

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Evan K. Halperin Revocable Living Trust

Case Number: 19-03738

vs.

Respondent
Charles Schwab & Co., Inc.

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: Customer vs. Member

This case was decided by an all-public panel.

REPRESENTATION OF PARTIES

For Claimant Evan K. Halperin Revocable Living Trust: Barry A. Furman, Esq., Fineman Krekstein & Harris, P.C., Philadelphia, Pennsylvania.

For Respondent Charles Schwab & Co., Inc.: Mauricio Beugelmans, Esq., Murphy & McGonigle P.C., New York, New York.

CASE INFORMATION

Amended Statement of Claim filed on or about: January 6, 2020.
Evan K. Halperin signed the Submission Agreement on behalf of Evan K. Halperin Revocable Living Trust: January 6, 2020.

Statement of Answer filed by Respondent on or about: February 26, 2020.
Charles Schwab & Co., Inc. signed the Submission Agreement: February 27, 2020.

CASE SUMMARY

In the Amended Statement of Claim, Claimant asserted the following causes of action: breach of contract; deceit, intentional misrepresentation and failure to disclose; untrue or misleading public statements; violation of California's Unfair Competition Law; negligence, violation of the Securities Exchange Act of 1934; and violation of FINRA Rules. The causes of action relate to Claimant's online trading in options.

Unless specifically admitted in the Statement of Answer, 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 unspecified compensatory damages, interest, attorneys' fees, consultant fees, expert witness fees, costs and expenses, and punitive damages.

In the Statement of Answer, Respondent requested that all claims be denied in their entirety; award of fees and expenses including all FINRA fees and attorneys' fees; and such other and further relief as deemed appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

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

Claimant filed a Statement of Claim on December 19, 2019 and an Amended Statement of Claim on January 6, 2020. The original Statement of Claim filed on December 19, 2019 was not served on the Respondent and therefore not considered by the Panel.

At the conclusion of Claimant's case-in-chief, Respondent made a Motion to Dismiss on the basis that Claimant failed to make out a prima facie case and Claimant opposed the motion. After due deliberation, the Panel denied the Motion to Dismiss.

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. Claimant's claims are denied in their entirety.
2. Claimant is liable for, and shall pay to Respondent, the sum of \$100,000.00 in attorneys' fees. The Panel awarded attorneys' fees as both parties requested attorneys' fees.
3. Claimant is liable for, and shall pay to Respondent, the sum of \$42,750.22 in costs.
4. Any and all claims for relief not specifically addressed herein, including any requests for punitive 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 = \$ 1,575.00

**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 Charles Schwab & Co., Inc. is assessed the following:

Member Surcharge = \$ 1,900.00

Member Process Fee = \$ 3,750.00

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

One (1) decision on a discovery-related motion on the papers with the Panel @ \$600.00/decision = \$ 600.00

Claimant submitted one (1) discovery-related motion
Respondent submitted two (2) discovery-related motions

Total Discovery-Related Motion Fees = \$1,000.00

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 Arbitrators, including a pre-hearing conference with the Arbitrators, which lasts four (4) hours or less. Fees associated with these proceedings are:

Ten (10) pre-hearing sessions with the Panel @ \$1,125.00/session = \$ 11,250.00

Pre-Hearing Conferences: April 20, 2020 1 session
June 30, 2020 1 session
August 7, 2020 1 session
August 27, 2020 1 session
November 4, 2020 1 session
December 7, 2020 1 session
December 16, 2020 2 sessions
June 22, 2021 1 session
June 24, 2021 1 session

Ten (10) hearing sessions @ \$1,125.00/session = \$ 11,250.00

Hearings:	July 12, 2021	2 sessions
	July 13, 2021	2 sessions
	July 14, 2021	2 sessions
	July 15, 2021	2 sessions
	July 16, 2021	2 sessions

Total Hearing Session Fees	= \$ 22,500.00
----------------------------	----------------

The Panel has assessed the total hearing session fees to Claimant.

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

ARBITRATION PANEL

William G. Binckes	-	Public Arbitrator, Presiding Chairperson
Annamaria Boccia Smith	-	Public Arbitrator
Hashim Ghadiali	-	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

William G. Binckes

William G. Binckes
Public Arbitrator, Presiding Chairperson

08/30/2021

Signature Date

Annamaria Boccia Smith

Annamaria Boccia Smith
Public Arbitrator

08/30/2021

Signature Date

Hashim Ghadiali

Hashim Ghadiali
Public Arbitrator

08/30/2021

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.

August 30, 2021

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