

Fidelity Brokerage Customer Files Recovery Claim for Large Capital Gains Losses

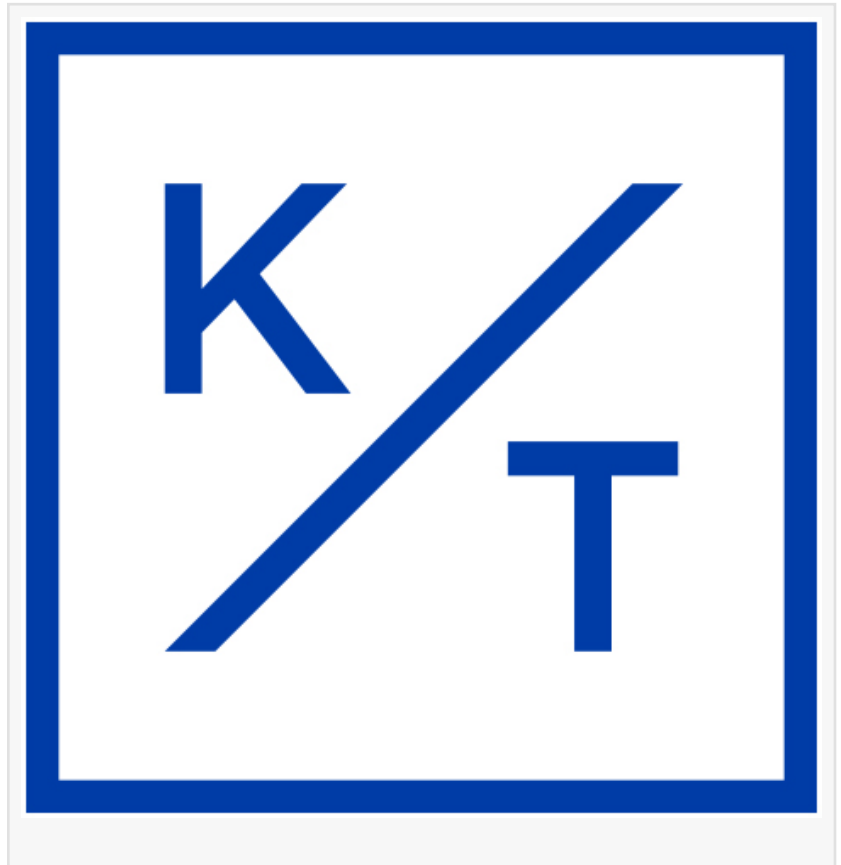
KlaymanToskes Offers Recovery Options for Fidelity Brokerage Services Customers

ALBANY, NY, USA, September 19, 2023

/EINPresswire.com/ -- National investment loss attorneys

[KlaymanToskes](#) encourages former and current customers of Fidelity Brokerage Services who suffered investment losses to contact the firm immediately at 888-997-9956.

KlaymanToskes reports that the firm has filed a FINRA arbitration claim (no. 23-02488) against Fidelity Brokerage Services, LLC, on the behalf of an elderly customer whose Fidelity funds were negligently sold, resulting in the customer incurring large capital gains taxes.



The customer was a client of Fidelity for many years and managed his own investments until reaching the age of 87, when he made the decision to seek out a professional investment advisor. During his initial phone conversation with a Fidelity advisor named Tyler Cardon, the customer disclosed his age and that he was concerned with managing his retirement savings.

The customer also informed the advisor that his only source of income was his investments, social security, and his pension. Further, the client specifically mentioned his concern for taxes and preserving his principal. Based on the concerns described by the customer, Cardon recommended Fidelity's Tax-Managed U.S Equity Index Strategy Fund.

Cardon explained to the customer that Fidelity's proprietary fund would minimize his tax liability while achieving his investment goals. The advisor also assured the customer that Fidelity could achieve his investment objectives while managing any tax liability. The customer, entrusting

Fidelity and his advisor, moved his portfolio into a managed, discretionary account.

Upon receiving the customer's securities, Fidelity allegedly liquidated all of his Fidelity funds, including the following: the Fidelity 500 Index fund (MUTF: FXAIX), Fidelity Extended Market Fund, Fidelity Money Market Funds, and Fidelity Nasdaq Fund. All of the sales were mismarked as unsolicited, and Fidelity then invested the sale proceeds in the Fidelity Tax-managed U.S. Equity Index Strategy fund.

Fidelity Brokerage Services failed to recognize the tax liability from the capital gains realized through the sale of the Fidelity index funds. Instead, the firm only considered the tax liability of the new fund. KlaymanToskes' investigation found that the tax liability generated far exceeded any tax savings from the tax-managed fund. The customer first learned of the large taxes owed when his accountant was preparing his taxes.

Despite informing his advisor that he was specifically concerned with tax liability, and contacting Fidelity to complain to Cardon and his team, the issue went unresolved until the customer transferred his accounts out of Fidelity. The customer is seeking general and compensatory damages less than \$100,000 due to Fidelity's [negligence](#), misrepresentations and omissions, breach of fiduciary duty, and failure to act in best interest of the customer through the sale of his Fidelity funds without any tax planning, which incurred large capital gains taxes.

Current and former customers of Fidelity Brokerage Services who suffered investment losses are encouraged to contact attorney [Lawrence L. Klayman](#), Esq. at (888) 997-9956 or lawrence@klaymantoskes.com for a free and confidential consultation to discuss legal options. We do not collect attorney's fees unless we are able to obtain a financial recovery for you.

About KlaymanToskes

KlaymanToskes is a leading national securities law firm which practices exclusively in the field of securities arbitration on behalf of retail and institutional investors throughout the world in large and complex securities matters. The firm has recovered over \$250 million in FINRA arbitrations and over \$350 million in other securities litigation matters. KlaymanToskes has office locations in California, Florida, New York, and Puerto Rico.

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