

**Award**  
**FINRA Dispute Resolution Services**

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In the Matter of the Arbitration Between:

Claimant  
James Collins

Case Number: 19-00822

vs.

Respondents  
Triad Advisors LLC  
Stephen DeCesare

Hearing Site: Philadelphia, Pennsylvania

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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: Customer vs. Member and Associated Person

This case was decided by an all-public panel.

The evidentiary hearing was conducted by videoconference.

**REPRESENTATION OF PARTIES**

For Claimant James Collins: Adam M. Green, Esq., Green & Schafle, LLC, Philadelphia, Pennsylvania\*.

For Respondent Triad Advisors LLC: James A. McGovern, Esq., Marshall, Dennehey, Warner, Coleman & Goggin, P.C., Pittsburgh, Pennsylvania.

For Respondent Stephen DeCesare: Brian A. Carlis, Esq., Stark & Stark, Princeton, New Jersey.

\*FINRA recorded the appearance of Claimant's counsel at the time of filing of the Statement of Claim. Counsel's representation of Claimant may have ended with the parties' settlement. Please see the Other Issues Considered and Decided section of this Award for information on whether Claimant's counsel appeared at the expungement hearing.

**CASE INFORMATION**

Statement of Claim filed on or about: March 27, 2019.

James Collins signed the Submission Agreement: March 27, 2019.

Statement of Answer filed by Respondent Triad Advisors LLC on or about: June 6, 2019.

Triad Advisors LLC signed the Submission Agreement: June 5, 2019.

Statement of Answer filed by Respondent Stephen DeCesare on or about: May 31, 2019.  
Stephen DeCesare signed the Submission Agreement: May 7, 2019.

### **CASE SUMMARY**

In the Statement of Claim, Claimant asserted the following causes of action: common law fraud, violations of the securities laws and regulations of the State of New Jersey, breach of contract, breach of fiduciary duty, negligence, and respondeat superior. The causes of action relate to a promissory note.

Unless specifically admitted in the Statement of Answer, Respondent Triad Advisors LLC denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

Unless specifically admitted in the Statement of Answer, Respondent Stephen DeCesare denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

In the Statement of Claim, Claimant requested compensatory damages in excess of \$250,000.00, attorneys' fees, interest, and costs.

In the Statement of Answer, Respondent Triad Advisors LLC requested that Claimant's claims be denied.

In the Statement of Answer, Respondent Stephen DeCesare requested an award dismissing the Statement of Claim with prejudice, costs and expenses, including attorneys' fees, and such further relief as deemed just and proper.

### **OTHER ISSUES CONSIDERED AND DECIDED**

The Arbitrators acknowledge that they have each read the pleadings and other materials filed by the parties.

On February 1, 2021, Claimant filed a notice of settlement. Therefore, the Panel made no determination with respect to any of the relief requests contained in the Statement of Claim.

On February 12, 2021, Respondent Stephen DeCesare filed a Motion for Expungement, to which no response was filed.

The Panel conducted a recorded hearing by videoconference on June 30, 2021, so the parties could present oral argument and evidence on Stephen DeCesare's request for expungement.

Claimant and counsel did not participate in the expungement hearing and did not oppose the expungement request.

Triad Advisors LLC also did not participate in the expungement hearing and did not oppose the expungement request.

The Panel reviewed Stephen DeCesare BrokerCheck® Report. The Panel noted that a prior arbitration panel or court has not previously ruled on expungement of the same occurrence in the CRD.

The Panel also reviewed the settlement documentation, considered the amount of payment made to any party to the settlement, and considered other relevant terms and conditions of the settlement. The Panel noted that the settlement was not conditioned on any party to the settlement not opposing the request for expungement. The Panel noted that although Respondent Stephen DeCesare contributed the settlement amount, he testified that it was solely for business considerations and to avoid the continued costs of defending against the Statement of Claim. The Panel found Respondent Stephen DeCesare's explanation for paying the settlement amount to be reasonable and credible, and therefore found that expungement is still appropriate.

In recommending expungement, the Panel relied upon the following documentary or other evidence: the pleadings; Motion for Expungement; Respondent Stephen DeCesare's testimony; Respondent Stephen DeCesare's BrokerCheck® Report; the Settlement Agreement; and other exhibits.

The Award in this matter may be executed in counterpart copies.

### **AWARD**

After considering the pleadings, the testimony and evidence presented at the hearing, 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 the above-captioned arbitration (Occurrence Number 2029573) from registration records maintained by the CRD for Respondent Stephen DeCesare (CRD Number 2738353) with the understanding that, pursuant to Notice to Members 04-16, Respondent Stephen DeCesare 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 12805 of the Code of Arbitration Procedure ("Code"), the Panel has made the following Rule 2080 affirmative findings of fact:

The registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds; and the claim, allegation, or information is false.

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

In the Statement of Claim, Claimant states that Respondent Stephen DeCesare ("DeCesare") induced him to do business with Mr. F, owner of LTG Ltd., that DeCesare reviewed the financial statements of LTG, Ltd., and that on the basis of his review,

DeCesare recommended that Claimant make loans to LTG, Ltd., including a \$250,000 loan that LTG, Ltd. did not repay to Claimant. In his testimony, DeCesare admits only that he introduced Claimant to Mr. F. DeCesare's defense to the claim is that he played no role whatsoever in any business or loan transactions between or among Mr. F and LTG, Ltd., that several years elapsed between DeCesare's initial introduction of Claimant to Mr. F and Claimant's loan of \$250,000 to LTG, Ltd., and that at no time did Claimant inform DeCesare of any loan or other business transactions between Claimant and Mr. F.

The testimony and evidence presented at the expungement hearing support's DeCesare's defense. DeCesare testified that he did not become aware that Mr. F was engaged in fraudulent activity until learning of his arrest on federal criminal charges.

Although, Claimant was given the opportunity to do so, he did not participate in the expungement hearing, nor did he offer any evidence to refute DeCesare's testimony or the documents DeCesare entered into evidence.

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

### **FEES**

Pursuant to the Code of Arbitration Procedure ("Code"), the following fees are assessed:

#### **Filing Fees**

FINRA Dispute Resolution Services assessed a filing fee\* for each claim:

Initial Claim Filing Fee = \$ 1,425.00

*\*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, Respondent Triad Advisors LLC 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 Arbitrators, including a pre-hearing conference with the Arbitrators, which lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) pre-hearing sessions with the Panel @ \$1,125.00/session = \$ 2,250.00  
Pre-Hearing Conferences: July 23, 2019 1 session  
May 6, 2021 1 session  
  
One (1) hearing session on expungement request @ \$1,125.00/session = \$ 1,125.00  
Hearing: June 30, 2021 1 session

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Total Hearing Session Fees =\$ 3,375.00

The Panel has assessed \$562.50 of the hearing session fees to Claimant.

The Panel has assessed \$562.50 of the hearing session fees jointly and severally to Respondents.

The Panel has assessed \$2,250.00 of the hearing session fees to Respondent Stephen DeCesare, which includes the fees for the June 30, 2021 expungement hearing.

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

**ARBITRATION PANEL**

Julie K. Chapin	-	Public Arbitrator, Presiding Chairperson
Mary S. Wyattte	-	Public Arbitrator
Anne O'Connell Umbrecht	-	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**

***Julie K. Chapin***

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Julie K. Chapin  
Public Arbitrator, Presiding Chairperson

**07/08/2021**

\_\_\_\_\_  
Signature Date

***Mary S. Wyattte***

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Mary S. Wyattte  
Public Arbitrator

**07/08/2021**

\_\_\_\_\_  
Signature Date

***Anne O'Connell Umbrecht***

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Anne O'Connell Umbrecht  
Public Arbitrator

**07/09/2021**

\_\_\_\_\_  
Signature Date

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July 12, 2021

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