

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Ryan Bernardini

Case Number: 19-02513

vs.

Respondent
GFI Securities LLC

Hearing Site: New York, New York

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: Associated Person vs. Member

REPRESENTATION OF PARTIES

For Claimant Ryan Bernardini: Lisa C. Solbakken, Esq., Arkin Solbakken LLP, New York, New York.

For Respondent GFI Securities LLC: Nirav S. Shah, Esq., GFI Securities LLC, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: August 23, 2019.
Amended Statement of Claim filed on or about: June 11, 2020.
Ryan Bernardini signed the Submission Agreement: August 16, 2019.

Statement of Answer filed by Respondent on or about: October 16, 2019.
Statement of Answer to Amended Statement of Claim filed by Respondent on or about: July 8, 2020.
GFI Securities LLC signed the Submission Agreement: October 16, 2019.

CASE SUMMARY

In the Amended Statement of Claim, Claimant asserted the following causes of action: breach of contract; breach of implied covenant of good faith and fair dealing; violation of Article 6 of the New York Labor Law; defamation and defamation *per se*.

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

RELIEF REQUESTED

In the Amended Statement of Claim, Claimant requested compensatory damages on each of the contract claims in an amount no less than \$6,197,628.20; compensatory and double damages as a result of Respondent's violations of Article 6 of the New York Labor Law in an amount no less than \$12,395,256.40; presumed/ assumed damages on the claim for defamation *per se* in an amount no less than \$5,000,000.00; compensatory damages on the claim for defamation *per se* in an amount no less than \$5,000,000.00; punitive/exemplary damages on the claims for defamation and defamation *per se* in an amount no less than \$5,000,000.00; a declaration that Respondent terminated Claimant on May 22, 2019 without "Cause,"; a declaration that Respondent materially breached the Employment Agreement when it terminated Claimant on May 22, 2019; alternatively, a declaration that Respondent breached the Employment Agreement when it terminated Claimant on May 22, 2019; alternatively, a declaration that Respondent breached the Employment Agreement's implied covenants of good faith and fairing dealing when it terminated Claimant on May 22, 2019 and failed to employ and compensate Claimant pursuant to the Employment Agreement through March 16, 2022; an order expunging in its entirety the Form 8T that Respondent filed with the National Futures Association ("NFA") on June 25, 2019; alternatively, an order expunging the false information that is contained in the Form 8T filed with the NFA on June 25, 2019, and requiring that (1) the "Internal Review Disclosure" response (i.e., Response B) on page 6 of the Form 8T be changed to "NO,"; (2) the first two "Termination Disclosure" responses (i.e., Responses F(1) and F(2)) on page 9 of the Form 8T be changed to "NO,"; (3) all of the information and disclosures on page 11 of the Form 8T be stricken, deleted, and expunged in their entirety, and (4) the response to "Matter Information Page will be completed" on page 9 of the Form 8T be changed to "NO"; attorneys' fees, pre-judgement, and post-judgement interest on all amounts awarded, costs, disbursements, and expenses; and such other or further relief as the Panel deems just and proper.

In the Statement of Answer to the Amended Statement of Claim, Respondent requested that the Panel dismiss the Amened Statement of Claim in its entirety and enter an award in favor of Respondent on all claims.

OTHER ISSUES CONSIDERED AND DECIDED

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

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 \$550,000.00 in compensatory damages.

2. The Panel hereby directs Respondent to file an amended Form 8T and state the following:
- “In the FINRA arbitration captioned Ryan Bernardini vs. GFI Securities LLC (FINRA No. 19-02513) the Panel determined that there was insufficient evidence to prove that Claimant Bernardini provided false information to mislead market participants or mislead GFI’s investigators.”
3. Any and all claims for relief not specifically addressed herein, including any requests for punitive 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 = \$ 2,250.00

**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 persons at the time of the events giving rise to the dispute. Accordingly, as a party, Respondent GFI Securities, LLC is assessed the following:

Member Surcharge = \$ 4,025.00
Member Process Fee = \$ 7,000.00

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

Total Discovery-Related Motion Fees = \$ 400.00

The Panel has assessed \$200.00 of the discovery-related motion fees to Claimant.

The Panel has assessed \$200.00 of the discovery-related motion fees to Respondent.

Contested Motion for Issuance of Subpoena Fees

Fees apply for each decision on a contested motion for the issuance of a subpoena.

One (1) decision on a contested motion for the issuance of a subpoena with one Arbitrator @ \$200.00 = \$ 200.00

Total Contested Motion for Issuance of Subpoena Fees	= \$	200.00
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The Panel has assessed \$100.00 of the contested motion for issuance of subpoena fees to Claimant.

The Panel has assessed \$100.00 of the contested motion for issuance of subpoena 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 Arbitrators, including a pre-hearing conference with the Arbitrators, which lasts four (4) hours or less. Fees associated with these proceedings are:

Three (3) pre-hearing sessions with the Panel @ \$1,500.00/session	= \$	4,500.00
Pre-Hearing Conferences: December 20, 2019	1 session	
June 22, 2020	1 session	
January 27, 2021	1 session	

Ten (10) hearing sessions @ \$1,500.00/session	= \$	15,000.00
Hearings: September 29, 2021	waived	
October 20, 2021	2 sessions	
October 21, 2021	1 session	
October 27, 2021	2 sessions	
October 28, 2021	2 sessions	
November 18, 2021	2 sessions	
December 16, 2021	1 session	

Total Hearing Session Fees	= \$	19,500.00
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The Panel has assessed \$9,750.00 of the hearing session fees to Claimant.

The Panel has assessed \$9,750.00 of the hearing session fees to Respondent.

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

ARBITRATION PANEL

Anthony Michael Sabino	-	Public Arbitrator, Presiding Chairperson
Abigail R. Levy	-	Public Arbitrator
Mark Cuccaro	-	Non-Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

Concurring Arbitrators' Signatures

Anthony Michael Sabino

Anthony Michael Sabino
Public Arbitrator, Presiding Chairperson

01/31/2022

Signature Date

Abigail R. Levy

Abigail R. Levy
Public Arbitrator

01/31/2022

Signature Date

Mark Cuccaro

Mark Cuccaro
Non-Public Arbitrator

01/31/2022

Signature Date

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February 01, 2022

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