

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant

Matthew Jallal Mirtahami

Case Number: 19-03251

vs.

Respondent

Wells Fargo Clearing Services, LLC

Hearing Site: Los Angeles, California

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

For Claimant Matthew Jallal Mirtahami (“Claimant”): Chetan S. Patil, Esq., PATIL LAW, P.C., Los Angeles, California.

For Respondent Wells Fargo Clearing Services, LLC: Esther E. Cho, Esq. and Joshua Norton, Esq., Keesel, Young & Logan, Long Beach, California.

CASE INFORMATION

Statement of Claim filed on or about: October 30, 2019.

Amended Statement of Claim filed on or about: February 14, 2020.

Claimant signed the Submission Agreement: October 30, 2019.

Statement of Answer filed on or about: January 24, 2020.

Answer to Amended Statement of Claim filed on or about February 20, 2020.

Respondent signed the Submission Agreement: January 22, 2020.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: wrongful termination; intentional and negligent infliction of emotional distress; defamation/libel; and expungement of Claimant’s Form U5.

In the Amended Statement of Claim, Claim asserted the following additional causes of action: breach of contract; wrongful termination in violation of public policy; and promissory estoppel.

The causes of action relate to Claimant's termination from Respondent's employment.

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

RELIEF REQUESTED

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

1. Expungement of Claimant's form U5 from his Central Registration Depository ("CRD") records;
2. Compensatory damages, including but not limited to, lost wages;
3. Pre-judgment interest at the statutory rate;
4. Punitive damages;
5. Attorneys' fees;
6. Expert fees;
7. Forum fees; and
8. Such other and further relief as the Panel deems just and proper.

In the Statement of Answer and Answer to the Amended Statement of Claim, Respondent requested:

1. Claimant take nothing by way of his Statement of Claim and Amended Statement of Claim;
2. Costs of suit incurred herein;
3. Punitive damages be denied;
4. Attorneys' fees be denied;
5. Expungement be denied; and
6. Such other and further relief as the Panel may deem just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

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

On February 14, 2020, Claimant filed a Motion to Amend Statement of Claim. On February 20, 2020, Respondent filed its non-opposition to the motion. On February 25, 2020, the Panel granted Claimant's Motion to Amend Statement of Claim.

On February 24, 2021, the parties submitted a Joint Stipulation Regarding Scope of Arbitration Hearing ("Stipulation"). Pursuant to the Stipulation, Claimant dismissed all claims for monetary relief and sought expungement or modification of the Form U5 as his sole relief. Accordingly, the Panel did not make a determination on any monetary claims made in the Amended Statement of Claim.

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. The Panel recommends the expungement of the Reason for Termination and Termination Explanation in Section 3 of Matthew Jallal Mirtahami's (CRD Number 6315789) Form U5 filed by Wells Fargo Clearing Services, LLC on November 16, 2018 and maintained by the Central Registration Depository ("CRD"). The Reason for Termination shall be changed to "Other." The Termination Explanation shall be replaced with the following language: "Termination Without Cause." This directive shall apply to all references to the Reason for Termination and Termination Explanation.
2. The Panel further recommends the expungement of all references to Occurrence Number 2005932 from the registration records maintained by the CRD for Matthew Jallal Mirtahami. Any "Yes" answers should be changed to "No," as applicable.
3. The Panel recommends expungement based on the defamatory nature of the information. The Panel finds that the Reason for Termination submitted by Wells Fargo Clearing Services, LLC, did not constitute a violation of an investment-related statute, regulation, rule, or industry standard of conduct because Claimant Matthew Jallal Mirtahami was a private banker serving solely in that capacity in opening bank accounts for bank customers.
4. The above recommendations are made with the understanding that the registration records are not automatically amended. Matthew Jallal Mirtahami must forward a copy of this Award to FINRA's Credentialing, Registration, Education and Disclosure Department for review.
5. Any and all relief not specifically addressed herein is denied.

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 Filing Fee	=\$ 1,575.00
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**The filing fee is made up of a non-refundable and a refundable portion.*

Pursuant to Armendariz v. Foundation Health Psychcare Services, Inc., 24 Cal. 4th 83 (2000) Matthew Jallal Mirtahami is assessed a \$200.00 initial claim filing fee. The balance of the non-refundable portion of the filing fee, in the amount of \$175.00 is assessed to Wells Fargo Clearing Services.

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 giving rise to the dispute. Accordingly, as a party, Respondent 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:

October 12, 2020, postponement requested by Claimant and Respondent	= \$	WAIVED
January 4-8, 2021, postponement requested by Claimant and Respondent	= \$	WAIVED

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:

October 12, 2020, cancellation requested by Claimant and Respondent	= \$	1,800.00
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Total Last-Minute Cancellation Fees	= \$	1,800.00
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Pursuant to Armendariz v. Foundation Health Psychcare Services, Inc., 24 Cal. 4th 83 (2000), the Panel has assessed the total of the last-minute cancellation fees to Respondent.

Contested Motion for Issuance of Subpoena Fees

Fees apply for each decision on a contested motion for the issuance of a subpoena.

One (1) decision on contested motion for the issuance of a subpoena with one Arbitrator @ \$200.00	= \$	200.00
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Total Contested Motion for Issuance of Subpoena Fees	= \$	200.00
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Pursuant to Armendariz v. Foundation Health Psychcare Services, Inc., 24 Cal. 4th 83 (2000), the Panel has assessed the total of the contested motion for issuance of subpoena 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 a single Arbitrator @ \$450.00/session	= \$	\$900.00
Pre-Hearing Conference: February 8, 2021	1 session	
April 27, 2021	1 session	

Two (2) pre-hearing sessions with the Panel @ \$1,125.00/session	= \$	2,250.00
Pre-Hearing Conferences: March 20, 2020	1 session	
October 12, 2020	1 session	

Twelve (12) hearing sessions @ \$1,125.00/session		= \$ 13,500.00
Hearings:		
	February 25, 2021	2 sessions
	February 26, 2021	1 session
	April 28, 2021	2 sessions
	April 29, 2021	2 sessions
	April 30, 2021	2 sessions
	May 14, 2021	1 session
	May 21, 2021	2 sessions
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Total Hearing Session Fees		= \$ 16,650.00

Pursuant to Armendariz v. Foundation Health Psychcare Services, Inc., 24 Cal. 4th 83 (2000), the Panel has assessed \$15,525.00 of the hearing session fees to Respondent.

The Panel has waived \$1,125.00 of the hearing session fees.

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

ARBITRATION PANEL

Alan Stamm	-	Public Arbitrator, Presiding Chairperson
Jordan M Bradley	-	Public Arbitrator
Christine A. Page	-	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

Alan Stamm

Alan Stamm
Public Arbitrator, Presiding Chairperson

06/21/2021

Signature Date

Jordan M Bradley

Jordan M Bradley
Public Arbitrator

06/21/2021

Signature Date

Christine A. Page

Christine A. Page
Non-Public Arbitrator

06/22/2021

Signature Date

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June 22, 2021

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