

**Award**  
**FINRA Dispute Resolution Services**

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In the Matter of the Arbitration Between:

Claimant  
Spartan Securities Group, Ltd.

Case Number: 19-00926

vs.

Respondents  
Scott Richard Reynolds

Hearing Site: Boca Raton, Florida

vs.

Third Party Respondents  
Axos Clearing LLC  
Gregory Garrabrants

Fourth Party Respondent  
SRR Fortress Capital, LLC

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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: Member vs. Associated Person vs. Member and Associated Person vs. Non-Member

This case was decided by a majority-public panel.

The evidentiary hearing was conducted by videoconference.

**REPRESENTATION OF PARTIES**

For Claimant Spartan Securities Group, Ltd. (“Spartan”): Patricia A Leonard, Esq. and Ella A. Shenhav, Esq., Shutts & Bowen LLP, West Palm Beach, Florida.

For Respondent Scott Richard Reynolds (“Reynolds”) and Fourth Party Respondent SRR Fortress Capital, LLC (“SRR”): Adam C. Ford, Esq. and Matthew A. Ford, Esq., Ford O'Brien, LLP, New York, New York.

For Respondents Axos Clearing LLC (“Axos”) and Gregory Garrabrants (“Garrabrants”): Polly Towill, Esq., Marty Katz, Esq. and Madalyn MaCarr, Esq., Sheppard, Mullin, Richter & Hampton LLP, Los Angeles, California.

### **CASE INFORMATION**

Statement of Claim filed on or about: April 3, 2019.

Spartan Securities Group, Ltd. signed the Submission Agreement: April 3, 2019.

Respondent Reynolds' Answer to Statement of Claim, Counterclaims and Third Party Claims filed on or about: June 21, 2019.

Scott Richard Reynolds signed the Submission Agreement: August 16, 2019 and September 17, 2019.

Claimant's Answer, Affirmative Defenses and Response to Respondent Reynolds' Counterclaims and Defenses filed on or about: August 13, 2019.

Third Party Respondent Garrabrants' Statement of Answer to Respondent Reynolds' Third Party Claims filed on or about: August 13, 2019.

Gregory Garrabrants did not sign the Submission Agreement.

Respondent Axos' Answer to Respondent Reynolds' Third Party Claims and Counterclaims against Respondent Reynolds filed on or about: August 13, 2019.

Respondent Axos signed the Submission Agreement: September 13, 2019.

Respondent Axos' Amended Answer to Respondent Reynolds' Third Party Claims and Counterclaims against Respondent Reynolds filed on or about: August 19, 2019.

Third Party Respondent Garrabrants' Amended Statement of Answer to Respondent Reynolds' Third Party Claims filed on or about: August 28, 2019.

Respondent Reynolds' Answer to Third Party Respondent Axos' Counterclaims filed on or about: September 17, 2019.

Respondent Axos' Second Amended Answer to Respondent Reynolds' Third Party Claims and Counterclaims against Respondent Reynolds and SRR Fortress Capital, LLC filed on or about: December 17, 2019.

Fourth Party Respondent SRR did not file an Answer to Third Party Respondent Axos' Fourth Party Claims, and did not sign the Submission Agreement.

### **CASE SUMMARY**

In the Statement of Claim, Claimant asserted the following causes of action: breach of fiduciary duty; fraudulent misrepresentation; negligent misrepresentation; and breach of contract. The causes of action relate to short positions in Biopath Holdings, Inc. taken by Respondent Reynolds in Claimant's proprietary account held at Third Party Respondent Axos that allegedly violated Claimant's policy and the limitations and restrictions on Respondent Reynolds' trading authorization in that account, and resulted in a violation by Claimant of its net capital requirements.

Unless specifically admitted in the Answer to Statement of Claim, Respondent Reynolds denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

In his Counterclaims against Claimant, Respondent Reynolds asserted the following causes of action: common law indemnification; contractual indemnification; failure to pay earned wages; and promissory note due and owing. The causes of action relate to, among other things, Respondent Reynolds' potential liability in connection with the Clearing Agreement between Claimant and Third Party Respondent Axos dated April 18, 2013 ("Clearing Agreement"), Claimant's alleged failure to pay earned wages to Respondent Reynolds, and Claimant's alleged failure to pay Respondent Reynolds sums due under the terms of a promissory note between Connect X Capital Markets, LLC, a holding company of Claimant, and Respondent Reynolds (the "Note").

Unless specifically admitted in its Answer, Affirmative Defenses and Response to Respondent Reynolds' Counterclaims, Claimant denied the allegations contained in the Counterclaims and asserted various affirmative defenses.

In his Third Party Claims against Third Party Respondent Garrabrants, Respondent Reynolds asserted the following causes of action: fraud in the inducement and duress. The causes of action relate to Third Party Respondent Garrabrants' alleged use of intimidation to induce Respondent Reynolds to sign a document entitled "settlement agreement" with Third Party Respondent Axos dated March 8, 2019 ("Settlement Agreement") that did not include some of the key elements of the verbally negotiated settlement during a three-way telephonic conference between Claimant's Chief Compliance Officer, Respondent Reynolds (on his own behalf and on behalf of Fourth Party Respondent SRR) and Third Party Respondent Garrabrants (on his own behalf and on behalf of Third Party Respondent Axos).

Unless specifically admitted in his Statement of Answer, as amended, to Respondent Reynolds' Third Party Claims, Respondent Garrabrants denied the allegations contained in the Third Party Claims and asserted various affirmative defenses.

In his Third Party Claims against Third Party Respondent Axos, Respondent Reynolds asserted the following causes of action: indemnification under the Clearing Agreement; common law indemnification; fraud in the inducement; and breach of the Clearing Agreement. The causes of action relate to Respondent Reynolds' potential liability in connection with the Clearing Agreement and the alleged fraud utilized to entice Respondent Reynolds to sign the Settlement Agreement.

In its Answer, as amended, to Respondent Reynolds' Third Party Claims, Third Party Respondent Axos denied the allegations contained in the Third Party Claims and asserted various affirmative defenses.

In its Counterclaims against Respondent Reynolds, Third Party Respondent Axos asserted the following causes of action: breach of the Settlement Agreement; fraudulent inducement; fraudulent misrepresentation; negligent misrepresentation; fraudulent failure to disclose; tortious interference with contractual relations; breach of an agreement (the "Pledge Agreement") in which Respondent Reynolds promised to pledge assets in an account held by Respondent Reynolds and Fourth Party Respondent SRR at TD Ameritrade in favor of Third Party Respondent Axos, in order to rectify the losses Respondent Reynolds caused; and unjust enrichment. The causes of action relate to short positions in Biopath Holdings, Inc. ("BPTH") taken by Respondent Reynolds in Claimant's proprietary account held at Third Party Respondent Axos.

In its Fourth Party Claims against Fourth Party Respondent SRR, Third Party Respondent Axos asserted the following causes of action: breach of the Settlement Agreement; breach of the Pledge Agreement in which Respondent Reynolds promised to pledge assets in an account held by Respondent Reynolds and Fourth Party Respondent SRR at TD Ameritrade in favor of Third Party Respondent Axos, in order to rectify the losses Respondent Reynolds caused; and unjust enrichment. The causes of action relate to short positions in Biopath Holdings, Inc. taken by Respondent Reynolds in Claimant's proprietary account held at Third Party Respondent Axos.

In his Answer to Third Party Respondent Axos' Counterclaims, Respondent Reynolds denied the allegations contained in the Counterclaims and asserted various affirmative defenses.

In its May 7, 2021 submission requested by the Panel, Third Party Respondent Axos clarified that it was not pursuing its causes of action against Respondent Reynolds and Fourth Party Respondent SRR for tortious interference with contractual relations, breach of the Pledge Agreement and unjust enrichment.

### **RELIEF REQUESTED**

In the Statement of Claim, Claimant requested: compensatory and consequential damages in an amount to be proven, but which will be in excess of \$16,600,000.00; costs; interests on all sums awarded as damages at the prevailing rate; punitive and exemplary damages in an amount to be proven; and such other and additional relief as deemed just and proper.

In his Answer to Statement of Claim, Counterclaims and Third Party Claims, Respondent Reynolds requested: compensatory damages in the amount of no less than \$17,300,000; indemnification in the amount of no less than \$16,600,000.00; punitive damages; interest; attorneys' fees; costs, including expert witness fees and administrative expenses; and any other further relief deemed just and proper.

In its Answer, Affirmative Defenses, and Response to Respondent Reynolds' Counterclaims and Defenses, Claimant requested: denial of Respondent Reynolds' counterclaims and defenses in their entirety; compensatory and consequential damages to Claimant in an amount to be proved, but which will be in excess of \$16,600,000.00; costs; interest on all sums awarded as damages at the prevailing rate; punitive and exemplary damages against Respondent Reynolds, and in favor of Claimant, in an amount to be proven; and such other and additional relief as deemed just and proper.

In his Statement of Answer, as amended, to Respondent Reynolds' Third Party Claims, Third Party Respondent Garrabrants did not specifically delineate a relief request.

In its Answer, as amended, to Respondent Reynolds' Third Party Claims, Third Party Respondent Axos did not specifically delineate a relief request.

In its Counterclaims, as amended, against Respondent Reynolds, and its Fourth Party Claims against Fourth Party Respondent SRR, Third Party Respondent Axos requested: compensatory damages exceeding \$10,500,000.00, plus interest as provided for in the Settlement Agreement; specific performance of the Settlement Agreement as expressly provided for in the Settlement Agreement and/or where monetary damages will not remedy Third Party Respondent Axos'

damages; all other direct and consequential damages recoverable from Respondent Reynolds, including for damage to Third Party Respondent Axos' business, reputation, goodwill, and property; an order enforcing the lien on the San Marino property; additional compensatory damages exceeding \$16,600,000.00, and such other relief and consequential damages flowing from Respondent Reynolds' wrongful acts; an order attaching, impounding, and imposing a constructive trust on all cash and securities in the TD Ameritrade account under Respondent Reynolds' and his limited liability company's names, and other assets held by Respondent Reynolds and his limited liability company so as to assure that Third Party Respondent Axos has an effective remedy; injunctive relief, as appropriate; prejudgment interest; costs; and such other further relief as the Panel might deem just and appropriate. Third Party Respondent Axos further requested punitive damages in its Counterclaims, as amended, solely against Respondent Reynolds.

In his Answer to Third Party Respondent Axos' Counterclaims, Respondent Reynolds did not specifically delineate a relief request.

In its May 7, 2021 submission requested by the Panel, Claimant clarified its damage request against Respondent Reynolds as follows: \$16,557,523.70 in trading losses; \$5 million representing the destruction of its business which was planned to continue to operate for another 15-20 years; punitive damages in the amount of the lesser of an additional \$5 million dollars or three times the amount of compensatory damages awarded; interest; and costs.

In his May 7, 2021 submission requested by the Panel, Respondent Reynolds clarified his damage requests as follows:

Against Claimant:

\$1,400,000.00 for Claimant's Failure to Pay Earned Wages; \$675,000.00 for amounts due under the Note; \$3,100,000.00 in legal fees; indemnification of \$16,000,000.00 if Respondent Reynolds is found liable for Claimant's account deficiency; and indemnification of \$11,000,000.00 if Respondent Reynolds is found liable under the Settlement Agreement.

Against Third Party Respondent Axos: \$10,500,000.00 in compensatory damages and \$3,075,000.00 in legal fees.

Against Third Party Respondent Garrabrants: \$10,500,000.00 in compensatory damages.

Against Claimant and Third Party Respondents Axos and Garrabrants, jointly and severally: \$9,400,000.00 in punitive damages.

In its May 7, 2021 submission requested by the Panel, Third Party Respondent Axos clarified its damage requests as follows:

Against Respondent Reynolds:

\$15,393,598.93 in compensatory damages based on fraud ("Fraud Damages"); interest through May 12, 2021 in the amount of \$2,038,873.70; and additional interest per diem in the amount of \$1,817.71 from May 13, 2021 through payment of the Award; or alternatively, \$5,602,99.19 in compensatory damages (the difference between Fraud and Contract Damages, as Contract Damages is defined hereinbelow), and additional interest per diem in

the amount of \$521.13 until the Award is paid in full. Third Party Respondent Axos further requests punitive damages at the discretion of the Panel, and assessment of all hearing session fees against Respondent Reynolds.

Against Respondent Reynolds and Third Party Respondent SRR, jointly and severally: \$10,500,000.00 in compensatory damages based on breach of the Settlement Agreement ("Contract Damages"); interest through May 12, 2021 in the amount of \$1,320,493.44; additional interest per diem in the amount of \$1,296.58 from May 13, 2021 through payment of the Award; and assessment of all hearing session fees jointly and severally against Respondent Reynolds and Fourth Party Respondent SRR.

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

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

On September 18, 2019, Third Party Respondent Axos filed a Motion to file Second Amended Answer to Third Party Claims and Counterclaims against Respondent Scott Reynolds for the sole purpose of adding SRR Fortress Capital, LLC as a Fourth Party Respondent in this matter, to which no objection was filed. The Panel issued an Order following a telephonic conference with the parties that, among other things, granted Third Party Respondent Axos' Motion.

On October 3, 2019, the United States District Court, Southern District of California ("Court") issued an Order staying this arbitration, pending resolution by the Court of whether Third Party Respondent Garrabrants is subject to mandatory arbitration.

On October 29, 2019, the Court issued an Order that denied Third Party Respondent Garrabrants' motion for a preliminary injunction and stated that Third Party Respondent Garrabrants is subject to mandatory FINRA arbitration.

Third Party Respondent Garrabrants did not file a properly executed Submission Agreement but is required to submit to arbitration pursuant to the Court Order dated October 29, 2019, and, having answered the claim, appeared, and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

Fourth Party Respondent SRR is a non-member of FINRA and did not file a properly executed Submission Agreement but, having appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

In its December 27, 2019, Motion to Compel Respondent Reynolds to Provide Discovery Responses and Documents, to Deem Objections Waived, and to Impose Sanctions, Claimant alleged that Respondent Reynolds completely failed to comply with his discovery obligations. In his January 8, 2020 Opposition, Respondent Reynolds stated that he is cooperating in the discovery process and that Claimant brought the Motion in bad faith. The Panel did not make a determination on the request for sanctions.

In his February 21, 2020 Motion to Compel Claimant and Third Party Respondents Garrabrants and Axos to Produce Documents and to Impose Sanctions, Respondent Reynolds requested that, pursuant to Rule 13511 of the Code of Arbitration Procedure (the "Code"), the Panel

dismiss all claims or defenses by Claimant or Third Party Respondent Axos against Respondent Reynolds related to trading records and withheld documents, and award Respondent Reynolds his costs and fees in connection with this Motion, to which Claimant and Third Party Respondents Garrabrants and Axos objected. The Panel did not make a determination on the request for sanctions.

In its July 13, 2020, Motion to Compel and for Sanctions against Respondent Reynolds Regarding Claimant's Third Request for Production and its July 28, 2020 Reply, Claimant alleged that sanctions are warranted based on Respondent Reynolds' failure to comply with the discovery provisions of the Code without substantial justification. In its additional July 13, 2020, Motion to Compel Respondent Reynolds to Comply with Panel's March 12, 2020 Order ("Order") and for Sanctions and its July 28, 2020 Reply, Claimant alleged that sanctions are warranted based on Respondent Reynolds' intentional failure to materially comply with the Order. In his July 23, 2020 Opposition to both Motions, Respondent Reynolds asserted, among other things, that he attempted to negotiate with Claimant in good faith and has done nothing wrong. The Panel did not make a determination on the request for sanctions.

In his July 13, 2020 Motion to Impose Sanctions against Claimant for Failure to Comply with the Panel's June 1, 2020 and June 16, 2020 Discovery Orders, and his July 28, 2020 Reply, Respondent Reynolds requested dismissal of all of Claimant's claims, adverse inferences related to its defenses, monetary sanctions, and any other relief the Panel deemed just and proper. In its July 23, 2020 Response, Claimant stated that of the three discovery items at issue, the Panel did not rule on two and granted the third, which Claimant contends it provided to Respondent Reynolds in a timely manner. In accordance with the parties' Memorandum of Understanding, the Panel denied the Motion in its Order dated September 27, 2020.

On or about August 31, 2020, Claimant, Third Party Respondent Axos and Third Party Respondent Garrabrants jointly requested that the final hearing be converted from in person to virtual, to which Respondent Reynolds objected. In accordance with the parties' Memorandum of Understanding, the Panel granted the request and the evidentiary hearings were conducted virtually.

On January 19, 2021, the parties submitted a Joint Request for an Explained Decision pursuant to Rule 13904(d) of the Code. As such, the Panel has provided an explanation of the decision in this Award. The explanation is for the information of the parties only and is not precedential in nature.

On May 18, 2021, Respondent Reynolds filed an Emergency [Post-Hearing] Motion to Admit Newly Discovered Evidence and Request for Hearing Prior to the Issuance of any Final Decision and Award, to which Claimant and Third Party Respondent Axos objected. After consideration of the parties' respective written submissions, the Panel determined to deny the Motion.

The Award in this matter may be executed in counterpart copies.

### **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. Explained Decision:

Responsibility has been defined as "the state of being held as the cause of something that needs to be set right" (Merriam-Webster Thesaurus). The Panel finds that Respondent Scott Richard Reynolds ("Reynolds") is solely responsible for the losses suffered by Third Party Respondent Axos Clearing LLC ("Axos") and Claimant Spartan Securities Group, Ltd. ("Spartan").

The witnesses called by Spartan and Axos were credible and Reynolds' testimony was not. Moreover, the evidence of unambiguous text messages, created contemporaneously with the occurrence of operative events were highly probative, especially when compared to contradictory testimony proffered by Reynolds.

Reynolds, a licensed securities professional, initiated the short sale position in BPTH on or about March 6, 2019, creating an open-ended risk of loss to Spartan/Axos. Primarily using Axos' money and being aware of Axos' lending limits and its right to reject trades and close trading positions, he was caught in a short squeeze, causing Spartan to violate its net capital requirement, which as a member of FINRA, it self-reported.

As a licensed individual, trading through a FINRA member firm's proprietary account, Reynolds had no discretion to disregard the explicit directives of Spartan's compliance officer to cover the BPTH short on March 6, 2019 and in fact, exacerbated the highly risky short position by adding to it, in contravention of his supervisor's instructions and his own trading limits.

The Panel finds that Reynolds' unlawful actions were not merely negligent or reckless, but intentional. This is evidenced by numerous acts such as fictitious trade entries made by Reynolds into Spartan's control/Brass system in order to make it appear as if the BPTH short position was materially smaller than the true amount. Reynolds' explanation for these 'wooden' tickets defied common sense. His further assurances that there was a 'block-order' or big seller coming in late on March 6 was likewise false. These actions/representations, among others, caused both Spartan and Axos to reasonably rely to their detriment. Reynolds did not want to close out the short position on March 6 despite orders to do so by his employer. He lied to keep it open and concealed his intent from Spartan/Axos. Those two entities reasonably relied, suffering large losses, including the destruction of Spartan's on-going business.

Spartan's/Axos' covering of the short position in BPTH on March 7, 2019 was proper as they attempted to mitigate the loss while constricted by the existence of Spartan's net capital violation.

Reynolds traded mainly with Spartan's and Axos' funds, assuming the risk of his conduct, by virtue of his agreement with Spartan to absorb trading losses which exceeded his accumulated reserves. This was clearly evidenced by writings, oral agreement(s) and course of dealings.

2. Claimant Spartan's claims against Respondent Reynolds of fraudulent misrepresentation, breach of fiduciary duty and breach of oral contract are granted. Accordingly, Scott



Reynolds is liable for and shall pay to Claimant Spartan the sum of \$1,421,296.34 in compensatory damages, plus interest accruing at the Florida statutory rate from March 8, 2019 until the Award is paid in full.

Pursuant to Florida Statute Sections 768.72 and 768.73, Respondent Reynolds is further liable for and shall pay to Claimant Spartan punitive damages in the amount of \$4,000,000.00 dollars based on Respondent Reynolds' willful and intentional behavior on March 6, 2019, disregarding Claimant Spartan's compliance officer's directives to cover the short position in BPTH, and creating false tickets to hide the true size of the short position. Such actions led directly to Claimant Spartan's financial collapse as an ongoing business. Claimant Spartan proved this by clear and convincing evidence.

The Panel deems Claimant Spartan's claim of negligent misrepresentation to be moot based on its finding of fraudulent misrepresentation.

3. Respondent Reynolds failed to prove any of his claims against Claimant Spartan or Third Party Respondents Axos and Garrabrants, whether for indemnification, unpaid wages, monies due under a promissory note, fraud in the inducement, duress and breach of the Clearing Agreement. Accordingly, Respondent Reynolds claims and requests for compensatory and punitive damages are denied in their entirety.
4. Third Party Respondent Axos' counterclaim against Respondent Reynolds for fraudulent misrepresentation and fraudulent failure to disclose is granted. As such, Respondent Reynolds is liable for and shall pay to Third Party Respondent Axos the sum of \$15,393,598.93 as compensatory damages, plus interest accruing at the Florida statutory rate from March 8, 2019 through May 12, 2021, in the amount of \$2,042,509.12, for a total of \$17,436,108.05. Additional interest shall accrue at the Florida statutory rate from May 13, 2021 until the Award is paid in full.
5. Third Party Respondent Axos' fourth party claims against Fourth Party Respondent SRR are denied in their entirety.
6. Any requests for sanctions not previously ruled upon are denied in their entirety.
7. Any and all claims for relief not specifically addressed herein, including Third Party Respondent Axos' request for punitive damages and Respondent Reynolds' request for 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:

Claimant's Initial Claim Filing Fee	= \$ 4,000.00
Respondent Reynolds' Counterclaim/Third Party Claim Filing Fee	= \$ 2,250.00
Third Party Respondent Axos' Counterclaim/Fourth Party Claim Filing Fee	= \$ 4,000.00

*\*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 parties, Claimant and Third Party Respondent Axos are each assessed the following:

Member Surcharge	= \$ 4,025.00
Member Process Fee	= \$ 7,000.00

### **Postponement Fees**

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

December 7-12, 2020, postponement requested by all parties	= \$ 1,500.00
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Total Postponement Fees	= \$ 1,500.00
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The Panel has assessed \$750.00 of the postponement fees to Claimant.

The Panel has assessed \$750.00 of the postponement fees jointly and severally to Respondent Reynolds, Third Party Respondents Garrabrants and Axos, and Fourth Party Respondent SRR.

### **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 a single Arbitrator @ \$450.00/session	= \$ 450.00
Pre-Hearing Conference: April 30, 2020	1 session

Eight (8) pre-hearing sessions with the Panel @ \$1,500.00/session	= \$ 12,000.00
Pre-Hearing Conferences: December 17, 2019	1 session
February 13, 2020	1 session
April 30, 2020	1 session
September 10, 2020	1 session
September 11, 2020	1 session
November 16, 2020	1 session
January 8, 2021	1 session
February 26, 2021	1 session

Thirty-Four (34) hearing sessions @ \$1,500.00/session	= \$ 51,000.00
Hearings: February 8, 2021	1 session
February 9, 2021	1 session
March 3, 2021	2 sessions
March 4, 2021	1 session
March 15, 2021	2 sessions
March 16, 2021	2 sessions
March 17, 2021	2 sessions
March 18, 2021	2 session

March 19, 2021	1 session
April 26, 2021	2 sessions
April 27, 2021	2 sessions
April 28, 2021	2 sessions
April 29, 2021	2 sessions
April 30, 2021	2 sessions
May 3, 2021	2 sessions
May 4, 2021	2 sessions
May 5, 2021	2 sessions
May 6, 2021	2 sessions
May 7, 2021	2 sessions

Explained Decision Fee	= \$	400.00
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Total Hearing Session Fees	= \$	63,850.00

The Panel has assessed the total hearing session fees and explained decision fee to Respondent Reynolds.

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

**ARBITRATION PANEL**

Steven R. Reininger	-	Public Arbitrator, Presiding Chairperson
Martin I. Jaffe	-	Public Arbitrator
John H. Foster	-	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**

**Steven R. Reininger**

Steven R. Reininger  
Public Arbitrator, Presiding Chairperson

**05/27/2021**

Signature Date

**Martin I Jaffe**

Martin I. Jaffe  
Public Arbitrator

**05/27/2021**

Signature Date

**John H. Foster**

John H. Foster  
Non-Public Arbitrator

**05/27/2021**

Signature Date

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.

May 27, 2021

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