

Award
FINRA Dispute Resolution

In the Matter of the Arbitration Between:

Claimant
Kenneth Robins individually and as
1746-1750 1/2 North Kingsley Drive, LLC's
sole member

Case Number: 13-01621

vs.

Respondents
Centaurus Financial, Inc.
Fera Shivaee

Hearing Site: Los Angeles, California

Nature of the Dispute: Customer vs. Member and Associated Person

This case was decided by a majority-public panel.

REPRESENTATION OF PARTIES

For Claimant Kenneth Robins individually and as 1746-1750 1/2 North Kingsley Drive, LLC's sole member ("Claimant"): Robert L. Gonser, Esq., Hunsucker Goodstein PC, Lafayette, California.

For Respondents Centaurus Financial, Inc. and Fera Shivaee, hereinafter collectively referred to as "Respondents": Kasumi L. Takahashi, Esq., and G. Thomas Fleming III, Esq., Jones Bell Abbott Fleming & Fitzgerald, LLP, Los Angeles, California.

CASE INFORMATION

Statement of Claim filed on or about: May 30, 2013.

Statement of Answer filed by Respondents on or about: August 20, 2013.

Amended Statement of Claim filed on or about: September 11, 2013.

Statement of Answer to Amended Statement of Claim filed by Respondents on or about: October 1, 2013.

Claimant signed the Submission Agreement: May 27, 2013.

Centaurus Financial, Inc. signed the Submission Agreement: October 9, 2013.

Fera Shivaee did not sign the Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: unsuitability, breach of fiduciary duty of loyalty, negligence, failure to do due diligence, negligent misrepresentation, breach of contract, material omissions and misrepresentations in connection with the sale of securities, fraud based on concealment, failure to supervise/negligent supervision, and violations of FINRA rules and regulations regarding the sale of securities. The causes of action relate to three Tenant in Common ("TIC") investments in NNN River Exchange, NNN Plantations and CORE Minneapolis.

In the Amended Statement of Claim, Claimant advised he was filing an amendment solely for the purpose of removing any reference to damages related to certain Real Estate Investment Trusts Claimant held with his partner.

Unless specifically admitted in their Answers, Respondents denied the allegations made in the Statements of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statements of Claim, Claimant requested:

1. Compensatory damages, or in the alternative, rescissory damages in an amount to be proven at hearing but estimated to exceed \$1,455,025.00;
2. Compensatory damages in the amount of \$44,000.00 representing capital calls in connection with CORE Minneapolis;
3. Interest at the statutory rate of 10% per year;
4. All tax liabilities incurred by Claimant associated with the performance of the TIC investments at issue;
5. All management fees and/or commissions paid in connection with Claimant's account;
6. Claimant's costs of suit;
7. Punitive and/or exemplary damages at the discretion of the Panel;
8. Lost opportunity damages; and
9. Attorneys' fees, costs and additional damages as deemed appropriate and as allowed by law.

In their Statements of Answer, Respondents requested the Panel:

1. Dismiss Claimant's claims;
2. Assess all forum fees in this proceeding against Claimant;
3. Expunge this matter from the Central Registration Depository record of Respondent Fera Shivaee based on the finding of the Panel that Claimant's claims and allegations against her are false; and
4. Award such other and further relief as may be appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

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

Respondent Fera Shivaee did not file with FINRA Dispute Resolution a properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code of Arbitration Procedure (the "Code"), and having answered the claim, appeared and testified at the expungement hearing, is bound by the determination of the Panel on all issues submitted.

On March 19, 2015, Claimant advised FINRA Dispute Resolution that the case had settled. Respondents requested the matter remain open to hear Respondent Fera Shivaee's request for expungement.

On April 10, 2015, Respondents filed a motion for expungement on behalf of Respondent Fera Shivaee. Claimant did not file an opposition to the request.

On May 18, 2015, the Panel conducted a recorded telephonic hearing so the parties could present evidence on Respondents' request for expungement. Claimant's counsel participated in the hearing and contested the request for expungement.

The Panel reviewed the settlement documents which included the payment by Respondent Centaurus Financial, Inc. of a substantial sum, and considered the amount of payments made to any party and any other terms and conditions of settlement. The Panel determined that Respondent Fera Shivaee did not directly contribute to the settlement, and that the settlement was not conditioned upon an agreement not to oppose a request for expungement. However, the Panel notes that Respondent Fera Shivaee will pay some undetermined amount of the insurance company deductible, and she is a party to the settlement agreement. The Panel ascertained from Respondents' counsel that the settlement sum was a combination of the expected costs of defending this arbitration, and the exposure to possible liability on the issue of responsibility of the broker dealer, Respondent Centaurus Financial, Inc., regarding due diligence.

In recommending expungement, the Panel relied upon the following documentary or other evidence: Respondents' request for an award of expungement; testimony and declarations of Respondent Fera Shivaee, Paul King and Kasumi L. Takahashi; exhibits 1-14 accompanying the motion for expungement, which included the settlement agreement; and Respondent Fera Shivaee's BrokerCheck report as of April 30, 2015.

The Panel has agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

After considering the pleadings, the testimony and evidence presented at the expungement hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

The Panel recommends the expungement of all references to the above-captioned arbitration from Respondent Fera Shivaee's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to Notice to Members 04-16, Respondent Fera Shivaee 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, the Panel has made the following Rule 2080 affirmative finding of fact:

The claim, allegation, or information is false.

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

This arbitration concerns three TIC investments which the Panel found to be non-conventional investments within the meaning of notice to members 03-71 (Nov. 2003). The Panel found that Claimant acknowledged in writing the Claimant was experienced in real estate investing, that he understood the nature and the risks involved with such investments, that his risk tolerance is high, and specified annual income and net worth are amounts that qualify him as an accredited investor within the meaning of Regulation D. The Panel also found that Respondent Fera Shivaee, as the registered representative, communicated to Claimant the nature and risks involved with such investments. The Panel's findings are supported by the extensive documentary record as well as the declaration and testimony during the expungement hearing by Respondent Fera Shivaee, which the Panel found to be credible.

The Panel is making a finding that the claims asserted against Respondent Fera Shivaee are false. The Panel is not making any findings as to the claims asserted against Respondent Centaurus Financial, Inc.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial Claim Filing Fee = \$ 1,800.00

**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, Centaurus Financial, Inc. is assessed the following:

Member Surcharge	= \$ 2,800.00
Pre-Hearing Processing Fee	= \$ 750.00
Hearing Processing Fee	= \$ 5,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were waived:

September 15-19, 2014, adjournment by parties = waived

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 arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

Three (3) Pre-hearing sessions with the Panel @ \$1,200.00/session	= \$3,600.00
Pre-hearing conferences: November 12, 2013	1 session
September 29, 2014	1 session
October 7, 2014	1 session

One (1) Hearing session on expungement request @ \$1,200.00/session	
Hearing Date: May 18, 2015	1 session = \$1,200.00

Total Hearing Session Fees	= \$4,800.00
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1. The Panel has assessed \$1,200.00 of the hearing session fees to Claimant.
2. The Panel has assessed \$3,600.00 of the hearing session fees jointly and severally to Respondents.

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

ARBITRATION PANEL

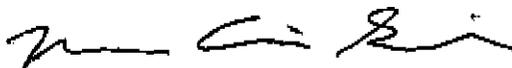
Arthur T. Berggren	-	Public Arbitrator, Presiding Chairperson
Norman Cousins Sasamori	-	Public Arbitrator
Joy Diane Williams	-	Non-Public Arbitrator

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

Arthur T. Berggren
Public Arbitrator, Presiding Chairperson

Signature Date



Norman Cousins Sasamori
Public Arbitrator

06/03/15
Signature Date

Joy Diane Williams
Non-Public Arbitrator

Signature Date

June 4, 2015
Date of Service (For FINRA Dispute Resolution office use only)

ARBITRATION PANEL

Arthur T. Berggren	-	Public Arbitrator, Presiding Chairperson
Norman Cousins Sasamori	-	Public Arbitrator
Joy Diane Williams	-	Non-Public Arbitrator

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Public Arbitrator, Presiding Chairperson

Signature Date

Norman Cousins Sasamori
Public Arbitrator

Signature Date



Joy Diane Williams
Non-Public Arbitrator



Signature Date

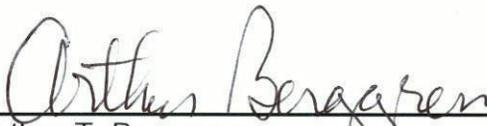
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ARBITRATION PANEL

Arthur T. Berggren	-	Public Arbitrator, Presiding Chairperson
Norman Cousins Sasamori	-	Public Arbitrator
Joy Diane Williams	-	Non-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



Arthur T. Berggren
Public Arbitrator, Presiding Chairperson


June 2, 2015
Signature Date

Norman Cousins Sasamori
Public Arbitrator

Signature Date

Joy Diane Williams
Non-Public Arbitrator

Signature Date

June 10, 2015
Date of Service (For FINRA Dispute Resolution office use only)