

Award
FINRA Dispute Resolution

In the Matter of the Arbitration Between:

Claimant
Frank M. Cerisano, Jr.

Case Number: 13-03526

vs.

Respondent
Interactive Brokers, LLC

Hearing Site: Newark, New Jersey

Nature of the Dispute: Customer vs. Member

This case was decided by an all-public panel.

REPRESENTATION OF PARTIES

For Claimant Frank M. Cerisano, Jr.: Samuel J. Lieberman, Esq., Sadis Goldberg LLP, New York, New York.

For Respondent Interactive Brokers, LLC: Gary J. Mennitt, Esq., Dechert LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: November 27, 2013.

Frank M. Cerisano, Jr. signed the Submission Agreement: November 26, 2013.

Statement of Answer filed by Respondent on or about: February 5, 2014.

Interactive Brokers, LLC signed the Submission Agreement: March 18, 2014.

CASE SUMMARY

Claimant asserted the following causes of action: negligence, including negligent misrepresentation, under New Jersey Law; breach of fiduciary duties; violation of FINRA Rule 2010; violation of New Jersey Consumer Fraud Act; violation of New Jersey Uniform Securities Act, and violation of Section 10(b) of the 1934 Securities Exchange Act and Rule 10b-5. The causes of action relate to various securities.

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 compensatory damages in the amount of \$25,317,180.00, consequential and incidental damages such as lost profits and business, in an amount to be determined at hearing; treble damages based on Respondent's violations of the Consumer Fraud Act; prejudgment interest at the governing legal rate; reasonable attorneys' fees; expert witness expenses; costs; expenses; and FINRA filing fees.

Respondent requested dismissal of the Statement of Claim in its entirety with prejudice, and such other and further relief as the Panel may deem just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

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

By correspondence dated May 13, 2014, Interactive Brokers, LLC filed a Motion to Consolidate this matter with FINRA Arbitration Case Number 14-01533 and Frank M. Cerisano, Jr. objected. After due deliberation and by Order dated June 18, 2014, the Panel denied the Motion.

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 \$2,421,663.01.
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	= \$ 1,800.00
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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, Interactive Brokers, LLC is assessed the following:

Member Surcharge	= \$ 3,750.00
Pre-Hearing Processing Fee	= \$ 750.00
Hearing Processing Fee	= \$ 5,500.00

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: September 3, 2014	1 session

One (1) Pre-hearing session with the Panel @ \$1,200.00	= \$ 1,200.00
Pre-hearing conference: May 14, 2014	1 session

Eleven (11) Hearing sessions @ \$1,200.00	= \$13,200.00
Hearing Dates:	
December 4, 2014	2 sessions
December 5, 2014	2 sessions
December 8, 2014	2 sessions
December 9, 2014	2 sessions
December 10, 2014	2 sessions
December 11, 2014	1 session

Total Hearing Session Fees	= \$14,850.00
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1. The Panel has assessed \$7,425.00 of the hearing session fees to Claimant.
2. The Panel has assessed \$7,425.00 of the hearing session fees to Respondent.

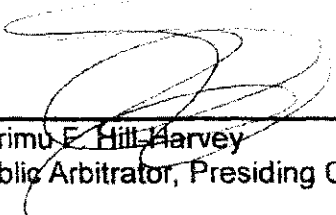
All balances are payable to FINRA Dispute Resolution and are due upon receipt.

ARBITRATION PANEL

Karimu F. Hill-Harvey	-	Public Arbitrator, Presiding Chairperson
Michael Fischetti	-	Public Arbitrator
Jay Alan Kranis	-	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



Karimu F. Hill-Harvey
Public Arbitrator, Presiding Chairperson

1/12/15

Signature Date

Michael Fischetti
Public Arbitrator

Signature Date

Jay Alan Kranis
Public Arbitrator

Signature Date

January 14, 2015

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

ARBITRATION PANEL

Karimu F. Hill-Harvey	-	Public Arbitrator, Presiding Chairperson
Michael Fischetti	-	Public Arbitrator
Jay Alan Kranis	-	Public Arbitrator

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Karimu F. Hill-Harvey
Public Arbitrator, Presiding Chairperson

Signature Date

Michael Fischetti
Public Arbitrator

Signature Date



Jay Alan Kranis
Public Arbitrator

1/13/2015

Signature Date

January 14, 2015

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