

**Stipulated Award  
FINRA Dispute Resolution Services**

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In the Matter of the Arbitration Between:

Claimants

Morgan Stanley Smith Barney, LLC  
Morgan Stanley Smith Barney Financing, LLC

Case Number: 21-01351

vs.

Respondent

Peter John Korcusko, Jr.

Hearing Site: Tampa, Florida

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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: Member and Non-Member vs. Associated Person

**REPRESENTATION OF PARTIES**

For Claimants Morgan Stanley Smith Barney, LLC and Morgan Stanley Smith Barney Financing, LLC (“Claimants”): Alan S. Brodherson, Esq., Law Offices of Alan S. Brodherson, New York, New York.

For Respondent Peter John Korcusko, Jr. (“Respondent”): Peter B. King, Esq. and Eric R. Feld, Esq., Guerra King P.A., Tampa, Florida.

**CASE INFORMATION**

Statement of Claim filed on or about: May 24, 2021.

Morgan Stanley Smith Barney, LLC signed the Submission Agreement: May 24, 2021.

Morgan Stanley Smith Barney Financing, LLC signed the Submission Agreement: May 24, 2021.

Respondent Peter John Korcusko, Jr. did not file a Statement of Answer or sign the Submission Agreement.

### **CASE SUMMARY**

In the Statement of Claim, Claimants asserted a cause of action for breach of fully executed promissory notes, a Settlement Agreement related to that breach, and a First Amendment of that settlement agreement.

### **RELIEF REQUESTED**

In the Statement of Claim, Claimants requested: on the First Amendment, principal in the amount of \$248,346.03, plus pre-award interest, from January 30, 2021 through the date of award at the per diem rate of \$61.24, plus pre-filing legal fees of \$5,000.00, plus post-award interest at the legal rate; fees and expenses, including all FINRA forum fees, and their reasonable attorneys' fees, as provided for by the Note; and such other and further relief as the Arbitrator deems appropriate.

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

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

On July 27, 2021, the parties filed a Joint Motion for a Stipulated Award ("Joint Motion"). On August 26, 2021, the Arbitrator granted the motion.

Respondent did not file a properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code of Arbitration Procedure ("Code") and, having filed a Joint Motion with Claimants in this case, is bound by the determination of the Arbitrator on all issues submitted.

### **AWARD**

The parties entered into an agreement to present to the Arbitrator a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for entry of a Stipulated Award, and the written stipulation thereto, the Arbitrator grants the motion and enters this Stipulated Award granting the following relief:

1. Respondent is liable for and shall pay to Claimants compensatory damages in the amount of \$161,000.00 pursuant to the following payment schedule:
  - a. \$13,500.00 on or before September 15, 2021;
  - b. \$17,500.00 on or before April 30, 2022;
  - c. \$92,500.00 on or before April 30, 2023;
  - d. \$37,500.00 on or before May 15, 2024;
  - e. Respondent may prepay any of these amounts without penalty.

2. Only in the event of a failure by Respondent to make any of the payments set forth in Paragraph 1(a)-(d) on or before the dates set forth in such Paragraph, then Respondent is liable for and shall pay to Claimants compensatory damages of Eight Hundred Fifty Thousand Five Hundred Seventy Four Dollars and Thirty Cents (\$850,574.30), minus any payments made pursuant to the terms of the Settlement Agreement, as amended, plus interest at the rate of 9% per annum since January 30, 2021, plus \$5,000.00 in pre-filing attorneys' fees, filing fees, statutory costs and disbursements, FINRA filing fees and FINRA hearing fees.
3. In the event of a default by Respondent, Respondent consents and submits to the jurisdiction and venue of the New York State Supreme Court, County of New York, or any other court of competent jurisdiction, for any litigation related to the Stipulated Award.
4. Any and all relief not specifically addressed herein is denied.

### **FEES**

Pursuant to the Code of Arbitration Procedure ("Code"), the following fees are assessed:

#### **Filing Fees**

FINRA Dispute Resolution Services will retain or collect the non-refundable filing fees\* for each claim:

Initial Claim Filing Fee	=\$ 2,125.00
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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 that employed the associated person at the time of the event giving rise to the dispute. Accordingly, as a party, Respondent Morgan Stanley Smith Barney, LLC is assessed the following:

Member Surcharge	=\$ 1,700.00
Member Process Fee	=\$ 3,250.00

#### **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:

Decision on the papers:	= \$	300.00
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Total Hearing Session Fees	= \$	300.00

The Arbitrator has assessed the total hearing session fees to Claimants, jointly and severally, per the Stipulated Award.

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

**ARBITRATOR**

Mimi B. Osiason

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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**

***Mimi B. Osiason***

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Mimi B. Osiason  
Sole Public Arbitrator

**09/01/2021**

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Signature Date

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September 01, 2021

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