

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Larry Richard Law

Case Number: 21-01895

vs.

Respondent
JRL Capital Corporation

Hearing Site: Los Angeles, California

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 Larry Richard Law (“Claimant”): Benjamin Winograd, Esq., HLBS Law, Westminster, Colorado.

For Respondent JRL Capital Corporation (“Respondent”): L.R. Law, JRL Capital Corporation, Irvine, California.

CASE INFORMATION

Statement of Claim filed on or about: July 26, 2021.
Claimant signed the Submission Agreement: July 26, 2021.

Statement of Answer filed by Respondent on or about: August 30, 2021.
Respondent signed the Submission Agreement: August 30, 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 supported Claimant’s expungement request in the Statement of Claim.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Expungement of Occurrence Numbers 1504406 and 1553171 from his CRD records pursuant to FINRA Rule 2080(b)(1)(A), as the claim, allegation, or information is factually impossible or clearly erroneous;
2. Expungement of Occurrence Numbers 1504406 and 1553171 from his CRD records pursuant to FINRA Rule 2080(b)(1)(C), as the claim, allegation, or information is false;
3. Deletion of all Disclosure Reporting Pages accompanying Occurrence Numbers 1504406 and 1553171; and
4. Any and all other relief that the Arbitrator deems just and equitable.

In the Statement of Answer, Respondent did not set forth a specific relief request.

OTHER ISSUES CONSIDERED AND DECIDED

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

Respondent 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, appeared, and testified at the hearing,) is bound by the determination of the Arbitrator on all issues submitted.

On August 31, 2021, the parties agreed to proceed with a single arbitrator on this matter.

On January 3, 2022, Claimant filed the death record from Lexis Nexis database reflecting that one of the customers in Occurrence Number 1504406 (“Mr. L”) is deceased and therefore Claimant was unable to serve the Statement of Claim and notice of date and time of the expungement hearing. On that same day, Claimant advised that the customers in Occurrence Numbers 1504406 (“Ms. L”) and 1553171 (“Mr. D”) were served with the Statement of Claim and notice of the date and time of the expungement hearing. On January 10, 2022, Claimant filed an Affidavit confirming that Ms. L and Mr. D were served with the Statement of Claim and notice of the date and time of the expungement hearing.

Hereinafter, Mr. L, Ms. L and Mr. D are collectively referred to as the “Customers”.

The Arbitrator conducted a recorded, telephonic hearing on February 3, 2022, 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.

Ms. L and Mr. D did not participate in the expungement hearing. The Arbitrator found that Ms. L and Mr. D 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 the settlement documentation related to Occurrence Numbers 1504406 and 1553171, considered the amount of payment made to any party to the settlements, and considered other relevant terms and conditions of the settlements. The

Arbitrator noted that the settlements were not conditioned on any party to the settlements not opposing the expungement request and that Claimant did not contribute to the settlement amounts.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: the pleadings; Claimant's exhibits 1-16; Claimant's BrokerCheck® Report; the Customers' representations made in order to open their accounts and apply and qualify for the purchase of the MKA Fund; the settlement documentation; and Claimant's testimony.

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 1504406 and 1553171 from registration records maintained by the CRD for Claimant Larry Richard Law (CRD Number 1273118) with the understanding that, pursuant to Notice to Members 04-16, Claimant Larry Richard Law 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:

After carefully considering the pleadings, Claimant's exhibits 1-16, including Claimant's BrokerCheck® Report, the settlement agreements and the documentation for the purchase of the MKA Real Estate Qualified Fund I, LLC ("MKA Fund") completed by the Customers, it is clear that the Customers were qualified to purchase the MKA Fund and agreed in writing that they understood and accepted the risks involved. Claimant provided sworn credible testimony which made it clear that (1) Claimant did not meet or have any direct dealings with the Customers and (2) that the Customers completed and satisfied all of the requirements and documentation in order to purchase the MKA Fund. The Customers were satisfied with the MKA Fund until real estate investments declined in value. Allegations that Claimant failed to supervise the sales representatives, that the investment was unsuitable or involved fraud, are clearly false. Accordingly, pursuant to Rule 2080(b)(1)(C), the Arbitrator recommends expungement of Occurrence Numbers 1504406 and 1553171.

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	=\$ 1,600.00
--------------------------	--------------

**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	=\$ 2,000.00
Member Process Fee	=\$ 3,850.00

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 with a single Arbitrator @ \$1,150.00/session	=\$ 1,150.00
Pre-Hearing Conference: November 23, 2021 1 session	

One (1) hearing session on expungement request @ \$1,150.00/session	=\$ 1,150.00
Hearing: February 3, 2022 1 session	

Total Hearing Session Fees	=\$ 2,300.00
----------------------------	--------------

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

Robert D. Sussin

-

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

Robert D. Sussin

Robert D. Sussin
Sole Public Arbitrator

03/01/2022

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.

March 02, 2022

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