

Will Ferrell flops with Finra arbitration panel

Actor, along with Larry David, loses arbitration case against J.P. Morgan Securities; 'not amused'

By Darla Mercado

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This time, superstar comedian Will Ferrell isn't laughing all the way to the bank.

Mr. Ferrell, star of such movies as “Talladega Nights: The Ballad of Ricky Bobby” and “Step Brothers,” last week lost a Finra arbitration case against J.P. Morgan Securities LLC.

The former “Saturday Night Live” performer, along with his wife, Viveca Paulin, business manager Matt Lichtenberg and the Larry David living trust, filed the arbitration claim with the Financial Industry Regulatory Authority Inc. about two years ago. In it, Mr. Ferrell and Mr. David, star of HBO's “Curb Your Enthusiasm,” claimed that J.P. Morgan had engaged in the “unauthorized and unsuitable” purchase of \$18 million in preferred securities.

The group sought repayment, rescission of the purchase, and interest on the investments at money market rates.

J.P. Morgan shot back with a counterclaim, however, seeking dismissal of the complaint, plus legal fees.

On Nov. 12, an arbitration panel decided in favor of the bank. The Finra panel ordered Mr. Ferrell and the rest of the claimants to pay J.P. Morgan \$600,000 for costs and attorney's fees.

The group will also have to cough up another \$22,500 for “discovery abuse” and failure to comply with discovery rules and procedures, according to the arbitration documents.

“After three motions to compel discovery by respondent and three orders from the panel, claimants were still supplying ordered documents on the afternoon of the second day of the evidentiary hearing,” according to the award letter.

“Such a hard slap against Mr. Ferrell suggests that the panel was incensed by either the conduct of Mr. Ferrell or that of his counsel,” noted civil litigation and enforcement-defense attorney **Richard Roth** from the **Roth Law Firm**. “Courts and arbitration panels are often much harder on celebrity litigants than they are on regular Joes. But in this case it sounds like the panel was particularly not amused,” said Mr. Roth.

The panel denied J.P. Morgan's counterclaims.

A call to Mr. Lichtenberg's office was not immediately returned.

None of the claimants appeared before the panel. Instead, Mr. Lichtenberg appeared on their behalf, according to the award letter.

Mr. Ferrell's current movie, "Megamind," is currently the top box office attraction in the U.S, having pulled in nearly \$90 million in its first two weeks in theaters.

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The Roth Law Firm, PLLC
545 Fifth Avenue, Suite 960, New York, NY (212) 542-8882
www.rrothlaw.com