

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Patrick David Ridgeway

Case Number: 21-00312

vs.

Respondent
UBS Financial Services Inc.

Hearing Site: Jackson, Mississippi

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

This case was decided by an all-public panel.

REPRESENTATION OF PARTIES

For Claimant Patrick David Ridgeway: Lance McCardle, Esq., Jason Burge, Esq., and Lara Richards, Esq., Fishman Haygood, LLP, New Orleans, Louisiana.

For Respondent UBS Financial Services Inc.: Carl S. Burkhalter, Esq., Maynard Cooper & Gale, PC, Birmingham, Alabama.

CASE INFORMATION

Statement of Claim filed on or about: February 4, 2021.

Patrick David Ridgeway signed the Submission Agreement: February 4, 2021.

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

UBS Financial Services Inc. signed the Submission Agreement: February 10, 2021.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: breach of fiduciary duty; misrepresentation and non-disclosure; negligence and gross negligence; breach of contract and warranties; violation of Mississippi Securities Act; failure to supervise; and control person liability. The causes of action relate to Claimant's investments in Respondent's managed accounts, as well as a high balance credit line collateralized with the securities held in his managed accounts.

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

RELIEF REQUESTED

In the Statement of Claim, Claimant requested: compensatory damages in an unspecified amount; attorneys' fees, costs and other expenses; exemplary, punitive, or treble damages and other penalties as allowed by law; pre- and post-award interest; and for all other sums that Claimant is entitled to at law or equity.

In the Statement of Answer, Respondent requested: that Claimant's Statement of Claim be dismissed in its entirety and with prejudice; and for such other and further relief as the Panel deems just and proper.

At the hearing, Claimant requested damages ranging from \$1,278,000.00 to \$2,526,000.00.

OTHER ISSUES CONSIDERED AND DECIDED

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

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

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and any post-hearing submissions, the Panel has decided 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 \$1,100,000.00 in compensatory damages.
2. Respondent is liable for and shall pay to Claimant interest on the above-stated sum at the prevailing Federal prime rate at date of filing plus 1% per annum from the date of filing Claimant's Statement of Claim through final payment of the award.
3. 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 of Arbitration Procedure ("Code"), the following fees are assessed:

Filing Fees

FINRA Dispute Resolution Services assessed a filing fee* for each claim:

| | |
|--------------------------|---------------|
| Initial Claim Filing Fee | = \$ 1,575.00 |
|--------------------------|---------------|

**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 | = \$ 1,900.00 |
| Member Process Fee | = \$ 3,750.00 |

Postponement Fees

Postponements granted during these proceedings for which fees were assessed or waived:

| | |
|---|---------------|
| November 29 – December 2, 2021, postponement requested by the parties | = \$ 1,125.00 |
| <hr/> | |
| Total Postponement Fees | = \$ 1,125.00 |

The Panel has assessed \$562.50 of the postponement fees to Claimant.

The Panel has assessed \$562.50 of the postponement fees to Respondent.

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:

| | |
|---|----------------|
| One (1) pre-hearing session with a single Arbitrator @ \$450.00/session | = \$ 450.00 |
| Pre-Hearing Conference: January 18, 2022 | 1 session |
| Two (2) pre-hearing sessions with the Panel @ \$1,125.00/session | = \$ 2,250.00 |
| Pre-Hearing Conferences: June 10, 2021 | 1 session |
| January 28, 2022 | 1 session |
| Twelve (12) hearing sessions @ \$1,125.00/session | = \$ 13,500.00 |
| Hearings: January 31, 2022 | 2 sessions |
| February 1, 2022 | 2 sessions |
| February 2, 2022 | 2 sessions |
| February 3, 2022 | 2 sessions |
| February 4, 2022 | 3 sessions |
| February 5, 2022 | 1 session |

| | |
|----------------------------|----------------|
| Total Hearing Session Fees | = \$ 16,200.00 |
|----------------------------|----------------|

The Panel has assessed \$7,537.50 of the hearing session fees to Claimant.

The Panel has assessed \$7,537.50 of the hearing session fees to Respondent.

The Panel waived \$1,125 of the hearing session fees.

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

ARBITRATION PANEL

| | | |
|------------------|---|--|
| Stuart K. Furman | - | Public Arbitrator, Presiding Chairperson |
| Alan E. Linden | - | Public Arbitrator |
| John G. Sciandra | - | 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

Stuart K. Furman

Stuart K. Furman
Public Arbitrator, Presiding Chairperson

02/16/2022

Signature Date

Alan E. Linden

Alan E. Linden
Public Arbitrator

02/15/2022

Signature Date

John G. Sciandra

John G. Sciandra
Public Arbitrator

02/16/2022

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.

February 16, 2022

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