

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Wells Fargo Advisors Financial Network, LLC

Case Number: 21-02488

vs.

Respondent
Daniel Josey

Hearing Site: Charlotte, North Carolina

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: Member vs. Associated Person

REPRESENTATION OF PARTIES

For Claimant Wells Fargo Advisors Financial Network, LLC: Theodore R. Bynum, III, Esq., Wells Fargo Clearing Services, LLC, St. Louis, Missouri.

Respondent Daniel Josey (“Josey”) did not appear.

CASE INFORMATION

Statement of Claim filed on or about: September 30, 2021.

Wells Fargo Advisors Financial Network, LLC signed the Submission Agreement: September 29, 2021.

Respondent Josey did not file a Statement of Answer or sign the Submission Agreement.

CASE SUMMARY

In the Statement of Claim, Claimant asserted a cause of action for breach of promissory note in connection with a Promissory Note for Enhanced Loan (“Note 1”) and a Promissory Note for Working Capital Loan (“Note 2”), both dated February 7, 2013 (collectively the “Notes”).

RELIEF REQUESTED

In the Statement of Claim, Claimant requested: the principal balance due and owing under the Notes and interest accrued during the term of the Notes at the rate of 1.25% and 4.25%, respectively, per annum, in the combined amount of \$509,276.90; interest at rate of 4.25% and 7.25% per annum on the balance due and owing under the Notes from the date of default

(February 5, 2021) to the date of payment; costs of collection and of this proceeding, including attorneys' fees as agreed to under the terms of the Notes; and any and all further relief that the Arbitrator deems just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

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

Respondent Josey did not file a Statement of Answer. Accordingly, this matter proceeded pursuant to Rule 13806 of the Code of Arbitration Procedure ("Code").

The Arbitrator determined that Respondent Josey was served with the Claim Notification letter dated October 4, 2021, and the Overdue Notice (including the Statement of Claim) dated November 24, 2021, and Notification of the Arbitrator dated January 27, 2022, by regular mail, none of which was returned to FINRA by the post office.

On December 15, 2021, Respondent Josey registered for the DR Portal, providing Respondent Josey with access to all documents filed in the case, including the Statement of Claim, Overdue Notice, and Notification of Arbitrator.

On February 9, 2022, Respondent Josey viewed the following FINRA correspondence on the DR Portal: October 4, 2021, claim service letter setting a deadline to file a Statement of Answer; October 4, 2021 promissory note letter indicating that if an Answer is not filed, the case will be decided on the papers; and January 27, 2022 letter indicating that this claim would be decided on the papers by a sole arbitrator.

The Arbitrator determined that Respondent Josey is, therefore, bound by the Arbitrator's ruling and determination.

Prior to rendering a decision, the Arbitrator requested that Claimant submit an affidavit regarding costs and attorneys' fees incurred in this matter. In his Affidavit, Claimant's counsel stated that no attorneys' fees had thus far been incurred. Accordingly, the Arbitrator deemed Claimant's request for attorneys' fees to be withdrawn.

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. Respondent is liable for and shall pay to Claimant the sum of \$509,276.90 plus interest, comprised of the following:
 - On Note 1: \$163,384.95, plus interest at the rate of 4.25% per annum from the date of default, February 5, 2021, until this debt is fully paid.
 - On Note 2: \$345,891.95, plus interest at the rate of 7.25% per annum from the date of default, February 5, 2021, until this debt is fully paid.

2. Respondent is liable for and shall pay to Claimant \$1,350.00 to reimburse Claimant for the non-refundable portion of the filing fee previously paid to FINRA Dispute Resolution Services.
3. Respondent is liable for and shall pay to Claimant \$300.00 to reimburse Claimant for the Paper Decision Fee previously paid to FINRA Dispute Resolution Services.
4. Any and all claims for relief not specifically addressed herein are denied.

FEES

Pursuant to the Code, Claimant shall pay to FINRA Dispute Resolution Services the \$2,625.00 Member Surcharge and \$5,225.00 Member Process Fee previously invoiced.

Claimant has also paid to FINRA Dispute Resolution Services the \$1,350.00 non-refundable portion of the filing fee and the \$300.00 Paper Decision Fee.

ARBITRATOR

David Paul Clark

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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

David Paul Clark

David Paul Clark
Sole Public Arbitrator

03/02/2022

Signature Date

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March 02, 2022

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