

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimants

Marlon K. Waters
and Maria R. Waters

Case Number: 20-02851

vs.

Respondent

Fidelity Brokerage Services LLC

Hearing Site: Dallas, 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: Customers vs. Member

This case was decided by an all-public panel.

REPRESENTATION OF PARTIES

Claimants Marlon K. Waters and Maria R. Waters (collectively “Claimants”) appeared pro se.

For Respondent Fidelity Brokerage Services LLC (“Respondent”): Noah D. Sorkin, Esq., FMR LLC Legal Department, Boston, Massachusetts.

CASE INFORMATION

Statement of Claim filed on or about: August 31, 2020.

Claimants signed the Submission Agreement: September 2, 2020.

Statement of Answer filed on or about: October 21, 2020.

Respondent signed the Submission Agreement: October 19, 2020.

CASE SUMMARY

In the Statement of Claim, Claimants asserted the following causes of action: unauthorized trading, fraud, and failure to supervise. The causes of action relate to Claimants’ allegations that Respondent sold their Boeing stock without giving them an opportunity to pay off the accelerated margin call and caused them to lose their quarterly dividends from their Boeing investment.

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, Claimants requested the return of their 250 shares of Boeing stock and the related dividends; monetary penalties assessed against Respondent for fraud, margin calls, and mental anguish; declaratory relief stating that Claimants' rights were violated; injunctive relief prohibiting Respondent from altering or destroying records; punitive damages; treble damages; damages under the federal RICO statute; attorneys' fees; costs; interest; and other relief as the Panel deems appropriate.

In the Statement of Answer, Respondent requested that the Statement of Claim be denied in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

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

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

AWARD

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

Claimants' claims are denied in their entirety.

FEES

Pursuant to the Code of Arbitration Procedure ("Code"), 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
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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	= \$ 1,900.00
Member Process Fee	= \$ 3,750.00

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: December 22, 2020	1 session	
July 14, 2021	1 session	
Four (4) hearing sessions @ \$1,125.00/session	= \$	4,500.00
Hearings: July 20, 2021	2 sessions	
July 21, 2021	2 sessions	
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Total Hearing Session Fees	= \$	6,750.00

The Panel has assessed \$2,250.00 of the hearing session fees to Marlon K. Waters.

The Panel has assessed \$562.50 of the hearing session fees jointly and severally to Claimants.

The Panel has assessed \$3,937.50 of the hearing session fees to Respondent.

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

ARBITRATION PANEL

Brian James Tagtmeier	-	Public Arbitrator, Presiding Chairperson
Richard Wayne Rigdon	-	Public Arbitrator
Kendra Johnson	-	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

Brian James Tagtmeier

Brian James Tagtmeier
Public Arbitrator, Presiding Chairperson

07/30/2021

Signature Date

Richard Wayne Rigdon

Richard Wayne Rigdon
Public Arbitrator

07/30/2021

Signature Date

Kendra Johnson

Kendra Johnson
Public Arbitrator

07/30/2021

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.

July 30, 2021

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