

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

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In the Matter of the Arbitration Between:

Claimants

Dmitry Kreslavskiy  
Yevgeniya Kreslavskaya  
Dmitry Kreslavskiy IRA  
Yevgeniya Kreslavskaya IRA

Case Number: 20-00395

vs.

Respondent

Concorde Investment Services, LLC

Hearing Site: Jersey City, New Jersey

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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: Customers vs. Member

This case was decided by an all-public panel.

**REPRESENTATION OF PARTIES**

For Claimants Dmitry Kreslavskiy, Yevgeniya Kreslavskaya, Dmitry Kreslavskiy IRA, and Yevgeniya Kreslavskaya IRA: Adam J. Weinstein, Esq., Gana Weinstein LLP, New York, New York.

For Respondent Concorde Investment Services, LLC: Gerry Kowalski, Esq., Marshall, Dennehey, Warner, Coleman & Goggin, Philadelphia, Pennsylvania.

\*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: February 3, 2020.

Dmitry Kreslavskiy signed the Submission Agreement: February 3, 2020.

Yevgeniya Kreslavskaya signed the Submission Agreement: February 3, 2020.

Dmitry Kreslavskiy IRA signed the Submission Agreement: February 3, 2020.

Yevgeniya Kreslavskaya IRA signed the Submission Agreement: February 3, 2020.

Statement of Answer filed by Respondent on or about: May 19, 2020.  
Amended Statement of Answer filed on or about: October 12, 2020.  
Concorde Investment Services, LLC signed the Submission Agreement: June 29, 2021.

### **CASE SUMMARY**

In the Statement of Claim, Claimants asserted the following causes of action: unsuitable recommendations in violation of FINRA Rule 2111; private placements sold to an unaccredited investor; material misrepresentations and omissions in violation of Federal Law, California's Blue Sky Laws, and FINRA Rule 2020; violation of FINRA Rules 2010 (fiduciary duty) and IM-2310-2 (fair dealing with customers); control person liability; respondeat superior; and failure to supervise under FINRA Rule 3010.

The causes of action relate to investments in GPB Capital private placements.

Unless specifically admitted in the Statement of Answer, Respondent 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 of at least \$514,000.00 or alternatively based on well-managed portfolio theory; pre and post-judgment interest at the statutory rate; attorneys' fees; expert fees; forum fees; punitive damages; and such other and further relief as deemed just and proper.

In the Statement of Answer and Amended Statement of Answer, Respondent requested that: Claimants take nothing by way of the statement of Claim; Respondent be awarded its costs; expungement of unnamed party Daniel Raupp's regulatory records; all forum fees be assessed to Claimants; and such other and further relief as deemed just and appropriate, including but not limited to reimbursement of attorneys' fees.

Respondent filed a request for expungement on behalf of Unnamed Party Daniel P. Raupp 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 Arbitrators acknowledge that they have each read the pleadings and other materials filed by the parties.

On October 12, 2020, Respondent filed a Motion to Amend Statement of Answer to which no response was filed. By Order dated October 29, 2020, the Panel granted Respondent's Motion to Amend the Statement of Answer.

On June 7, 2021, Claimants filed a notice of settlement. Therefore, the Panel made no determination with respect to any of the relief requests contained in the Statement of Claim.

On June 28, 2021, Respondent filed a Motion for Expungement on behalf of Unnamed Party Daniel P. Raupp, to which no response was filed.

The Panel conducted a recorded, telephonic hearing on July 15, 2021, so the parties could present oral argument and evidence on Daniel P. Raupp's request for expungement.

Claimants and counsel did not participate in the expungement hearing.

The Award in this matter may be executed in counterpart copies.

### **AWARD**

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

1. Respondent's request on behalf of Daniel P. Raupp's request for expungement of the above-captioned arbitration (Occurrence Number 2070347) from his registration records maintained by the CRD is denied.
2. Any and all claims for relief not specifically addressed herein 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 = \$ 1,725.00

*\*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 Concorde Investment Services, LLC is assessed the following:

Member Surcharge = \$ 2,475.00

Member Process Fee = \$ 5,075.00

#### **Late Pre-Hearing Cancellation Fees**

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

January 14, 2021, cancellation requested by the parties = \$ 100.00

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Total Late Pre-Hearing Cancellation Fees = \$ 100.00

The Panel has assessed \$50.00 of the late pre-hearing cancellation fees jointly and severally to Claimants.

The Panel has assessed \$50.00 of the late pre-hearing cancellation 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:

One (1) pre-hearing session with a single Arbitrator @ \$450.00/session	= \$	450.00
Pre-Hearing Conference: April 30, 2021	1 session	
Two (2) pre-hearing sessions with the Panel @ \$1,300.00/session	= \$	2,600.00
Pre-Hearing Conferences: July 8, 2020	1 session	
April 21, 2021	1 session	
One (1) hearing session on expungement request @ \$1,300.00/session	= \$	1,300.00
Hearing: July 15, 2021	1 session	
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Total Hearing Session Fees	= \$	4,350.00

The Panel has assessed \$875.00 of the hearing session fees jointly and severally to Claimants.

The Panel has assessed \$3,475.00 of the hearing session fees to Respondent, which includes the fees for the July 15, 2021 expungement hearing.

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

**ARBITRATION PANEL**

Robert E. Anderson	-	Public Arbitrator, Presiding Chairperson
Robert R. Salman	-	Public Arbitrator
Patrick R. Westerkamp	-	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**

***Robert E. Anderson***

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Robert E. Anderson  
Public Arbitrator, Presiding Chairperson

***07/20/2021***

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

***Robert R. Salman***

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Robert R. Salman  
Public Arbitrator

***07/20/2021***

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

***Patrick R. Westerkamp***

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Patrick R. Westerkamp  
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***07/20/2021***

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July 21, 2021

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