

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Peter Lewis Goffin

Case Number: 20-03023

vs.

Respondents
NewBridge Securities Corp.
Wells Fargo Advisors Financial Network

Hearing Site: Boca Raton, Florida

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. Members

The evidentiary hearing was conducted by videoconference.

REPRESENTATION OF PARTIES

For Claimant Peter Lewis Goffin: Joshua Bautz, Esq. and Joshua Katz, Esq., Sallah, Astarita & Cox, LLC, Boca Raton, Florida.

For Respondent NewBridge Securities Corp. (“Newbridge”): Gregg J. Breitbart, Esq., Kaufman, Dolowich & Voluck LLP, Fort Lauderdale, Florida.

For Respondent Wells Fargo Advisors Financial Network (“WFA”): Patricia Cowart, Esq., Senior Company Counsel, Wealth & Investment Management Litigation, Wells Fargo Legal Department, Wells Fargo Advisors Financial Network, Los Angeles, California.

CASE INFORMATION

Statement of Claim filed on or about: September 4, 2020.
Peter Lewis Goffin signed the Submission Agreement: September 4, 2020.

Statement of Answer filed by Respondent Newbridge on or about: September 15, 2020.
NewBridge Securities Corp. signed the Submission Agreement: September 15, 2020.

Statement of Answer filed by Respondent WFA on or about: November 3, 2020.
Wells Fargo Advisors Financial Network signed the Submission Agreement: November 2, 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 its Statement of Answer, Respondent Newbridge stated that it does not oppose Claimant’s expungement request regarding Occurrence Number 1504364.

In its Statement of Answer, Respondent WFA stated that it takes no position on Claimant’s expungement request regarding Occurrence Numbers 1152378, 1152377, 1112930 and 1012940.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested expungement of Occurrence Numbers 1504364, 1152378, 1152377, 1112930 and 1012940, and compensatory damages in the amount of \$1.00.

In its Statement of Answer, Respondent Newbridge requested denial of any liability to Claimant and that all FINRA processing and forum fees be assessed against Claimant, in accordance with FINRA rules.

In its Statement of Answer, Respondent WFA did not delineate a relief request.

At the hearing, Claimant withdrew his request for \$1.00 in compensatory damages.

OTHER ISSUES CONSIDERED AND DECIDED

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

On or about May 4, 2021, Claimant filed a death certificate for the customer in Occurrence Number 1112930. In his May 19, 2021 Declaration (the “Declaration”), Claimant set forth the attempts made to serve a copy of the Statement of Claim and notice of the date and time of the expungement hearing upon this deceased customer via mail, as well as to serve her family members via email and by phone.

Claimant’s Declaration also served to notify FINRA that the customer in Occurrence Number 1012940 is deceased, which Claimant was able to confirm during a telephone conversation with the customer’s daughter. Again, Claimant set forth the attempts made to serve a copy of the Statement of Claim and notice of the date and time of the expungement hearing upon this customer via mail, as well as to serve her family members via email and by phone.

Finally, Claimant’s Declaration advised that the customers in Occurrence Numbers 1504364, 1152378 and 1152377 were served with the Statement of Claim and notice of the date and time of the expungement hearing.

The Arbitrator conducted a recorded hearing by videoconference on May 24, 2021, so the parties could present oral argument and evidence on Claimant’s request for expungement.

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

Respondent WFA participated in the expungement hearing and, as stated in its Statement of Answer, did not oppose the request for expungement.

The daughter of the deceased customer in connection with Occurrence Number 1012940 participated in the expungement hearing, as set forth in the Award section below.

None of the other customers participated in the expungement hearing

The Arbitrator found that the Customers had notice of the expungement request and hearing.

The Arbitrator reviewed Claimant's BrokerCheck® Report. The Arbitrator noted that a prior arbitration panel or court did not previously rule on expungement of the same occurrences in the CRD.

On or about 19 May, 2021, Claimant advised that he requested from Respondents a copy of the settlement agreements related to Occurrence Numbers 1152378 and 1152377, but Respondents were unable to provide them because, based on their age, Respondents no longer retains them. The Arbitrator found that a diligent search was made to locate them.

The Arbitrator noted that the disputes related to Occurrence Numbers 1504364, 1112930 and 1012940 were not settled and, therefore, there were no settlement documents to review.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: Claimant's credible and unrebutted testimony; testimony of the daughter of the deceased customer in connection with Occurrence Number 1012940; and Claimant's BrokerCheck® Report.

AWARD

After considering the pleadings, the testimony and evidence presented at the expungement 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 Occurrence Numbers 1504364, 1152378, 1152377, 1112930 and 1012940 from registration records maintained by the CRD for Claimant Peter Lewis Goffin (CRD Number 1617710) with the understanding that, pursuant to Notice to Members 04-16, Claimant Peter Lewis Goffin 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 13805 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 false.

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

Occurrence Number 1504364

The evidence established that the recommendation was made following analysis and approval of the subject REIT by the dealer and following analysis by Claimant. The subject investment was less than 10% of the portfolio and offered some diversification. The preponderance of the evidence supports a conclusion that the recommendation was suitable.

Occurrence Numbers 1152378 and 1152377

Both occurrences stem from claims brought by the same attorney on behalf of three customers with very similar complaints. While there was a settlement, and the settlement was not insubstantial in relation to the claimed damages, it was far less than the claimed amounts, and Claimant herein did not contribute to same. The credible testimony of Claimant herein established that the recommendations were suitable; specifically, the complained of investments were mutual funds, they contained high quality and diverse securities, they were a minority of the portfolio, and they were selected after due diligence and a suitability analysis. The funds lost money in a declining market and the same attorney made demands for all three of these customers.

Occurrence Number 1112930

The testimony established that the former customer specifically wanted exposure to the tech sector, which the subject investment provided; the investment was a modest portion of the portfolio, was consistent with the customer's objectives and was suitable.

Occurrence Number 1012940

Claimant's credible testimony established that the complained of investment was suitable. The former customer unfortunately passed away. The former customer's daughter appeared, testified, and asked the Claimant questions. The customer's daughter testified that her mother was savvy and understood what she was doing. While it is undisputed that the former customer took no further action when the firm denied her complaint, her daughter points out that a few months after the complaint, the former customer moved the account. She conceded that on at least one other occasion her mother had sued someone. Taken as a whole, the preponderance of the evidence supports the conclusion that the former customer made the claim because she was disappointed at taking losses. However, the testimony supported a conclusion that the former customer knew the risks, and the investment (which outperformed the broader market during the bear market at the time) was suitable.

As to all of the Occurrences

There was a dearth of documentary evidence. No settlement agreement could be located, though counsel for Respondents indicated that the settlements generally used at that time by Respondent did not in any way attempt to bar former customers from opposing expungement and Claimant testified he never sought or saw any such term. Documentation was submitted to establish that counsel and the parties herein made diligent searches for the relevant evidence, and that Claimant's counsel reached out to all former customers to let them know about this proceeding and their right to participate.

2. 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 = \$ 50.00

**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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as parties, Respondents WFA and NewBridge are each assessed the following:

Member Surcharge = \$ 150.00

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 with the Arbitrator @ \$50.00/session = \$ 50.00
Pre-Hearing Conference: January 12, 2021 1 session

One (1) hearing session on expungement request @ \$50.00/session = \$ 50.00
Hearing: May 24, 2021 1 session

Total Hearing Session Fees = \$ 100.00

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

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

ARBITRATOR

Will Murphy

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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

Will Murphy

Will Murphy
Sole Public Arbitrator

05/30/2021

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.

June 01, 2021

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