

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

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In the Matter of the Arbitration Between:

Claimants  
Pouya Lavian  
Scott Pedvis  
Robert Decker

Case Number: 16-02545

vs.

Respondent  
Credit Suisse Securities (USA) LLC

Hearing Site: New York, New York

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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: Associated Persons vs. Member

**REPRESENTATION OF PARTIES**

For Claimants Pouya Lavian, Scott Pedvis, and Robert Decker: Read McCaffrey, Esq., Blain Bortnick, Esq., and Edward Halter, Esq., Rasco Klock Perez & Nieto, P.L., Coral Gables, Florida.

For Respondent Credit Suisse Securities (USA) LLC: Kenneth J. Kelly, Esq., Edward M. Yennock, Esq., and Victoria Sloan Lin, Esq., Epstein Becker & Green, P.C., New York, New York.

**CASE INFORMATION**

Statement of Claim filed on or about: August 25, 2016.  
Amended Statement of Claim filed on or about: November 14, 2016.  
Second Amended Statement of Claim filed on or about: May 12, 2017.  
Statement of Answer to Counterclaim filed on or about: January 11, 2017.  
Statement of Answer to the Amended Counterclaim filed on or about: June 21, 2017.  
Pouya Lavian signed the Submission Agreement: August 16, 2016.  
Scott Pedvis signed the Submission Agreement: August 16, 2016.  
Robert Decker signed the Submission Agreement: August 16, 2016.

Statement of Answer to the Amended Statement of Claim and Counterclaim filed by Respondent on or about: December 6, 2016.  
Statement of Answer to the Second Amended Statement of Claim and Counterclaim filed by Respondent on or about: June 1, 2017.

Credit Suisse Securities (USA) LLC signed the Submission Agreement: May 29, 2020.

### **CASE SUMMARY**

In the Statement of Claim, Amended Statement of Claim, and Second Amended Statement of Claim, Claimants asserted the following causes of action: fraud in inducement of hire, fraud, negligent misrepresentations, negligence, breach of contract, breach of the implied covenant of good faith and fair dealing, constructive termination, and violation of FINRA's just and equitable principles of trade.

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

In the Counterclaim and Amended Counterclaim, Respondent asserted the following causes of action: breach of promissory note, breach of contract, and unjust enrichment.

Unless specifically admitted in the Answer to the Counterclaim and Answer to the Amended Counterclaim, Claimant denied the allegations made in the Counterclaim and Amended Counterclaim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

In the Statement of Claim, Claimants requested:

1. Compensatory damages of approximately \$23,805,000.00 for the loss sustained through the fraudulent inducement of their employment and the resulting damages caused to Claimants' careers, client relationships, and income.
2. Punitive damages in an amount to be determined by the Panel for the wanton and callous disregard of Claimants' rights.
3. A declaration that the Claimants are not liable on the three outstanding promissory notes.
4. All costs of this arbitration be assessed Respondent.
5. All other just and equitable relief.
6. Deferred compensation.

In the Amended Statement of Claim, Claimants requested:

1. Compensatory damages of at least \$17,099,000.00 for the loss sustained through Claimants' constructive termination and the fraudulent inducement of their employment, and the resulting damages caused to Claimants' careers, client relationships, and income.
2. Punitive damages in an amount to be determined by the Panel for the wanton and callous disregard of Claimant's rights.
3. A declaration that the Claimants are not liable on the three outstanding promissory notes.
4. All costs of this arbitration be assessed Respondent.
5. All other just and equitable relief.

In the Second Amended Statement of Claim, Claimants requested:

1. Compensatory damages of at least \$15,150,000.00 for the loss sustained through Claimants' constructive termination and the fraudulent inducement of their employment, and the resulting damages caused to Claimants' careers, client relationships, and income.
2. Punitive damages in an amount to be determined by the Panel for the wanton and callous disregard of Claimant's rights.
3. A declaration that the Claimants are not liable on the three outstanding promissory notes.
4. All costs of this arbitration be assessed Respondent.
5. All other just and equitable relief.
6. Repayment of any and all deferred compensation.
7. Legal fees in defending the counterclaims; and to the extent that Respondent seeks legal fees in connection with the assertions of its counterclaims, dismissal of those claims with prejudice.

In the Statement of Answer to the Amended Statement of Claim and Counterclaim, and Statement of Answer to the Second Amended Statement of Claim and Counterclaim Respondent requested:

1. As against Pouya Lavian: full repayment of the outstanding principal balance of \$822,261.26 due under the terms of the Offer Letter and the Note, together with accrued but unpaid interest, collection costs, and attorneys' fees calculated as of the time of actual payment (amounts which continue to increase during the pendency of this arbitration); and such other and further relief as the Panel deems just and proper.
2. As against Scott Pedvis: full repayment of the outstanding principal balance of \$830,084.17 due under the terms of the Offer Letter and the Note, together with accrued but unpaid interest, collection costs, and attorneys' fees calculated as of the time of actual payment (amounts which continue to increase during the pendency of this arbitration); and such other and further relief as the Panel deems just and proper.
3. As against Robert Decker: full repayment of the outstanding principal balance of \$1,106,778.89 due under the terms of the Offer Letter and the Note, together with accrued but unpaid interest, collection costs, and attorneys' fees calculated as of the time of actual payment (amounts which continue to increase during the pendency of this arbitration); full repayment of the overpayment of compensation that was advanced to Mr. Decker in the amount of \$10,017.47, plus applicable interest; such other and further relief as the Panel deems just and proper.

In the Statement of Answer to the Counterclaim, Claimants requested that:

1. All counterclaims be dismissed with prejudice.
2. Legal fees in defending the counterclaims; and to the extent that Respondent seeks legal fees in connection with the assertions of its counterclaims, dismissal of those claims with prejudice.
3. All claims for relief asserted by Claimants in the Amended Statement of Claim be granted, including the statutory penalties for the wrongful withholding of Claimants' wages.
4. All costs and arbitration fees be assessed against Respondent.
5. All other just and equitable relief.

In the Statement of Answer to the Amended Counterclaim, Claimants requested that:

1. All counterclaims be dismissed with prejudice.
2. Legal fees in defending the counterclaims; and to the extent that Respondent seeks legal fees in connection with the assertions of its counterclaims, dismissal of those claims with prejudice.
3. All claims for relief asserted by Claimants in the Amended Statement of Claim be granted, including the statutory penalties for the wrongful withholding of Claimants' wages.
4. All costs and arbitration fees be assessed against Respondent.

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

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

Respondent did not file a properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code of Arbitration Procedure ("Code") and, having answered the claim and appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

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. Claimants' claims are denied in their entirety.
2. Claimant Pouya Lavian is liable for and shall pay to Respondent the sum of \$1,005,258.00 in compensatory damages, reflecting the principal and interest due under the Promissory Note through April 30, 2020.
3. Claimant Pouya Lavian is liable for and shall pay to Respondent interest on the above-stated sum at the rate of \$127.96, accruing daily, from May 1, 2020 until the award is paid.
4. Claimant Scott Pedvis is liable for and shall pay to Respondent the sum of \$1,016,961.00 in compensatory damages, reflecting the principal and interest due under the Promissory Note through April 30, 2020.
5. Claimant Scott Pedvis is liable for and shall pay to Respondent interest on the above-stated sum at the rate of \$129.17, accruing daily, from May 1, 2020 until the award is paid.
6. Claimant Robert Decker is liable for and shall pay to Respondent the sum of \$1,355,235.00 in compensatory damages, reflecting the principal and interest due under the Promissory Note through April 30, 2020.

7. Claimant Robert Decker is liable for and shall pay to Respondent interest on the above-stated sum at the rate of \$172.23, accruing daily, from May 1, 2020 until the award is paid.
8. Claimant Robert Decker is liable for and shall pay to Respondent the sum of \$10,017.47, reflecting reimbursement of the undisputed overpayment compensation.
9. Claimants are jointly and severally liable for and shall pay to Respondent the sum of \$97,186.00 in costs associated with the Promissory Note claims.
10. Any and all claims for relief not specifically addressed herein, including any requests for punitive damages, and attorneys' fees, are denied.

### **FEES**

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

#### **Filing Fees**

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

Initial Claim Filing Fee	= \$ 2,250.00
Counterclaim Filing Fee	= \$ 3,400.00

*\*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 that employed the associated persons at the time of the events giving rise to the dispute. Accordingly, as a party, Respondent Credit Suisse Securities (USA) LLC is 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:

April 11-13, 2018 & April 16-18, 2018, joint postponement by Parties	= \$ 1,500.00
October 22-26, 2018, postponement by Claimants	= \$ 1,500.00
December 10-12, 2018, postponement by Claimants	= \$ 1,500.00
April 1-5, 2019 & May 6-10, 2019, joint postponement by Parties	= \$ 1,500.00
July 10-12, 2019, postponement by Claimants	= \$ 1,500.00

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Total Postponements Fees	= \$ 7,500.00
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The Panel has assessed \$2,250.00 of the postponement fees jointly and severally to Claimants.

The Panel has assessed \$500.00 of the postponement fees to Claimant Pouya Lavian.

The Panel has assessed \$500.00 of the postponement fees to Claimant Scott Pedvis.

The Panel has assessed \$500.00 of the postponement fees to Claimant Robert Decker.

The Panel has assessed \$3,750.00 of the postponement fees to Respondent.

## Discovery-Related Motion Fees

Fees apply for each decision rendered on a discovery-related motion.

Five (5) decisions on discovery-related motions on the papers with one (1) Arbitrator @ \$200.00/decision	= \$ 1,000.00
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Claimants submitted two (2) discovery-related motions  
Respondent submitted two (2) discovery-related motions  
Non-Party submitted one (1) discovery-related motion

Total Discovery-Related Motion Fees	= \$ 1,000.00
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The Panel has assessed \$500.00 of the discovery-related motion fees jointly and severally to Claimants.

The Panel has assessed \$500.00 of the discovery-related motion fees to Respondent.

## 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, which lasts four (4) hours or less. Fees associated with these proceedings are:

Seven (7) pre-hearing sessions with a single arbitrator @ \$450.00/session = \$ 3,150.00

Pre-hearing conferences:	November 14, 2017	1 session
	April 13, 2018	1 session
	June 13, 2018	1 session
	September 13, 2018	1 session
	September 20, 2018	1 session
	October 18, 2018	1 session
	September 17, 2019	1 session

Seven (7) pre-hearing sessions with the Panel @ \$1,500.00/session = \$ 10,500.00

Pre-hearing conferences:	March 14, 2017	1 session
	August 30, 2018	1 session
	November 14, 2018	1 session
	December 12, 2018	1 session
	March 18, 2019	1 session
	May 22, 2019	1 session
	November 12, 2019	1 session

Eleven (11) hearing sessions @ \$1,500.00/session = \$ 16,500.00

Hearing Dates: July 9, 2019 1 session

January 8, 2020	2 sessions
January 9, 2020	2 sessions
January 10, 2020	2 sessions
January 21, 2020	2 sessions
January 22, 2020	2 sessions

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Total Hearing Session Fees	= \$ 30,150.00
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The Panel has assessed \$15,075.00 of the hearing session fees jointly and severally to Claimants.

The Panel has assessed \$15,075.00 of the hearing session fees to Respondent.

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

**ARBITRATION PANEL**

Noel B. Berman	-	Public Arbitrator, Presiding Chairperson
Steven Skulnik	-	Public Arbitrator
Nino Armienti	-	Non-Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

**Concurring Arbitrators' Signatures**

***Noel B. Berman***

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Noel B. Berman  
Public Arbitrator, Presiding Chairperson

**06/02/2020**

\_\_\_\_\_  
Signature Date

***Steven Skulnik***

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Steven Skulnik  
Public Arbitrator

**06/02/2020**

\_\_\_\_\_  
Signature Date

***Nino Armienti***

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Nino Armienti  
Non-Public Arbitrator

**06/01/2020**

\_\_\_\_\_  
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.

June 08, 2020

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