

**SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC**

In the Matter of the Application of

Adam Strege

For Review of Action Taken by

Financial Industry Regulatory Authority

File No. 3-22397

**FINRA’S MOTION TO CONSOLIDATE AND
TO STAY THE ISSUANCE OF A BRIEFING SCHEDULE**

I. INTRODUCTION

In two separate, pending applications for review, Adam Strege appeals FINRA’s action prohibiting him access to FINRA’s arbitration forum based on a determination by the Director of FINRA Dispute Resolution Services (the “Director”) that Strege posed a safety risk to FINRA arbitrators, staff, and parties and their representatives. In both appeals, the Director’s determination is based on identical reasoning with identical support. Consequently, FINRA requests that the Commission consolidate the above-captioned appeal, Administrative Proceeding File No. 3-22397, with the other pending appeal, Administrative Proceeding File No. 3-22365. FINRA further requests that the Commission stay the issuance of a briefing schedule in the above-captioned matter and order the parties to brief the issues on appeal in accordance with the existing briefing deadlines the Commission established in Administrative Proceeding File No. 3-22365.

II. BACKGROUND

A. The Director Denied Strege Use of FINRA’s Arbitration Forum to Arbitrate Statement of Claim I (DRS Case No. 24-02587)

On December 7, 2024, Strege filed with FINRA Dispute Resolution Services (“DRS”) a statement of claim against Charles Schwab & Co., Inc. (“Charles Schwab”) and Bank of America (“Statement of Claim I”) in DRS Case No. 24-02587. RP(1) 1-2;¹ RP(2) 1-2.² Although not entirely clear from Statement of Claim I, Strege appears to have alleged that Charles Schwab and Bank of America violated FINRA rules and federal law, including the Americans with Disabilities Act. Strege further alleged, among other things, that Charles Schwab improperly closed his brokerage account, and Wells Fargo Bank and Bank of America stole \$100,000 from Strege. RP(1) 1-2; RP(2) 1-2. Strege also asserted that brokers should have “Max Share Size and Max Loss [settings].” RP(1) 2; RP(2) 2.

On December 11, 2024, DRS sent Strege a letter notifying him that, pursuant to FINRA Rule 12203, the Director had denied him use of FINRA’s arbitration forum “for the reasons explained in the February 1, 2024, letter and March 7, 2024, letter.”³ RP(1) 6; RP(2) 6. As

¹ “RP(1) __” refers to the page number in the certified record in Administrative Proceeding File No. 3-22365 filed on January 2, 2025.

² “RP(2) __” refers to the page number in the certified record in Administrative Proceeding File No. 3-22397 filed on January 27, 2025. Because of the overlap between the two appeals, all documents in the certified record of Administrative Proceeding File No. 3-22365—other than the appeal documentation—are also in the certified record of Administrative Proceeding File No. 3-22397.

³ The February 1, 2024, letter and March 7, 2024, letter from DRS to Strege notified Strege that the Director had denied Strege use of FINRA’s arbitration forum in two prior DRS matters (DRS Case Nos. 22-02722 and 24-00430). RP(1) 7-137; RP(2) 7-137. The Commission sustained FINRA’s actions, finding that FINRA denied use of its arbitration forum in accordance with FINRA rules. *Adam Strege*, Exchange Act Release No. 101414, 2024 SEC LEXIS 2872, at *1 (Oct. 23, 2024).

explained in the attached February 1, 2024, letter and March 7, 2024, letter, the Director denied Strege's request to arbitrate "to protect the safety of the arbitrators, parties and their representatives, and FINRA staff" and provided extensive detail to support his determination. RP(1) 7-137; RP(2) 7-137.

That same day, Strege filed an application for review with the Commission seeking review of FINRA's action in DRS Case No. 24-02587.⁴ RP(1) 175-81. The Commission acknowledged Strege's appeal and assigned the matter as Administrative Proceeding File No. 3-22365. RP(1) 183-84. On January 23, 2025, the Commission issued an order scheduling briefs.⁵

B. The Director Denied Strege's Motion for Reconsideration (DRS Case No. 24-02587) and Denied Strege Use of FINRA's Arbitration Forum to Arbitrate Statement of Claim II (DRS Case No. 24-02612) and Statement of Claim III (DRS Case No. 24-02620)

On December 11, 2024—the same day that DRS notified Strege that the Director had denied Strege use of FINRA's arbitration forum in DRS Case No. 24-02587 and the same day that Strege filed an application for review seeking Commission review of FINRA's action—Strege filed an "Amended Complaint" and "Motion [for] Reconsideration" with DRS. RP(1) 139-41; RP(2) 139-41. Again, Strege appears to have alleged that Charles Schwab and Bank of America violated FINRA rules and federal law, including the Americans with Disabilities Act. RP(1) 139; RP(2) 139. Strege also asserted, "FINRA Laws do not allow Bad words its abuse discretion when new FINRA Case used no Bad Words." RP(1) 139; RP(2) 139.

⁴ FINRA received the application for review from the Commission on December 19, 2024.

⁵ Per the Commission's order, Strege's opening brief in support of the application for review must be filed by February 24, 2025; FINRA's brief in opposition to the application for review must be filed by March 26, 2025; and any reply brief must be filed by April 9, 2025.

That same day, Strege also filed with DRS another statement of claim against Intercontinental Exchange and Nasdaq, Inc. (“Statement of Claim II”) in DRS Case No. 24-02612. RP(1) 143-50; RP(2) 143-50. Although not entirely clear from Statement of Claim II, Strege seemingly alleged that Intercontinental Exchange and Nasdaq, Inc. (“Nasdaq”) violated the same FINRA rules and federal laws, including the Americans with Disabilities Act, that Strege alleged Charles Schwab and Bank of America violated in Statement of Claim I. RP(1) 144; RP(2) 144. Strege alleged that Intercontinental Exchange and Nasdaq do not assist disabled or poor people. RP(1) 144; RP(2) 144. Like Statement of Claim I, Strege further alleged, among other things, that Interactive Brokers and Charles Schwab improperly closed his brokerage account, and asserted that International Exchange and Nasdaq should require brokers to have “Max Share Size and Max Loss settings.” RP(1) 145, 147; RP(2) 145, 147.

The next day, on December 12, 2024, Strege filed with DRS another statement of claim against Fidelity Investments, Nasdaq, and Intercontinental Exchange (“Statement of Claim III”) in DRS Case No. 24-02620. RP(1) 159-167; RP(2) 159-167. Although not entirely clear from Statement of Claim III, Strege seemingly alleged that Fidelity Investments, Intercontinental Exchange, and Nasdaq violated the same FINRA rules and federal laws, including the Americans with Disabilities Act, that the respondents in Statements of Claim I and II allegedly violated. RP(1) 159-160; RP(2) 159-160. Like Statements of Claim I and II, Strege alleged that Charles Schwab improperly closed his brokerage account (despite Charles Schwab not being a named respondent in Statement of Claim III). RP(1) 163; RP(2) 163. Strege further alleged that Fidelity Investments, Intercontinental Exchange, and Nasdaq committed genocide, war crimes, crimes against humanity, battery, personal property damage, conversion, and intentional infliction of emotional distress. RP(1) 159; RP(2) 159.

On December 16, 2024, the Director sent Strege a letter in response to his myriad filings with a subject line that referenced DRS Case Nos. 24-02587, 24-02612, and 24-02620 (i.e., Statements of Claim I, II, and III). RP(1) 173; RP(2) 175. In the December 16, 2024, letter, the Director notified Strege that, pursuant to FINRA Rule 12203, and “for the reasons explained in the February 1, 2024, letter and March 7, 2024, letter,” the Director denied Strege use of FINRA’s arbitration forum “for [his] statement of claim and any future statement of claim.” RP(1) 173; RP(2) 175. As explained in the February 1, 2024, letter and March 7, 2024, letter, the Director denied Strege’s request to arbitrate “to protect the safety of the arbitrators, parties and their representatives, and FINRA staff” and provided extensive detail to support his determination. RP(1) 7-137; RP(2) 7-137.

On January 2, 2025, Strege filed this application for review with the Commission seeking review of FINRA’s actions involving Fidelity Investments, Nasdaq and Intercontinental Exchange, ostensibly challenging FINRA’s action in DRS Case Nos. 24-02612 and 24-02620 (i.e., Statements of Claim II and III).⁶ RP(2) 179-456. The Commission acknowledged Strege’s appeal and assigned the matter as Administrative Proceeding File No. 3-22397. RP(2) 457. The Commission has not yet issued a briefing schedule in this proceeding.⁷

⁶ FINRA received this application for review from the Commission on January 13, 2025.

⁷ After filing this application for review in Administrative Proceeding File No. 3-22397 but before FINRA received a copy, Strege left a voicemail with FINRA staff on January 2, 2025, requesting a copy of the December 16, 2024, letter. Undersigned counsel replied via email on January 3, 2025, and explained that DRS sent the letter to Strege via its portal system, through which Strege had accessed the letter the day prior, and attached a courtesy copy of the letter. RP 175-78.

III. ARGUMENT

Strege's appeal in Administrative Proceeding File No. 3-22397 presents the same fact pattern and raises the same question of law as Administrative Proceeding File No. 3-22365. The certified records in the appeals are nearly identical. Accordingly, and for the reasons set forth herein, the Commission should consolidate Administrative Proceeding File No. 3-22397 with Administrative Proceeding File No. 3-22365. The Commission should also stay the issuance of a briefing schedule and order the parties to brief the issues on appeal in accordance with the existing briefing deadlines the Commission established in Administrative Proceeding File No. 3-22365.

Commission Rule of Practice 201(a) provides that the Commission may consolidate "proceedings involving a common question of law or fact." 17 C.F.R. § 201.201(a). This appeal presents the same fact pattern and shares the same question of law as presented in the Administrative Proceeding File No. 3-22365. In both appeals, Strege is seeking review of FINRA's actions denying him use of FINRA's arbitration forum pursuant to FINRA Rule 12203(a) based on the Director's determination that Strege posed a safety risk to arbitration participants. RP(1) 5-9, 173; RP(2) 5-9, 175. In both appeals, the Director's determination that Strege posed a safety risk is based on *identical* reasoning with *identical* support. RP(1) 5-138, 173, RP(2) 5-138, 175. In addition, the parties—Strege and FINRA—are the same, the fact pattern is the same, and the certified records are nearly identical. Consolidation of these appeals therefore is appropriate. *See Bart Steven Kaplow, et al.*, Exchange Act Release No. 85509, 2019 SEC LEXIS 731, at *4 (Apr. 4, 2019) (finding it appropriate to consolidate appeals reviewing FINRA's actions denying access to FINRA's arbitration forum where the appeals "involve[d] a common question of law" and "share[d] a common fact pattern.")).


Besides consolidating the appeals, FINRA requests that the Commission stay the issuance of a briefing schedule in this appeal. Commission Rule of Practice 161(a) authorizes the Commission to order postponement for “good cause shown.” 17 C.F.R. § 201.161(a). Rule of Practice 161(b) sets forth the factors the Commission must consider in determining whether to grant a postponement, including: (1) the length of the proceeding to date; (2) the number of previous postponements granted; (3) the stage of the proceedings at the time of the request for postponement; and (4) any other such matters as justice may require. 17 C.F.R. § 201.161(b).

These factors support FINRA’s request. Strege’s appeal in Administrative Proceeding File No. 3-22397 was received by the Commission less than a month ago, and there have been no previous postponements. Moreover, consolidating this appeal with Administrative Proceeding File No. 3-22365 and ordering the parties to brief the same issues on appeal in accordance with the existing briefing deadlines the Commission established in Administrative Proceeding File No. 3-22365 would promote administrative efficiency and eliminate the need for the parties to file multiple briefs—and the Commission to review multiple briefs—which repeat the same arguments on appeal.⁸

⁸ Undersigned counsel sought Strege’s consent to FINRA’s motion in a January 29, 2025, email, but she did not receive a response. Any opposition, however, would be misplaced because this matter presents the same fact pattern and raises the same question of law as Administrative Proceeding File No. 3-22365.

Based on the foregoing, the Commission should grant FINRA's motion to consolidate and stay the issuance of a briefing schedule.

Respectfully submitted,

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February 7, 2025

CERTIFICATE OF COMPLIANCE

I, Megan Rauch, certify that this motion complies with the Commission's Rules of Practice by filing a motion that omits or redacts any sensitive personal information described in Rule of Practice 151(e).

/s/

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CERTIFICATE OF SERVICE


I, Megan Rauch, certify that on this 7th day of February 2025, I caused a copy of the foregoing FINRA's Motion to Consolidate and to Stay the Issuance of a Briefing Schedule, In the Matter of Adam Strege, Administrative Proceeding File No. 3-22397, to be filed through the SEC's eFAP system on:

Vanessa Countryman, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

and served by electronic mail on:

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