

**Award**  
**FINRA Dispute Resolution Services**

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In the Matter of the Arbitration Between:

Claimant  
William O. Collier

Case Number: 23-01721

vs.

Respondent  
Charles Schwab & Co., Inc.

Hearing Site: Richmond, Virginia

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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.

The evidentiary hearing was conducted by videoconference.

**REPRESENTATION OF PARTIES**

Claimant William O. Collier appeared pro se.

For Respondent Charles Schwab & Co., Inc.: Sara Soto, Esq., Bressler Amery & Ross, P.C., Fort Lauderdale, Florida.

**CASE INFORMATION**

Statement of Claim filed by Claimant on or about: June 12, 2023.

Claimant signed the Submission Agreement: June 12, 2023.

Statement of Answer filed by Respondent on or about: August 28, 2023.

Respondent signed the Submission Agreement: August 28, 2023.

Amended Statement of Claim filed by Claimant on or about: October 30, 2023.

Amended Statement of Answer filed by Respondent on or about: November 1, 2023.

**CASE SUMMARY**

In the Statement of Claim, as amended, Claimant asserted the following causes of action: failed to clearly disclose and/or address pertinent information; no prior disclosure; Respondent's

Margin Disclosure Statement (“MDS”) does not address spread trades; MDS does not provide any disclosure or warning; Respondent weaponized their MDS without sufficient disclosure; omission or failure to disclose pertinent operating procedures; failure to disclose; information not disclosed upfront; Respondent should clearly disclose its process; and no disclosure. The causes of action relate to Respondent allegedly failing to clearly disclose and/or address pertinent information regarding Respondent’s operating procedures and practices prior to Claimant’s execution of certain spread trades.

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

### **RELIEF REQUESTED**

In the Statement of Claim, as amended, Claimant requested: actual/compensatory damages in the amount of \$22,145.00; punitive/exemplary damages in the amount of \$200,000.00; treble damages in the amount of \$44,290.00; arbitration and hearing fees in an unspecified amount; explicit disclosure of the ITM spread trade process on short assignment; prominent disclosure of pre- and post-market trading periods; and annotation on client statements to indicate trades made by Respondent.

In the Statement of Answer, as amended, Respondent requested denial of Claimant’s claims in their entirety and that all FINRA fees and costs be assessed against Claimant.

At the hearing, Claimant requested damages in the amount of \$17,867.36.

### **OTHER ISSUES CONSIDERED AND DECIDED**

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

On October 3, 2023, Respondent filed a Motion to Dismiss pursuant to Rule 12206 of the Code of Arbitration Procedure (“Code”), arguing that the transactions occurring in September of 2016 and March of 2017 are ineligible for arbitration.

During the initial pre-hearing conference on October 30, 2023, Claimant made an ore tenus, unopposed Motion to Amend Statement of Claim, which removed claims beyond FINRA’s six-year limitation that Respondent had objected to in their Motion to Dismiss. Furthermore, the Motion sought to change the relief requested as follows: actual/compensatory damages from \$38,511.00 to \$22,145.00; punitive/exemplary damages from \$150,000.00 to \$200,000.00; and treble damages from \$77,022.00 to \$44,290.00. On October 30, 2023, the Panel granted the Motion, and in light of the amendment, Respondent’s Motion to Dismiss was deemed moot.

On April 23, 2024, Claimant filed a Second Motion to Amend Statement of Claim, which sought to provide new evidence and supplemental hearing exhibits. On May 3, 2024, Respondent filed a response in opposition to the Motion, arguing that the Motion sought to introduce irrelevant allegations. On May 27, 2024, the Panel denied the Motion.

On May 15, 2024, Claimant filed a Third Motion to Amend Statement of Claim, which sought to introduce additional evidence. On May 28, 2024, Respondent filed a response in opposition to the Motion, arguing that the Motion sought to introduce irrelevant allegations, and that the Motion was untimely. On June 6, 2024, Claimant filed a reply in support of the Motion. On June 25, 2024, the Panel denied the Motion.

On June 3, 2024, Claimant filed a Motion to Submit New Evidence. On June 13, 2024, Respondent filed a response in opposition to the Motion. On June 17, 2024, Claimant filed a reply in support of the Motion. On June 25, 2024, the Panel denied the Motion.

During the evidentiary hearing, after the close of Claimant’s case-in-chief, Respondent made an ore tenus Motion to Dismiss, arguing that Claimant failed to prove Respondent owes Claimant compensation due to fraud, omission, or violation of company policy. Claimant opposed the Motion, arguing that he would not have suffered monetary losses but for Respondent’s fraud, omission, or violation of company policy. The Panel granted the Motion, with the following reasoning:

Claimant failed to prove by preponderance of the evidence that Respondent violated any legal principles or should otherwise pay him compensation.

**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. Claimant’s claims are dismissed in their entirety.

**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

*\*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 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 = \$ 2,025.00  
Member Process Fee = \$ 3,875.00

**Discovery-Related Motion Fees**

Fees apply for each decision rendered on a discovery-related motion.

Two (2) decisions on discovery-related motions on the papers with one (1) Arbitrator @ \$200.00/decision = \$ 400.00

Claimant submitted one (1) discovery-related motion  
Respondent submitted one (1) discovery-related motion

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Total Discovery-Related Motion Fees = \$ 400.00

The Panel has assessed the total discovery-related motion fees to Claimant.

**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: October 30, 2023 1 session  
April 9, 2024 1 session

Two (2) hearing sessions with the Panel @ \$1,125.00/session = \$ 2,250.00  
Hearing: September 4, 2024 2 sessions

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Total Hearing Session Fees = \$ 4,500.00

The Panel has assessed \$2,250.00 of the hearing session fees to Claimant.

The Panel has assessed \$2,250.00 of the hearing session fees to Respondent.

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

**ARBITRATION PANEL**

David Paul Clark	-	Public Arbitrator, Presiding Chairperson
Joyce A. Mitchell	-	Public Arbitrator
David Ivan Brochstein	-	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**

***David Paul Clark***

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David Paul Clark  
Public Arbitrator, Presiding Chairperson

**09/09/2024**

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Signature Date

***Joyce A. Mitchell***

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Joyce A. Mitchell  
Public Arbitrator

**09/10/2024**

\_\_\_\_\_  
Signature Date

***David Ivan Brochstein***

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David Ivan Brochstein  
Public Arbitrator

**09/10/2024**

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Signature Date

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September 10, 2024

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