

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Deborah Black

Case Number: 20-03745

vs.

Respondents
Vorpahl Wing Securities
Lee Victor Nordstrom

Hearing Site: Seattle, Washington

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 and Associated Person

This case was decided by a majority-public panel.

REPRESENTATION OF PARTIES

Claimant Deborah Black (“Claimant”) appeared pro se.

For Respondent Vorpahl Wing Securities (“Vorpahl”): Douglas J. Siddoway, Esq., Randall | Danskin. P.S., Spokane, Washington.

Respondent Lee Victor Nordstrom (“Nordstrom”) appeared pro se.

Hereinafter, Vorpahl and Nordstrom are collectively referred to as “Respondents”.

CASE INFORMATION

Statement of Claim filed on or about: November 5, 2020.

Answer to Vorpahl’s Counterclaim filed on or about: February 2, 2021.

Claimant signed the Submission Agreement: November 5, 2020.

Statement of Answer and Counterclaim filed by Vorpahl on or about: January 11, 2021.

Vorpahl signed the Submission Agreement: January 21, 2021.

Statement of Answer filed by Nordstrom on or about: December 31, 2020.

Nordstrom did not sign the Submission Agreement.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: violation of the Securities Act of Washington; breach of fiduciary duty; unsuitable investment recommendations; violation of FINRA Rule 3110; negligence; negligent supervision; negligent misrepresentation; breach of contract; respondeat superior; and well-managed theory of damages. The causes of action relate to Claimant's individual retirement account ("IRA") and individual account held at Vorpahl and managed by Nordstrom.

Unless specifically admitted in the Statement of Answer, Nordstrom denied the allegations made in the Statement of Claim.

Unless specifically admitted in the Statement of Answer, Vorpahl denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

In its Counterclaim, Vorpahl asserted the following causes of action: false or fraudulent representation; negligent misrepresentation; and false and misleading statements. The causes of action related to Claimant's IRA and individual account held at Vorpahl.

Unless specifically admitted in the Answer to Vorpahl's Counterclaim, Claimant denied the allegations made in the Counterclaim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Compensatory damages in the amount of \$450,000.00;
2. Punitive damages;
3. Interest on the foregoing amount, together with attorneys' fees and costs pursuant to Wash. Stat. 21.20.430; and
4. Such other and further relief as the Panel deems just and proper.

In the Statement of Answer and Counterclaim, Vorpahl requested:

1. Costs and fees;
2. Attorneys' fees; and
3. Compensatory damages in an amount to be determined in arbitration.

In his Statement of Answer, Nordstrom did not set forth a specific relief request.

In her Answer to Vorpahl's Counterclaim, Claimant requested:

1. Vorpahl's counterclaims be dismissed;
2. Full compensatory losses, attorneys' fees, interest, and costs as specified in the Claimant's Statement of Claim;
3. All forum fees be assessed against Respondents; and
4. Any other relief the Panel deems equitable and just.

OTHER ISSUES CONSIDERED AND DECIDED

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

Nordstrom did not file a properly executed Submission Agreement, but is required to submit to arbitration pursuant to the Code of Arbitration Procedure (“Code”) and, having answered the claim, is bound by the determination of the Panel on all issues submitted.

On November 29, 2021, Vorpahl filed a Motion to Dismiss stating that Claimant and Respondents had negotiated a settlement agreement. Claimant did not file a response to the Motion to Dismiss. The Panel held a pre-hearing conference on December 22, 2021 to discuss whether or not there had been an earlier, binding settlement of this case. Claimant did not attend the conference.

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

AWARD

After considering the pleadings, the testimony and evidence presented at the December 22, 2021 pre-hearing conference, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant’s claims against Respondents are dismissed without prejudice.
2. Vorpahl’s counterclaims are dismissed without prejudice.
3. Any and all claims for relief not specifically addressed herein, including any requests for punitive damages and attorneys’ fees, 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	= \$	1,425.00
Counterclaim Filing Fee	= \$	1,700.00

**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 a party, Vorpahl is assessed the following:

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

Late Pre-Hearing Cancellation Fees

Fees apply when a pre-hearing conference is cancelled within three business days of the scheduled conference:

February 22, 2021, cancellation requested by Parties	= \$	300.00
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Total Late Pre-Hearing Cancellation Fees	= \$	300.00

The Panel has assessed \$150.00 of the late pre-hearing cancellation fees to Claimant.

The Panel has assessed \$150.00 of the late pre-hearing cancellation fees jointly and severally to Respondents.

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 15, 2021	1 session	
December 22, 2021	1 session	
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Total Hearing Session Fees	= \$	2,250.00

The Panel has assessed \$1,125.00 of the hearing session fees to Claimant.

The Panel has assessed \$1,125.00 of the hearing session fees jointly and severally to Respondents.

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

ARBITRATION PANEL

Stephany Adriene Watson	-	Public Arbitrator, Presiding Chairperson
Phillip Mohammed	-	Public Arbitrator
Courtland T. Shafer	-	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

Stephany Adriene Watson

Stephany Adriene Watson
Public Arbitrator, Presiding Chairperson

01/12/2022

Signature Date

Phillip Mohammed

Phillip Mohammed
Public Arbitrator

01/11/2022

Signature Date

Courtland T. Shafer

Courtland T. Shafer
Non-Public Arbitrator

01/11/2022

Signature Date

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January 13, 2022

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