

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
George Dewey Eggers

Case Number: 20-01044

vs.

Respondent
Legg Mason Wood Walker, Inc

Hearing Site: Philadelphia, Pennsylvania

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

REPRESENTATION OF PARTIES

For Claimant George Dewey Eggers: Benjamin Winogred, Esq., AdvisorLaw, LLC, Westminster, Colorado.

Respondent Legg Mason Wood Walker, Inc. did not enter an appearance.

CASE INFORMATION

Statement of Claim filed on or about: March 30, 2020.

George Dewey Eggers signed the Submission Agreement: March 30, 2020.

Respondent Legg Mason Wood Walker, Inc did not submit a Statement of Answer or sign the Submission Agreement.

CASE SUMMARY

In the Statement of Claim, Claimant asserted a claim seeking expungement of customer dispute information from registration records maintained by the Central Registration Depository (“CRD”).

RELIEF REQUESTED

In the Statement of Claim, Claimant requested expungement of Occurrence Numbers 317955, 1010149, and 1129732; compensatory damages in the amount of \$1.00 from Respondent; and any and all other relief that the Arbitrator deems just and equitable.

At the hearing, Claimant withdrew the request for \$1.00 in damages.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrator acknowledges having read the pleadings and other materials filed by the parties.

Respondent Legg Mason Wood Walker, Inc 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 Arbitrator on all issues submitted.

Respondent Legg Mason Wood Walker, Inc did not file a Statement of Answer. The Arbitrator determined that Respondent Legg Mason Wood Walker, Inc was served with the Claim Notification letter dated April 1, 2020 by regular mail and certified mail, and the Overdue Notice (including the Statement of Claim) dated May 27, 2020 by regular and certified mail. The Arbitrator also determined that Respondent Legg Mason Wood Walker, Inc was served with the Notification of Arbitrator dated June 18, 2020 by regular mail.

The Claim Notification letter notified Respondent Legg Mason Wood Walker, Inc that FINRA rules require parties to use the online DR Portal on a mandatory basis (except pro se investors) and that failure to register for the DR Portal will prevent the submission of pleadings, selection of arbitrators, and receipt of notification relating to case information and deadlines. Respondent Legg Mason Wood Walker, Inc failed to register for the DR Portal. The Arbitrator determined that Respondent Legg Mason Wood Walker, Inc is, therefore, bound by the Arbitrator’s ruling and determination.

On September 9, 2020, Claimant advised that the customer relating to Occurrence Number 1010149 is deceased.

On February 12, 2021, Claimant advised that the customers in Occurrence Numbers 317955 and 1129732 (“customers”) were served with the Statement of Claim and notice of the date and time of the expungement hearing.

The Arbitrator conducted a recorded, telephonic hearing on March 24, 2021, so the parties could present oral argument and evidence on Claimant’s request for expungement.

Respondent did not participate in the expungement hearing.

The customers did not participate in the expungement hearing. The Arbitrator found that the customers in Occurrence Numbers 1129732 and 317955 had notice of the expungement request and hearing. By correspondence dated October 6, 2020, the customers in Occurrence Number 1129732 objected to Claimant’s expungement request.

The Arbitrator reviewed Claimant’s BrokerCheck® Report. The Arbitrator noted that a prior arbitration panel or court did not previously rule on expungement of the same occurrences in the CRD.

The settlement documentation related to Occurrence Numbers 1129732 and 1010149 were not available due to the age of the settlements. The Arbitrator considered the amount of payment made to any party to the settlements. Based on Claimant's testimony, the Arbitrator noted that the settlements were not conditioned on any party to the settlements not opposing the expungement request and that Claimant did not contribute to the settlement amounts. Although the settlement documents were not available for the Arbitrator to review, expungement is justified based on the circumstances.

The Arbitrator noted that the dispute related to Occurrence Number 317955 was not settled and, therefore, there was no settlement document to review.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: pleadings, exhibits, Claimant's testimony, and Claimant's BrokerCheck® Report.

AWARD

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

1. The Arbitrator recommends the expungement of all references to Occurrence Number 1129732 from registration records maintained by the CRD for Claimant George Dewey Eggers (CRD Number 1228371) with the understanding that, pursuant to Notice to Members 04-16, Claimant George Dewey Eggers must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by FINRA, parties seeking judicial confirmation of an arbitration award containing expungement relief must name FINRA as an additional party and serve FINRA with all appropriate documents.

Pursuant to Rule 13805 of the Code of Arbitration Procedure ("Code"), the Arbitrator has made the following Rule 2080 affirmative finding of fact:

The claim, allegation, or information is false.

The Arbitrator has made the above Rule 2080 finding based on the following reasons:

The Arbitrator finds that this occurrence is based not on any wrongdoing of the Claimant, but a failure of the customers to take sole responsibility for their investment decisions that the Claimant repeatedly informed them were taking on above-average risk noting that the customers had experience from earlier trades with speculative securities with other brokers. The customers became more speculative over time by demanding to open account rights to option trading and margin account investing. The Claimant advised them of the dangers of both of these types of systems to invest and had his supervisor also counsel them, but still the customers went forward. The customers were content with the Claimant being their broker, but the customers always told the Claimant what exactly to buy and sell and still with no regard for his advice. Accordingly, the customers were content until the general market went down and their solely own decisions to purchase speculative and very small-capitalized business' stock led the way down. Not until this

bubble burst, was there any hint by the customers that the Claimant was poorly servicing their accounts until a formal charge about 3 years after the bubble burst.

2. The Arbitrator recommends the expungement of all references to Occurrence Number 317955 from registration records maintained by the CRD for Claimant George Dewey Eggers (CRD Number 1228371) with the understanding that, pursuant to Notice to Members 04-16, Claimant George Dewey Eggers must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by FINRA, parties seeking judicial confirmation of an arbitration award containing expungement relief must name FINRA as an additional party and serve FINRA with all appropriate documents.

Pursuant to Rule 13805 of the Code of Arbitration Procedure (“Code”), the Arbitrator has made the following Rule 2080 affirmative finding of fact:

The claim, allegation, or information is false.

The Arbitrator has made the above Rule 2080 finding based on the following reasons:

The Arbitrator finds that this occurrence is based not on any wrongdoing of the Claimant. The customer alleged a matrix of allegations all focused on wrongful trading. However, the customer sent a check with a memo stating ‘investment in stocks’. While this memo is not specific, the customer informed the Claimant verbally what common stocks to purchase. Moreover, and critical, is that all the trades were reduced in writings called confirmation trade memorandums and mailed to him. The customer never complained about the purchases also reflected on monthly statements of security holdings he received until three months had passed. Not until this point in time, the customer never complained, but when the security market in general declined, as his stocks did also, did the customer complain about the Claimant.

3. The Arbitrator recommends the expungement of all references to Occurrence Number 1010149 from registration records maintained by the CRD for Claimant George Eggers (CRD Number 1228371) with the understanding that, pursuant to Notice to Members 04-16, Claimant George Eggers must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by FINRA, parties seeking judicial confirmation of an arbitration award containing expungement relief must name FINRA as an additional party and serve FINRA with all appropriate documents.

Pursuant to Rule 13805 of the Code of Arbitration Procedure (“Code”), the Arbitrator has made the following Rule 2080 affirmative finding of fact:

The claim, allegation, or information is false.

The Arbitrator has made the above Rule 2080 finding based on the following reasons:

The Arbitrator finds that this occurrence is based not on any wrongdoing of the Claimant but a failure of the alleging customer to understand the nature of security investment. Specifically, the customer owned a balanced portfolio of large cap common stocks, some international company investments and bond funds, The customer and her private accountant were pleased with these investments reportedly and clearly had filed no complaints for decades. In mid-1999, the customer's daughter, reportedly self-described as having little stock market experience, became an agent of the customer and dismissed the accountant from all investment decisions. There was testimony supported by exhibit # 19 that this new agent expressly directed the Claimant to sell certain securities and was generally unhappy with the portfolio's value performance. What is key to the new agent's erroneous allegations against the Claimant is all portfolios suffered during the 1999-2001 period known as the 'tech bubble burst'. The Claimant took no actions which materially harmed the account, but merely took actions he was told to do by the customer through her authorized agent, her daughter.

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 = \$ 50.00

**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 events giving rise to the dispute. Accordingly, as a party, Respondent Legg Mason Wood Walker, Inc is assessed the following:

Member Surcharge = \$ 150.00

Postponement Fees

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

November 12, 2020, postponement requested by Claimant Waived

Hearing Session Fees and Assessments

The Arbitrator has assessed hearing session fees for each session conducted. A session is any meeting between the parties and the Arbitrator, including a pre-hearing conference with the Arbitrator, which lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) pre-hearing sessions with a single Arbitrator @ \$50.00/session = \$ 100.00
Pre-Hearing Conferences: July 29, 2020 1 session
October 1, 2020 1 session

One (1) hearing session on expungement request @ \$50.00/session	= \$	50.00
Hearing: March 24, 2020 1 session		
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Total Hearing Session Fees	= \$	150.00

The Arbitrator has assessed the total hearing session fees to Claimant.

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

ARBITRATOR

Thomas Benjamin Salzer

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Sole 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.

Arbitrator's Signature

Thomas Benjamin Salzer

Thomas Benjamin Salzer
Sole Public Arbitrator

04/15/2021

Signature Date

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.

April 16, 2021

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