

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
William Francis Biddle

Case Number: 20-03285

vs.

Respondents
Edward Jones
Michael Goodwin

Hearing Site: Reno, Nevada

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. Customer and Member

REPRESENTATION OF PARTIES

For Claimant William Francis Biddle (“Claimant”): Damon L. Booth, Esq., MOBO LAW, LLP, Reno, Nevada.

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

Respondent Michael Goodwin (“Goodwin”) appeared pro se.

Hereinafter, Edward Jones and Goodwin will collectively be referred to as “Respondents.”

CASE INFORMATION

Statement of Claim filed on or about: October 19, 2020.
Claimant signed the Submission Agreement: September 30, 2020.

Statement of Answer filed by Edward Jones on or about: December 10, 2020.
Edward Jones signed the Submission Agreement: December 10, 2020.

Statement of Answer filed by Goodwin on or about: December 18, 2020.
Goodwin did not sign the Submission Agreement.

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, Edward Jones did not oppose Claimant’s expungement request.

In the Statement of Answer, Goodwin opposed the expungement request.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Expungement of Occurrence Number 2057004 from his CRD records pursuant to FINRA Rule 2080;
2. Nominal damages from Edward Jones;
3. Filing fees; and
4. Such other relief as the Panel deems appropriate and just.

In the Statement of Answer, Edward Jones requested a denial of any other request for relief.

In the Statement of Answer, Goodwin did not set forth any specific request for relief.

At the hearing, Claimant withdrew the request for nominal damages.

OTHER ISSUES CONSIDERED AND DECIDED

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

Goodwin did not file 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 Panel on all issues submitted. Goodwin is the customer in Occurrence Number 2057004.

The Panel conducted a recorded, telephonic hearing on April 8, 2021, so the parties could present oral argument and evidence on Claimant’s request for expungement.

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

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

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

The Panel noted that the dispute related to Occurrence Number 2057004 was not settled and, therefore, there was no settlement document to review.

In recommending expungement, the Panel relied upon the following documentary or other evidence: Claimant’s Statement of Claim with exhibits; Edward Jones’ Statement of Answer;

Claimant's BrokerCheck® Report; email from Goodwin dated April 7, 2020; and testimony provided by Claimant at the expungement hearing.

AWARD

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

1. The Panel recommends the expungement of all references to Occurrence Number 2057004 from registration records maintained by the CRD for Claimant William Francis Biddle (CRD Number 6527454) with the understanding that, pursuant to Notice to Members 04-16, Claimant William Francis Biddle 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.

The claim, allegation, or information is false.

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

Goodwin ("Customer") claimed that Claimant and Edward Jones misrepresented that a Prudential Annuity would provide him with guaranteed monthly income of \$2,121.00 when he reached the age of 66 for the remainder of his lifetime. He purchased the annuity in November 2018, when he was 62 years old. The Customer alleged that the annuity did not provide any guaranteed income.

The Customer's claims were clearly erroneous and false. The evidence shows that the annuity did provide for a guaranteed benefit under the Highest Daily Lifetime Income Benefit v.3.0 rider to the Customer's annuity contract. This feature of the annuity was described in the December 10, 2018 letter from Prudential to Claimant and Claimant discussed it with the Customer. Claimant showed the Customer that the annuity could generate such monthly income. Nonetheless, the Customer decided to terminate the annuity in December 2019 and withdrew \$377,666.35. The Customer incurred a surrender fee of \$10,519.35. Claimant had advised the Customer that there would be a surrender fee.

2. Any and all claims for relief not specifically addressed herein are denied.

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 = \$ 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, Edward Jones is assessed the following:

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

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 Panel, including a pre-hearing conference with the Panel, which lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) pre-hearing session with Panel @ \$1,125.00/session = \$ 1,125.00
Pre-Hearing Conference: February 22, 2021 1 session
One (1) hearing session on expungement request @ \$1,125.00/session = \$ 1,125.00
Hearing: April 8, 2021 1 session

Total Hearing Session Fees = \$ 2,250.00

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

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

ARBITRATION PANEL

David J. Romanski	-	Public Arbitrator, Presiding Chairperson
Arocles Aguilar	-	Public Arbitrator
Carlos Richard Mangum	-	Non-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

David J. Romanski

David J. Romanski
Public Arbitrator, Presiding Chairperson

04/27/2021

Signature Date

Arocles Aguilar

Arocles Aguilar
Public Arbitrator

04/27/2021

Signature Date

Carlos Richard Mangum

Carlos Richard Mangum
Non-Public Arbitrator

04/26/2021

Signature Date

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April 28, 2021

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