

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Urban Financial Advisory Corporation

Case Number: 20-04134

vs.

Respondent
Mesirow Financial, 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: Customer vs. Member

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

REPRESENTATION OF PARTIES

For Claimant Urban Financial Advisory Corporation (“Claimant”): Bruce Lewitas, Esq., Lewitas Hyman PC, Chicago, Illinois.

For Respondent Mesirow Financial, Inc. (“Respondent”): James L. Kopecky, Esq., Kopecky Schumacher Rosenberg LLC, Chicago, Illinois.

CASE INFORMATION

Statement of Claim filed on or about: December 21, 2020.
Claimant signed the Submission Agreement: December 21, 2020.

Statement of Answer filed on or about: February 16, 2021.
Respondent signed the Submission Agreement: January 11, 2021.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: rescission under the Illinois Securities Law of 1953, misrepresentation, omission of material facts, and failure to conduct due diligence as required by FINRA Rule 2111 (suitability). The causes of action related to Claimant’s allegation that Respondent recommended and sold Claimant investment-grade bonds issued by Waste Management, Inc. without disclosing critical information.

Unless specifically admitted in the Statement of Answer, Respondent denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested the following:

- a) A declaration that Respondent's June 9, 2020 sale of the bonds to Claimant is void and shall be rescinded;
- b) An order requiring Respondent to pay Claimant \$48,042.75 in lost principal;
- c) An order requiring Respondent to pay \$6,260.08 in interest from the time of redemption through the filing of the Statement of Claim;
- d) An order requiring Respondent to pay interest of \$46.03 per day from the date this claim was filed through the date Respondent pays the Award;
- e) An order requiring Respondent to pay Claimant's reasonable attorneys' fees and costs, as set forth in an affidavit to be provided prior to entry of the Award in this matter; and
- f) Any other relief deemed appropriate by the Arbitrator.

In the Statement of Answer, Respondent requested that Claimant's claim be dismissed in its entirety and an award in its favor for costs and attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

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

AWARD

After considering the pleadings, 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. Respondent is liable for and shall pay to Claimant the sum of \$300.00 to reimburse Claimant for half of the filing fee previously paid to FINRA Dispute Resolution Services.
4. Any and all relief not specifically addressed herein, including any requests for punitive damages and attorneys' fees, are denied.

FEES

Pursuant to the Code:

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

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

ARBITRATOR

Daniel R. Formeller

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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

Daniel R. Formeller

Daniel R. Formeller
Sole Public Arbitrator

05/21/2021

Signature Date

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May 21, 2021

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