

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

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In the Matter of the Arbitration Between:

Claimant  
Lincoln Financial Advisors Corporation

Case Number: 22-01323

vs.

Respondent  
John Nelson

Hearing Site: Cleveland, Ohio

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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

**REPRESENTATION OF PARTIES**

For Claimant Lincoln Financial Advisors Corporation (“Claimant”): Samuel P. Mauch, Esq., Saretsky Hart Michaels + Gould PC, Birmingham, Michigan.

Respondent John Nelson (“Respondent”) did not appear.

**CASE INFORMATION**

Statement of Claim filed on or about: June 14, 2022.

Claimant signed the Submission Agreement: June 13, 2022.

Respondent did not file a Statement of Answer or sign a Submission Agreement.

**CASE SUMMARY**

In the Statement of Claim, Claimant asserted a cause of action for breach of promissory note. The cause of action is related to Claimant’s allegation that Respondent signed a promissory note (“Note”), and on or about December 9, 2021, when Respondent’s employment with Claimant ended, the Note immediately became due and owing.

**RELIEF REQUESTED**

In the Statement of Claim, Claimant requested the principal balance due and owing under the Note in the amount of \$18,745.50; accrued interest as of June 13, 2022, in the amount of \$1,004.02; per diem interest between June 13, 2022, and the date of payment of the Note in full in the amount of \$2.05; and the costs of collection and of this proceeding, including reasonable attorneys’ fees.

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

The Arbitrator acknowledges having read the pleadings and other materials filed by Claimant.

Respondent did not file a Statement of Answer. Accordingly, this matter proceeded pursuant to Rule 13806 of the Code of Arbitration Procedure ("Code").

The Arbitrator determined that Respondent was served with the Claim Notification letter dated June 14, 2022, by regular mail, and the Overdue Notice (including the Statement of Claim) dated August 4, 2022, by regular and FedEx mail, as evidenced by the FedEx tracking information available online. The Arbitrator also determined that Respondent was served with the Notification of Arbitration dated September 6, 2022, by regular and FedEx mail, as evidenced by the FedEx tracking information available online.

The Claim Notification letter notified Respondent that FINRA rules require parties to use the online DR Portal on a mandatory basis (except pro se investors) and that failure to register for the DR Portal will prevent the submission of pleadings, selection of arbitrators, and receipt of notification relating to case information and deadlines. Respondent failed to register for the DR Portal.

The Arbitrator determined that Respondent is, therefore, bound by the Arbitrator's ruling and determination.

### **AWARD**

After considering the pleadings, the Arbitrator has decided and determined 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 \$18,745.50 in compensatory damages.
2. Respondent is liable for and shall pay to Claimant the sum of \$1,250.02 in interest at the rate of 4% per annum from and including December 9, 2021, through September 15, 2022.
3. Respondent is liable for and shall pay to Claimant the sum of \$5,750.00 in attorneys' fees pursuant to the terms of the Note.
4. Respondent is liable for and shall pay to Claimant the sum of \$750.00 to reimburse Claimant for the non-refundable portion of the filing fee previously paid to FINRA Dispute Resolution Services.
5. Respondent is liable for and shall pay to Claimant the sum of \$300.00 to reimburse Claimant for the Paper Decision Fee previously paid to FINRA Dispute Resolution Services.
6. Any and all claims for relief not specifically addressed herein, are denied.

**FEES**

Pursuant to the Code, Claimant has paid to FINRA Dispute Resolution Services the \$450.00 Member Surcharge previously invoiced.

Claimant has also paid to FINRA Dispute Resolution Services the \$750.00 non-refundable portion of the filing fee and the \$300.00 Paper Decision Fee.

**ARBITRATOR**

Jeffry M. Bauer

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Sole 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.

**Arbitrator's Signature**

***Jeffry M. Bauer***

Jeffry M. Bauer  
Sole Public Arbitrator

**09/23/2022**

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.

September 26, 2022

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