

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Bill A. Rizos

Case Number: 19-03185

vs.

Respondent
U.S. Bancorp Investments, Inc.

Hearing Site: Chicago, Illinois

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

This case was decided by a majority-public panel.

The evidentiary hearing was conducted by videoconference.

REPRESENTATION OF PARTIES

For Claimant Bill A. Rizos (“Claimant”): Laurence M. Landsman, Esq., Latimer LeVay Fyock, LLC, Chicago, Illinois.

For Respondent U.S. Bancorp Investments, Inc. (“Respondent”): David E. Morrison, Esq., Goldberg Kohn Ltd., Chicago, Illinois.

CASE INFORMATION

Statement of Claim filed on or about: October 23, 2019.

[Revised] Amended Statement of Claim filed on or about: February 24, 2020.

Claimant signed the Submission Agreement: October 23, 2019.

Statement of Answer filed on or about: February 3, 2020.

Statement of Answer to [Revised] Amended Statement of Claim filed on or about: March 26, 2020.

Respondent signed the Submission Agreement: February 6, 2020.

CASE SUMMARY

In the Statement of Claim, as amended, Claimant asserted claims alleging that the Form U5 filed by Respondent, as part of registration records maintained by the Central Registration Depository (“CRD”), is defamatory in nature. Claimant asserted the following causes of action:

defamation per se, false light, wrongful termination, negligence, and violation of FINRA Rule 2010.

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

RELIEF REQUESTED

In the Statement of Claim, as amended, Claimant requested an award be entered in his favor and against Respondent for \$1,000,000.00 in compensatory damages, \$2,000,000.00 in punitive damages, and expungement of the Form U5 filed by Respondent.

In the Statement of Answer, as amended, Respondent requested that Claimant's claim be denied in its entirety and he should recover nothing, and any and all relief to which the Panel agrees it is entitled.

At the hearing, Claimant requested \$1,000,000.00 to \$2,000,000.00 in compensatory damages, \$2,000,000.00 to \$4,000,000.00 in punitive damages, plus attorneys' fees consistent with the Attorney Affidavit.

OTHER ISSUES CONSIDERED AND DECIDED

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

On February 17, 2020, Claimant filed a Motion to Amend Statement of Claim. On February 24, 2020, Claimant filed a Motion to File Revised Amended Statement of Claim. On February 27, 2020, Respondent filed an Opposition to Claimant's Revised Motion to Amend Statement of Claim. On March 3, 2020, Claimant filed a Reply Brief in Support of His Revised Motion to Amend Statement of Claim. In an Order dated March 12, 2020, the Panel granted Claimant's Motion to File Revised Amended Statement of Claim.

On April 22, 2021, Claimant filed a Motion for Sanctions. On May 14, 2021, Respondent filed an Opposition to the Motion for Sanctions. On June 2, 2021, Claimant filed a Reply in Support of his Motion for Sanctions. In an Order dated June 23, 2021, the Panel granted Claimant's Motion for Sanctions and ordered Respondent to pay \$10,000.00.

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. Respondent is liable for and shall pay to Claimant the sum of \$125,000.00 in compensatory damages.

- The Panel recommends the expungement of the Reason for Termination and Termination Explanation in Section 3 of Claimant Bill A. Rizos's (CRD Number 6685769) Form U5 filed by Respondent on August 21, 2019 and maintained by the CRD. The Reason for Termination shall be changed to "Voluntary" and the Termination Explanation should be changed to "Permitted to Resign." This directive shall apply to all references to the Reason for Termination and Termination Explanation.

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 Bill A. Rizos must forward a copy of this Award to FINRA's Credentialing, Registration, Education and Disclosure Department for review.

- 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 of Arbitration Procedure, the following fees are assessed:

Filing Fees

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

Initial Claim Filing Fee	= \$	2,000.00
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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 the following:

Member Surcharge	= \$	3,025.00
Member Process Fee	= \$	6,175.00

Postponement Fees

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

March 1-3, 2021, postponement requested by Claimant	= \$	1,400.00
March 18, 19, and 22, 2021, postponement requested by Respondent	= \$	1,400.00

Total Postponement Fees	= \$	2,800.00
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The Panel has assessed the total postponement fees to Respondent.

Last-Minute Cancellation Fees

Fees apply when a hearing on the merits is cancelled within ten calendar days before the start of a scheduled hearing session:

March 18, 19, and 22, 2021, cancellation requested Respondent	= \$	1,800.00
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Total Last-Minute Cancellation Fees	= \$	1,800.00
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The Panel has assessed the total last-minute cancellation fees to Respondent.

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
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One (1) decision on a discovery-related motion on the papers with three (3) Arbitrators @ \$200.00/decision	= \$	600.00
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Claimant submitted two (2) discovery-related motions

Total Discovery-Related Motion Fees	= \$	800.00
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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:

Three (3) pre-hearing sessions with a single Arbitrator @ \$450.00/session	= \$	1,350.00
Pre-Hearing Conferences: June 30, 2020	1 session	
October 2, 2020	1 session	
April 23, 2021	1 session	

Four (4) pre-hearing sessions with the Panel @ \$1,400.00/session	= \$	5,600.00
Pre-Hearing Conferences: March 2, 2020	1 session	
September 17, 2020	1 session	
September 30, 2020	1 session	
July 29, 2021	1 session	

Twenty Nine (29) hearing sessions @ \$1,400.00/session	= \$	40,600.00
Hearings: October 26, 2020	1 session	
October 27, 2020	3 sessions	
October 28, 2020	2 sessions	
October 29, 2020	2 sessions	
October 30, 2020	2 sessions	
March 4, 2021	2 sessions	
March 5, 2021	2 sessions	
March 8, 2021	2 sessions	
March 9, 2021	2 sessions	
March 10, 2021	2 sessions	
March 11, 2021	1 session	
March 18, 2021	1 session	

September 20, 2021	2 sessions
September 21, 2021	2 sessions
September 22, 2021	2 sessions
September 23, 2021	1 session

Total Hearing Session Fees =\$ 47,550.00

The Panel has assessed the total hearing session fees to Respondent.

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

ARBITRATION PANEL

Michael S. Matek	-	Public Arbitrator, Presiding Chairperson
Stuart D. Summers	-	Public Arbitrator
Daniel Baruch Lidawer	-	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

Michael S. Matek

Michael S. Matek
Public Arbitrator, Presiding Chairperson

10/22/2021

Signature Date

Stuart D. Summers

Stuart D. Summers
Public Arbitrator

10/22/2021

Signature Date

Daniel Baruch Lidawer

Daniel Baruch Lidawer
Non-Public Arbitrator

10/22/2021

Signature Date

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October 22, 2021

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