

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Calvin Todd Halterman

Case Number: 20-03122

vs.

Respondents
Centaurus Financial, Inc.
LPL Financial LLC

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. Members

REPRESENTATION OF PARTIES

For Claimant Calvin Todd Halterman (“Claimant”): Tyson W. Kovash, Esq., The Law Offices of Tyson W. Kovash, Huntington Beach, California.

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

For Respondent LPL Financial LLC (“LPL Financial”): Kelsey Vasko, Esq., LPL Financial LLC, San Diego, California.

Hereinafter Centaurus and LPL Financial will collectively be referred to as “Respondents”.

CASE INFORMATION

Statement of Claim filed on or about: September 10, 2020.
Claimant signed the Submission Agreement: September 10, 2020.

Statement of Answer filed by Centaurus on or about: September 24, 2020.
Centaurus signed the Submission Agreement: September 24, 2020.

Statement of Answer filed by LPL Financial on or about: November 4, 2020.
LPL Financial signed the Submission Agreement: November 3, 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 Statements of Answer, Respondents did not oppose Claimant's expungement request.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Expungement of Occurrence Number 1619877 from Claimant's CRD records, including, without limitation, his Forms U-4 and U-5, pursuant to FINRA Rule 2080(b)(1)(A), as the claim, allegation, or information is factually impossible or clearly erroneous;
2. Expungement of Occurrence Number 1619877 from Claimant's CRD records, including, without limitation, his Forms U-4 and U-5, pursuant to FINRA Rule 2080(b)(1)(C), as the claim, allegation, or information false; and
3. Compensatory damages in the amount of \$1.00 from Respondent.

In the Statement of Answer, Centaurus requested:

1. Compensatory damages in the amount of \$1.00 be denied; and
2. All forum fees be assessed against Claimant.

In the Statement of Answer, LPL Financial objected to monetary damages.

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 April 15, 2021, Claimant advised that the customer in Occurrence Number 1619877 ("Customer") was served with the Statement of Claim and notice of the date and time of the expungement hearing. On April 16, 2021, Claimant filed an Affidavit confirming that the Customer was served with the Statement of Claim and notice of the date and time of the expungement hearing.

The Arbitrator conducted a recorded, telephonic hearing on May 12, 2021, so the parties could present oral argument and evidence on Claimant's request for expungement.

Respondents 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 Customer submitted a declaration in support of Claimant's request for expungement. The Arbitrator found that the Customer 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 1619877, 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: pleadings; Claimant's testimony; Customer's declaration; Claimant's BrokerCheck® Report; and 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 1619877 from registration records maintained by the CRD for Claimant Calvin Todd Halterman (CRD Number 3147472) with the understanding that, pursuant to Notice to Members 04-16, Claimant Calvin Todd Halterman 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:

The Customer did not name Claimant in his Statement of Claim. Testimony by Claimant and the Customer's declaration confirm that the investments in question were (a) fully explained to the Customer and (b) not unsuitable investments. Losses incurred on the investments were caused by the 2008-09 market decline. Claimant was neither a party to the Statement of Claim or aware of the claim until it was settled and did not contribute to the settlement.

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 = \$ 50.00

**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 firms that employed the associated person at the time of the events giving rise to the dispute. Accordingly, as parties, Respondents are each assessed the following:

Member Surcharge = \$ 150.00

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 @ \$50.00/session = \$ 50.00
Pre-Hearing Conference: January 8, 2021 1 session

One (1) hearing session on expungement request @ \$50.00/session = \$ 50.00
Hearing: May 12, 2021 1 session

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

Benjamin F. Breslauer

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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

Benjamin F. Breslauer

Benjamin F. Breslauer
Sole Public Arbitrator

05/26/2021

Signature Date

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May 27, 2021

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