

Award
FINRA Office of Dispute Resolution

In the Matter of the Arbitration Between:

Claimant

████████████████████

Case Number: ██████████

vs.

Respondent

World Equity Group, Inc.

Hearing Site: Chicago, Illinois

Nature of the Dispute: Associated Person vs. Member

REPRESENTATION OF PARTIES

For Claimant ██████████: Christopher Cummins, Esq. and Dochter D. Kennedy, Esq., AdvisorLaw, LLC, Westminster, Colorado.

For Respondent World Equity Group, Inc.: Christopher A. Cokinis, CCO, World Equity Group, Inc., Arlington Heights, Illinois.

CASE INFORMATION

Statement of Claim filed on or about: September 28, 2018.

████████████████████ signed the Submission Agreement: September 28, 2018.

Statement of Answer filed by Respondent on or about: December 10, 2018.

World Equity Group, Inc. did not sign the Submission Agreement.

CASE SUMMARY

Claimant asserted the cause of action of inaccurate reporting on his Central Registration Depository ("CRD") records. The cause of action relates to a previously settled customer arbitration (Occurrence No. ██████████) involving a customer's investment in Jackson National Perspective L Series variable annuity contracts.

In the Statement of Answer, Respondent stated that it does not oppose Claimant's request for expungement.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested expungement of all references to Occurrence No. ██████████ from his CRD records; compensatory damages in the amount of \$1.00; and any and all other relief that the Arbitrator deemed just and equitable.

In the Statement of Answer, Respondent did not delineate a specific request.

OTHER ISSUES CONSIDERED AND DECIDED

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

Respondent did not file with FINRA Office of Dispute Resolution a properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code of Arbitration Procedure (“Code”) and, having answered the claim and appeared at the hearing, is bound by the determination of the Arbitrator on all issues submitted.

On or about January 30, 2019, Claimant filed with FINRA Office of Dispute Resolution proof of service upon the underlying customer in connection with Occurrence No. [REDACTED] of the Statement of Claim in this matter, notice of the date and time of the upcoming expungement hearing, and of the underlying customer’s right to participate therein. The customer did not submit any response thereto.

The Arbitrator conducted a recorded telephonic hearing on March 5, 2019, so the parties could present oral argument and evidence on Claimant’s request for expungement.

Inasmuch as Claimant did not reassert his request for compensatory damages in the amount of \$1.00 during the hearing, the Arbitrator deemed that request to be moot.

The customer did not participate in the expungement hearing and did not contest the request for expungement. Respondent participated in the expungement hearing and did not contest the request for expungement.

The Arbitrator reviewed the BrokerCheck® Report for Claimant and the settlement documents, considered the amount of payments made to any party, and considered other relevant terms and conditions of the settlement. The Arbitrator noted that the settlement was not conditioned on the customer not opposing the request for expungement. The Arbitrator also noted that Claimant did not contribute to the settlement amount and that the case was settled for much less than the demand.

The Arbitrator noted that Claimant previously filed a claim requesting expungement of the same disclosure in the CRD, but the case settled and the expungement request was withdrawn.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence:

Customer’s account application; the settlement agreement; expungement award of Claimant’s partner; and Claimant’s testimony.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions, if any, the Arbitrator has decided in full and final

resolution of the issues submitted for determination as follows:

1. The Arbitrator recommends the expungement of all references to Occurrence No. [REDACTED] from registration records maintained by the CRD for Claimant [REDACTED] (CRD# [REDACTED] with the understanding that, pursuant to Notice to Members 04-16, Claimant 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 finding of fact:

The claim, allegation, or information is false.

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

The allegations against Claimant regarding suitability of the annuity are false. Claimant testified that he met with the customer on numerous occasions to discuss risk and the customer had knowledge of annuities from a previous investment.

The investment provided income as well as growth. Also, a death benefit was not requested because the customer had no wife or children.

Moreover, the testimony demonstrated that the customer had a net worth over \$6,000,000.00, and the annuity was a small portion of his assets. In addition, the customer refused to listen to Claimant's recommendation as to allocation.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

FINRA Office of 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.*

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as a party, Respondent is assessed the following:

Member Surcharge	= \$150.00
------------------	------------

Hearing Session Fees and Assessments

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) pre-hearing session with a single arbitrator @ \$50.00/session = \$ 50.00
Pre-hearing conference: January 29, 2019 1 session

One (1) hearing session on expungement request @ \$50.00/session = \$ 50.00
Hearing Date: March 5, 2019 1 session

Total Hearing Session Fees = \$100.00

The Arbitrator has assessed the entire hearing session fees of \$100.00 to Claimant.

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

ARBITRATOR

Leon Fox

-

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

Leon Fox

Leon Fox
Sole Public Arbitrator

04/03/2019

Signature Date

4/3/2019

Date of Service (For FINRA Office of Dispute Resolution office use only)