

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

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In the Matter of the Arbitration Between:

Claimant  
Michal Marczyk

Case Number: 20-00275

vs.

Respondents  
Lime Brokerage, LLC  
Wedbush Securities Inc.

Hearing Site: Boca Raton, Florida

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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. Members

This case was decided by an all-public panel.

**REPRESENTATION OF PARTIES**

For Claimant Michal Marczyk: Jon A. Jacobson, Esq., Jacobson Law P.A., West Palm Beach, Florida.

For Respondent Lime Brokerage, LLC (“Lime”): James L. Kopecky, Esq. and Ashley Fawver, Esq., Kopecky, Schumacher, Rosenberg LLC, Chicago, Illinois.

For Respondent Wedbush Securities Inc. (“Wedbush”): Charles LaChaussee, Esq., Wedbush Securities Inc., Los Angeles, California.

**CASE INFORMATION**

Statement of Claim filed on or about: January 23, 2020.

Michal Marczyk signed the Submission Agreement: January 23, 2020.

Statement of Answer filed by Respondent Lime on or about: March 30, 2020.

Lime Brokerage, LLC signed the Submission Agreement: March 30, 2020.

Statement of Answer filed by Respondent Wedbush on or about: March 30, 2020.

Wedbush Securities Inc. signed the Submission Agreement: March 30, 2020.

### **CASE SUMMARY**

In the Statement of Claim, Claimant asserted the following causes of action: violation of FINRA Rules, including 2010, 2020, 2090, 2150, 2210 and 3260; negligence; negligent misrepresentation/omission; breach of fiduciary duty; breach of contract; breach of implied duty of good faith and fair dealing; fraud; and constructive fraud. The causes of action relate to the alleged unilateral closure by Respondents of Claimant's short position in Karuna Therapeutics, Inc. in order to satisfy a margin deficiency without first allowing Claimant the contractually agreed-upon three business days to satisfy the deficiency.

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

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

### **RELIEF REQUESTED**

In the Statement of Claim, Claimant requested: compensatory, consequential, special, and equitable damages in an amount to be determined; disgorgement of all fees, margin interest, and other charges Claimant paid and/or Respondents earned in connection with the transactions at issue; all costs, expenses, and disbursements paid, owed, or incurred by Claimant in connection with this arbitration; attorneys' fees incurred by Claimant in connection with this arbitration; punitive damages in an amount to be determined by the Panel; sanctions in a form and/or amount to be determined by the Panel; remuneration sufficient to cover the taxes applied to any award made to Claimant; pre- and post-judgment interest at the maximum legal rate permissible under the law on all sums recovered; and such other relief as the Panel deems just and appropriate.

In its Statement of Answer, Respondent Lime requested that the Panel deny and dismiss Claimant's claims in their entirety and enter an award in favor of Respondent Lime and against Claimant for its fees and costs.

In its Statement of Answer, Respondent Wedbush requested: that Claimant take nothing by reason of his Statement of Claim; that all of Claimant's allegations in the Statement of Claim be dismissed with prejudice; that no basis whatsoever be found for an award of any pre-judgment interest; that no basis whatsoever be found for an award of attorneys' fees and costs; that no basis whatsoever be found for any penalties or punitive damages; that an award be entered in favor of Respondent Wedbush; and such other and further relief as the Panel deems appropriate.

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

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

On September 24, 2021, Claimant filed a notice of settlement and voluntary dismissal with prejudice of all claims asserted against Respondent Wedbush. Therefore, the Panel made no

determination with respect to any of the relief requests contained in the Statement of Claim against Respondent Wedbush.

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 against Respondent Lime are denied in their entirety.
2. Any and all claims for relief not specifically addressed herein, including any requests for punitive damages, treble damages, and attorneys' fees, are denied.

**FEEES**

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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as named parties, Respondents Lime and Wedbush are each 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.

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

Respondent Lime submitted one (1) discovery-related motion

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Total Discovery-Related Motion Fees = \$ 200.00

The Panel has assessed the total discovery-related motion fee 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 Arbitrator(s), including a pre-hearing conference with the Arbitrator(s), which lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) pre-hearing session with the Panel @ \$1,125.00/session	= \$	1,125.00
Pre-Hearing Conference: May 12, 2020		1 session
Four (4) hearing sessions @ \$1,125.00/session	= \$	4,500.00
Hearings: October 19, 2021		2 sessions
October 20, 2021		2 sessions
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Total Hearing Session Fees	= \$	5,625.00

The Panel has assessed \$562.50 of the hearing session fees to Claimant.

The Panel has assessed \$562.50 of the hearing session fees jointly and severally to Respondents Lime and Wedbush.

The Panel has assessed \$4,500.00 of the hearing session fees to Respondent Lime.

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

**ARBITRATION PANEL**

Seth L. Finkel	-	Public Arbitrator, Presiding Chairperson
Justin M. Moore	-	Public Arbitrator
Jeff Cappelletti	-	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**

***Seth L. Finkel***

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Seth L. Finkel  
Public Arbitrator, Presiding Chairperson

***10/28/2021***

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

***Justin M. Moore***

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Justin M. Moore  
Public Arbitrator

***10/29/2021***

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

***Jeff Cappelletti***

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Jeff Cappelletti  
Public Arbitrator

***10/29/2021***

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

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October 29, 2021

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