

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Kim Reynolds

Case Number: 20-02177

vs.

Respondent
Vanguard Marketing Corporation

Hearing Site: Augusta, Maine

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.

REPRESENTATION OF PARTIES

Claimant Kim Reynolds appeared pro se.

For Respondent Vanguard Marketing Corporation: Paula D. Shaffner, Esq., Stradley Ronon Stevens & Young, LLP, Philadelphia, Pennsylvania.

CASE INFORMATION

Statement of Claim filed on or about: July 9, 2020.

Kim Reynolds signed the Submission Agreement: July 9, 2020.

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

Vanguard Marketing Corporation signed the Submission Agreement: August 27, 2020.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: securities fraud; negligence; and breach of contract. The causes of action relate to investments in Puresnax (PSNX), Preston Corp. (PSNP), Gold Lakes Corp. (GLLK), and Aureus (ARSN) stock.

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 approximate amount of \$365,000.00 plus pre-judgment and post-judgment interest at the rate 6% per annum pursuant to 14 M.R.S. §1602-C; punitive damages; attorneys' fees; expenses and costs; and such other, further and additional relief as may seem just and proper.

In the Statement of Answer, Respondent requested that the Panel deny all of the claims asserted by Claimant; grant attorneys' fees and costs; and any further relief 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 July 6, 2021, Respondent filed a Motion for Sanctions and Dismissal pursuant to Rules 12212(c) and 12511(b) of the Code of Arbitration Procedure ("Code") to which Claimant did not file a response. On November 8, 2021, the Panel heard oral arguments on the Motion for Sanctions and Dismissal. Claimant received due notice of the telephonic conference but failed to attend. On November 8, 2021, the Panel granted the Motion to Dismiss on the grounds that the Claimant in this case has not responded to multiple requests for discovery and did not attend the November 8, 2021 pre-hearing conference. Since Claimant's former representative resigned as counsel on July 6, 2021, Claimant did not respond multiple efforts by both FINRA staff and Respondent to contact him. Since the Statement of Claim was filed on July 9, 2020, Claimant's previous counsel stated that there has been no contact with the Claimant. The Panel denied Respondent's request for attorneys' fees associated with filing the motion.

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

AWARD

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

1. Claimant's claims are dismissed in their entirety with prejudice.
2. Any and all claims for relief not specifically addressed herein, including any requests for punitive damages and attorneys' fees, 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

= \$ 1,425.00

**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 Vanguard Marketing Corporation is assessed the following:

Member Surcharge	= \$ 1,900.00
Member Process Fee	= \$ 3,750.00

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:

Three (3) pre-hearing sessions with the Panel @ \$1,125.00/session	= \$ 3,375.00
Pre-Hearing Conferences: January 11, 2021	1 session
June 23, 2021	1 session
November 8, 2021	1 session

Total Hearing Session Fees	= \$ 3,375.00
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The Panel has assessed \$2,250.00 of the hearing session fees to Claimant.

The Panel has assessed \$1,125.00 of the hearing session fees to Respondent.

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

ARBITRATION PANEL

Michael A. Orticelle	-	Public Arbitrator, Presiding Chairperson
William A. Barrett	-	Public Arbitrator
William Norton	-	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

Michael A. Orticelle

Michael A. Orticelle
Public Arbitrator, Presiding Chairperson

11/19/2021

Signature Date

William A. Barrett

William A. Barrett
Public Arbitrator

11/19/2021

Signature Date

William Norton

William Norton
Public Arbitrator

11/29/2021

Signature Date

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November 30, 2021

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