

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

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In the Matter of the Arbitration Between:

Claimant  
Benjamin F. Edwards & Company, Inc.

Case Number: 14-00499

vs.

Respondent  
Janel Marie Goff

Hearing Site: Minneapolis, Minnesota

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Nature of the Dispute: Member vs. Associated Person

This case was decided by a majority-public panel.

**REPRESENTATION OF PARTIES**

For Claimant Benjamin F. Edwards & Company, Inc.: Joseph W. Anthony, Esq. and Steven M. Phillips, Esq., Anthony Ostlund Baer & Louwagie P.A., Minneapolis, Minnesota.

For Respondent Janel Marie Goff: Donald R. McNeil, Esq., Heley Duncan & Melander, PLLP, Minneapolis, Minnesota.

**CASE INFORMATION**

Statement of Claim filed on or about: February 12, 2014.

Benjamin F. Edwards & Company, Inc. signed the Submission Agreement: February 11, 2014.

Reply to the Counterclaim filed on or about: May 5, 2014.

Statement of Answer and Counterclaim filed by Respondent on or about: April 14, 2014  
Janel Marie Goff signed the Submission Agreement: April 10, 2014.

**CASE SUMMARY**

Claimant asserted the following cause of action: failure to repay a promissory note. Claimant alleged that Respondent executed a promissory note ("Note") on or about September 2, 2011. Claimant alleged that on December 17, 2013, Respondent's employment with Benjamin F. Edwards & Company, Inc. was terminated, and, pursuant to the terms of the Note, Respondent is liable for the principal balance due on the Note as of the date of her termination, including interest, attorneys' fees and costs.

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

In the Counterclaim, Respondent asserted the following causes of action: unjust enrichment; breach of duty of good faith and fair dealing; violation of FINRA Rules 2010 and 2140; defamation per se; conversion; and civil theft. Respondent asserted that the entirety of the Note should be offset. Respondent asserted that the Note at issue should have been calculated with a five-year forgiveness period, and any remaining balance was offset due to losses suffered from the delay by Claimant in providing Broker Protocol information, as agreed for the transfer of customer accounts. Respondent alleged that she should be awarded damages for defamation per se as the comments made on her Form U5 are false and inaccurate and place her in a negative light. Respondent asserted a claim for civil theft alleging that Respondent failed to return her personal property with a value of \$3,000.

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

### **RELIEF REQUESTED**

In the Statement of Claim, Claimant requested:

Compensatory Damages	\$582,620.96
Interest	\$ 1,251.44
Attorneys' Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

At the close of the hearing, Claimant requested:

Compensatory Damages	\$582,620.96
Interest (pre-award through 2/8/15)	\$ 59,813.63
Interest (post award at 10%)	Unspecified
Attorneys' Fees	\$203,564.75
Other Costs (cost of collection)	\$ 22,690.11

In the Counterclaim, Respondent requested:

Compensatory Damages (in excess of)	\$250,000.00
Interest	Unspecified
Attorneys' Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified
Expungement	

At the close of the hearing, Respondent requested:

Compensatory Damages (in excess of)	\$400,000.00
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### **OTHER ISSUES CONSIDERED AND DECIDED**

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

Respondent filed a Memorandum in Support of Motion to Prohibit Benjamin F. Edwards & Company, Inc. from Retaining Law Firm [Motion to Disqualify] on or about July 30, 2014. Claimant filed a Memorandum in Opposition to Motion to Disqualify and an Affidavit of Joseph W. Anthony with Exhibits A-C, on or about August 11, 2014. Respondent filed a Reply Memorandum in Support of Motion to Prohibit Benjamin F. Edwards & Company, Inc. from Retaining Law Firm on or about August 15, 2015. Respondent filed a Brief related to FINRA Jurisdiction in Support of Motion to Prohibit Benjamin F. Edwards & Company, Inc. from Retaining Law Firm on or about September 16, 2014. Claimant filed a Memorandum regarding Jurisdiction to Decide Motion to Disqualify on or about September 26, 2015. The Panel issued an Order on November 11, 2014 and determined as that, based on the submissions of the parties, in particular that of Respondent, it has jurisdiction to address the Motion to Disqualify, and the Panel denied the Motion to Disqualify.

During a January 5, 2015 discovery pre-hearing call with the Chairperson, the parties through their counsel jointly moved to provide direct communications between the parties and members of the Panel. At that time, the parties' motion was taken under advisement by the Chairperson until the remaining members of the Panel were consulted. That having been done, and the parties and arbitrators having agreed to proceed under the voluntary direct communication provisions of the Code of Arbitration Procedure, the Panel issued an Order on January 17, 2015 providing for direct communications between the parties and the arbitrators.

At the final hearing, Respondent orally presented her request for expungement.

At the close of the hearing session on February 11, 2015, the Chairperson agreed to hold the record open for a presentation of attorneys' fees and costs on February 17, 2015.

On February 16, 2015, Claimant filed an Affidavit of Steven M. Phillips in Support of Application/Motion for an Award of Attorneys' Fees and Costs and a Summary of Claimants' Claimed Damages and Respondent filed a Summary of Defenses and Damages.

On February 17, 2015, a recorded, telephonic hearing was held for presentations on the parties' claims for attorneys' fees and costs.

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, Janel Marie Goff, is liable for and shall pay to Claimant, Benjamin F. Edwards & Company, Inc., the sum of \$582,620.96 in compensatory damages;
- 2.) Respondent, Janel Marie Goff, is liable for and shall pay to Claimant, Benjamin F. Edwards & Company, Inc., pre-award interest on the above-stated sum at the rate of 4.9% per annum from and including January 16, 2014 through and including the date of this Award;
- 3.) Respondent, Janel Marie Goff, is liable for and shall pay to Claimant, Benjamin F. Edwards & Company, Inc., post-award interest on the above-stated sum pursuant to Missouri law at 9% per annum;
- 4.) Respondent, Janel Marie Goff, is liable for and shall pay to Claimant, Benjamin F. Edwards & Company, Inc., the sum of \$6,000.00 in costs;
- 5.) Respondent, Janel Marie Goff, is liable for and shall pay to Claimant, Benjamin F. Edwards & Company, Inc., the sum of \$203,564.75 in attorneys' fees pursuant to the terms of the Note;
- 6.) Claimant, Benjamin F. Edwards & Company, Inc., is liable for and shall pay to Respondent, Janel Marie Goff, the sum of \$3,000.00 in compensatory damages;
- 7.) Claimant, Benjamin F. Edwards & Company, Inc., is liable for and shall pay to Respondent, Janel Marie Goff, post-award interest on the above-stated sum pursuant to Missouri law at 9% per annum;
- 8.) Respondent, Janel Marie Goff's, Request for Expungement is denied with prejudice; and
- 9.) Any relief not specifically enumerated is hereby denied with prejudice.

### **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	= \$ 2,450.00
Counterclaim Filing Fee	= \$ 1,425.00

*\*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 person at the time of the events giving rise to the dispute. Accordingly, as a party, Benjamin F. Edwards & Company, Inc., is assessed the following:

Member Surcharge	= \$ 2,250.00
Pre-Hearing Processing Fee	= \$ 750.00
Hearing Processing Fee	= \$ 4,000.00

**Discovery-Related Motion Fees**

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

One (1) Decision on discovery-related motion on the papers With one (1) arbitrator @ \$200.00	= \$ 200.00
<u>Claimant submitted one (1) discovery-related motion</u>	
Total Discovery-Related Motion Fees	= \$ 200.00

The Panel has assessed \$200.00 of the discovery-related motion fees to Janel Marie Goff.

**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:

Two (2) Pre-hearing sessions with a single arbitrator @ \$450/session	= \$ 900.00
Pre-hearing conferences: January 5, 2015 1 session	
January 30, 2015 1 session	
One (1) Pre-hearing session with the Panel @ \$1,200/session	= \$ 1,200.00
Pre-hearing conference: July 31, 2014 1 session	
Eight (8) Hearing sessions @ \$1,200/session	= \$ 9,600.00
Hearing Dates: February 9, 2015 2 sessions	
February 10, 2015 2 sessions	
February 11, 2015 3 sessions	
February 17, 2015 1 session	
<u>Total Hearing Session Fees</u>	<u>= \$11,700.00</u>

The Panel has assessed \$11,700.00 of the hearing session fees to Janel Marie Goff.

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

**ARBITRATION PANEL**

Leo G. Stern	-	Public Arbitrator, Presiding Chairperson
Brett W. Olander	-	Public Arbitrator
Bruce J. Nerland	-	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**

/s/ Leo G. Stern  
Leo G. Stern  
Public Arbitrator, Presiding Chairperson

April 2, 2015  
Signature Date

/s/ Brett W. Olander  
Brett W. Olander  
Public Arbitrator

April 2, 2015  
Signature Date

/s/ Bruce J. Nerland  
Bruce J. Nerland  
Non-Public Arbitrator

April 2, 2015  
Signature Date


April 2, 2015  
Date of Service (For FINRA Dispute Resolution office use only)

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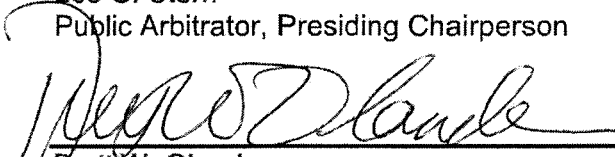
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Signature Date

  
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Brett W. Olander  
Public Arbitrator

04-02-2015  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Bruce J. Nerland  
Non-Public Arbitrator

\_\_\_\_\_  
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Leo G. Stern  
Public Arbitrator, Presiding Chairperson

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Signature Date

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Brett W. Olander  
Public Arbitrator

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Signature Date



4-2-15

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Bruce J. Nerland  
Non-Public Arbitrator

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Signature Date

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