

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimants
Justin Reppy and
Brian Korienek

Case Number: 20-03147

vs.

Respondent
Taylor Capital Management Inc.

Hearing Site: Chicago, Illinois

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: Associated Persons vs. Member

REPRESENTATION OF PARTIES

For Claimants Justin Reppy (“Reppy”) and Brian Korienek (“Korienek”) (collectively, “Claimants”): Bruce Lewitas, Esq., Lewitas Hyman PC, Chicago, Illinois.

Taylor Capital Management Inc. (“Respondent”) did not appear.

CASE INFORMATION

Statement of Claim filed on or about: September 11, 2020.
Claimants signed the Submission Agreement: September 10, 2020.

Respondent did not file a Statement of Answer or sign the Submission Agreement.

CASE SUMMARY

In the Statement of Claim, Claimants asserted a claim seeking expungement of customer dispute information from registration records maintained by the Central Registration Depository (“CRD”).

RELIEF REQUESTED

In the Statement of Claim, Claimants requested expungement of Occurrence Numbers 2029809, 2021517, 2017447, 2013642, 2021582, 2017908, and 2024411 and compensatory damages in the amount of \$1.00.

OTHER ISSUES CONSIDERED AND DECIDED

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

Respondent did not file a Statement of Answer or properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code of Arbitration Procedure (“Code”) and is bound by the determination of the Arbitrator on all issues submitted.

On March 18, 2021, Claimants advised that the customers in Occurrence Numbers 2029809, 2021517, 2017447, 2013642, 2021582, 2017908 (collectively, “Customers”) and 2024411 (“Customer M”) were served with the Statement of Claim and notice of the date and time of the expungement hearing.

The Arbitrator conducted recorded, telephonic hearings on April 22, 2021 and June 15, 2021, so the parties could present oral argument and evidence on Claimants’ request for expungement.

Respondent did not participate in the expungement hearings.

Customer M participated in the April 22, 2021 expungement hearing and opposed Korienek’s expungement request.

The Customers did not participate in either expungement hearing. The Arbitrator found that the Customers had notice of the expungement request and April 22, 2021 hearing.

The Arbitrator reviewed Reppy’s BrokerCheck® Report. The Arbitrator noted that a prior arbitration panel or court did not previously rule on expungement of the same occurrences in the CRD.

The Arbitrator also reviewed the settlement documentation related to Occurrence Numbers 2029809, 2021517, and 2017447, considered the amount of payment made to any party to the settlements, and considered other relevant terms and conditions of the settlements. The Arbitrator noted that the settlements were not conditioned on any party to the settlements not opposing the expungement request and that Claimants did not contribute to the settlement amounts.

In recommending expungement of Occurrence Numbers 2029809, 2021517, and 2017447, the Arbitrator relied upon the following documentary or other evidence: Reppy’s BrokerCheck® Report, settlement agreements, Reppy’s testimony, and witness testimony.

AWARD

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

1. Claimants’ claim for \$1.00 in compensatory damages is denied.
2. Claimants’ request for expungement on behalf of Korienek of Occurrence Numbers 2013642, 2021582, 2017908, and 2024411 from his registration records maintained by the CRD is denied.

3. The Arbitrator recommends the expungement of all references to Occurrence Numbers 2029809, 2021517, and 2017447 from registration records maintained by the CRD for Claimants Justin Jake Reppy (CRD Number 6383911) with the understanding that, pursuant to Notice to Members 04-16, Claimant Justin Jake Reppy 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 13805 of the Code, the Arbitrator has made the following Rule 2080 affirmative finding of fact:

The registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds.

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

Reppy was not involved in the sale of any of the investments to the customers. He testified that he just performed administrative work and he did not recommend the investments. He had not even met many of the named customers. His testimony was corroborated by witness testimony. Further, he did not contribute to any of the settlements.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial Claim Filing Fee	= \$	50.00
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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	= \$	150.00
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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) pre-hearing session @ \$50.00/session	= \$	50.00
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Pre-Hearing Conference:	February 16, 2021	1 session		
One (1) hearing session on expungement request @		\$50.00/session	= \$	100.00
Hearing:	April 22, 2021	1 session		
	June 15, 2021	1 session		
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Total Hearing Session Fees			= \$	150.00

The Arbitrator has assessed the total hearing session fees joint and severally to Claimants.

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

06/23/2021

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.

June 23, 2021

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