

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Donald Saunders, IRA

Case Number: 23-00282

vs.

Respondent
Concourse Financial Group Securities, Inc.

Hearing Site: St. Louis, Missouri

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 case was decided by an all-public panel.

REPRESENTATION OF PARTIES

For Claimant Donald Saunders, IRA (“Claimant”): Richard B. Fosher, Esq. and Bruce D. Oakes, Esq., Oakes & Fosher, LLC, St. Louis, Missouri.

For Respondent Concourse Financial Group Securities, Inc. (“Respondent”): Katherine C. Donlon, Esq., Johnson, Newlon & DeCort, P.A., Tampa, Florida.

CASE INFORMATION

Statement of Claim filed on or about: February 3, 2023.
Claimant signed the Submission Agreement: February 3, 2023.

Statement of Answer filed on or about: May 15, 2023.
Respondent signed the Submission Agreement: May 12, 2023.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: breach of fiduciary duty, common law fraud, negligence/negligent misrepresentation/omission, breach of contract, restitution, and negligent supervision. The causes of action related to Claimant’s allegation that Respondent’s registered representative recommended and misrepresented the nature of the investments in three high-risk private, illiquid alternate investments and in two equity-indexed annuities, which were unsuitable based on Claimant’s financial circumstances as well as his needs and objectives.

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 compensatory damages based on the case law totaling approximately \$750,000.00, punitive damages, attorneys' fees, costs and such other and further relief which the Panel deems just and proper under the circumstances.

In the Statement of Answer, Respondent requested that Claimant's claims be denied in their entirety.

At the hearing, Claimant presented a range of damages from which the Arbitrators were to choose, should the Arbitrators rule in the Claimant's favor. The range started with an out-of-pocket loss of \$124,055.00 to a maximum of \$1,993,268.00.

OTHER ISSUES CONSIDERED AND DECIDED

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

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and any post-hearing submissions, 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 \$1,214,308.75 in compensatory damages.
2. Respondent is liable for and shall pay to Claimant the sum of \$440.00 in costs as reimbursement for the non-refundable portion of the filing fee.
3. Any and all claims for relief not specifically addressed herein, including any requests for punitive damages, treble damages, and attorneys' fees, are denied.

FEES

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

Filing Fees

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

Initial Claim Filing Fee = \$ 1,740.00

**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(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	= \$	2,625.00
Member Process Fee	= \$	5,225.00

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 Arbitrator(s), including a pre-hearing conference with the Arbitrator(s), which lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) pre-hearing session with the Panel @ \$1,325.00/session	= \$	1,325.00
Pre-Hearing Conference: April 30, 2024	1 session	
Eight (8) hearing sessions @ \$1,325.00/session	= \$	10,600.00
Hearings:		
May 7, 2024	2 sessions	
May 8, 2024	2 sessions	
May 9, 2024	2 sessions	
May 10, 2024	2 sessions	
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Total Hearing Session Fees	= \$	11,925.00

The Panel has assessed the total hearing session fees to Respondent.

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

ARBITRATION PANEL

Leah Murray Albert	-	Public Arbitrator, Presiding Chairperson
Kim L. Kirn	-	Public Arbitrator
David E. Crawford	-	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

Leah Murray Albert

Leah Murray Albert
Public Arbitrator, Presiding Chairperson

05/24/2024

Signature Date

Kim L. Kirn

Kim L. Kirn
Public Arbitrator

05/25/2024

Signature Date

David E. Crawford

David E. Crawford
Public Arbitrator

05/28/2024

Signature Date

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May 28, 2024

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