

**Award  
FINRA Dispute Resolution**

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In the Matter of the Arbitration Between:

Claimant  
Nifty, LLP

Case Number: 11-01330

vs.

Respondent  
J.P. Morgan Securities, Inc. f/k/a Bear Stearns,  
A Division of J.P. Morgan Securities, Inc.

Hearing Site: New York, New York

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Nature of the Dispute: Customer vs. Member

The case proceeded under the Optional All Public Panel Rule/ All Public Panel

**REPRESENTATION OF PARTIES**

Claimant Nifty, LLP, hereinafter referred to as "Claimant": Seth E. Lipner, Esq., Deutsch & Lipner, Garden City, New York.

Respondent J.P. Morgan Securities, Inc. f/k/a Bear Stearns, A Division of J.P. Morgan Securities, Inc., hereinafter referred to as "Respondent": Eugene L. Small, Esq., Alonso, Andalkar, Small, Toro, & Facher, P.C., New York, New York.

**CASE INFORMATION**

Statement of Claim filed on or about: April 1, 2011.

Nifty, LLP signed the Submission Agreement: February 16, 2011.

Statement of Answer filed by Respondent on or about: July 5, 2011.

J.P. Morgan Securities, Inc. signed the Submission Agreement: June 29, 2011.

**CASE SUMMARY**

Claimant asserted the following causes of action: negligence, breach of conduct, and breach of fiduciary duty. The causes of action relate to put options on the Euro.

Unless specifically admitted in its 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 unspecified compensatory damages, costs, and reasonable attorneys' fees.

At the hearing, Claimant requested compensatory damages in the range of \$100,000.00 plus forum fees.

Respondent requested dismissal of the Statement of Claim in its entirety.

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

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

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

### **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. Respondent is liable for and shall pay to Claimant compensatory damages in the amount of \$55,000.00.
2. Any and all relief not specifically addressed herein is denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

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

Initial Claim Filing Fee	= \$ 1,250.00
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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 events giving rise to the dispute. Accordingly, as a party, J.P. Morgan Securities, Inc. is assessed the following:

Member Surcharge	= \$ 1,500.00
Pre-Hearing Processing Fee	= \$ 750.00
Hearing Processing Fee	= \$ 2,200.00

**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, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator @ \$450.00	= \$ 450.00
Pre-hearing conference: August 13, 2012	1 session

Three (3) Pre-hearing sessions with Panel @ \$1,000.00	= \$ 3,000.00
Pre-hearing conferences: September 7, 2011	1 session
February 4, 2013	1 session
June 19, 2013	1 session

Four (4) Hearing sessions @ \$1,000.00	= \$ 4,000.00
Hearing Dates: June 26, 2013	2 sessions
June 27, 2013	2 sessions

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Total Hearing Session Fees	= \$ 7,450.00
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1. The Panel has assessed \$3,725.00 of the hearing session fees to Claimant.
2. The Panel has assessed \$3,725.00 of the hearing session fees to Respondent.

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

**ARBITRATION PANEL**

Ellyn S. Roth	-	Public Arbitrator, Presiding Chairperson
Sam Antar	-	Public Arbitrator
Dolores D. Balsamo	-	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**



Ellyn S. Roth  
Public Arbitrator, Presiding Chairperson

6/28/13

Signature Date

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Sam Antar  
Public Arbitrator

\_\_\_\_\_  
Signature Date

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Dolores D. Balsamo  
Public Arbitrator

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Signature Date

July 1, 2013

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

**ARBITRATION PANEL**

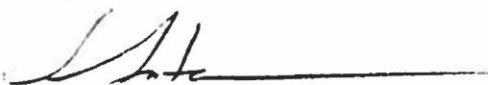
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Public Arbitrator, Presiding Chairperson

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Signature Date

  
\_\_\_\_\_  
Sam Antar  
Public Arbitrator

  
\_\_\_\_\_  
Signature Date 6/29/13

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Dolores D. Balsamo  
Public Arbitrator

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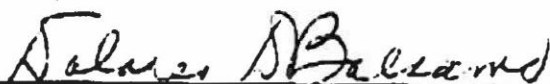
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