

AWARD
FINRA DISPUTE RESOLUTION

CASE #: [REDACTED]
[REDACTED] (Claimant) vs. Prudential Equity Group, LLC (Respondent)

REPRESENTATION OF PARTIES:

For Claimant [REDACTED]: Docthor Kennedy, MBA, J.D. and Michael O’Gara, Esq., AdvisorLaw, LLC, Broomfield, Colorado.

For Respondent Prudential Equity Group, LLC: Alan S. Brodheron, Esq., Law Offices of Alan Brodheron, New York, New York.

NATURE OF DISPUTE: Associated Person vs. Member

Statement of Claim filed on or about: October 26, 2016.

CASE SUMMARY: Claimant asserted a request for expungement of two customer disputes, one filed by Mr. and Ms. M on June 01, 1990 with Central Registration Depository (“CRD”) occurrence number [REDACTED] and one filed by Mr. C on October 21, 1993 with CRD occurrence number [REDACTED] (“the Underlying Claims”).

In the Statement of Answer, Respondent Prudential Equity Group, LLC advised that, while it takes no position with regards to Claimant’s request for expungement, it requests that the monetary relief requested in the Statement of Claim be denied.

RELIEF REQUESTED: In the Statement of Claim, Claimant requested:

1. Expungement of the Underlying Claims from Claimant’s CRD record pursuant to FINRA Rule 2080(b)(1)(B), as Claimant was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation or conversion of funds;
 2. Compensatory damages in the amount of \$1.00 from Respondent; and,
 3. Any and all other relief that the Arbitrator deems just and equitable.
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AWARD: The undersigned Arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. Claimant’s request for expungement is granted.

The Arbitrator recommends the expungement of all references to the Underlying Claims, namely occurrence numbers [REDACTED] and [REDACTED] from Claimant [REDACTED] (CRD# [REDACTED]) registration records maintained by CRD, with the understanding that pursuant to Notice to Members 04-16, Claimant [REDACTED] must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by FINRA, parties seeking judicial confirmation of an arbitration award containing expungement relief must name FINRA as an additional party and serve FINRA with all appropriate documents.

Pursuant to Rule 13805 of the Code, the Arbitrator has made the following Rule 2080 affirmative findings of fact:

The registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds.

The Arbitrator has made the above Rule 2080 finding based on the following reasons:

The Claims were settled by Respondent under threat of a class action lawsuit; the class action lawsuit was based upon failure to perform due diligence. The customers in the Underlying Claim had become interested in the product after attending seminars sponsored by Respondent. All sales materials were provided by Respondent. Claimant was not involved in the performance of due diligence nor did he participate in negotiations for settlement nor did he contribute to payment of the settlement

2. Claimant's claim for monetary damages is denied.

OTHER ISSUES: The Arbitrator acknowledges that he has read the pleadings and other materials filed by the parties.

On March 29, 2017, Claimant's Counsel provided a copy of service to Mr. C with notice of the Case Information Sheet and Initial Pre-Hearing Conference Scheduling Order setting the date for the expungement hearing.

The Arbitrator conducted a recorded telephonic hearing on May 12, 2017 so the parties could present oral argument and evidence on Claimant's request for expungement. The customers in the Underlying Claim did not appear at the expungement hearing and Claimant's counsel advised the Arbitrator that the customers declined to participate.

During the expungement hearing, the Arbitrator inquired if Claimant's counsel provided a copy of the Statement of Claim to Mr. and Ms. M, Claimant's counsel, responded in the affirmative. Based on this testimony, the Arbitrator determined that Mr. and Ms. M had been properly served with the Statement of Claim.

During the expungement hearing, the Arbitrator inquired about settlement documents of the Underlying Claims. Claimant's counsel advised that the settlement was solely between the customers in the Underlying Claims and Respondent. The settlement documents had been destroyed as Respondent had ceased business long ago and all efforts to obtain documents prior to the hearing were unsuccessful. The Arbitrator relied upon Claimant's sworn testimony. The arbitrator determined that, based on the testimony, Claimant did not contribute to the settlement.

Claimant withdrew the request for \$1.00 in damages during the expungement hearing.

The Arbitrator noted that Claimant did not previously file a claim requesting expungement of the Underlying Claims.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: Claimant's sworn testimony; the Statement of Claim; and Claimant's BrokerCheck® Report.

OTHER FEES: FINRA Office of Dispute Resolution has invoiced Respondent Prudential Equity Group, LLC for the \$150.00 Member Surcharge.

FINRA Dispute Resolution assessed a filing fee* for each claim:
Initial Claim Filing Fee = \$ 50.00

**The filing fee is made up of a non-refundable and a refundable portion.*

The Arbitrator has assessed hearing session fees for each session conducted. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Hearing session on expungement request @ \$50.00/session = \$50.00
Hearing Date: May 12, 2017 1 session

Total Hearing Session Fees = \$50.00

The Arbitrator has assessed \$50.00 of the hearing session fees to Claimant.

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

ARBITRATOR

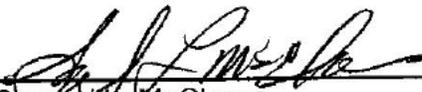
Samuel L. McClaren

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Sole 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.

Arbitrator's Signature



Samuel L. McClaren
Sole Public Arbitrator

May 25, 2017

Signature Date

May 25, 2017

Date of Service (For FINRA-DR office use only)