

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Patrick Peterson

Case Number: 20-01621

vs.

Respondent
Wells Fargo Clearing Services, LLC

Hearing Site: Houston, Texas

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: Customer vs. Member

REPRESENTATION OF PARTIES

For Claimant Patrick Peterson (“Claimant”): Kristian P. Kraszewski, Esq., Kyros Law, Miami, Florida.*

For Respondent Wells Fargo Clearing Services, LLC (“Respondent”): Michael Naccarato, Esq., Wells Fargo Legal Department, St. Louis, Missouri.

*FINRA recorded the appearance of Claimant’s counsel at the time of filing of the Statement of Claim. Counsel’s representation of Claimant may have ended with the parties’ settlement. Please see the Other Issues Considered and Decided section of this Award for information on whether Claimant’s counsel appeared at the expungement hearing.

CASE INFORMATION

Statement of Claim filed on or about: May 21, 2020.

Claimant signed the Submission Agreement: May 21, 2020.

Statement of Answer filed on or about: July 9, 2020.

Respondent signed the Submission Agreement: July 9, 2020.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: breach of fiduciary duty, negligence, and negligent supervision. The causes of action relate to Claimant’s allegations that his financial advisor failed to liquidate his portfolio upon his request and that, when the investments were later sold, they had declined significantly.

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 amount of \$100,000.00, interest, and costs.

In the Statement of Answer, Respondent requested that the Statement of Claim be dismissed in its entirety and with prejudice, costs and expenses of this Arbitration, expungement of all references to this matter from the Central Registration Depository ("CRD") records of Unnamed Party Brent Bellcase ("Bellcase"), and such other and further relief as is just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

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

On March 8, 2021, Claimant filed a notice of final settlement and voluntary dismissal with prejudice. Therefore, the Arbitrator made no determination with respect to any of the relief requests contained in the Statement of Claim.

On March 15, 2021, Respondent filed a Motion for Expungement on behalf of Bellcase, to which no response was filed.

The Arbitrator conducted a recorded, telephonic hearing on April 20, 2021, so the parties could present oral argument and evidence on Respondent's request for expungement on behalf of Bellcase.

Neither Claimant nor Claimant's counsel participated in the expungement hearing.

The Arbitrator reviewed Bellcase's BrokerCheck® Report. The Arbitrator noted that a prior arbitration panel or court has not previously ruled on expungement of the same occurrence in the CRD.

The Arbitrator also reviewed the settlement documentation, considered the amount of payment made to any party to the settlement, and considered other relevant terms and conditions of the settlement. The Arbitrator noted that the settlement was not conditioned on any party to the settlement not opposing the request for expungement and that Bellcase did not contribute to the settlement amount.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: Bellcase's testimony.

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. The Arbitrator recommends the expungement of all references to the above-captioned arbitration (Occurrence Number 2070222) from registration records maintained by the CRD for Unnamed Party Brent Averit Bellcase (CRD Number 2600420) with the understanding that, pursuant to Notice to Members 04-16, Unnamed Party Brent Averit Bellcase 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 12805 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 factually impossible or clearly erroneous.

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

Claimant focused his claim solely on a March 13, 2020, email trade order, but he knew or should have known that trade orders may not be made via email. Claimant and Bellcase spoke the next business day, and Claimant revoked the email trade order. In addition, based on the facts, the damage claim vastly exceeded any possible actual damages, even in the worst case scenario.

2. Any and all 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	= \$	975.00
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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	= \$	1,100.00
Member Process Fee	= \$	2,250.00

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:

One (1) pre-hearing session @ \$450.00/session		= \$	450.00
Pre-Hearing Conference: September 10, 2020	1 session		
One (1) hearing session on expungement request @ \$450.00/session		= \$	450.00
Hearing: April 20, 2021	1 session		
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Total Hearing Session Fees		= \$	900.00

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

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

ARBITRATOR

James A. Parker - 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

James A. Parker

James A. Parker
Sole Public Arbitrator

04/24/2021

Signature Date

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April 26, 2021

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