properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code of Arbitration Procedure (“Code”) and, having answered the claim, appeared, and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

On July 30, 2020, IFA and Woiteshek filed a Motion for Leave to File Counterclaim and Third-Party Claim. On August 17, 2020, Claimant filed a Response to the Motion for Leave to File Counterclaim and Third-Party Claim. Brettell did not file a response. In an Order dated September 10, 2020, the Panel granted the Motion for Leave to File Counterclaim and Third-Party Claim.

On October 13, 2020, Claimant and Brettell filed a Motion for Leave to File Amended Claim and Counterclaim (“Claimant and Brettell’s Motion for Leave”) to add Woiteshek and Peterbok as parties. On October 26, 2020, IFA and Woiteshek file an Opposition to Claimant and Brettell’s Motion for Leave. On November 13, 2020, Claimant and Brettell file a Reply in Support of their Motion for Leave. On November 16, 2020, the Panel heard oral arguments on Claimant and Brettell’s Motion for Leave. In an Order dated the same day, the Panel granted Claimant and Brettell’s Motion for Leave.

In an Order dated December 10, 2020, the Panel rescinded its November 16, 2020 Order, in part, as to Peterbok, due to improper service. On December 28, 2020, Peterbok filed an Opposition to Claimant and Brettell’s Motion for Leave. On January 4, 2021, Claimant and Brettell filed a Reply in Support of their Motion for Leave. On February 8, 2021, the Panel heard oral arguments on Claimant and Brettell’s Motion for Leave, as to Peterbok. In an Order dated the same day, the Panel granted Claimant and Brettell’s Motion for Leave, as to Peterbok.

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

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:

1. Claimant’s claims are denied in their entirety.
2. IFA and Woiteshek’s Counterclaim is denied.
3. IFA and Woiteshek’s Third-Party Claim is denied.

4. Brettell's Counterclaim is denied.
5. The Panel recommends the expungement of the Reason for Termination and Termination Explanation in Section 3 of Joanne Marie Woiteshek's (CRD Number 2222062) Form U5 filed by Brooklight Place Securities, Inc. on July 22, 2020 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 should 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 2081125 and 2081126 maintained by the CRD for Joanne Marie Woiteshek. 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. Joanne Marie Woiteshek must forward a copy of this Award to FINRA's Credentialing, Registration, Education and Disclosure Department for review.

6. Any and all claims for relief not specifically addressed herein, including any requests for punitive damages, treble damages, and attorneys' fees, 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	=\$ 1,700.00
Counter-Claim and Third-Party Claim Filing Fee	=\$ 1,575.00
Third-Party Counter/Cross-Claim Filing Fee	=\$ 1,575.00

**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, Claimant 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:

November 16-20, 2020, postponement requested by Claimant and Brettell	=\$ 1,125.00
<hr/> Total Postponement Fees	<hr/> =\$ 1,125.00

The Panel has assessed \$562.50 of the postponement fees to Claimant.

The Panel has assessed \$562.50 of the postponement fees to IFA.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court.

Claimant is assessed:

Injunctive Relief Surcharge = \$ 2,500.00

Discovery-Related Motion Fees

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

Seven (7) decisions on discovery-related motions on the papers with one (1) Arbitrator @ \$200.00/decision = \$ 1,400.00

One (1) decision on a discovery-related motion on the papers with the Panel @ \$600.00/decision = \$ 600.00

Claimant submitted four (4) discovery-related motions
IFA submitted one (1) discovery-related motion
Non-Parties filed three (3) discovery-related motions

Total Discovery-Related Motion Fees = \$ 2,000.00

The Panel has assessed \$1,000.00 of the discovery-related motion fees to Claimant.

The Panel has assessed \$1,000.00 of the discovery-related motion fees to IFA.

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:

Four (4) pre-hearing sessions with the Panel @ \$1,125.00/session = \$ 4,500.00
Pre-Hearing Conferences: March 6, 2020 1 session
July 17, 2020 1 session
November 16, 2020 1 session
February 8, 2021 1 session

Nine (9) hearing sessions @ \$1,125.00/session = \$ 10,125.00
Hearings: May 3, 2021 2 sessions
May 4, 2021 2 sessions
May 5, 2021 2 sessions
May 6, 2021 2 sessions
May 7, 2021 1 session

Total Hearing Session Fees = \$ 14,625.00

The Panel has assessed \$7,312.50 of the hearing session fees to Claimant.

The Panel has assessed \$7,312.50 of the hearing session fees to IFA.

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

ARBITRATION PANEL

Dianne Marie Onichimowski	-	Public Arbitrator, Presiding Chairperson
Jacqueline Stanley Lustig	-	Public Arbitrator
Joy Pava Shulruff	-	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

Dianne Marie Onichimowski

Dianne Marie Onichimowski
Public Arbitrator, Presiding Chairperson

08/03/2021

Signature Date

Jacqueline Stanley Lustig

Jacqueline Stanley Lustig
Public Arbitrator

08/04/2021

Signature Date

Joy Pava Shulruff

Joy Pava Shulruff
Non-Public Arbitrator

08/02/2021

Signature Date

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August 04, 2021

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