

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Nicolas Gustavo Rueda

Case Number: 21-01593

vs.

Respondent
Deutsche Bank Securities, Inc.

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. Member

REPRESENTATION OF PARTIES

For Claimant Nicolas Gustavo Rueda: Benjamin J. Biard, Esq., Winget Spadafora Schwartzberg LLP, Miami, Florida.

For Respondent Deutsche Bank Securities, Inc.: Katherine B. Harrison, Esq., Paduano & Weintraub LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: June 22, 2021.

Nicolas Gustavo Rueda signed the Submission Agreement: June 22, 2021.

Statement of Answer filed by Respondent on or about: August 12, 2021.

Deutsche Bank Securities, Inc. signed the Submission Agreement: August 16, 2021.

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 did not contest Claimant’s expungement request.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested: expungement of Occurrence Number 2032194; compensatory damages in the amount of \$1.00 from Respondent; and any and all other relief

that the Arbitrator deems just and equitable.

In the Statement of Answer, Respondent requested that the Arbitrator deny Claimant's request for compensatory damages in the amount of \$1.00, and that all forum and filing fees be assessed to Claimant.

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

OTHER ISSUES CONSIDERED AND DECIDED

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

On August 16, 2021, the parties filed with FINRA Dispute Resolution Services a stipulation to request that a sole arbitrator be appointed, instead of the three-arbitrator panel prescribed under the Code of Arbitration Procedure (the "Code"). Accordingly, the Arbitrator was appointed to decide this matter.

On November 10, 2021, Claimant advised that the customer in Occurrence Number 2032194 ("Customer") was served with the Statement of Claim and notice of the date and time of the expungement hearing.

The Arbitrator conducted a recorded, telephonic hearing on December 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, did not contest the request for expungement.

The Customer did not participate in the expungement hearing. The Arbitrator found that the Customer 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 occurrence in the CRD.

The Arbitrator also reviewed the settlement documentation related to Occurrence Number 2032194, 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 expungement request and that Claimant did not contribute to the settlement amount.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: Claimant's Statement of Claim; Respondent's Statement of Answer; the Statement of Claim related to the underlying claim, FINRA Case 19-01049; the Statement of Answer related to FINRA Case 19-01049; Claimant's CRD Form U4 Amendment dated May 2019; Claimant's CRD Form U4 Amendment dated May 2020; Claimant's BrokerCheck® Report as of November 29, 2021; the Settlement Agreement in the underlying claim; and, the oral testimony of Claimant.

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 Number 2032194 from registration records maintained by the CRD for Claimant Nicolas Gustavo Rueda (CRD Number 4437942) with the understanding that, pursuant to Notice to Members 04-16, Claimant 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, the Arbitrator has made the following Rule 2080 affirmative findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous.

The claim, allegation, or information is false.

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

Claimant credibly testified as to the suitability of the subject investments, including the Customer's needs, his understanding of the investments, assets, risk tolerance and objectives. In submitting its application to invest in the Quintus Note, the Customer's beneficial owner reviewed, inter alia, the Indicative Terms, the Investment Opportunity marketing deck, the Final Terms for the Base Prospectus, and signed an agreement to be treated as a "Qualified Investor" as defined by the Swiss Collective Investment Schemes Act.

The Arbitrator considered the settlement agreement and the uncontradicted testimony that Claimant was not consulted, was not asked to contribute, and did not contribute.

The settlement amount, while not trivial, is consistent with having been made to avoid costs of defense.

The claim has no meaningful investor protection or regulatory value.

There was simply no evidence to support a conclusion that Claimant breached his fiduciary duties by misrepresenting the nature, risks and characteristics associated with the Customer's investment in an offshore structured note, and ample evidence to the contrary.

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:

Expungement Filing Fee = \$ 1,600.00

*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, Respondent is assessed the following:

Member Surcharge = \$ 2,000.00

Member Process Fee = \$ 3,850.00

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 a single Arbitrator @ \$1,150.00/session = \$ 1,150.00
Pre-Hearing Conference: October 18, 2021 1 session

One (1) hearing session on expungement request @ \$1,150.00/session = \$ 1,150.00
Hearing: December 1, 2021 1 session

Total Hearing Session Fees = \$ 2,300.00

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

Robert G. Falbisaner

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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

Robert G. Falbisaner

Robert G. Falbisaner
Sole Public Arbitrator

12/07/2021

Signature Date

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December 07, 2021

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