

Award
FINRA Office of Dispute Resolution

In the Matter of the Arbitration Between:

Claimant

██████████

Case Number: ██████████

vs.

Respondents

Centaurus Financial, Inc.
First Allied Securities, Inc.

Hearing Site: Los Angeles, California

Nature of the Dispute: Associated Person vs. Members

REPRESENTATION OF PARTIES

For Claimant ██████████ (“Claimant”): Owen Harnett, Esq., AdvisorLaw LLC,
Broomfield, Colorado.

For Respondent Centaurus Financial, Inc. (“Centaurus”): Paul King, Esq., Centaurus
Financial, Inc., Anaheim, California.

For Respondent First Allied Securities, Inc. (“First Allied”): Jeremy Wooden, Esq.,
Senior Counsel, Cetera Financial Group, El Segundo, California.

Hereinafter Centaurus and First Allied are collectively referred to as “Respondents.”

CASE INFORMATION

Statement of Claim filed on or about: September 28, 2017.

Claimant signed the Submission Agreement: September 28, 2017.

Statement of Answer filed by First Allied on or about: November 20, 2017.

First Allied signed the Submission Agreement: November 15, 2017.

Statement of Answer filed by Centaurus on or about: November 20, 2017.

Answer to Amended Statement of Claim filed by Centaurus on or about: April 11, 2018.

Centaurus signed the Submission Agreement: November 28, 2017.

CASE SUMMARY

Claimant asserted a claim seeking expungement of a FINRA customer arbitration case, occurrence number [REDACTED] ("Underlying Arbitration") from his Central Registration Depository ("CRD") record.

In its Statement of Answer, Centaurus advised that it does not oppose Claimant's request for expungement.

In its Statement of Answer, First Allied denied the allegations made in the Statement of Claim and advised that First Allied would defer to the Arbitrator's findings in this matter with respect to Claimant's request for expungement.

In Claimant's Amended Statement of Claim, Claimant provided additional factual background.

In its Answer to Amended Statement of Claim, Centaurus advised that it does not oppose Claimant's request for expungement.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Expungement of the Underlying Arbitration from his CRD record pursuant to FINRA Rule 2080(b)(1)(A), as the claims, allegations, or information are factually impossible or clearly erroneous;
2. Expungement of the Underlying Arbitration from his CRD record pursuant to FINRA Rule 2080(b)(1)(C), as the claims, allegations, or information are false;
3. Compensatory damages in the amount of \$1.00 from Respondents; and
4. Any and all other relief that the Arbitrator deems just and equitable.

In the Statement of Answer, First Allied requested:

1. A statement from the Arbitrator on expungement of the Underlying Arbitration from Claimant's CRD record in the form required by FINRA Rule 2080;
2. Denial of all other requests for relief; and
3. All forum costs be assessed to Claimant.

Centaurus did not set forth specific relief requests in its Statements of Answer.

In the Amended Statement of Claim, Claimant requested the same relief request set forth in the Statement of Claim.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrator acknowledges that he has read the pleadings and other materials filed by the parties.

On February 16, 2018, Claimant provided notice that the Statement of Claim and notice of the expungement hearing set for March 20, 2018 was served on the customer in the Underlying Arbitration ("Customer").

On February 23, 2018, Claimant filed an Affidavit of Service signed by Claimant's counsel advising that the Customer was served with a copy of the Statement of Claim.

On March 20, 2018, at the initial telephonic expungement hearing, Claimant requested postponement of the expungement hearing and leave to amend the Statement of Claim. By order of the same date, the Arbitrator granted the request for postponement and leave to amend the Statement of Claim. The Arbitrator also ordered Claimant to file the Amended Statement of Claim; copies of all settlement agreements from the Underlying Arbitration; and proof of service of notice of the new hearing date for the expungement hearing to the Customer and their right to attend by April 6, 2018.

On March 22, 2018, Claimant filed his Amended Statement of Claim. On the same date, Claimant provided notice that notice of the expungement hearing set for May 23, 2018 was served on the Customer.

On March 28, 2018, Claimant filed an Affidavit of Service signed by Claimant's counsel advising that the Customer was served with notice of the expungement hearing.

The Arbitrator conducted a recorded telephonic hearing on May 23, 2018 so the parties could present oral argument and evidence on Claimant's request for expungement.

Respondents participated in the expungement hearing and did not contest the request for expungement. The Customer did not participate in the expungement hearing. The Arbitrator found that the Customer had notice of the expungement hearing and were advised that she could participate.

The Arbitrator reviewed the BrokerCheck® Report for Claimant. The Arbitrator also reviewed the settlement agreements in the Underlying Arbitration, one between the Customer and Centaurus and the other between the Customer and First Allied, hereinafter referred to as the "Settlement Agreements." The Arbitrator considered the amount of payments made to any party, and considered other relevant terms and conditions of the settlement. The Arbitrator noted that the settlements were not conditioned on the Customer not opposing the request for expungement. The Arbitrator also noted that Claimant did not contribute to the settlement amounts.

The Arbitrator noted that Claimant did not previously file a claim requesting expungement of the same disclosure in the CRD.

In recommending expungement the Arbitrator relied upon the following documentary or other evidence: Claimant's Amended Statement of Claim; Claimant's BrokerCheck® Report; the documents submitted and all expungement hearing testimony; the Settlement Agreements; Claimant's testimony; Affidavit of Service of Notice of Service of Expungement hearing on the Customer; testimony from Respondents' attorneys' that they did not contest the expungement request.

The parties present at the hearing have agreed that a handwritten, signed Award may be entered.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, 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 the Underlying Arbitration, occurrence number [REDACTED], from registration records maintained by the CRD, for Claimant [REDACTED] (CRD# [REDACTED]), with the understanding that, pursuant to Notice to Members 04-16, Claimant [REDACTED] 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; and the claim, allegation, or information is false.

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

The investments at issue in the Underlying Arbitration were suitable. The Customer held the subject accounts for a long time and the allegations of unsuitability did not arise until the market took a down turn.

The Underlying Arbitration settled and Claimant did not contribute to the settlement. Claimant has a long work history that is clear of any other complaints and Respondents' attorneys did not oppose the expungement.

2. Claimant's request for \$1.00 in damages against Respondents is denied.
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 Office of Dispute Resolution 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, Centaurus is assessed the following:

Member Surcharge	= \$ 150.00
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Accordingly, as a party, First Allied is assessed the following:

Member Surcharge	= \$ 150.00
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Postponement Fees

Postponements granted during these proceedings for which fees were assessed or waived:

March 20, 2018, postponement by Claimant	= \$50.00
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Total Postponements Fees	= \$50.00
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The Arbitrator has assessed \$50.00 of the postponement fees to Claimant.

Last Minute Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within ten calendar days before the start of a scheduled hearing session:

March 20, 2018, postponement requested by Claimant	= \$600.00
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Total Last Minute Cancellation Fees	= \$600.00
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The Arbitrator has assessed \$600.00 of the last minute cancellation fees to Claimant.

Discovery-Related Motion Fee

Fees apply for each decision rendered on a discovery-related motion.

One (1) decision on a discovery-related motion on the papers with one (1) arbitrator @ \$200.00/decision	= \$200.00
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Total Discovery-Related Motion Fees	= \$200.00
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The Arbitrator has assessed \$200.00 of the discovery-related motion fees to Claimant.

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(s), including a pre-hearing conference with the arbitrator(s), that 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
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Pre-hearing conference:	January 22, 2018	1 session	
One (1) hearing session on expungement request @		\$50.00/session	=\$50.00
Hearing Date:	May 23, 2018	1 session	
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Total Hearing Session Fees			=\$100.00

The Arbitrator has assessed \$100.00 of the hearing session fees to Claimant.

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

ARBITRATOR

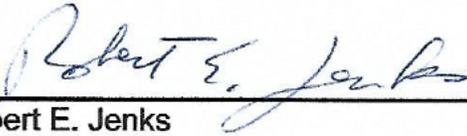
Robert E. Jenks

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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 E. Jenks
Sole Public Arbitrator

5/30/18

Signature Date

May 30, 2018

Date of Service (For FINRA Office of Dispute Resolution office use only)