

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Jason Hudson

Case Number: 20-03082

vs.

Respondent
Edward D. Jones & Co., LP

Hearing Site: Oklahoma City, Oklahoma

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: Associated Person vs. Member

REPRESENTATION OF PARTIES

For Claimant Jason Hudson (“Claimant”): Joelle A. Simms, Esq. and Donald R. Littlefield, Esq., Bressler, Amery & Ross, P.C., Dallas, Texas.

For Respondent Edward D. Jones & Co., LP aka Edward Jones (“Respondent”): Teresa J. Thong, Esq., Keesal, Young & Logan, Long Beach, California.

CASE INFORMATION

Statement of Claim filed on or about: September 9, 2020.
Claimant signed the Submission Agreement: September 9, 2020.

Statement of Answer filed on or about: October 15, 2020.
Respondent signed the Submission Agreement: September 29, 2020.

CASE SUMMARY

In the Statement of Claim, Claimant asserted a claim seeking expungement of customer dispute information from registration records maintained by the Central Registration Depository (“CRD”).

In the Statement of Answer, Respondent did not oppose Claimant’s request for expungement.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested expungement of Occurrence Number 2033255 and compensatory damages in the amount of \$1.00.

In the Statement of Answer, Respondent requested that Claimant's request for \$1.00 in compensatory damages and any other request for relief be denied.

At the hearing, Claimant withdrew the request for \$1.00 in damages.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrator acknowledges having read the pleadings and other materials filed by the parties.

On March 8, 2021, Claimant advised that the independent executor ("Executor") for the estate of the customer in Occurrence Number 2033255 was served with the Statement of Claim and notice of the date and time of the expungement hearing ("Notice").

On March 25, 2021, the Executor and a family representative submitted a written statement opposing Claimant's expungement request.

The Arbitrator conducted a recorded, telephonic hearing on April 1, 2021, so the parties could present oral argument and evidence on Claimant's request for expungement.

Respondent participated in the expungement hearing and, as stated in the Statement of Answer, did not oppose the request for expungement.

The Executor did not participate in the expungement hearing. The Arbitrator found that the Executor had notice of the expungement request and hearing.

The Arbitrator reviewed Claimant's BrokerCheck® Report. The Arbitrator noted that a prior arbitration panel or court did not previously rule on expungement of the same occurrence in the CRD.

The Arbitrator also reviewed the settlement documentation related to Occurrence Number 2033255, considered the amount of payment made to any party to the settlement, and considered other relevant terms and conditions of the settlement. The Arbitrator noted that the settlement was not conditioned on any party to the settlement not opposing the expungement request and that Claimant did not contribute to the settlement amount.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: Claimant's testimony and Exhibits 7, 9, 11, 13, 17, 19, 20, 22, and 23.

AWARD

After considering the pleadings, the testimony and evidence presented at the expungement hearing, and any post-hearing submissions, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

The Arbitrator recommends the expungement of all references to Occurrence Number 2033255 from registration records maintained by the CRD for Claimant Jason D. Hudson (CRD Number 6411443) with the understanding that, pursuant to Notice to Members 04-16, Claimant Jason D. Hudson 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 of Arbitration Procedure (“Code”), the Arbitrator has made the following Rule 2080 affirmative findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous; and

The claim, allegation, or information is false.

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

The Executor alleged that the customer “mistakenly” transferred funds as a result of undue influence by the customer’s stepdaughter and Claimant. Claimant testified, credibly, that he did not meet the customer’s stepdaughter before meeting the customer, he did not collaborate with the customer’s stepdaughter, and the customer was not disposed to be influenced in his financial decisions by anyone. Claimant produced Client Authorization Transfer forms signed by the customer, including one signed by the Executor and the customer. The customer’s stepdaughter stated in her Amended Answer in the underlying arbitration that she did not introduce Claimant to the customer, she had no involvement with the customer’s decisions at issue, and she did not assert influence over the customer.

The Executor restated the allegations against Claimant in his Amended Statement of Claim in the underlying arbitration, deleting all references to a prior friendship, solicitation, and collaboration. Further, the Executor and the customer’s daughter’s written statement opposing expungement said, in pertinent part, “At the time of the filing, the Executor was informed that the stepdaughter collaborated with [Claimant]; however, it is irrelevant in this case.” This abandonment of previously detailed allegations, coupled with documents regarding the transfers, undermine the claims described in Occurrence Number 2033255.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

FINRA Dispute Resolution Services 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(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

Late Pre-Hearing Cancellation Fees

Fees apply when a pre-hearing conference is cancelled within three business days of the scheduled conference:

January 5, 2021, cancellation requested by the parties = \$ 100.00

Total Late Pre-Hearing Cancellation Fees = \$ 100.00

The Arbitrator has assessed the total late pre-hearing cancellation fees to Claimant.

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, which 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: April 1, 2021 1 session

Total Hearing Session Fees = \$ 50.00

The Arbitrator has assessed the total hearing session fees to Claimant.

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

ARBITRATOR

Jeffrey R. Jury

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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

Jeffrey R. Jury

Jeffrey R. Jury
Sole Public Arbitrator

04/07/2021

Signature Date

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April 07, 2021

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