

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimants

Candioty Werth Living Trust
Adam Carolla
Cushman Family Trust
Entrust Group Inc FBO David W Rackiewicz
Equity Trust Co FBO Alan Reed IRA
Ernie Kreitenberg Atty Def Ben Plan
Michael Fishman
Nazim Lokhandwala
Veronica Marano
Millenium Inv Svc 401k PSP FBO Tony Reed
MIS Equity Strategies, LP
Tom Nolan
Provident Trust Group LLC FBO Eran Cohen
Steven Rothstein
Sean & Cecille Coleman
Terran Holding Company, LLC
Arun Virick

Case Number: 19-03286

vs.

Respondents

Larry Ovadia Cohen
Matthew Ira Rebold

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: Customers vs. Associated Persons

This case was decided by an all-public panel.

REPRESENTATION OF PARTIES

For Claimants Candioly Werth Living Trust, Adam Carolla, Cushman Family Trust, Entrust Group Inc FBO David W Rackiewicz, Equity Trust Co FBO Alan Reed IRA, Ernie Kreitenberg Atty Def Ben Plan, Michael Fishman, Nazim Lokhandwala, Veronica Marano, Millenium Inv Svc 401k PSP FBO Tony Reed, MIS Equity Strategies, LP, Tom Nolan, Provident Trust Group LLC FBO Eran Cohen, Steven Rothstein, Sean & Cecille Coleman, Terran Holding Company, LLC, and Arun Virick: Howard M. Rosenfield, Esq., Law Offices of Howard M. Rosenfield, Farmington, Connecticut.

For Respondent Larry Ovadia Cohen ("Cohen"): Robert I. Rabinowitz, Esq., Becker & Poliakoff, LLP, Red Bank, New Jersey.

For Respondent Matthew Ira Rebold ("Rebold"): Ian T. Clarke-Fisher, Esq., Robinson+Cole LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: November 1, 2019.

Candioly Werth Living Trust signed the Submission Agreement: November 1, 2019.

Adam Carolla signed the Submission Agreement: November 1, 2019.

Cushman Family Trust signed the Submission Agreement: November 1, 2019.

Entrust Group Inc FBO David W Rackiewicz signed the Submission Agreement: November 1, 2019.

Equity Trust Co FBO Alan Reed IRA signed the Submission Agreement: November 1, 2019.

Ernie Kreitenberg Atty Def Ben Plan signed the Submission Agreement: November 1, 2019.

Michael Fishman signed the Submission Agreement: November 1, 2019.

Nazim Lokhandwala signed the Submission Agreement: November 1, 2019.

Millenium Inv Svc 401k PSP FBO Tony Reed signed the Submission Agreement: November 1, 2019.

MIS Equity Strategies, LP signed the Submission Agreement: November 1, 2019.

Tom Nolan signed the Submission Agreement: November 1, 2019.

Provident Trust Group LLC FBO Eran Cohen signed the Submission Agreement: November 1, 2019.

Steven Rothstein signed the Submission Agreement: November 1, 2019.

Sean & Cecille Coleman signed the Submission Agreement: November 1, 2019.

Terran Holding Company, LLC signed the Submission Agreement: November 1, 2019.

Arun Virick signed the Submission Agreement: November 1, 2019.

Veronica Marano did not sign the Submission Agreement.

Statement of Answer filed by Respondent Rebold on or about: February 26, 2020.

Matthew Ira Rebold signed the Submission Agreement: March 26, 2020.

Statement of Answer filed by Respondent Cohen on or about: June 2, 2020.

Larry Ovadia Cohen signed the Submission Agreement: January 16, 2020.

CASE SUMMARY

In the Statement of Claim, Claimants asserted the following causes of action: violation of the Uniform Securities Act, common law fraud, conversion, recklessness, breach of contract, failure to supervise, violations of Section 10(b) of the Exchange Act and Exchange Act Rule 10(b)-5; and control person liability under Section 20 of the Securities and Exchange Act of 1934. The causes of action relate to two real estate projects.

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

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

RELIEF REQUESTED

In the Statement of Claim, Claimants requested compensatory damages in the amount of \$2,475,000.00; costs and expenses; interest; punitive damages; attorneys' fees in the amount of \$150,000.00; and for such other relief as the Panel deems just and proper.

In the Statement of Answer, Respondent Rebold requested that the Panel deny Claimants' Statement of Claim in its entirety with prejudice, costs, and such other and further relief that the Panel deems fair and equitable.

In the Statement of Answer, Respondent Cohen requested that the Panel deny Claimants' Statement of Claim in its entirety with prejudice, costs, and such other and further relief that the Panel deems fair and equitable.

OTHER ISSUES CONSIDERED AND DECIDED

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

On April 24, 2020, Claimants filed a notice of voluntary dismissal with prejudice of claims against Respondent Rebold. Therefore, the Panel made no determination with respect to any of the relief requests contained in the Statement of Claim regarding Respondent Rebold.

On May 15, 2020, Respondent Cohen filed a Statement of Answer and Third-Party Claim.

On May 28, 2020, the Claimants and Respondent Cohen filed a Stipulation of Discontinuance by Certain Claimants and Third-Party Claimant. Claimants Candioty-Werth Living Trust, Adam Carolla, Sean and Cecille Coleman, Ernie Kreitenberg Atty Def Ben Plan, Equity Trust Co FBO Alan Reed IRA, Millenium Inv Svc 401k PSP FBO Tony Reed, and MIS Equity Strategies, LP dismissed their claims against Respondent Cohen with Prejudice. Respondent Cohen withdrew and dismissed, with prejudice, his Third-Party Claims.

Respondent Cohen's Third-Party Claims were withdrawn prior to the claim being processed because the filing fee was not paid. Respondent Cohen refiled the Statement of Answer on June 2, 2020 without the Third-Party claims. The Panel was not forwarded Respondent Cohen's Statement of Answer and Third-Party Claim filed on May 15, 2020.

By correspondence dated February 10, 2021, the remaining Claimants Provident Trust Group LLC FBO Eran Cohen, Terran Holding Company, LLC, Cushman Family Trust, Michael Fishman, Nazim Lokhandwala, Veronica Marano, Tom Nolan, The Entrust Group INC. FBO David W. Rackiewicz, Steven Rothstein, and Arun Virick dismissed all claims against Respondent Cohen, with prejudice.

On February 17, 2021, Respondent Cohen filed a Motion for Expungement.

The Panel conducted a recorded, telephonic hearing on March 19, 2021, so the parties could present oral argument and evidence on Respondent Cohen's request for expungement.

Claimants and Claimants' counsel did not participate in the expungement hearing and did not oppose the request for expungement.

The Panel reviewed Respondent Cohen's BrokerCheck® Report. The Panel noted that a prior arbitration panel or court has not previously ruled on expungement of the same occurrence in the CRD.

In recommending expungement, the Panel relied upon the following documentary or other evidence: pleadings, letter from the Claimants' counsel, Respondent Cohen's testimony, and Respondent Cohen's BrokerCheck® Report.

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. The Panel recommends the expungement of all references to the above-captioned arbitration (Occurrence Number 2055059) from registration records maintained by the CRD for Respondent Larry Cohen (CRD Number 3191796) with the understanding that, pursuant to Notice to Members 04-16, Respondent Larry Cohen must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by FINRA, parties seeking judicial confirmation of an arbitration award containing expungement relief must name FINRA as an additional party and serve FINRA with all appropriate documents.

Pursuant to Rule 12805 of the Code of Arbitration Procedure (“Code”), the Panel has made the following Rule 2080 affirmative findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous; the registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds; and the claim, allegation, or information is false.

The Panel has made the above Rule 2080 findings based on the following reasons:

The Claimants withdrew the claim and issued a letter stating that Mr. Cohen was not involved in any wrongdoing in this matter and that they would not object to having it expunged.

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 persons at the time of the events giving rise to the dispute. Accordingly, as Respondents’ former firm, Osprey Partners LLC is assessed the following:

Member Surcharge = \$ 3,025.00

Member Process Fee = \$ 6,175.00

Late Pre-Hearing Cancellation Fees

Fees apply when a pre-hearing conference is cancelled within three business days of the scheduled conference:

March 2, 2020, cancellation requested by Cohen = \$ 300.00

Total Late Pre-Hearing Cancellation Fees = \$ 300.00

The Panel has assessed the total late pre-hearing cancellation fees to Respondent Cohen.

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:

One (1) pre-hearing session with the Panel @ \$1,400.00/session = \$ 1,400.00
Pre-Hearing Conference: April 30, 2020 1 session

One (1) hearing session on expungement request @ \$1,400.00/session = \$ 1,400.00
Hearing: March 19, 2021 1 session

Total Hearing Session Fees = \$ 2,800.00

The Panel has assessed \$700.00 of the hearing session fees jointly and severally to Claimants.
The Panel has assessed \$700.00 of the hearing session fees jointly and severally to Respondents.

The Panel has assessed \$1,400.00 of the hearing session fees to Respondent Cohen.

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

ARBITRATION PANEL

Ira A. Auerbach	-	Public Arbitrator, Presiding Chairperson
Thomas D. Giordano	-	Public Arbitrator
David J. Weisenfeld	-	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

Ira A. Auerbach

Ira A. Auerbach
Public Arbitrator, Presiding Chairperson

04/07/2021

Signature Date

Thomas D. Giordano

Thomas D. Giordano
Public Arbitrator

04/07/2021

Signature Date

David J. Weisenfeld

David J. Weisenfeld
Public Arbitrator

04/08/2021

Signature Date

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April 12, 2021

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