

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant

Troy Nicholas Tremblay

Case Number: 20-02990

vs.

Respondent

Centaurus Financial, Inc.

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

The evidentiary hearing was conducted by videoconference.

REPRESENTATION OF PARTIES

For Claimant Troy Nicholas Tremblay (“Claimant”): Bentley P. Stansbury, III, Esq., Keesal, Young & Logan, Long Beach, California.

For Respondent Centaurus Financial, Inc. (“Respondent”): Michael West, Esq., Centaurus Financial, Inc., Anaheim, California.

CASE INFORMATION

Statement of Claim filed on or about: August 28, 2020.

Claimant signed the Submission Agreement: August 27, 2020.

Statement of Answer filed by Respondent on or about: September 22, 2020.

Respondent signed the Submission Agreement: September 24, 2020.

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 did not oppose Claimant’s expungement request.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Expungement of Occurrence Number 1958157 from his CRD records; and
2. Compensatory damages in the amount of \$1.00 from Respondent.

In the Statement of Answer, Respondent requested:

1. Denial of \$1.00 in compensatory damages; and
2. Assessment of all forum fees against Claimant.

At the hearing, Claimant withdrew the request for \$1.00 in damages.

OTHER ISSUES CONSIDERED AND DECIDED

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

On January 6, 2021, Claimant advised that the customers in Occurrence Number 1958157 (“Customers”) were served with the Statement of Claim and notice of the date and time of the expungement hearing. On January 19, 2021, Claimant filed proof of service confirming that the Customers were served with the Statement of Claim and notice of the date and time of the expungement hearing.

The Arbitrator conducted a recorded hearing by videoconference on February 24, 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 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 occurrence in the CRD.

The Arbitrator also reviewed the settlement documentation related to Occurrence Number 1958157, considered the amount of payment made to any party to the settlement, and considered other relevant terms and conditions of the settlement. The Arbitrator noted 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 at the expungement hearing, the Statement of Claim, and additional exhibits provided for the expungement hearing.

AWARD

After considering the pleadings, the testimony and evidence presented at the expungement hearing, the Arbitrator has decided in full and final resolution of the issues submitted for

determination as follows:

The Arbitrator recommends the expungement of all references to Occurrence Number 1958157 from registration records maintained by the CRD for Claimant Troy Nicholas Tremblay (CRD Number 4625407) with the understanding that, pursuant to Notice to Members 04-16, Claimant Troy Nicholas Tremblay 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 factually impossible or clearly erroneous.

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

The Customers purchased Vertical Capital US Recovery Fund ("Vertical") on June 25, 2009. The investment performed as represented in the private place memorandum until 2015 when the operators of Vertical engaged in a fraudulent scheme, which resulted in an Order Instituting Administrative and Cease-and-Desist Proceedings by the Securities and Exchange Commission. The Customers had no complaints until they filed an arbitration with FINRA in 2017. From the pleadings, Claimant's sworn testimony and the documentary evidence presented at the hearing, it is clear that it was impossible for Claimant to have known in 2009 that the operators of Vertical would engage in a fraudulent scheme in 2015.

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	= \$	50.00
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**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	= \$	150.00
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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 @ \$50.00/session	= \$	50.00
Pre-Hearing Conference: December 17, 2020	1 session	
One (1) hearing session on expungement request @ \$50.00/session	= \$	50.00
Hearing: February 24, 2021	1 session	
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Total Hearing Session Fees	= \$	100.00

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

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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

Robert D. Sussin

Robert D. Sussin
Sole Public Arbitrator

03/05/2021

Signature Date

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March 05, 2021

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