

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant

Bryan K. Forstman

Case Number: 21-02174

vs.

Respondents

Worden Capital Management, LLC

Jamie John Worden

Joseph C. Fallarino

Daniel R. Drahos

Hearing Site: Birmingham, Alabama

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 Persons

This matter proceeded pursuant to Rule 12800 of the Code of Arbitration Procedure (“Code”).

REPRESENTATION OF PARTIES

For Claimant Bryan K. Forstman: David Vermont, Esq., Securities Arbitration Law Group, PLLC, Washington, District of Columbia.

For Respondents Worden Capital Management LLC (“WCM”) and Jamie John Worden (“Worden”): Jamie John Worden, CEO, Worden Capital Management LLC, New York, New York.

For Respondents Joseph C. Fallarino (“Fallarino”) and Daniel R. Drahos (“Drahos”): Joseph C. Fallarino, Massapequa, New York.

CASE INFORMATION

Statement of Claim filed on or about: August 23, 2021.

Bryan K. Forstman signed the Submission Agreement: August 23, 2021.

Statement of Answer filed jointly by Respondents Fallarino and Drahos on or about: October 11, 2021.

Respondent Fallarino did not sign the Submission Agreement.

Respondent Drahos did not sign the Submission Agreement.

Statement of Answer filed by Respondents WCM and Worden on or about: November 9, 2021.
Worden Capital Management, LLC signed the Submission Agreement: November 9, 2021.
Jamie John Worden signed the Submission Agreement: November 11, 2021.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: churning; unsuitability; failure to supervise and negligent supervision; breach of fiduciary contract and implied covenant of good faith and fair dealing; and, violation of the standards of commercial honor and principles of trade. The causes of action relate to Claimant's investments in Acadia Pharmaceuticals, MGM Resorts Int'l, Crane Company, Synergy Pharmaceuticals and Oclaro, Inc., as well as the use of margin in Claimant's account.

Unless specifically admitted in their Statement of Answer, Respondents Fallarino and Drahos denied the allegations made in the Statement of Claim and asserted various defenses.

Unless specifically admitted in their Statement of Answer, Respondents WCM and Worden denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested: actual/compensatory damages in the amount of \$25,918.61; disgorgement of \$4,214.52 in excessive commissions and margin interest; interest on damages as provided by law; costs associated with bringing this action, including reasonable attorneys' fees, forum fees and filing fees; and any other relief deemed appropriate by the Arbitrator.

In their Statement of Answer, Respondents Fallarino and Drahos requested: denial and dismissal of Claimant's claims; attorneys' fees to each Respondent in the amount of \$10,000.00; and all other relief deemed just and equitable by the Arbitrator.

In their Statement of Answer, Respondents WCM and Worden requested that Claimant's claims be denied.

OTHER ISSUES CONSIDERED AND DECIDED

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

Respondents Fallarino and Drahos did not file properly executed Submission Agreements but are required to submit to arbitration pursuant to the Code and, having answered the claim, are bound by the determination of the Arbitrator on all issues submitted.

On or about November 3, 2021, Claimant filed a notice of dismissal with prejudice of Respondents Fallarino and Drahos. Accordingly, the Arbitrator made no determinations with respect to any of the claims asserted against Respondents Fallarino and Drahos.

AWARD

After considering the pleadings, the Arbitrator has decided and determined in full and final

resolution of the issues submitted for determination as follows:

1. Respondents WCM and Worden are jointly and severally liable for and shall pay to Claimant the sum of \$6,500.00 in compensatory damages, plus interest at the rate of 6% per annum, accruing from the date of service of this Award through the date of payment of this Award.
2. FINRA Dispute Resolution Services shall retain the \$600.00 filing fee that Claimant deposited previously.
3. Respondents WCM and Worden are jointly and severally liable for and shall pay to Claimant \$600.00 to reimburse Claimant for the filing fee previously paid to FINRA Dispute Resolution Services.
4. Any and all claims for relief not specifically addressed herein, including any requests for punitive damages, treble damages, and attorneys' fees, are denied.

FEES

Pursuant to the Code:

1. Respondent WCM shall pay to FINRA Dispute Resolution Services the \$750.00 Member Surcharge and \$1,750.00 Member Process Fee previously invoiced.

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

ARBITRATOR

Mary Elizabeth Skelnik

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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

Mary Elizabeth Skelnik

Mary Elizabeth Skelnik
Sole Public Arbitrator

01/04/2022

Signature Date

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January 05, 2022

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