

**Stipulated Award  
FINRA Dispute Resolution Services**

---

In the Matter of the Arbitration Between:

Claimants

David Epstein  
Ethan Epstein

Case Number: 18-03460

vs.

Respondent

Signature Securities Group Corporation

Hearing Site: Boca Raton, Florida

---

Awards are rendered by independent arbitrators who are chosen by the parties to issue final, binding decisions. FINRA makes available an arbitration forum—pursuant to rules approved by the SEC—but has no part in deciding the award.

Nature of the Dispute: Customers vs. Member

This case was decided by an all-public panel.

**REPRESENTATION OF PARTIES**

For Claimants David Epstein and Ethan Epstein: Victor Bayata, Esq., Vernon Litigation Group, Naples, Florida.

For Respondent Signature Securities Group Corporation: Vincent P. Pozzuto, Esq., Cozen O'Connor, New York, New York.

**CASE INFORMATION**

Statement of Claim filed on or about: October 2, 2018.

David Epstein signed the Submission Agreement: October 1, 2018.

Ethan Epstein signed the Submission Agreement: October 1, 2018.

Statement of Answer filed by Respondent on or about: November 20, 2018.

Signature Securities Group Corporation signed the Submission Agreement: November 20, 2018.

### **CASE SUMMARY**

In the Statement of Claim, Claimants asserted the following causes of action: negligence; gross negligence; breach of fiduciary duty; omission and misrepresentation of material facts; fraud; fraudulent concealment; fraudulent misrepresentation. The causes of action relate to a lump sum annuity distribution Claimants allege they should have received when their father passed away in 2017.

Unless specifically admitted in the Statement of Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

In the Statement of Claim, Claimants requested the lump sum annuity distribution they should have received when their father passed away in 2017.

In the Statement of Answer, Respondent requested this case be dismissed.

### **OTHER ISSUES CONSIDERED AND DECIDED**

The Arbitrators acknowledge that they have each read the pleadings and other materials filed by the parties.

On January 4, 2022, Claimants, on behalf of the parties, filed a Stipulated Motion to Issue Arbitration Award. On January 4, 2022, Respondent filed a response in support of the Motion. On January 4, 2022, Claimants filed the parties' agreed language for the award. On January 11, 2022, the Panel and parties held a pre-hearing conference to discuss the proposed stipulated award. On January 24, 2022, the Panel granted the Motion.

The Stipulated Award in this matter may be executed in counterpart copies.

### **AWARD**

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for entry of a Stipulated Award, and the written stipulation thereto, the Panel grants the motion and enters this Stipulated Award granting the following relief:

1. After reviewing the pleadings and other documents submitted before this Panel (including a June 15, 2021 correspondence sent directly from Allstate to Claimants in this Action requiring an Order from this Panel) as well the oral arguments presented by the parties, we determine that Allstate (which includes Prudential Financial, Inc. or any other institution currently

servicing or administering the products at issue) shall promptly surrender and immediately distribute all funds pertaining to the annuity contracts AC3100007A and ALL0138250 to the beneficiaries of record of said policies, David Epstein and Ethan Epstein. This arbitration award may be confirmed by a court of competent jurisdiction if needed or required. Each Party shall bear their own attorneys' fees and costs related to this arbitration. This award in no way constitutes any finding of fault or liability on the part of either Claimants or Respondent.

### **FEES**

Pursuant to the Code of Arbitration Procedure ("Code"), the following fees are assessed:

#### **Filing Fees**

FINRA Dispute Resolution Services will retain or collect the non-refundable filing fees\* for each claim:

Initial Claim Filing Fee	= \$	1,575.00
--------------------------	------	----------

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

Member Surcharge	= \$	1,900.00
Member Process Fee	= \$	3,750.00

#### **Postponement Fees**

Postponements granted during these proceedings for which fees were assessed or waived:

July 22-26, 2019, postponement requested by Parties	= \$	1,125.00
February 24-28, 2020, postponement requested by Parties	= \$	1,125.00
January 11-14, 2022, postponement requested by Parties	= \$	1,125.00

---

Total Postponement Fees	= \$	3,375.00
-------------------------	------	----------

The Panel has assessed \$1,687.50 of the postponement fees jointly and severally to Claimants.

The Panel has assessed \$1,687.50 of the postponement fees to Respondent.

**Last-Minute Cancellation Fees**

Fees apply when a hearing on the merits is cancelled within ten calendar days before the start of a scheduled hearing session:

January 11-14, 2022, cancellation requested by Parties = \$ 1,800.00

---

Total Last-Minute Cancellation Fees = \$ 1,800.00

The Panel has assessed \$900.00 of the last-minute cancellation fees jointly and severally to Claimants.

The Panel has assessed \$900.00 of the last-minute cancellation fees to Respondent.

**Hearing Session Fees and Assessments**

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

Three (3) pre-hearing sessions with the Panel @ \$1,125.00/session = \$ 3,375.00  
Pre-Hearing Conferences: February 5, 2019 1 session  
June 8, 2021 1 session  
January 11, 2022 1 session

Decision on the papers: = \$ 300.00

---

Total Hearing Session Fees = \$ 3,675.00

The Panel has assessed \$1,837.50 of the hearing session fees jointly and severally to Claimants.

The Panel has assessed \$1,837.50 of the hearing session fees to Respondent.

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

**ARBITRATION PANEL**

Carl Henry Perdue	-	Public Arbitrator, Presiding Chairperson
Roy B. Gonas	-	Public Arbitrator
Robert Lawrence Ostrov	-	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.

**Concurring Arbitrators' Signatures**

***Carl Henry Perdue***

\_\_\_\_\_  
Carl Henry Perdue  
Public Arbitrator, Presiding Chairperson

**01/31/2022**

\_\_\_\_\_  
Signature Date

***Roy B. Gonas***

\_\_\_\_\_  
Roy B. Gonas  
Public Arbitrator

**01/31/2022**

\_\_\_\_\_  
Signature Date

***Robert Lawrence Ostrov***

\_\_\_\_\_  
Robert Lawrence Ostrov  
Public Arbitrator

**01/28/2022**

\_\_\_\_\_  
Signature Date

Awards are rendered by independent arbitrators who are chosen by the parties to issue final, binding decisions. FINRA makes available an arbitration forum—pursuant to rules approved by the SEC—but has no part in deciding the award.

February 01, 2022

\_\_\_\_\_  
Date of Service (For FINRA Dispute Resolution Services use only)

