

**Award
FINRA Dispute Resolution**

In the Matter of the Arbitration Between:

Claimant
John Sisk

Case Number: 11-00567

vs.

Respondents
JHS Capital Advisors, Inc.
Pointe Capital, Inc.
Enver R. Alijaj
Paul H. Chuzi
Kirk E. Kubach
Daniel R. Levene
Paul R. Richardson
John H. Sykes

Hearing Site: New York, New York

Nature of the Dispute: Customer vs. Members and Associated Persons.

The case proceeded under the Majority Public Panel Rule/ Majority Public Panel.

REPRESENTATION OF PARTIES

For Claimant John Sisk: Timothy Feil, Esq., Finkelstein & Feil, LLP, Garden City, New York.

For Respondents JHS Capital Advisors, Inc. ("JHS"), Pointe Capital, Inc. ("Pointe"), Enver R. Alijaj ("Alijaj"), Paul H. Chuzi ("Chuzi"), Kirk E. Kubach ("Kubach"), Daniel R. Levene ("Levene"), Paul R. Richardson ("Richardson"), and John H. Sykes ("Sykes"): Matthew Tracy, Esq., Winget, Spadafora & Schwartzberg LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: February 15, 2011.

Amended Statement of Claim filed on or about: May 23, 2011.

Claimant signed the Submission Agreement: February 15, 2011.

Joint Statement of Answer filed by Respondents on or about: May 16, 2011.

Answer to Amended Statement of Claim filed by Respondents on or about: June 27, 2011.

Levene signed the Submission Agreement: February 28, 2011.

Chuzi signed the Submission Agreement: March 5, 2011.

JHS signed the Submission Agreement: May 16, 2011.

Alijaj did not sign the Submission Agreement.

Kubach did not sign the Submission Agreement.

Pointe did not sign the Submission Agreement.
Richardson did not sign the Submission Agreement.
Sykes did not sign the Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of actions: excessive trading/churning, violation of Rule 10b-5, common law fraud, ordinary negligence, gross negligence, breach of contract, negligent retention and/or negligent hiring, control person liability, and respondeat superior. The causes of action relate to unspecified securities.

Unless specifically admitted in their Answer to the Statement of Claim, and Answer to the Amended Statement of Claim, Respondents denied the allegations made in the Statement of Claim and Amended Statement of Claim, and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested compensatory damages of not less than \$3,091,597.95, disgorgement of ill-gotten gains in an amount not less than \$3,014,115.81, loss of opportunity damages of not less than \$500,000.00, plus legal rate of interest on principal monies invested, costs, attorneys' fees, treble and/or punitive damages, and any other relief that the Panel deems just and proper.

In the Amended Statement of Claim, Claimant requested the relief stated above plus compensatory damages of not less than \$761,581.26, disgorgement of ill-gotten gains in an amount not less than \$985,316.31, and loss of opportunity damages of not less than \$250,000.00.

In the Answer to the Statement of Claim, and the Answer to the Amended Statement of Claim, Respondents requested dismissal of Claimant's claims, costs, expungement of this matter from Respondents' CRD records, imposing all FINRA forum fees on Claimant, and for such other and further relief as the Panel deems just and appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

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

Respondents Alijaj, Kubach, Pointe, and Richardson did not file with FINRA Dispute Resolution properly executed Submission Agreements, but are required to submit to arbitration pursuant to the Code, and having answered the claim, appeared and testified at the hearing, are bound by the determination of the Panel on all issues submitted.

Respondent Sykes did not file with FINRA Dispute Resolution a properly executed Submission Agreement, but is required to submit to arbitration pursuant to the Code, and having answered the claim, is bound by the determination of the Panel on all issues submitted.

Upon review of the file and the representations made on behalf of the Claimant, the undersigned Panel determined that Respondent Sykes has been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the Code of Arbitration Procedure (the "Code").

By letter dated May 9, 2012, Claimant withdrew with prejudice all claims against Respondent Levene.

Claimant withdrew the claims against Respondent Kubach at the hearing in this matter.

The parties have 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 hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents JHS, Pointe, and Alijaj are jointly and severally liable for and shall pay to Claimant compensatory damages in the amount of \$1,500,000.00 plus interest at the rate of 9% per annum from May 31, 2010 until the award is paid in full.
2. Respondents JHS, Pointe, and Alijaj are jointly and severally liable for and shall pay to Claimant punitive damages in the amount of \$100,000.00. The Panel awarded punitive damages based on Respondents' conduct pursuant to statutory and common law which warrant the imposition of punitive damages.
3. Respondents JHS, Pointe, and Alijaj are jointly and severally liable for and shall pay to Claimant attorneys' fees in the amount of \$93,204.00. The Panel awarded attorneys' fees pursuant to both parties' request for attorneys' fees in their respective pleadings.
4. All claims asserted by Claimant against Respondent Alijaj while associated with/employed by John Thomas Financial are dismissed without prejudice.
5. All claims asserted against Respondents Sykes, Chuzi, and Richardson are denied in their entirety.
6. Claims asserted against Respondent Kubach were withdrawn by Claimant at the hearing and are accordingly dismissed.
7. Respondents' requests for expungement of their CRD records are denied.
8. Any and all relief not specifically addressed herein is denied.

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
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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 firms that employed the associated persons at the time of the events giving rise to the dispute. Accordingly, as parties, JHS Capital Advisors, Inc., and Pointe Capital, Inc., are each assessed the following:

Member Surcharge	= \$ 3,750.00
Pre-Hearing Processing Fee	= \$ 750.00
Hearing Processing Fee	= \$ 5,500.00

Discovery-Related Motion Fees

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

Two (2) Decisions on discovery-related motions on the papers with (1) one arbitrator @ \$200.00	= \$ 400.00
Claimant submitted (1) one discovery-related motion	
Respondent submitted (1) one discovery-related motion	
<hr/> Total Discovery-Related Motion Fees	<hr/> = \$ 400.00

The Panel has assessed \$200.00 of the discovery-related motion fees to Claimant.
The Panel has assessed \$200.00 of the discovery-related motion fees jointly and severally to Respondents JHS, Pointe, and Alijaj.

Contested Motion for Issuance of a Subpoena Fees

Fees apply for each decision on a contested motion for the issuance of a subpoena.

One (1) Decision on a contested motion for the issuance of a subpoena with (1) one arbitrator @ \$200.00	= \$ 200.00
<hr/> Total Contested Motion for Issuance of Subpoenas Fees	<hr/> = \$ 200.00

The Panel has assessed \$100.00 of the contested motion for issuance of subpoenas fees to Claimant.

The Panel has assessed \$100.00 of the contested motion for issuance of subpoenas fees jointly and severally to Respondents JHS, Pointe, and Alijaj.

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

One (1) Pre-hearing session with the Panel @ \$1,200.00/session = \$ 1,200.00
Pre-hearing conference: July 20, 2011 1 session

Ten (10) Hearing sessions @ \$1,200.00/session = \$12,000.00

Hearing Dates: May 31, 2012 2 sessions
June 1, 2012 2 sessions
June 4, 2012 2 sessions
June 5, 2012 2 sessions
June 26, 2012 1 session
June 27, 2012 1 session

Total Hearing Session Fees = \$13,200.00

The Panel has assessed \$6,600.00 of the hearing session fees to the Claimant.
The Panel has assessed \$6,600.00 of the hearing session fees jointly and severally to Respondents JHS, Pointe, and Alijaj.

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

ARBITRATION PANEL

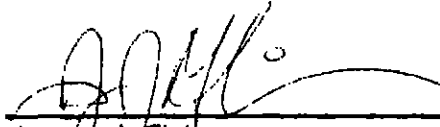
Annette B. Meyers	-	Public Arbitrator, Presiding Chairperson
James J. Fishman	-	Public Arbitrator
Robert L. Salzberg	-	Non-Public Arbitrator

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

Annette B. Meyers
Public Arbitrator, Presiding Chairperson

Signature Date



James J. Fishman
Public Arbitrator

7/10/12

Signature Date

Robert L. Salzberg
Non-Public Arbitrator

Signature Date

July 13, 2012

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

ARBITRATION PANEL

Annette B. Meyers	-	Public Arbitrator, Presiding Chairperson
James J. Fishman	-	Public Arbitrator
Robert L. Salzberg	-	Non-Public Arbitrator

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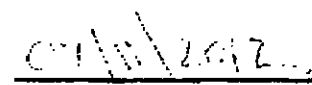
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Public Arbitrator

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Non-Public Arbitrator



Signature Date

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