

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

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In the Matter of the Arbitration Between:

Claimant  
Stephen M. Salka Declaration of Trust

Case Number: 20-00220

vs.

Respondents  
Questar Capital Corporation  
Frank J. Calise

Hearing Site: Phoenix, Arizona

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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 Person

This case was administered under the Special Proceeding option for simplified cases.

The evidentiary hearing was conducted by videoconference.

**REPRESENTATION OF PARTIES**

For Claimant Stephen M. Salka Declaration of Trust (“Claimant”): Alan Baskin, Esq. and Mladen Milovic, Esq., Baskin PLC, Scottsdale, Arizona.\*

For Respondent Questar Capital Corporation (“Questar”): Michael Charles Brown, Esq., Lewis Roca Rothgerber Christie, LLP, Phoenix, Arizona.

For Respondent Frank J. Calise (“Calise”): Chad R. Kaffer, Esq., Taylor English Duma, LLP, Pittsburgh, Pennsylvania.

Hereinafter, Questar and Calise are collectively referred to as “Respondents”.

\*FINRA recorded the appearance of Claimant’s counsel at the time of filing of the Statement of Claim. Counsel’s representation of Claimant may have ended with the parties’ settlement. Please see the Other Issues Considered and Decided section of this Award for information on whether Claimant’s counsel appeared at the expungement hearing.

**CASE INFORMATION**

Statement of Claim filed on or about: January 21, 2020.

Claimant signed the Submission Agreement: January 20, 2020.

Statement of Answer filed by Questar on or about: May 22, 2020.  
Questar signed the Submission Agreement: February 6, 2020.

Statement of Answer filed by Calise on or about: May 22, 2020.  
Calise signed the Submission Agreement: May 26, 2020.

### **CASE SUMMARY**

In the Statement of Claim, Claimant asserted the following causes of action: negligence; negligent misrepresentation; securities fraud under Arizona Revised Statutes Section 44-1991(A)(2); fraud in the provision of investment advisory services; fraud in the inducement; breach of fiduciary duty; and failure to supervise. The causes of action relate to Claimant's investment in a real estate investment trust ("REIT").

In their respective Statements of Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

In the Statement of Claim, Claimant requested:

1. Compensatory damages in the amount of \$50,000.00;
2. Fees and costs in connection with this Arbitration; and
3. All such other and further relief, at law or in equity, that the Panel deems just and proper.

In their Statement of Answer, Questar requested:

1. All claims against Questar be denied; and
2. Claimant to pay all FINRA forum fees and other costs.

In his Statement of Answer, Calise requested:

1. The Statement of Claim be resolved in his favor;
2. All fees and costs of the arbitration be assessed against Claimant; and
3. The Arbitrator to make a specific finding that Calise is entitled to expungement under FINRA Rule 2080.

Calise filed a request for expungement of all references to this matter from Central Registration Depository ("CRD") registration records. Please see the Other Issues Considered and Decided section of this Award for more information.

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

The Arbitrator acknowledges having read the pleadings and other materials filed by the parties.

On February 18, 2021, Claimant filed a notice of settlement with Respondents. Therefore, the Arbitrator made no determination with respect to any of the relief requests contained in the Statement of Claim.

On March 22, 2021, Frank J. Calise filed a Motion for Expungement, to which no response was filed.

The Arbitrator conducted a recorded hearing by videoconference on May 17, 2021, so the parties could present oral argument and evidence on Calise's request for expungement.

Claimant participated in the expungement hearing and did not oppose Calise's request for expungement. Questar did not participate in the expungement hearing.

### **AWARD**

After considering the pleadings, the testimony and evidence presented at the hearing, and any post-hearing submissions, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

Calise's (CRD Number 3022262) request for expungement of the above-captioned arbitration (Occurrence Number 2063499) from his registration records maintained by the CRD is 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	= \$	600.00
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*\*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 firms that employed the associated person at the time of the events giving rise to the dispute. Accordingly, as party, Questar is assessed the following:

Member Surcharge	= \$	750.00
Member Process Fee	= \$	1,750.00

#### **Hearing Session Fees and Assessments**

The Arbitrator has assessed hearing session fees for each session conducted. A session is any meeting between the parties and the Arbitrator, including a pre-hearing conference with the Arbitrator, which lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) pre-hearing sessions with a single Arbitrator @ \$450.00/session	= \$	900.00
Pre-Hearing Conferences: May 5, 2020	1 session	
November 10, 2020	1 session	
One (1) hearing session on expungement request @ \$450.00/session	= \$	450.00
Hearing: May 17, 2021	1 session	
<b>Total Hearing Session Fees</b>	<b>= \$</b>	<b>1,350.00</b>

The Arbitrator has assessed \$450.00 of the hearing session fees to Claimant.

The Arbitrator has assessed \$450.00 of the hearing session fees jointly and severally to Respondents.

The Arbitrator has assessed \$450.00 of the hearing session fees to Calise.

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

**ARBITRATOR**

Marc Kalish

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Sole 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.

**Arbitrator's Signature**

***Marc Kalish***

Marc Kalish  
Sole Public Arbitrator

**05/27/2021**

Signature Date

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May 28, 2021

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