

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Richard Michael Roe

Case Number: 17-02587

vs.

Respondent
Morgan Stanley & Co., LLC

Hearing Site: New York, New York

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

This matter was decided by an all-public panel pursuant to Rule 13802 of the Code of Arbitration Procedure (“Code”).

REPRESENTATION OF PARTIES

For Claimant Richard Michael Roe: Jeffrey L. Liddle, Esq., The Liddle Law Firm PLLC, New York, New York.

For Respondent Morgan Stanley & Co., LLC: Kimberley E. Lunetta, Esq., Ira G. Rosenstein, Esq., and Joanne M.F. Wilcomes, Esq., Morgan, Lewis & Bockius LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: September 28, 2017.

Richard Michael Roe signed the Submission Agreement: September 17, 2017.

Statement of Answer filed by Respondent on or about: November 28, 2017.

Amended Statement of Answer filed by Respondent on or about: December 6, 2017.

Morgan Stanley & Co., LLC signed the Submission Agreement: November 27, 2017.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: discrimination and retaliation in violation of applicable statutory law; wrongful termination; breach of contract in failing to pay bonus for 2016; quantum meruit and/or unjust enrichment; violations of the New York Labor Law; and defamation.

Unless specifically admitted in the Statement of Answer and Amended 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: back pay and front pay; damages reflecting the amount Claimant would have earned had Respondent not wrongfully terminated his employment; earned but unpaid 2016 compensation, including bonus; liquidated damages in an amount equal to Claimant's earned but unpaid 2016 compensation; attorneys' fees, costs and interest at New York's statutory rate of 9% per annum; damages, including for the harm to Claimant's reputation and lost earning potential for defamatory statements; damages for the defamatory statements on Claimant's Form U5; reformation of Claimant's Form U5 to indicate that Claimant's termination was voluntary, and expungement of Respondent's defamatory statements from FINRA's electronic databases; and assessment of all forum fees and costs against Respondent.

In the Statement of Answer and Amended Statement of Answer, Respondent requested that the Statement of Claim be denied in its entirety.

At the hearing, Claimant requested damages in the amount of \$230,887.50 for backpay in salary plus 9% interest; \$426,000.00 for 2016 bonus plus 9% interest; \$300,000.00 to \$500,000.00 for 2017 bonus; \$656,887.50 for emotional distress; \$656,887.50 to \$2,627,550.00 for punitive damages; \$3,800,000.00 for reputation damages; and \$250,000.00 for attorneys' fees and costs.

OTHER ISSUES CONSIDERED AND DECIDED

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

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 statutory discrimination claims are denied in their entirety.
2. Claimant's non-statutory claims are denied in their entirety.
3. Claimant's request for expungement is denied.
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, 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 Morgan Stanley & Co., LLC is assessed the following:

Member Surcharge = \$ 1,900.00

Member Process Fee = \$ 3,750.00

Postponement Fees

Postponements granted during these proceedings for which fees were assessed or waived:

December 12-14 & 18-19, 2018, postponement requested by Respondent. = \$ 1,125.00

March 16-19, 2020, postponement requested by the parties. WAIVED

Total Postponement Fees = \$ 1,125.00

The Panel has assessed \$562.50 of the postponement fees to Claimant.

The Panel has assessed \$562.50 of the postponement fees to Respondent.

Last-Minute Cancellation Fees

Fees apply when a hearing on the merits is cancelled within ten calendar days before the start of a scheduled hearing session:

March 16-19, 2020, cancellation requested by the parties. WAIVED

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 a single Arbitrator @ \$450.00/session = \$ 450.00
Pre-Hearing Conference: July 10, 2018 1 session

Five (5) pre-hearing sessions with the Panel @ \$1,125.00/session = \$ 5,625.00
Pre-Hearing Conferences: February 21, 2018 1 session
September 3, 2019 1 session

March 13, 2020	1 session
December 15, 2020	1 session
June 18, 2021	1 session

Nineteen (19) hearing sessions @ \$1,125.00/session = \$ 21,375.00

Hearings:	July 20, 2021	2 sessions
	July 21, 2021	2 sessions
	July 22, 2021	2 sessions
	July 23, 2021	2 sessions
	August 9, 2021	2 sessions
	August 10, 2021	2 sessions
	August 11, 2021	2 sessions
	August 23, 2021	2 sessions
	August 24, 2021	2 sessions
	August 26, 2021	1 session

Total Hearing Session Fees = \$ 27,450.00

The Panel has assessed \$13,725.00 of the hearing session fees to Claimant.

The Panel has assessed \$13,725.00 of the hearing session fees to Respondent.

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

ARBITRATION PANEL

Thomas M. Madden	-	Public Arbitrator, Presiding Chairperson
Lorrie E Whitfield	-	Public Arbitrator
Louis Arnold Russo	-	Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

Concurring Arbitrators' Signatures

Thomas M. Madden

Thomas M. Madden
Public Arbitrator, Presiding Chairperson

08/30/2021

Signature Date

Lorrie E Whitfield

Lorrie E Whitfield
Public Arbitrator

08/30/2021

Signature Date

Louis Arnold Russo

Louis Arnold Russo
Public Arbitrator

09/02/2021

Signature Date

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September 02, 2021

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