

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Stephen Frost

Case Number: 20-01763

vs.

Respondent
LPL Financial, LLC

Hearing Site: Columbus, Ohio

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.

The evidentiary hearing was conducted by videoconference.

REPRESENTATION OF PARTIES

For Claimant Stephen Frost (“Claimant”): Kristian P. Kraszewski, Esq., Kyros Law Offices, Coral Gables, Florida.

For Respondent LPL Financial LLC (“Respondent”): Kelsey Vasko, Esq., LPL Financial, LLC, San Diego, California.

CASE INFORMATION

Statement of Claim filed on or about: June 4, 2020.

Claimant signed the Submission Agreement: June 4, 2020.

Statement of Answer filed on or about: August 7, 2020.

Respondent signed the Submission Agreement: August 7, 2020.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: breach of fiduciary duty, breach of contract, negligence, and negligent supervision. The causes of action related to Claimant’s allegation that Respondent failed to execute instructions to liquidate his accounts.

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 compensatory damages in the amount of \$200,000.00, plus interest and costs.

In the Statement of Answer, Respondent requested that the Panel dismiss the Statement of Claim in its entirety, providing that Claimant recover nothing; and grant such other, further, and separate relief as the Panel may deem appropriate.

Respondent filed a request for expungement on behalf of Unnamed Party Brent Jackson (“Jackson”) of all references to this matter from Central Registration Depository (“CRD”) registration records, reasserting the relief requested in its Statement of Answer and requesting that Respondent be awarded its costs and expert fees, and that all forum fees be assessed to Claimant. 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 27, 2021, Respondent filed a Request for Expungement on behalf of Jackson, to which no response was filed.

During the evidentiary hearing, after the close of Claimant’s case, Respondent moved for a directed verdict based on a lack of presentation of evidence to support the claims for relief in the Statement of Claim. Claimant opposed the motion. On the record at the hearing, the Panel granted the motion for directed verdict.

The Panel considered the request for expungement as part of the in-person, recorded evidentiary hearing conducted in this matter. Claimant did not oppose the request for expungement.

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. The request for expungement of the above-captioned arbitration (Occurrence Number 2077887) from registration records maintained by the CRD is denied.
3. Any and all claims for relief not specifically addressed herein, including any requests for punitive damages, treble damages, and attorneys’ fees, are denied.

ARBITRATION PANEL

Paul Lansing	-	Public Arbitrator, Presiding Chairperson
Stuart D. Summers	-	Public Arbitrator
Vincent S. Mezinko	-	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

Paul Lansing

Paul Lansing
Public Arbitrator, Presiding Chairperson

11/19/2021

Signature Date

Stuart D. Summers

Stuart D. Summers
Public Arbitrator

11/18/2021

Signature Date

Vincent S. Mezinko

Vincent S. Mezinko
Public Arbitrator

11/18/2021

Signature Date

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November 19, 2021

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