

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Peter A. Schallmoser

Case Number: 20-02067

vs.

Respondent
Merrill Lynch, Pierce, Fenner & Smith Incorporated

Hearing Site: Chicago, Illinois

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

Claimant Peter A. Schallmoser (“Claimant”) appeared pro se.

For Respondent Merrill Lynch, Pierce, Fenner & Smith Incorporated (“Respondent”): Kathryn D. Perreault, Esq. and Sarah K. Yates, Esq., Bressler, Amery & Ross, P.C., Birmingham, Alabama.

CASE INFORMATION

Statement of Claim filed on or about: July 1, 2020.
Claimant signed the Submission Agreement: June 26, 2020.

Statement of Answer filed on or about: August 20, 2020.
Respondent signed the Submission Agreement: August 20, 2020.

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”).

In the Statement of Answer, Respondent denied any wrongdoing and asserted affirmative defenses but took no position on Claimant’s expungement request.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested expungement of Occurrence Number 1406153.

In the Statement of Answer, Respondent did not request any specific relief.

OTHER ISSUES CONSIDERED AND DECIDED

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

On November 11, 2020, Claimant filed a copy of the death certificate for the customer in Occurrence Number 1406153 (“Customer”). On January 12, 2021, Claimant filed a copy of the letter sent to the Customer’s wife, advising her of the expungement request.

The Panel conducted a recorded, telephonic hearing on February 1, 2021, so the parties could present oral argument and evidence on Claimant’s request for expungement.

Respondent participated in the expungement hearing and, as stated in the Statement of Answer, took no position on the request for expungement.

The Customer’s wife did not participate in the expungement hearing.

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

AWARD

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

Claimant’s request for expungement of Occurrence Number 1406153 from his registration records maintained by the CRD is denied.

FEES

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

Filing Fees

FINRA Dispute Resolution Services assessed a filing fee* for each claim:

Initial Claim 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 firms that employed the associated persons at the time of the events giving rise to the dispute. Accordingly, as a party, Respondent is assessed the following:

Member Surcharge Fee = \$ 1,900.00
Member Process Fee = \$ 3,750.00

Postponement Fees

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

January 13, 2021, postponement requested by Claimant	= \$	1,125.00
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Total Postponement Fees	= \$	1,125.00

The Panel has assessed the total postponement fees to Claimant.

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:

January 13, 2021, cancellation requested by Claimant	= \$	1,800.00
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Total Last-Minute Cancellation Fees	= \$	1,800.00

The Panel has assessed the total last-minute cancellation fees to Claimant.

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 @ \$1,125.00/session	= \$	1,125.00
Pre-Hearing Conference: October 26, 2020	1 session	
One (1) hearing session on expungement request @ \$1,125.00/session	= \$	1,125.00
Hearing Date: February 1, 2021	1 session	
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Total Hearing Session Fees	= \$	2,250.00

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

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

ARBITRATION PANEL

Thomas P. Valenti	-	Public Arbitrator, Presiding Chairperson
Jerome F. Crotty	-	Public Arbitrator
Alicia Hilton	-	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

Thomas P. Valenti

Thomas P. Valenti
Public Arbitrator, Presiding Chairperson

02/01/2021

Signature Date

Jerome F. Crotty

Jerome F. Crotty
Public Arbitrator

02/01/2021

Signature Date

Alicia Hilton

Alicia Hilton
Non-Public Arbitrator

02/01/2021

Signature Date

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February 01, 2021

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