

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

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In the Matter of the Arbitration Between:

Claimant  
Adam Langer

Case Number: 20-02516

vs.

Respondents  
Morgan Stanley  
Adam Lang  
Charles Vincent Natt  
John Topham

Hearing Site: New York, New York

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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. Member and Associated Persons

This matter proceeded pursuant to Rule 12800 of the Code of Arbitration Procedure (“Code”).

**REPRESENTATION OF PARTIES**

For Claimant Adam Langer: Ross J. Kartez, Esq., Ruskin Moscou Faltischeck, P.C., Uniondale, New York.

For Respondents Morgan Stanley, Adam Lang, Charles Vincent Natt, and John Topham: Joseph A. Sack, Esq., Morgan Stanley, New York, New York.

**CASE INFORMATION**

Statement of Claim filed on or about: August 6, 2020.

Adam Langer signed the Submission Agreement: August 6, 2020.

Joint Statement of Answer filed by Respondents on or about: November 19, 2020.

Morgan Stanley signed the Submission Agreement: November 19, 2020.

Adam Lang signed the Submission Agreement: November 19, 2020.

Charles Vincent Natt signed the Submission Agreement: November 19, 2020.

John Topham signed the Submission Agreement: November 19, 2020.

### **CASE SUMMARY**

Claimant asserted the following causes of action: unsuitable recommendations and failure to disclose material information; fraud; misrepresentation; omission; negligence; breach of fiduciary duty; breach of the covenant of good faith and fair dealing; unjust enrichment; negligent supervision; breach of contract; Section 20 violations; failure to properly disclose commission structure; charging excessive commissions; and respondeat superior.

The causes of action relate to Put Options and other securities.

Unless specifically admitted in the Joint Statement of Answer, Respondents 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 \$50,000.00; pre- and post-judgement interest; and such other and further relief as deemed just and proper.

In the Joint Statement of Answer, Respondents requested that the Panel dismiss the claim with prejudice in its entirety; costs; and expungement of all reference of this matter from the CRD records of all the individually named Respondents.

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

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

The Arbitrator conducted a recorded, telephonic hearing on January 26, 2020 so the parties could present oral argument and evidence on Adam Lang, John Topham and Charles Vincent Natt's request for expungement.

Claimant participated in the expungement hearing and opposed the expungement request.

The Arbitrator reviewed Adam Lang, John Topham and Charles Vincent Natt's BrokerCheck® Reports. The Arbitrator noted that a prior arbitration panel or court did not previously rule on expungement of the same occurrences in the CRD.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: the pleadings; Claimant's testimony; Respondents' testimony; Respondents' BrokerCheck® Report; and exhibits.

### **AWARD**

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

1. Claimant's claims are denied in their entirety.

2. FINRA Dispute Resolution Services shall retain the \$600.00 filing fee that Claimant deposited previously.
3. Respondents are jointly and severally liable for and shall pay to Claimant \$300.00 to reimburse Claimant for one-half of the filing fee previously paid to FINRA Dispute Resolution Services.
4. The Arbitrator recommends the expungement of all references to the above-captioned arbitration (Occurrence Number 2083907) from registration records maintained by the CRD for Respondent Adam Lang (CRD Number 5179652) with the understanding that, pursuant to Notice to Members 04-16, Respondent Adam Lang must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

The Arbitrator recommends the expungement of all references to the above-captioned arbitration (Occurrence Number 2089370) from registration records maintained by the CRD for Respondent Charles Vincent Natt (CRD Number 4357934) with the understanding that, pursuant to Notice to Members 04-16, Respondent Charles Vincent Natt must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

The Arbitrator recommends the expungement of all references to the above-captioned arbitration (Occurrence Number 2083819) from registration records maintained by the CRD for Respondent John Topham (CRD Number 6306768) with the understanding that, pursuant to Notice to Members 04-16, Respondent John Topham must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by FINRA, parties seeking judicial confirmation of an arbitration award containing expungement relief must name FINRA as an additional party and serve FINRA with all appropriate documents.

Pursuant to Rule 12805 of the Code of Arbitration Procedure ("Code"), the Arbitrator has made the following Rule 2080 affirmative finding of fact:

The claim, allegation, or information is false.

The Arbitrator has made the above Rule 2080 finding based on the following reasons:

The documents submitted along with the oral testimony given on the recorded expungement hearing do not support the claim that the Respondents were responsible for 'selling' the Claimant and purchasing the high-risk product that caused his loss in the account.

5. Any and all relief not specifically addressed herein are denied.

**FEES**

Pursuant to the Code:

Respondent Morgan Stanley has paid to FINRA Dispute Resolution Services the \$750.00 Member Surcharge and \$1,750.00 Member Process Fee previously invoiced.

**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:

One (1) hearing session on expungement request @ \$450.00/session	= \$ 450.00
Hearing Date: January 26, 2021 1 session	

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Total Hearing Session Fees	= \$ 450.00
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The Arbitrator has assessed the total hearing session fees jointly and severally to Respondents Adam Lang, Charles Vincent Natt, and John Topham.

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

**ARBITRATOR**

Ira A. Auerbach

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Sole Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

**Arbitrator's Signature**

***Ira A. Auerbach***

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Ira A. Auerbach  
Sole Public Arbitrator

**01/27/2021**

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Signature Date

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January 29, 2021

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