

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Lowell Allan Hart

Case Number: 20-03662

vs.

Respondent
State Farm VP Management Corp.

Hearing Site: Manchester, New
Hampshire

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 Person vs. Member

REPRESENTATION OF PARTIES

For Claimant Lowell Allan Hart: John A. Mangones, Esq., Godbout Law PLLC, Boston, Massachusetts.

For Respondent State Farm VP Management Corp.: Tracey Salmon-Smith, Esq., Faegre Drinker Biddle & Reath LLP, Florham Park, New Jersey.

CASE INFORMATION

Statement of Claim filed on or about: October 28, 2020.

Lowell Allan Hart signed the Submission Agreement: October 28, 2020.

Statement of Answer filed by Respondent on or about: December 28, 2020.

State Farm VP Management Corp. signed the Submission Agreement: December 20, 2020.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: defamation, expungement of the Form U5.

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 an award of unspecified compensatory damages for lost earnings; compensatory damages for loss of reputation; an order to expunge defamatory information from Claimant's Form U5; costs and expenses, including forum fees; punitive damages and any other relief that the Panel deem just and proper.

In the Statement of Answer, Respondent requested that the Panel issue an award dismissing any and all allegations of wrongdoing; deny any and all demands and request for damages, cost, and/or fees; allocate all arbitration costs and expenses against Claimant; and award such other relief as the Panel may deem appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrators acknowledge that they have each read the pleadings and other materials filed by the parties.

During the hearing, Respondent made a Motion for Directed Verdict and Claimant opposed the motion. After due deliberation, the Panel denied the Motion for Directed Verdict.

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

AWARD

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

1. Claimant's requests for compensatory damages are denied in their entirety.
2. The Panel recommends the expungement of all references to Occurrence Numbers 2076818 and 2076819 from the registration records maintained by the Central Registration Depository ("CRD") for Lowell Allan Hart (CRD Number 5258063). Any "Yes" answers should be changed to "No," as applicable.
3. The Reason for Termination and Termination Explanation in Section 3 of the Form U5 filed by State Farm VP Management Corp. (CRD Number 43036) on June 10, 2020 shall remain the same.

The Panel recommends expungement based on the defamatory nature of the information. The above recommendations are made with the understanding that the registration records are not automatically amended. Lowell Allan Hart must forward a copy of this Award to FINRA's Credentialing, Registration, Education and Disclosure Department for review.

4. 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 =\$ 1,575.00

**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 State Farm VP Management Corp. 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:

One (1) pre-hearing session with the Panel @ \$1,125.00/session =\$ 1,125.00
Pre-Hearing Conferences: March 9, 2021 1 session

Five (5) hearing sessions @ \$1,125.00/session =\$ 5,625.00
Hearings: November 2, 2021 2 sessions
November 3, 2021 3 sessions

Total Hearing Session Fees =\$ 6,750.00

The Panel has assessed \$3,375.00 of the hearing session fees to Claimant.

The Panel has assessed \$3,375.00 of the hearing session fees to Respondent.

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

ARBITRATION PANEL

William Norton	-	Public Arbitrator, Presiding Chairperson
Peter Andrew Marx	-	Public Arbitrator
Thomas C. Tretter	-	Non-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

William Norton

William Norton
Public Arbitrator, Presiding Chairperson

12/03/2021

Signature Date

Peter Andrew Marx

Peter Andrew Marx
Public Arbitrator

12/06/2021

Signature Date

Thomas C. Tretter

Thomas C. Tretter
Non-Public Arbitrator

12/06/2021

Signature Date

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December 07, 2021

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