

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Cynthia Jo Gruchalski

Case Number: 20-01474

vs.

Respondent
Charles Schwab & Co., Inc.

Hearing Site: Milwaukee, Wisconsin

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

The evidentiary hearing was conducted by videoconference.

REPRESENTATION OF PARTIES

For Claimant Cynthia Jo Gruchalski (“Claimant”): Timothy J. Andringa, Esq., Cramer, Multhauf & Hammes, LLP, Waukesha, Wisconsin.

For Respondent Charles Schwab & Co., Inc. (“Respondent”): Kevin H. Lewis, Esq., Charles Schwab & Co., Inc., San Francisco, California and Samantha D. Parrish, Esq., Keesal, Young & Logan, Long Beach, California.

CASE INFORMATION

Statement of Claim filed on or about: May 13, 2020.
Claimant signed the Submission Agreement: May 8, 2020.

Statement of Answer filed on or about: July 15, 2020.
Respondent signed the Submission Agreement: July 15, 2020.

CASE SUMMARY

In the Statement of Claim, Claimant alleged that Respondent failed to timely transmit the paperwork for her IRA rollover, resulting in an almost two-month delay in Claimant’s ability to access the funds in her account and causing the majority of her account to remain in cash during a market run-up.

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, Claimant requested \$69,410.63 in compensatory damages, attorneys' fees, and filing costs.

In the Statement of Answer, Respondent requested the dismissal of Claimant's Statement of Claim in its entirety, forum fee and costs incurred in connection with the defense of this matter, and such further relief as the Arbitrator deems just and proper.

In the Pre-Hearing Brief, Claimant requested compensatory damages in the amount of \$90,500.00 for the loss of expected investment value, filing fees, and attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

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

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:

1. Respondent is liable for and shall pay to Claimant the sum of \$35,000.00 in compensatory damages.
2. Respondent is liable for and shall pay to Claimant the sum of \$225.00 in costs as reimbursement for the non-refundable portion of the filing fee previously paid to FINRA Dispute Resolution Services.
3. Any and all claims for relief not specifically addressed herein, including any requests for punitive damages, treble damages, and attorneys' fees, are denied.

FEES

Pursuant to the Code of Arbitration Procedure, the following fees are assessed:

Filing Fees

FINRA Dispute Resolution Services assessed a filing fee* for each claim:

Initial Claim Filing Fee	= \$	975.00
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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 firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as a party, Respondent is assessed the following:

Member Surcharge	= \$	1,100.00
Member Process Fee	= \$	2,250.00

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 @ \$450.00/session	= \$	900.00
Pre-Hearing Conferences: August 26, 2020	1 session	
January 15, 2021	1 session	
Three (3) hearing sessions @ \$450.00/session	= \$	1,350.00
Hearings: March 2, 2021	2 sessions	
March 3, 2021	1 session	
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Total Hearing Session Fees	= \$	2,250.00

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

The Arbitrator has assessed \$1,800.00 of the hearing session fees to Respondent.

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

ARBITRATOR

Leon Fox

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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

Leon Fox

Leon Fox
Sole Public Arbitrator

03/24/2021

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.

March 24, 2021

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