

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant

Benjamin F. Edwards & Company, Inc.

Case Number: 20-01103

vs.

Respondent

Peter Charlton Budd, Jr.

Hearing Site: Jersey City, New Jersey

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. Associated Person

The evidentiary hearing was conducted by videoconference.

REPRESENTATION OF PARTIES

For Claimant Benjamin F. Edwards & Company, Inc.: Alan S. Brodherson, Esq., Law Office of Alan S. Brodherson, New York, New York.

Respondent Peter Charlton Budd, Jr. appeared pro se.

CASE INFORMATION

Statement of Claim filed on or about: April 3, 2020.

Benjamin F. Edwards & Company, Inc. signed the Submission Agreement: April 3, 2020.

Statement of Answer filed by Respondent on or about: June 25, 2020.

Peter Charlton Budd, Jr. did not sign the Submission Agreement.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following cause of action: breach of promissory note agreement.

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

RELIEF REQUESTED

In the Statement of Claim, Claimant requested compensatory damages in the principal amount of \$200,999.22, plus pre-award interest as provided in the promissory note agreement, from August 15, 2019 through and until the date of award at the rate of 4.85%; fees and expenses, including all FINRA forum fees, and its reasonable attorneys' fees, as provided for by the promissory note agreement; and for such other and further relief as the Arbitrator deems appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

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

Respondent 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 Arbitrator on all issues submitted.

On December 7, 2020, Claimant filed a Motion to Compel Respondent to produce discovery documents to which no response was received. By Order dated December 28, 2020, the Arbitrator granted Claimant's Motion to Compel.

On January 14, 2021, Claimant filed a Motion for Sanctions due to Respondent's failure to comply with the Discovery Order dated December 28, 2020. By Order dated February 15, 2021, the Arbitrator denied Claimant's Motion for Sanctions but ordered Respondent to submit any documents covered by the December 28, 2020 Order by March 1, 2021. Any documents not submitted or exempted will be barred from use at the hearing.

On April 12, 2021, Claimant filed a Renewed Motion for Sanctions requesting an order pursuant to Rules 13511 and 13212 to strike Respondent's defenses and to preclude Respondent from offering any evidence in furtherance of those defenses. On April 22, 2021, Respondent submitted a response to the motion. By order dated April 30, 2021, the Arbitrator granted Claimant's Renewed Motion for Sanctions.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and any post-hearing submissions, the Arbitrator 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 \$200,999.22 in compensatory damages.
2. Respondent is liable for and shall pay to Claimant accrued interest in the amount of \$17,921.15.
3. Respondent is liable for and shall pay to Claimant the sum of \$21,800.10 in attorneys' fees and expenses pursuant to the promissory note agreement.

4. Respondent is liable for and shall pay to Claimant \$1,000.00 to reimburse Claimant for the non-refundable filing fee previously paid to FINRA Dispute Resolution Services.
5. 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	=\$ 2,125.00
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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 that employed the associated person at the time of the event giving rise to the dispute. Accordingly, as a party, Claimant Benjamin F. Edwards & Company, Inc. is assessed the following:

Member Surcharge	=\$ 1,700.00
Member Process Fee	=\$ 3,250.00

Postponement Fees

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

June 18, 2021, postponement requested by Respondent	=\$ 450.00
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Total Postponement Fees	=\$ 450.00
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The Arbitrator 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:

June 18, 2021, cancellation requested by Respondent	=\$ 600.00
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Total Last-Minute Cancellation Fees	=\$ 600.00
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The Arbitrator 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.

Three (3) decisions on discovery-related motions on the papers with one (1) Arbitrator @ \$200.00/decision	=\$ 600.00
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Claimant submitted three (3) discovery-related motions

Total Discovery-Related Motion Fees	= \$	600.00
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The Arbitrator has assessed the total discovery-related motion fees to Respondent.

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 @ \$450.00/session	= \$	900.00
Pre-Hearing Conferences: September 1, 2020	1 session	
April 5, 2021	1 session	

One (1) hearing session @ \$450.00/session	= \$	450.00
Hearing: June 16, 2021	1 session	

Total Hearing Session Fees	= \$	1,350.00
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The Arbitrator has assessed \$450.00 of the hearing session fees to Claimant.

The Arbitrator has assessed \$900.00 of the hearing session fees to Respondent.

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

ARBITRATOR

Linda J. Baer

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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

Linda J. Baer

Linda J. Baer
Sole Public Arbitrator

06/29/2021

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.

June 29, 2021

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