

FINRA Threatens to Suspend Morgan Keegan

By: Debra Speyer

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The Financial Industry Regulatory Authority has threatened to suspend Morgan Keegan & Co.'s brokerage license over its failure to comply with an arbitration ruling in favor of former NBA star Horace Grant.

As we discussed on this securities fraud blog, Grant first filed a [complaint against Morgan Keegan over investment losses](#) tied to risky bond funds in 2008. Financial Industry Regulatory Authority (FINRA) arbitrators awarded him \$1.46 million in 2009. However, Morgan Keegan has been fighting to overturn the award in court ever since.

Most recently, the U.S. Court of Appeals for the Ninth Circuit upheld the award, rejecting Morgan Keegan's claims that the arbitrators exceeded their power or issued a biased decision. Morgan Keegan recently paid Grant \$1.59 million, but Grant's lawyer said the brokerage owes another \$333,000 in interest.

As Reuters reports, Morgan Keegan has 21 days to respond to FINRA's notice and may request a hearing. The firm could be excused from having its license suspended if it pays the award in full, settles with Grant, or meets certain other conditions, according to the letter sent to Morgan Keegan.

If you have been the victim of stockbroker fraud or negligence, we may be able to help you recover your losses. Contact us today at 215-839-3953 for a free consultation.

At [Wall Street Fraud](#), we are dedicated to offering assistance to those who have been hurt by improper corporate or investment practices.

If you have been the victim of stock brokerage fraud, securities fraud, mutual fund fraud, stockbroker fraud, annuities fraud, or any other type of investment fraud or negligence, please [contact our securities fraud attorneys](#) today for a free case evaluation. Our talented and aggressive legal and professional staff is eager to help you recover your losses.