

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

---

In the Matter of the Arbitration Between:

Claimant

Nancy Dunleavy, as Trustee of the Donald E.  
Lavin, Sr. & Marjorie J. Lavin Trust U/A DTD  
8/19/14

Case Number: 18-02918

vs.

Respondents

Lawson Financial Corporation  
Robert Warren Lawson  
Pamela Denise Lawson  
Jon David Broadbent

Hearing Site: Boca Raton, Florida

---

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 case was decided by an all-public panel.

**REPRESENTATION OF PARTIES**

For Claimant Nancy Dunleavy, as Trustee of the Donald E. Lavin, Sr. & Marjorie J. Lavin Trust U/A DTD 8/19/14 (“Claimant”): Joshua A. Katz, Esq. and James D. Sallah, Esq., Sallah Astarita & Cox, LLC, Boca Raton, Florida.

For Respondents Lawson Financial Corporation (“LFC”), Robert Warren Lawson (“Robert Lawson”), and Pamela Denise Lawson (“Pamela Lawson”), hereinafter referred to collectively as “Respondents Lawson”: Andrew L. Sparks, Esq., Dickinson Wright, PLLC, Lexington, Kentucky.

Respondent Jon David Broadbent (“Broadbent”) appeared pro se.

**CASE INFORMATION**

Statement of Claim filed by Claimant on or about: August 16, 2018.  
Claimant signed the Submission Agreement: August 16, 2018.

Statement of Answer filed by Respondents Lawson on or about: November 29, 2018.  
Respondent LFC signed the Submission Agreement: September 13, 2019.  
Respondent Robert Lawson signed the Submission Agreement: May 29, 2019.

Respondent Pamela Lawson signed the Submission Agreement: May 29, 2019.

Amended Statement of Answer filed by Respondents Lawson on or about: April 15, 2019.

Statement of Answer filed by Respondent Broadbent on or about: August 7, 2019.  
Respondent Broadbent did not sign the Submission Agreement.

### **CASE SUMMARY**

In the Statement of Claim, Claimant asserted the following causes of action: civil remedy for criminal practices (against LFC and Robert Lawson); conspiracy to violate Florida's Racketeer Influenced and Corrupt Organizations ("RICO") Act (against LFC and Robert Lawson); violation of Fla. Stat. § 517.301 (against all Respondents, except Pamela Lawson); negligence/due diligence (against LFC and Robert Lawson); negligence/suitability and overconcentration (against LFC and Broadbent); control person liability under Section 20 of the Securities Exchange Act (against Robert Lawson and Pamela Lawson); negligent supervision (against LFC and Robert Lawson); and common law fraud (against LFC and Broadbent). The causes of action relate to Respondents' recommendations to purchase new-issue municipal bonds underwritten by LFC, as well as Respondents' association with a RICO enterprise under Ch. 772, Fla. Stat.

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

Unless specifically admitted in the Statement of Answer, Respondent Broadbent 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 under Counts I or II for Florida RICO and conspiracy to violate Florida RICO, treble damages believed to be in excess of \$1,000,000.00, or purposes of FINRA Rule 12900, et seq.; or under Count III, rescissionary damages for purchases made within the last five (5) years, believed to be between \$500,000.01 and \$1,000,000.00; or compensatory damages under Counts IV through VIII, damages believed to be between \$500,000.01 and \$1,000,000.00; prejudgment interest accruing from the dates of each respective transaction; attorneys' fees, pursuant to Counts I, II, or III; and costs, including forum fees.

In the Statement of Answer, as amended, Respondents Lawson requested: that the Panel enter a judgment in favor of Respondents LFC, Robert Lawson, and Pamela Lawson; that Claimant take nothing on all causes of action asserted in the Statement of Claim; that the Panel grant Respondents Lawson a judgment of their costs in this action, as may be provided by law; and that the Panel grant such other and further relief to Respondents Lawson as the Panel deems just and necessary.

In the Statement of Answer, Respondent Broadbent requested that the Panel release him from the Counts and Claims against him.

At the hearing, Claimant requested total compensatory damages between \$223,706.01 and \$314,107.03.

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

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

Respondent Broadbent did not file a properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code of Arbitration Procedure (“Code”) and, having answered the claim, appeared, and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

On January 9, 2019, Claimant filed a Motion to Strike Answer and Affirmative Defenses (“MTS1”) against Respondents Lawson. On January 25, 2019, Respondents Lawson filed a response opposing the MTS1. On January 28, 2019, Claimant filed a reply in support of the MTS1. On March 25, 2019, the Panel heard oral arguments on the MTS1, as well as Respondents Lawsons’ embedded Motion to Dismiss Counts I, II, and III (“MTD”). On March 25, 2019, the Panel granted the MTS1 and directed Respondents Lawson to file an Amended Statement of Answer, and the Panel denied the MTD. The Panel also ordered all Respondents to sign Submission Agreements. On April 15, 2019, Respondents Lawson filed an Amended Statement of Answer. Respondents Robert Lawson and Pamela Lawson signed the Submission Agreements on May 29, 2019, and Respondent LFC signed the Submission Agreement on September 13, 2019. Respondent Broadbent did not sign the Submission Agreement.

On May 8, 2019, Claimant filed a Motion to Strike Affirmative Defense and to Bar Respondents from Presenting Evidence (“MTS2”) against Respondents Lawson. On May 29, 2019, Respondents Lawson filed a response opposing the MTS2. On August 23, 2019, the Panel heard oral arguments on the MTS2. On August 23, 2019, the Panel denied the MTS2, and ruled that Respondents Lawsons’ response to the MTS2 would be incorporated into their Answer, as to the failure to allege a RICO claim.

On May 8, 2019, Claimant filed a Motion for Sanctions (“MFS”) against Respondent Broadbent. On May 29, 2019, Respondents Lawson filed a response stating that the MFS was only against Respondent Broadbent and thus no response from them was necessary. On July 24, 2019, the Panel heard oral arguments on the MFS. On July 24, 2019, the Panel granted the MFS against Respondent Broadbent, ordered him to pay \$1,000.00 for his failure to sign the Submission Agreement, and ordered him to file his Statement of Answer. Respondent Broadbent filed a Statement of Answer on August 7, 2019 but did not sign the Submission Agreement.

On March 12, 2020, Claimant filed a Motion for Show Cause Order (“MSCO”) against Respondents Lawson. On March 31, 2020, Respondents Lawson filed a response opposing the MSCO. On April 6, 2020, Claimant filed a reply in support of the MSCO. On April 7, 2020, Claimant filed Claimant’s and Respondents Lawsons’ joint request to hold the MSCO in abeyance.

On October 29, 2021, Claimant filed a Renewed Motion for Sanctions or, in the Alternative, Motion in Limine (“RMFS”), against Respondents Lawson. On November 8, 2021, Respondents

Lawson filed a response in opposition to the RMFS. On November 9, 2021, Claimant filed a reply in support of the RMFS. On February 1, 2022, the Panel heard oral arguments on the RMFS. On February 1, 2022, the Panel issued an Order stating that the Panel may make a negative inference on the issue of due diligence if the documents in question are unavailable, and that the Panel will consider the possibility of further sanctions at the evidentiary hearings.

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. Respondents are jointly and severally liable for and shall pay to Claimant the sum of \$314,107.03 in compensatory damages.
2. Respondents are jointly and severally liable for and shall pay to Claimant interest on the above-stated sum at the rate of 4.25% per annum from November 15, 2016, through and including the date the balance is paid in full.
3. Respondents Lawson are jointly and severally liable for and shall pay to Claimant the sum of \$2,764.67 in costs.
4. Respondents Lawson are jointly and severally liable for and shall pay to Claimant the sum of \$125,642.81 in attorneys' fees pursuant to Florida Statutes sections 517.301 and 772.103.
5. Respondents Lawson are jointly and severally liable for and shall pay to Claimant the sum of \$600.00 as reimbursement for the non-refundable portion of the claim filing fee previously paid by Claimant to FINRA Dispute Resolution Services.
6. Any and all claims for relief not specifically addressed herein, including any requests for punitive damages and treble damages, 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 = \$ 2,000.00

*\*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 at the time of the event giving rise to the dispute. Accordingly, as a party, Respondent LFC is assessed the following:

Member Surcharge	= \$	3,025.00
Member Process Fee	= \$	6,175.00

**Postponement Fees**

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

November 15-19, 2021, postponement requested by Respondents Lawson	= \$	1,400.00
<hr/>		
Total Postponement Fees	= \$	1,400.00

The Panel has assessed the total postponement fees jointly and severally to Respondents Lawson.

**Last-Minute Cancellation Fees**

Fees apply when a hearing on the merits is cancelled within three business days before the start of a scheduled hearing session:

November 15-19, 2021, postponement requested by Respondents Lawson	= \$	1,800.00
<hr/>		
Total Last-Minute Cancellation Fees	= \$	1,800.00

The Panel has assessed the total last-minute cancellation fees jointly and severally to Respondents Lawson.

**Discovery-Related Motion Fees**

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

One (1) decision on a discovery-related motion on the papers with one (1) Arbitrator @ \$200.00/decision	= \$	200.00
--	------	--------

Claimant submitted one (1) discovery-related motion

<hr/>		
Total Discovery-Related Motion Fees	= \$	200.00

The Panel has assessed the total discovery-related motion fees jointly and severally to Respondents Lawson.

**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:

Seven (7) pre-hearing sessions with the Panel @ \$1,400.00/session	= \$	9,800.00
Pre-Hearing Conferences: January 16, 2019	1 session	
January 22, 2019	1 session	
March 25, 2019	1 session	
July 24, 2019	1 session	
August 23, 2019	1 session	

May 7, 2020 1 session  
February 1, 2022 1 session

Eight (8) hearing sessions with the Panel @ \$1,400.00/session = \$ 11,200.00  
Hearings: March 1, 2022 2 sessions  
March 2, 2022 2 sessions  
March 3, 2022 2 sessions  
March 4, 2022 2 sessions

---

Total Hearing Session Fees = \$ 21,000.00

The Panel has assessed the total hearing session fees jointly and severally to Respondents Lawson.

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

**ARBITRATION PANEL**

Kimberly A. Gilmour	-	Public Arbitrator, Presiding Chairperson
John B. Sochacki	-	Public Arbitrator
Jason Allen Rosner	-	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**

***Kimberly A. Gilmour***

\_\_\_\_\_  
Kimberly A. Gilmour  
Public Arbitrator, Presiding Chairperson

**03/15/2022**

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

***John B. Sochacki***

\_\_\_\_\_  
John B. Sochacki  
Public Arbitrator

**03/14/2022**

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

***Jason Allen Rosner***

\_\_\_\_\_  
Jason Allen Rosner  
Public Arbitrator

**03/14/2022**

\_\_\_\_\_  
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.

March 15, 2022

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