

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant

Marketing Concepts Group
401(K) & Profit Sharing Plan,
FBO Peter A. Kroner

Case Number: 20-03620

vs.

Respondent

J.P. Morgan Securities LLC

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: Customer vs. Member

The evidentiary hearing was conducted partially by videoconference.

REPRESENTATION OF PARTIES

For Claimant Marketing Concepts Group 401(K) & Profit Sharing Plan, FBO Peter A. Kroner (“Claimant”): Donald A. Murday, Esq. and Joseph Jeffery, Esq., Chittenden, Murday & Novotny LLC, Chicago, Illinois.

For Respondent J.P. Morgan Securities LLC (“Respondent”): Heidi E. VonderHeide, Esq., Ulmer & Berne, LLP, Chicago, Illinois.

CASE INFORMATION

Statement of Claim filed on or about: October 27 2020.

Claimant signed the Submission Agreement: October 24, 2020.

Statement of Answer filed on or about: January 15, 2021.

Respondent signed the Submission Agreement: December 16, 2020.

CASE SUMMARY

In the Statement of Claim, Claimant alleged that Respondent, unilaterally, and without Claimant’s knowledge, modified its rules and prevented Claimant from executing purchased warranties, resulting in the warrants expiring and becoming worthless.

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 \$37,155.00, pre- and post-judgment interest, attorney fees, and punitive damages.

In the Statement of Answer, Respondent requested that the Statement of Claim be dismissed, all allegations be denied, and that forum costs be assessed entirely against Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

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

On August 19, 2021, Claimant filed a Motion for Sanctions Due to Respondent’s Spoliation of Relevant Evidence (“Motion for Sanctions”). On August 30, 2021, Respondent filed a response opposing the Motion for Sanctions. During the evidentiary hearing, the Arbitrator heard oral arguments on the Motion for Sanctions. The Arbitrator denied the Motion for Sanctions.

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 \$8,130.00 in compensatory damages.
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, the following fees are assessed:

Filing Fees

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

Initial Claim Filing Fee = \$ 600.00

**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(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	= \$	750.00
Member Process Fee	= \$	1,750.00

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: March 3, 2021	1 session	
July 27, 2021	1 session	
Five (5) hearing sessions @ \$450.00/session	= \$	2,250.00
Hearings: August 30, 2021	2 sessions	
August 31, 2021	2 sessions	
September 1, 2021	1 session	

Total Hearing Session Fees	= \$	3,150.00
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The Arbitrator has assessed \$2,362.50 of the hearing session fees to Claimant.

The Arbitrator has assessed \$787.50 of the hearing session fees to Respondent.

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

ARBITRATOR

Leonard Arthur Nelson

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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

Leonard Arthur Nelson

Leonard Arthur Nelson
Sole Public Arbitrator

09/13/2021

Signature Date

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September 14, 2021

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