

**Stipulated Award
FINRA Dispute Resolution Services**

In the Matter of the Arbitration Between:

Claimants

Raymond James Financial Services, Inc.
Raymond James Financial Services Advisors, Inc.

Case Number: 20-01401

vs.

Respondent

William Lance Hocutt

Hearing Site: Birmingham, Alabama

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 and Non-Member vs. Associated Person

REPRESENTATION OF PARTIES

For Claimants Raymond James Financial Services, Inc. and Raymond James Financial Services Advisors, Inc. (“Claimants”): Robert K. Jamieson, Esq., Wiand Guerra King P.A., Tampa, Florida.

For Respondent William Lance Hocutt (“Respondent”): Anne T. Freeland, Esq., Michael Best & Friedrich LLP, Cottonwood Heights, Utah.

CASE INFORMATION

Statement of Claim filed on or about: May 4, 2020.
Answer to Counterclaim filed on or about: August 5, 2020
Claimants signed the Submission Agreement: May 12, 2020.

Statement of Answer and Counterclaim filed by Respondent on or about: July 6, 2020
Respondent signed the Submission Agreement: July 2, 2020.

CASE SUMMARY

In the Statement of Claim, Claimants asserted a claim for breach of the 2019 Independent Branch Ownership Agreement (“Agreement”) and two loan agreements, Fixed Loan Agreement

and Loan Terms Agreement (“Notes”). Claimants asserted that the unearned advisory fees were owed under the Agreement and remaining principal balances of the Notes became due upon the termination of Respondent’s employment with Claimants.

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

In the Counterclaim, Respondent asserted the following causes of action: tortious interference with contractual or business relations under Alabama law; invasion of privacy under Alabama law; trademark infringement under Section 43(a)(1)(A) of the Lanham Act 15 U.S.C. § 1125(a); and false advertising under Section 43(a)(1)(B) of the Lanham Act, 15 U.S.C. § 1125(a). The causes of action relate to alleged Claimants’ misconducts which caused damages against Respondent.

In the Answer to the Counterclaim, Claimants denied the allegations made in the Counterclaim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimants requested:

1. Compensatory damages of \$48,261.38 owed pursuant to the Fixed Loan Agreement plus 10% default interest from November 1, 2019 until the Fixed Loan Agreement is paid in full;
2. Compensatory damages of \$65,855.64 owed pursuant to the Loan Terms Agreement plus 10% default interest from November 1, 2019 until the Fixed Loan Agreement is paid in full;
3. Compensatory damages of \$88,806.97 owed pursuant to the Agreement;
4. Reasonable attorneys’ fees and all costs incurred in connection with this proceeding pursuant to the Notes and the Agreement; and
5. Such additional and further relief as may be deemed just and appropriate.

In the Statement of Answer, Respondent requested:

1. The Statement of Claim be dismissed with prejudice;
2. Claimants take nothing by their Statement of Claim;
3. Any amount awarded to Claimants be reduced by the amounts wrongfully charged to Respondent; and
4. Any other relief the Panel deems reasonable and just, including reasonable attorneys’ fees and costs.

In the Counterclaim, Respondent requested:

1. With respect to tortious interference with contractual or business relations under Alabama law, unspecified damages from the loss of Respondent’s customers and potential

- customers, as well as resources expended in trying to regain control of, and re-establish, Respondent's online profiles;
2. With respect to invasion of privacy under Alabama law, unspecified damages for Respondent's business losses and psychological harm;
 3. With respect to trademark infringement under Section 43(a)(1)(A) of the Lanham Act 15 U.S.C. § 1125(a), damages in the amount of Claimants' profits gained from its infringement, losses sustained by Respondent, attorney's fees and costs incurred in this action, and injunctive relief preventing Claimants from using Respondent's trademarks and likeness and requiring that Claimants turn over control of the Facebook account.
 4. With respect to false advertising under Section 43(a)(1)(B) of the Lanham Act, 15 U.S.C. § 1125(a), damages in the amount of Claimants' profits gained from its false advertising, losses sustained by Respondent, attorney's fees and costs incurred in this action, and injunctive relief preventing Claimants from sending the false emails and requiring that Claimants turn over control of the Facebook account.
 5. All other relief which the Panel deems just and proper.

In the Answer to the Counterclaim, Claimants requested Respondent's counterclaims be denied in their entirety in addition to the relief requested in the Statement of Claim.

OTHER ISSUES CONSIDERED AND DECIDED

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

On June 9, 2021, the parties filed a Motion for Entry of a Stipulated Award. On June 23, 2021, the Panel granted the motion. On July 8, 2021, the parties filed an amendment to the stipulation. On July 9, 2021, the Panel granted the amendment.

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

AWARD

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for entry of a Stipulated Award, and the written stipulation thereto, the Panel grants the motion and enters this Stipulated Award granting the following relief:

1. Respondent shall pay to Claimants the sums set forth in the payment schedule in the parties' confidential Settlement Agreement.
2. If Respondent defaults by failing to make any payment as prescribed in the Settlement Agreement, Respondent shall be liable for and shall pay to Claimants the total sum of

\$202,923.99, less any payments already received by Claimants from Respondent, plus interest, costs, and reasonable attorneys' fees, as provided for in the Settlement Agreement.

3. The counterclaims are dismissed.
4. Each party shall bear its or his own costs and attorneys' fees incurred through the date of this Award.
5. Any and all relief not specifically addressed herein is denied. The parties' stipulation to the entry of this Award is made without any admissions of liability, misconduct, or wrongdoing by the parties, and the parties each expressly deny any misconduct or wrongdoing.

FEES

Pursuant to the Code of Arbitration Procedure ("Code"), the following fees are assessed:

Filing Fees

FINRA Dispute Resolution Services will retain or collect the non-refundable filing fees* for each claim:

Initial Claim Filing Fee	= \$	2,125.00
Counterclaim 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 that employed the associated person at the time of the event giving rise to the dispute. Accordingly, as a party, Raymond James Financial Services, Inc. is assessed the following:

Member Surcharge	= \$	1,700.00
Member Process Fee	= \$	3,750.00

Postponement Fees

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

May 18-21, 2021 postponement requested by Parties	= \$	Waived
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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 sessions with the Panel @ \$1,125.00/session	= \$	2,250.00
Pre-Hearing Conferences: September 3, 2020	1 session	
April 6, 2021	1 session	
Decision on the Papers	= \$	300.00
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Total Hearing Session Fees	= \$	2,550.00

The Panel has assessed \$712.50 of the hearing session fees jointly and severally to Claimants.

The Panel has assessed \$712.50 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

Barbara Black	-	Public Arbitrator, Presiding Chairperson
Clarence H. Hampton	-	Public Arbitrator
Howard Moss Miles	-	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

Barbara Black

Barbara Black
Public Arbitrator, Presiding Chairperson

07/12/2021

Signature Date

Clarence H. Hampton

Clarence H. Hampton
Public Arbitrator

07/12/2021

Signature Date

Howard Moss Miles

Howard Moss Miles
Non-Public Arbitrator

07/12/2021

Signature Date

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July 13, 2021

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