

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant
Timothy Neil Tremblay

Case Number: 20-03123

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

REPRESENTATION OF PARTIES

For Claimant Timothy Neil Tremblay (“Claimant”): Tyson W. Kovash, Esq., The Law Offices of Tyson W. Kovash, Huntington 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: September 10, 2020.
Amended Statement of Claim filed on or about: January 8, 2021.
Claimant signed the Submission Agreement: September 10, 2020.

Statement of Answer filed on or about: September 23, 2020.
Answer to the Amended Statement of Claim filed on or about: January 15, 2021.
Respondent signed the Submission Agreement: September 24, 2020.

CASE SUMMARY

In the Statement of Claim and Amended 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 and Answer to the Amended Statement of Claim, Respondent did not oppose Claimant’s expungement request.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Expungement of Occurrence Numbers 1804906, 1647671, and 1649934, from Claimant's registration/regulatory records, including, without limitation, from his Forms U-4 and U-5 pursuant to FINRA Rule 2080 and Notice to Members 04-16; and
2. Compensatory damages in the amount of \$1.00 from Respondent.

In the Amended Statement of Claim, Claimant added an additional occurrence number, Occurrence Number 2077697, to be expunged from Claimant's registration/regulatory records.

In the Statement of Answer and Answer to the Amended Statement of Claim, Respondent requested:

1. Compensatory damages in the amount of \$1.00 be denied; and
2. All forum fees be assessed 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 May 14, 2021, Claimant advised that the customers in Occurrence Numbers 1804906, 1647671, 1649934, and 2077697 ("Customers") were 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 June 3, 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. 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 occurrences in the CRD.

The Arbitrator also reviewed the settlement documentation related to Occurrence Numbers 1647671, 1649934, 1804906, and 2077697, 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 contributed to the settlement amounts in Occurrence Numbers 1647671 and 1649934, and did not contribute to the settlement amounts in Occurrence Numbers 1804906 and 2077697.

In recommending expungement, the Arbitrator relied upon the following documentary or other evidence: pleadings; exhibits; Claimant's BrokerCheck® Report; 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. Claimant's (CRD Number 1201542) request for expungement of Occurrence Numbers 1647671 and 1649934 from his registration records maintained by the CRD is denied.
2. The Arbitrator recommends the expungement of all references to Occurrence Numbers 1804906 and 2077697 from registration records maintained by the CRD for Claimant Timothy Neil Tremblay (CRD Number 1201542) with the understanding that, pursuant to Notice to Members 04-16, Claimant Timothy Neil 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 findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous.

The claim, allegation, or information is false.

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

Occurrence No. 1804906

The evidence indicates this claim is factually impossible. The complaint on Claimant's BrokerCheck® Report alleges lack of suitability and misrepresentation. Claimant never met, spoke or had personal contact with the customer. He was named solely based on his role as a branch manager, for which he carried out all of his duties appropriately – there is no claim for improper supervision. The customer purchased the subject investment through their registered representative at the time. Although the case was settled, Claimant only signed the settlement as he was a named party.

Occurrence No. 2077697

The evidence indicates this claim is false. The complaint on Claimant's BrokerCheck® Report alleges misrepresentation and lack of suitability. The subject investments were three real estate related investments of \$7,500 each, which were suitable as (1) an appropriate small portion of the portfolio (of the assets invested in 2013 each about 3.5% of the total invested assets) and (2) for an investor whose stated objective was a conservative as they made periodic payments and as real-estate investments were not subject to the swings of the stock market. As to the misrepresentation of the liquidity of the real estate investments, this is also false as the customer signed and/or initialed

specific representation that she understood the options to liquidate the investments. The matter was settled without participation or affirmation by the Claimant.

3. 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 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

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: February 17, 2021 1 session

One (1) hearing session on expungement request @ \$50.00/session = \$ 50.00
Hearing: June 3, 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

Andrew M. Mintzer

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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

Andrew M. Mintzer

Andrew M. Mintzer
Sole Public Arbitrator

06/15/2021

Signature Date

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June 16, 2021

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