

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Lawrence Joseph Redell

Case Number: 21-00917

vs.

Respondent
Goldman, Sachs & Co. LLC

Hearing Site: Dallas, Texas

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 Lawrence Joseph Redell (“Claimant”): Jake Jacobsen, Esq. and Dochter Kennedy, Esq., AdvisorLaw, LLC, Westminster, Colorado.

For Respondent Goldman, Sachs & Co. LLC (“Respondent”): C. Evan Stewart, Esq., Cohen & Gresser LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: April 8, 2021.
Claimant signed the Submission Agreement: April 7, 2021.

Statement of Answer filed on or about: July 15, 2021.
Respondent signed the Submission Agreement: July 19, 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, Respondent denied any wrongdoing but took no position on Claimant’s expungement request.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested expungement of Occurrence Number 285464 and any and all other relief that the Arbitrator deems just and equitable.

In the Statement of Answer, Respondent requested that all forum fees and related costs to this proceeding be borne solely by the Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

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

On September 15, 2021, Claimant advised that the customer in Occurrence Number 285464 (“Customer”) was served with the Statement of Claim and notice of the date and time of the expungement hearing (“Notice”). On September 20, 2021, Claimant filed an Affidavit confirming that the Customer was served with the Notice. Claimant also filed a copy of the FedEx tracking information available online for the Notice. On October 6, 2021, Claimant advised that the Customer was served with a second notice of the date and time of the expungement hearing (2nd Notice”). On October 7, 2021, Claimant filed an Affidavit confirming that the Customer was served with the 2nd Notice.

The Arbitrator conducted a recorded, telephonic hearing on October 20, 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 Customer did not participate in the expungement hearing. The Arbitrator found that the Customer had notice of the expungement request and hearing.

The Claimant was unable to obtain his BrokerCheck® Report as he is no longer a financial advisor and no longer works for a FINRA registered broker. Claimant is an investment advisor, and he submitted an Investment Advisor Public Disclosure (“IAPD”) Report. The Arbitrator reviewed Claimant’s IAPD 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 was unable to review the settlement documentation related to Occurrence Number 285464. Based on Claimant’s testimony, the Arbitrator considered the amount of payment made to any party to the settlement and considered other relevant terms and conditions of the settlement. The Arbitrator accepted Claimant’s testimony 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; Statement of Claim and Statement of Answer; Claimant’s counsel’s representation of efforts to locate and serve the Customer; and Respondent’s counsel’s representation of Respondent’s efforts to locate a copy of the settlement agreement.

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 Number 285464 from registration records maintained by the CRD for Claimant Lawrence Joseph Redell (CRD Number 2785977) with the understanding that, pursuant to Notice to Members 04-16, Claimant Lawrence Joseph Redell 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:

Claimant testified that details, costs, and risks were explained to the Customer.

Given the Customer’s deep investment experience as a sophisticated investor, requiring mostly access to the Respondent’s research and timely reports of market conditions, and that the investments were not solicited, the investments were suitable. The allegations were false and erroneous. Claimant testified that the investments were consistent with Customer’s other investments.

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(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 = \$ 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:

Two (2) pre-hearing sessions @ \$1,125.00/session		= \$ 2,250.00
Pre-Hearing Conferences: August 3, 2021	1 session	
October 6, 2021	1 session	
One (1) hearing session on expungement request @ \$1,125.00/session		= \$ 1,125.00
Hearing: October 20, 2021	1 session	
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Total Hearing Session Fees		= \$ 3,375.00

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

Frances Johnson Wright

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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

Frances Johnson Wright

Frances Johnson Wright
Sole Public Arbitrator

10/29/2021

Signature Date

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October 29, 2021

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