

**Stipulated Award**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between:

Eric Weschke and Kathy Montana, Claimants vs. Tasin & Company, Inc., Robert Tassinari, Salvatore Sapienza, John Stracquadanio, Mario Volpe[sic] and Louis Pepe, Respondents.

Case Number: 00-00391

Hearing Site: New York, NY

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**REPRESENTATION OF PARTIES**

Claimants, Eric Weschke and Kathy Montana, referred to as "Claimants": Steven N. Fuller, Nixon Peabody LLP, 101 Federal Street, Boston, MA 02110.

Respondents, Tasin & Company, Inc., Robert Tassinari, Salvatore Sapienza, John Stracquadanio, Mario Volpe [sic] and Louis Pepe, hereinafter collectively referred to as "Respondents": Sean R. Kelly, Saiber Schlesinger Satz & Goldstein, LLC, One Gateway Center, 13th Floor, Newark, NJ 97102-5311.

**CASE INFORMATION**

Statement of Claim filed on or about: January 29, 2000.

Claimant Eric Weschke and Kathy Montana signed the Uniform Submission Agreement: January 29, 2000.

Statement of Answer and Counterclaim filed by Respondents Tasin & Company, Inc., Robert Tassinari, Salvatore Sapienza, John Stracquadanio, Mario Volpe [sic] and Louis Pepe on or about: March 16, 2000.

Respondents Tasin & Company, Inc., Robert Tassinari, Salvatore Sapienza, John Stracquadanio, Mario Volpe and Louis Pepe signed the Uniform Submission Agreement: March 17, 2000.

**CASE SUMMARY**

1. This action is an industry employment dispute commenced by Claimants against their former employer and certain officers, directors and employees of their former employer on or about January 29, 2000.

2. Claimants requested immediate expedited interim and permanent injunctive relief and, after a hearing, received interim injunctive relief from a single arbitrator appointed to hear the request for interim injunctive relief, subject to further orders.
3. On or about February 9, 2000, the single arbitrator issued a preliminary injunction that stated in applicable part that:
  - A. The Respondent and any persons or entities acting with or on behalf of Respondents including any officer, agent, employee and/or representatives of Tasin Company, Inc. [sic] are temporarily enjoined and restrained from engaging in any of the following conduct:
    - (1) exercising control over claimant Weschke [sic] personal brokerage account...
    - (2) filing at this time with NASD or any other agency any final U-5 or other report containing derogatory remarks directed at Claimant. If such report is requirement due to NASD regulations, said report or U-5 shall clearly note that said reporting is preliminary and subject to NASD arbitration panel's determination as to the merits of Respondents' allegations and conclusion of any investigation being conducted by respondent.
    - (3) Respondent Tasin Company, Inc., is directed upon receipt of this temporary order to lace \$91,245.43 in an escrow and interest bearing account. Disbursement from this account is subject to decision by an NASD panel's hearing on the merits of the case.
4. The Parties have now reached an agreement to settle their dispute, including all claims, counterclaims and the sole arbitrator's injunction, and in order to effectuate the full and final settlement of this case, request that the Panel enter this Stipulated to Award and cause it to be served upon all counsel of record by NASD Dispute Resolution, Inc.

**STIPULATED AWARD**

On February 7, 2000, this matter came on for hearing before the Injunctive Arbitrator/Chairperson following Claimants request for immediate interim injunctive relief. By Order dated February 9, 2000, the Injunctive Arbitrator/Chairperson entered a Preliminary Injunction against all Respondents pending further Order and decision by a Full Panel after a hearing on the merits. The Order of February 9, 2000 is hereby VACATED in part, and MODIFIED in part as follows:

1. Paragraph 1 of the Order, directing that "respondents and any persons entities acting with or on behalf of respondents including any officer, agent, employee and or representatives of Tasin Company, Inc. [sic] are temporarily enjoined and restrained from ... exercising control over claimant Weschke [sic] personal brokerage account," IS VACATED:
2. Paragraph 2 of the Order ordering Respondents not to file with the NASD or any other agency U-5 or other report containing derogatory remarks directed at Claimant and further ordering that to the extent such filing or reports were required to be filed by NASD Regulation, said report shall clearly note that said reporting is preliminary and subject to NASD arbitration panel's determination as to the merits of Respondents' allegations, IS MODIFIED, as follows:

All Forms U-5 reporting Mr. Weschke and Ms. Montana's registration and employment with Tasin were terminated for cause and/or reporting that they were subject to internal review at the time of termination shall and hereby are ordered expunged from the NASD CRD, and Respondent Tasin shall file immediately with the NASD Central Registration Depository amended Forms

U-5 pertaining to Eric P. Weschke and Kathy Montana reporting that Weschke and Montana submitted their voluntary written resignations at a meeting at which Tasin thereafter announced its intention to terminate their employment. Tasin acknowledges that it has completed its internal investigation and reported any findings pursuant to its regulatory responsibilities.

3. Paragraph 3 of the Order, directing Tasin to place \$91,245.43 in an interest bearing escrow, is VACATED, provided all such funds principals and interest are turned over to Mr. Weschke, c/o legal counsel on or before July 31, 2000 as partial Settlement Agreement.

#### **FEES**

Pursuant to the Code, the following fees are assessed:

##### **Filing Fees**

NASD Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each claim. All parties shall bear their own fees.

Initial claim filing fee	= \$ 500.00
Injunctive Filing Fee	= \$2,500.00
Counterclaim Claim filing fee	= \$1,000.00

##### **Member Fees**

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated persons at the time of the events giving rise to the dispute. In this matter, the member firm Tasin & Company, Inc., is a party. Claimants, jointly and severally; shall reimburse Respondent Tasin & Company, Inc., \$2,550.00 which represents 50% of Pre-Hearing and Hearing Processing Fees.

Member surcharge	= \$2,500.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$4,500.00

##### **Forum Fees and Assessments**

Claimants, jointly and severally; and Respondents, jointly and severally shall pay 50% of all forum fees for each hearing session conducted. A hearing 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) Injunctive hearing with a single arbitrator x \$450.00	= \$ 450.00
Injunctive hearing: February 7, 2000	1 session
One (1) Pre-hearing session with Panel x \$1,200.00	= \$1,200.00
Pre-hearing conference: May 25, 2000	1 session
Total Forum Fees	= \$1,650.00

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Fee Summary

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 500.00
Injunctive Filing Fee	= \$2,500.00
<u>Forum Fees</u>	<u>= \$ 825.00</u>
Total Fees	= \$3,825.00
<u>Less payments</u>	<u>= \$4,200.00</u>
Refund Due to Claimants	= \$ 375.00

2. Respondent Tasin & Company, Inc. be and hereby is solely liable for:

<u>Member Fees</u>	<u>= \$7,600.00</u>
Total Fees	= \$7,600.00
<u>Less payments</u>	<u>= \$3,100.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$4,500.00


4. Respondents Tasin & Company, Inc., Robert Tassinari, Salvatore Sapienza, John Stracquadanio, Mario Volpe [sic] and Louis Pepe be and hereby are jointly and severally liable for:

Forum Fees	= \$ 825.00
<u>Counterclaim Filing Fee</u>	<u>= \$1,000.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$1,825.00

All balances are due and payable to NASD Dispute Resolution, Inc.

**Concurring Arbitrators' Signature(s)**

I, Fred S. Pieroni, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award, as stipulated to by the parties.

  
\_\_\_\_\_  
Fred S. Pieroni  
Public Arbitrator, Presiding Chair

  
\_\_\_\_\_  
Signature Date

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Joel M. Leifer, Esq.  
Industry Arbitrator

\_\_\_\_\_  
Signature Date

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Robert L. Chase, Esq.  
Industry Arbitrator

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Signature Date

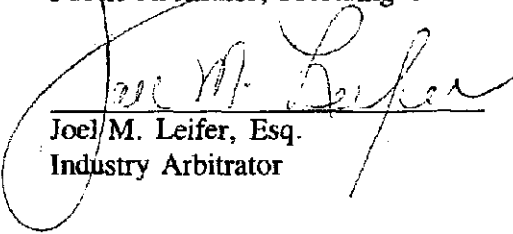
November 7, 2000  
Date of Service (For NASD office use only)

**Concurring Arbitrators' Signature(s)**

I, Joel M. Leifer, Esq., the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

\_\_\_\_\_  
Fred S. Pieroni  
Public Arbitrator, Presiding Chair

\_\_\_\_\_  
Signature Date

  
\_\_\_\_\_  
Joel M. Leifer, Esq.  
Industry Arbitrator

10 - 20 - 00  
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Signature Date

\_\_\_\_\_  
Robert L. Chase, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

November 7, 2000

\_\_\_\_\_  
Date of Service (For NASD office use only)

**Concurring Arbitrators' Signature(s)**

I, Robert L. Chase, Esq., the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

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Fred S. Pieroni  
Public Arbitrator, Presiding Chair

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Signature Date


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Joel M. Leifer, Esq.  
Industry Arbitrator

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Signature Date

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Robert L. Chase, Esq.  
Public Arbitrator

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10/23/00  
Signature Date

November 7, 2000  

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Date of Service (For NASD office use only)