

Award
FINRA Office of Dispute Resolution

In the Matter of the Arbitration Between:

Claimant

Case Number: [REDACTED]

vs.

Respondent

Hearing Site: Dallas, Texas

Prudential Equity Group, LLC

Nature of the Dispute: Associated Person vs. Member

REPRESENTATION OF PARTIES

For Claimant [REDACTED] ("Claimant"): Dochter Kennedy, Esq. and Christopher Cummins, Esq., AdvisorLaw LLC, Broomfield, Colorado.

For Respondent Prudential Equity Group, LLC ("Respondent"): Alan S. Brodherson, Esq., Law Offices of Alan S. Brodherson, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: March 21, 2018.

Claimant signed the Submission Agreement: March 21, 2018.

Statement of Answer filed on or about: May 11, 2018.

Respondent did not sign the Submission Agreement.

CASE SUMMARY

In the Statement of Claim, Claimant asserted a claim seeking expungement of five (5) customer complaints ("Underlying Complaints"), Occurrence Numbers [REDACTED], [REDACTED], [REDACTED], [REDACTED], and [REDACTED], from his registration records maintained by the Central Registration Depository ("CRD").

In the Statement of Answer, Respondent denied any allegation of wrongdoing and took no position on the expungement request.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested expungement of the Underlying Complaints from his records maintained by the CRD, \$1.00 in compensatory damages, and any and all other relief that the Arbitrator deems just and equitable.

In the Statement of Answer, Respondent requested that the Panel deny Claimant's request for \$1.00 in compensatory damages and that all forum fees associated with this matter be assessed against Claimant.

At the close of the hearing, Claimant withdrew any request for monetary damages against Respondent.

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, is bound by the determination of the Arbitrator on all issues submitted.

On or about September 4, Claimant filed a copy of the letters sent to the customers for Occurrence Numbers [REDACTED] and [REDACTED] providing them with the Statement of Claim, notice of the expungement hearing date and time, and the option to participate in the expungement hearing. On or about September 20, 2018, Claimant filed an Affidavit of Service for the letters sent to the customers for Occurrence Numbers [REDACTED] and [REDACTED]. On or about October 1, 2018, Claimant filed a copy of the letters sent to the customers for Occurrence Numbers [REDACTED] and [REDACTED], providing them with the Statement of Claim, notice of the expungement hearing date and time, and the option to participate in the expungement hearing.

On or about October 1, 2018, Claimant filed a Death Record for the customer in Occurrence Number [REDACTED]

The Arbitrator conducted a recorded, telephonic hearing on October 4, 2018, so the parties could present oral argument and evidence on Claimant's request for expungement. Respondent participated in the expungement hearing but did not contest the request for expungement.

The customers in the Underlying Complaints (the "Customers") did not participate in the expungement hearing. The Arbitrator took judicial notice that the customer for Occurrence Number [REDACTED] is deceased and could not participate in the hearing.

The Arbitrator reviewed the BrokerCheck® Report for Claimant. The Arbitrator noted that the settlement documents related to the Underlying Complaints were not provided for his review because the documents could not be located by Respondent. The Arbitrator determined, however, that even in the absence of the settlement agreements, expungement is appropriate given the evidence and testimony presented. Based upon Claimant's testimony and the representations of the parties, the Arbitrator considered the amount of payments made to any party, noted that Claimant did not contribute to the settlement amounts for the Underlying Complaints, and noted that the settlements were not conditioned on the customers not opposing the request for expungement.

The Arbitrator noted that Claimant did not previously file a claim requesting expungement of the same disclosure in the CRD.

In recommending expungement, the Arbitrator relied upon the testimony of Claimant, Prudential Securities Option Client Information Form and Agreement, and notices of the expungement hearing sent to the Customers.

AWARD

After considering the pleadings, the testimony, and the evidence presented at the hearing, the Arbitrator has decided in full and final resolution of the sole remaining issue of expungement submitted for determination as follows:

The Arbitrator recommends the expungement of all references to the Underlying Complaints from registration records maintained by the CRD, for Claimant (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 findings of fact:

The claim, allegation, or information is false.

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

Based on the uncontroverted testimony of Claimant, the Customer's investments were not unsuitable and, in most cases, the investments were unsolicited. The Customer's Client Information Form and Agreement supports Claimant's testimony, and no customer appeared to oppose the expungement request, although they received notice of the hearing and a copy of the Statement of Claim. Based on the evidence presented, the claims are false.

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
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**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 that employed the associated person at the time of the events giving rise to the dispute. Accordingly, as a party, Respondent is assessed the following:

Member Surcharge	= \$ 150.00
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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, including a pre-hearing conference with the arbitrator, 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: July 27, 2018	1 session

One (1) hearing session on expungement request @ \$50.00/session	= \$ 50.00
Hearing Date: October 4, 2018	1 session

Total Hearing Session Fees	= \$ 100.00
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The Arbitrator has assessed \$100.00 of the hearing session fees to Claimant.

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

