

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Jude E. Offiah

Case Number: 21-00449

vs.

Respondents
Tandem Securities, Inc. and
Woodbury Financial Services, Inc.

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. Members

REPRESENTATION OF PARTIES

For Claimant Jude E. Offiah (“Claimant”): Zachary T. Hayes-Macaluso, Esq., FA Expungement, LLC, Denver, Colorado.

For Respondent Tandem Securities, Inc. (“Tandem”): Kristopher Miller, President, Tandem Securities, Inc., Topeka, Kansas.

For Respondent Woodbury Financial Services, Inc. (“Woodbury”): Justin Sacca, Esq., Woodbury Financial Services, Inc., Jersey City, New Jersey.

CASE INFORMATION

Statement of Claim filed on or about: February 19, 2021.
Claimant signed the Submission Agreement: February 18, 2021.

Tandem did not file a Statement of Answer.
Tandem signed the Submission Agreement: October 12, 2021.

Statement of Answer filed by Woodbury on or about: April 21, 2021.
Woodbury signed the Submission Agreement: April 21, 2021.

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, Woodbury did not oppose Claimant's expungement request.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested expungement of Occurrence Numbers 1362157, 1366926, and 1978521.

In the Statement of Answer, Woodbury did not request any specific relief.

OTHER ISSUES CONSIDERED AND DECIDED

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

On October 7, 2021, Claimant advised that the customers in Occurrence Numbers 1362157, 1366926 ("Customer R.N."), and 1978521 (collectively, "Customers") were served with the Statement of Claim and notice of the date and time of the expungement hearing ("Notice"). Claimant also filed a copy of the USPS tracking information available online for the Notice.

On October 12, 2021, Claimant filed email correspondence from Tandem that it did not oppose the request for expungement.

The Arbitrator conducted a recorded, telephonic hearing on November 5, 2021, so the parties could present oral argument and evidence on Claimant's request for expungement.

Tandem participated in the expungement hearing and, as stated in its email correspondence, did not oppose the request for expungement.

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

The Customers did not participate in the expungement hearing. The Arbitrator found that the Customers 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 occurrences in the CRD.

The Arbitrator also reviewed a single settlement agreement related to Occurrence Numbers 1362157 and 1366926. Claimant submitted correspondence that he could only locate a single settlement agreement for both Occurrence Numbers, despite diligent efforts. Based on Claimant's testimony, Claimant's correspondence, and the evidence, the Arbitrator considered the amount of payment made to any party to the settlements and noted that Claimant did not contribute to the settlement amounts.

The Arbitrator noted that the dispute related to Occurrence Number 1978521 was not settled and, therefore, there was no settlement documentation to review.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: Claimant's testimony; Claimant's BrokerCheck® Report; settlement agreement

concerning Customer R.N.; account documents related to Occurrence Number 1978521; and the Notice.

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:

1. The Arbitrator recommends the expungement of all references to Occurrence Numbers 1362157, 1366926, and 1978521 from registration records maintained by the CRD for Claimant Jude E. Offiah (CRD Number 2231684) with the understanding that, pursuant to Notice to Members 04-16, Claimant Jude E. Offiah 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 finding of fact:

The claim, allegation, or information is false.

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

Occurrence Numbers 1362157 and 1366926:

With regard to the two, interrelated complaints of Customer R.N. the evidence demonstrated that she and her husband became clients of Claimant in 2005. At that time, Claimant discussed and recommended products that would benefit them and their business, a substance abuse rehabilitation facility, located in Oklahoma City. At that time, Mr. R.N. was the chief financial officer (CFO) and R.N. was the Executive Director. Most of Claimant's initial discussions were with Mr. R.N., including potential insurance coverage and goals as neither the Customers nor their business had insurance. Claimant recommended a "key person policy" and he and Mr. N. discussed and developed a suitable retirement savings plan and insurance. Customer R.N. was not present and did not directly participate in these initial discussions but she was aware of and understood these products when she and Mr. R.N. signed the appropriate paperwork, confirming they were consistent with the Customers' goals and objectives. The Customers were provided with all relevant disclosures and authorization forms, which they both reviewed, completed, and signed. They did not voice any disagreement or concerns about Claimant's recommendations. However, Mr. R.N. died on April 24, 2006 and Customer R.N. assumed the CFO position. She made withdrawals and transfers against Claimant's recommendations. In late 2006 and early 2007, she completed and signed various variable annuity surrender request forms in both her Executive Director and individual capacities, and provided Claimant with several signed written directives to transfer or liquidate these investments. Claimant was not made aware of any issue

concerning her satisfaction with the services rendered at this time. He subsequently learned that Customer R.N. had orally complained to Woodbury on July 18, 2007 and/or August 21, 2007 that Claimant forged signatures, completed unauthorized transfers, and made misrepresentations regarding the implementation of her financial planning objectives following the death of her husband. When Claimant learned of these accusations, he denied them and related that Customer R.N. was not being truthful, and had indicated that she wanted to make trouble to be able to withdraw funds without having to pay a penalty. The matters stemming from her phone calls were "settled" although Claimant did not participate or contribute. On January 30, 2008, Customer R.N. wrote to FINRA's Dallas District Office stating she had complained about Claimant "for things [she] believed had been done to [her]," and that she wished to withdraw the complaints she had made. The totality of the evidence demonstrated that Claimant fully explained and provided all appropriate information and documents to the Customers and, although she may primarily have been relying on Mr. R.N.'s judgment, she signed applications and other documents reflecting her understanding and agreement to the products recommended by Claimant. The evidence, including her "withdrawal" of her complaint(s), failed to support the allegations of misconduct she made against Claimant after her husband's death which, Claimant suggested, put her in a position she was not experienced to handle. Her allegations, including that her signature was forged on various documents and Claimant moved her accounts without her knowledge, are not supported by any credible evidence. Thus, this claim, allegation, or information is false and expungement is warranted.

Occurrence #1978521:

The Customers were long-term customers of Claimant. The evidence demonstrated that they were provided with all relevant disclosure materials indicating the type of product that was being recommended and any applicable fees, surrender periods and/or charges for those specific investment products. As reflected by their signatures, they signed and authorized the purchase of the investments and did not make any complaint about them for six (6) years although they had annual meetings with Claimant during that time. Claimant's recommendations were consistent with the Customers' retirement planning and savings objectives and their signatures on multiple account documents expressly acknowledge they had reviewed the relevant disclosure materials and were authorizing the purchase of the relevant investment product. Tandem's review of the Customers' complaint concluded that Claimant had followed all proper procedures, including providing the Customers with the requisite disclosure materials and obtaining the necessary authorization signatures prior to purchase. As a result, no action was taken. The allegation that Claimant "failed to disclose" the product type, surrender periods, and associated charges is not accurate, as it is contrary to the evidence. Thus, this claim, allegation, or information is false and expungement is warranted.

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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as parties, Tandem and Woodbury are each assessed the following:

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

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

One (1) pre-hearing session @ \$1,125.00/session = \$ 1,125.00
Pre-Hearing Conference: June 24, 2021 1 session

One (1) hearing session on expungement request @ \$1,125.00/session = \$ 1,125.00
Hearing: November 5, 2021 1 session

Total Hearing Session Fees = \$ 2,250.00

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

Lynne M. Gomez

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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

Lynne M. Gomez

Lynne M. Gomez
Sole Public Arbitrator

11/12/2021

Signature Date

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November 12, 2021

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