AWARD
FINRA Office of Dispute Resolution

CASE: 19-01579

Claimants Morgan Stanley Smith Barney, LLC and Morgan Stanley Smith Barney FA Notes Holdings, LLC vs. Respondent Peter J. Ingraham

REPRESENTATION OF PARTIES:

For Claimants Morgan Stanley Smith Barney, LLC ("MSSB") and Morgan Stanley Smith Barney FA Notes Holdings, LLC ("MSSB FA"): Elio F. Martinez, Jr., Esq., Espinosa Martinez PL, Miami, Florida.

Respondent Peter J. Ingraham appeared pro se.

NATURE OF DISPUTE: Member and Non-Member vs. Associated Person

DATE FILED: June 5, 2019.

CASE SUMMARY:

Claimants asserted the cause of action of breach of promissory notes in connection with Respondent's alleged failure to repay sums due Claimants pursuant to the terms of four (4) fully executed promissory notes dated November 13, 2009 ("Note 1"), February 4, 2010 ("Note 2"), February 8, 2011 ("Note 3"), and December 12, 2011 ("Note 4").

Respondent did not file a Statement of Answer.

RELIEF REQUESTED:

In the Statement of Claim, Claimants requested that the Arbitrator enter an award:

1) On Note 1, in the outstanding principal amount of $92,717.64, plus pre-award interest at the rate of 2.75%, or $6.99 per day, from November 13, 2018, to the date of the Award, plus post-award interest at the legal rate;

2) On Note 2, in the outstanding principal amount of $10,700.00, plus pre-award interest at the rate of 3.00%, or $0.88 per day, from February 4, 2018, to the date of the Award, plus post-award interest at the legal rate;

3) On Note 3, in the outstanding principal amount of $17,476.30, plus pre-award interest at the rate of 2.50%, or $1.20 per day, from February 8, 2019, to April 4, 2019, and at the rate of 6.50%, or $3.11 per day, from April 4, 2019, to the date of the Award, plus post-award interest at the legal rate;

4) On Note 4, in the outstanding principal amount of $11,403.22, plus pre-award interest at the rate of 1.50%, or $0.47 per day, from December 12, 2018, to April 4,
2019, and at the rate of 5.50%, or $1.72 per day, from April 4, 2019, to the date of the Award, plus post-award interest at the legal rate;

(5) For their fees and expenses, including all FINRA forum fees and the FINRA filing fee of $2,125.00 and member surcharge of $1,700.00, and their reasonable attorneys’ fees, as provided for by the Notes; and

(6) Such other and further relief as the Arbitrator deemed appropriate.

AWARD:

The Arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows:

1) On Note 1, Respondent is liable for and shall pay to Claimants the outstanding principal amount of $92,717.64, plus pre-award interest at the rate of 2.75%, from November 13, 2018, to the date of this Award, plus post-award interest at the legal rate;

2) On Note 2, Respondent is liable for and shall pay to Claimants the outstanding principal amount of $10,700.00, plus pre-award interest at the rate of 3.00%, from February 4, 2018, to the date of this Award, plus post-award interest at the legal rate;

3) On Note 3, Respondent is liable for and shall pay to Claimants the outstanding principal amount of $17,476.30, plus pre-award interest at the rate of 2.50%, from February 8, 2019, to April 4, 2019, and at the rate of 6.50% from April 4, 2019, to the date of this Award, plus post-award interest at the legal rate;

4) On Note 4, Respondent is liable for and shall pay to Claimants the outstanding principal amount of $11,403.22, plus pre-award interest at the rate of 1.50%, from December 12, 2018, to April 4, 2019, and at the rate of 5.50% from April 4, 2019, to the date of this Award, plus post-award interest at the legal rate;

5) Respondent is liable and shall pay to Claimants attorneys’ fees in the amount of $7,322.00, pursuant to the terms of the Notes;

6) Respondent is liable and shall reimburse Claimants the sum of $1,000.00, which represents the non-refundable portion of the filing fee previously paid by Claimants to FINRA Office of Dispute Resolution;

7) Claimants’ remaining requests for costs are denied; and

8) Any and all relief requests not specifically addressed herein are denied.

FEES:

Claimant MSSB has paid to FINRA Office of Dispute Resolution the $1,700.00 Member Surcharge and the $3,250.00 Member Process Fee previously invoiced.
FINRA Office of Dispute Resolution shall retain the $1,000.00 non-refundable portion of the filing fee that Claimants deposited previously.

The Arbitrator has assessed the paper decision fee in the amount of $300.00 to Respondent.

OTHER ISSUES:

Respondent did not file a Statement of Answer. Accordingly, this matter proceeded pursuant to Rule 13806 of the Code of Arbitration Procedure. The Arbitrator determined that Respondent Peter J. Ingraham was served with the Statement of Claim, the Overdue Notice and Notification of Arbitrator by regular and certified mail and subsequently registered on the FINRA Office of Dispute Resolution Portal, and is therefore bound by the Arbitrator's ruling and determination.

The Arbitrator acknowledges that he has read the pleadings and other materials filed by the parties.
I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument which is my award.

Arbitrator's Signature

Bernard A. Becker
Sole Public Arbitrator

OCTOBER 3, 2019

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