

Award
FINRA Office of Dispute Resolution

In the Matter of the Arbitration Between:

Claimant
Thomas Ionta, IRA

Case Number: 17-00606

vs.

Respondent
Mid Atlantic Capital Corporation

Hearing Site: Los Angeles, California

Nature of the Dispute: Customer vs. Member

This case was decided by a majority-public panel.

REPRESENTATION OF PARTIES

For Claimant Thomas Ionta, IRA ("Claimant"): Bruce D. Oakes, Esq., Oakes & Foshier, LLC, St. Louis, Missouri.

For Respondent Mid Atlantic Capital Corporation ("Respondent"): Andrew Stanton, Esq., Jones Day, Pittsburgh, Pennsylvania.

CASE INFORMATION

Statement of Claim filed on or about: March 6, 2017.

Claimant signed the Submission Agreement: March 2, 2017.

Statement of Answer filed by Respondent on or about: May 2, 2017.

Respondent signed the Submission Agreement: May 2, 2017.

CASE SUMMARY

Claimant asserted the following causes of action: Breach of Fiduciary Duty; Common Law Fraud; Negligence/Negligent Misrepresentation/Omission; Breach of Contract; and Negligent Supervision. The causes of action relate to a direct private placement, JADDA Secured Senior Mortgage Fund, LLC.

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:

1. Compensatory damages of approximately \$500,000.00;
2. Punitive damages;
3. Pre-judgment interest, reasonable attorneys' fees and costs, filing and forum fees; and
4. Such other and further relief which this Panel deems just and proper.

In the Statement of Answer, Respondent requested:

1. Claimant take nothing by way of the Statement of Claim;
2. Attorneys' fees and costs;
3. This matter be expunged from Respondent's regulatory records;
4. All FINRA forum fees be assessed to Claimant; and
5. For other and further relief as the Panel deems just and appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

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

On October 24, 2017, Respondent filed a Motion to Dismiss pursuant to Rule 12206 of the Code of Arbitration Procedure ("Code"). On November 13, 2017, Respondent granted Claimant an extension to file his response to Respondent's Motion to Dismiss. On December 7, 2017, Claimant filed his response to Respondent's Motion to Dismiss. On December 11, 2017, Claimant agreed to extend Respondent's deadline to file its Reply in support of its Motion to Dismiss. On December 22, 2017, Respondent filed its Reply in support of its Motion to Dismiss. By order dated December 29, 2017, the Panel denied Respondent's Motion to Dismiss pursuant to Rule 12206 of the Code of Arbitration Procedure ("Code").

During the evidentiary hearing, after Claimant's case in chief, Respondent moved to dismiss Claimant's claims. The Panel denied the motion.

Respondent did not pursue its request for expungement at the hearing.

The parties present at the hearing 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 the sum of \$177,550.00 in compensatory damages.
2. The Panel did not rule on Respondent's expungement request as it was not pursued.

3. Other than forum fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter.
4. Any and all claims for relief not specifically addressed herein, including punitive damages and attorneys' fees, are denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial Claim Filing Fee	= \$ 1,425.00
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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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as a party, Respondent 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:

March 13-16, 2018, postponement by Respondent	= \$1,125.00
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Total Postponement Fees	= \$1,125.00
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The Panel has assessed \$1,125.00 of the postponement fees to Respondent.

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:

Eight (8) hearing sessions with the Panel @ \$1,125.00/session	= \$9,000.00
Hearing Date: October 22, 2018	2 sessions
October 23, 2018	2 sessions
October 24, 2018	2 sessions
October 25, 2018	2 sessions

Total Hearing Session Fees	= \$9,000.00
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The Panel has assessed \$4,500.00 of the hearing session fees to Claimant.
The Panel has assessed \$4,500.00 of the hearing session fees to Respondent.

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

ARBITRATION PANEL

Richard Maurice Robinson	-	Public Arbitrator, Presiding Chairperson
Claudia Mai Morehead	-	Public Arbitrator
Robert Bruce MacDonald	-	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



Richard Maurice Robinson
Public Arbitrator, Presiding Chairperson

12-8-18

Signature Date

Claudia Mai Morehead
Public Arbitrator

Signature Date

Robert Bruce MacDonald
Non-Public Arbitrator

Signature Date

December 10, 2018
Date of Service (For FINRA Office of Dispute Resolution office use only)

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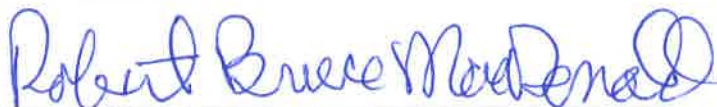
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