

ORIGINAL

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Bruce Houman as Trustee for the South Western Management Services, Inc., Pension Plan, Inc.,
Claimant v. Lawrence Joseph Pagano, Mary Pagano, John T. Abrahamson, Romalo T. Mongillo,
and The Beacon Companies, Inc., Respondents

Case Number: 00-00581

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimant Bruce Houman, Trustee,
South Western Management Services, Inc.
Pension Plan, Inc.:

Bruce Houman, Trustee
South Western Management Services, Inc.
Pension Plan, Inc.
Anaheim, California

For Respondents Laurence Joseph Pagano,
Mary Pagano, and The Beacon Companies, Inc.:

Mary Pagano, President
The Beacon Companies, Inc.
Naples, Florida

For Respondent John T. Abrahamson:

In Pro Per
Naples, Florida

For Respondent Romolo T. Mongillo:

In Pro Per
Naples, Florida

CASE INFORMATION

Statement of Claim filed: February 5, 2000.

Claimant's Uniform Submission Agreement signed: February 3, 2000.

Joint Statement of Answer filed by Respondents Laurence Joseph Pagano, Mary Pagano, and The
Beacon Companies, Inc.: June 27, 2000.

Respondents Mary Pagano and The Beacon Companies, Inc.'s: Uniform Submission Agreements signed: June 23, 2000.

Respondent Laurence Joseph Pagano's Uniform Submission Agreements signed: June 15, 2000.

CASE SUMMARY

Claimant alleged negligence, fraud, suitability, misrepresentation, omission of material facts, failure to execute, failure to supervise, and breach of fiduciary duty.

Respondents Laurence Joseph Pagano, Mary Pagano, and The Beacon Companies, Inc. denied the allegations of wrongdoing set forth in Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested compensatory damages of \$23,283.94, interest of \$7,373.25 from September 1996 through November 1999 at the rate of 10%, punitive damages of \$25,000, and cost of arbitration.

Respondents Laurence Joseph Pagano, Mary Pagano, and The Beacon Companies, Inc. requested dismissal of the Claimant's Statement of Claim in its entirety, costs, and attorney fees.

OTHER ISSUES CONSIDERED AND DECIDED

The Panel dismissed without prejudice Respondents John T. Abrahamson and Romalo T. Mongillo upon a finding that they were not required to submit to arbitration pursuant to the Code of Arbitration Procedure.

The parties 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, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Respondents Laurence Joseph Pagano, Mary Pagano, and The Beacon Companies, Inc. are jointly and severally liable to and shall pay Claimant \$2,477.00 in compensatory damages.
- 2) Respondents Laurence Joseph Pagano, Mary Pagano, and The Beacon Companies, Inc. are jointly and severally liable to and shall pay Claimant interest at the rate of 10% per annum

from September 1, 1998 to December 31, 2001.

- 3) The parties shall bear their respective costs, including attorney's fees.
- 4) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 175.00
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Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair or Panel. The following fees are assessed:

(2) Pre-hearing conference sessions with the Panel @ \$600.00/session	= \$ 1,800.00
Pre-hearing conferences:	
April 20, 2001	1 session
June 12, 2001	1 session
June 28, 2001	1 session

(2) Hearing sessions @ \$600.00/session	= \$ 1,200.00
Hearings:	
January 7, 2002	2 sessions

Total Forum Fees	= \$ 3,000.00
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1. The Panel assessed \$ 1,500.00 of the forum fees to Claimant.
2. The Panel assessed \$1,500.00 of the forum fees jointly and severally to Respondents Laurence Joseph Pagano, Mary Pagano, and The Beacon Companies, Inc.

Fee Summary

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 175.00
<u>Forum Fees</u>	<u>= \$1,500.00</u>
Total Fees	= \$1,675.00
<u>Less payments</u>	<u>= \$ 775.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 900.00

2. Respondents Laurence Joseph Pagano, Mary Pagano, and The Beacon Companies, Inc., are charged with the following fees and costs:

<u>Forum Fees</u>	<u>= \$1,500.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$1,500.00

All balances are payable to NASD Dispute Resolution, Inc. and are due upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Janet Rubin Fields, Esq.
Christopher Rolin, Esq.
Sheldon M. Jaffe, Esq.

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Public, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures



Janet Rubin Fields, Esq.
Chair, Public Arbitrator

1-28-08

Signature Date

Christopher Rolin, Esq.
Public Arbitrator

Signature Date

Sheldon M. Jaffe, Esq.
Industry/Non-Public Arbitrator

Signature Date

2-5-08

Date of Service

ARBITRATION PANEL

Janet Rubin Fields, Esq.
Christopher Rollin, Esq.
Sheldon M. Jaffe, Esq.

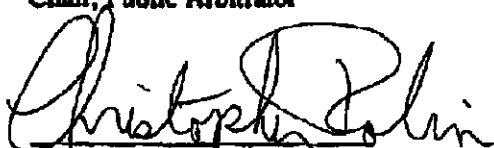
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Public, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

Janet Rubin Fields, Esq.
Chair, Public Arbitrator

Signature Date



Christopher Rollin, Esq.
Public Arbitrator

Signature Date

Sheldon M. Jaffe, Esq.
Industry/Non-Public Arbitrator

Signature Date

2-5-02

Date of Service

ARBITRATION PANEL

<i>Janet Rubin Fields, Esq.</i>	-	<i>Public, Presiding Chair</i>
<i>Christopher Rolin, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Sheldon M. Jaffe, Esq.</i>	-	<i>Non-Public Arbitrator</i>

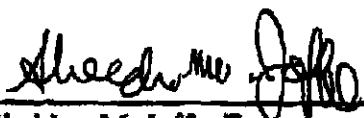
Concurring Arbitrators' Signatures

Janet Rubin Fields, Esq.
Chair, Public Arbitrator

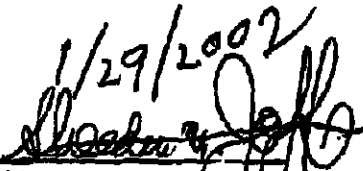
Signature Date

Christopher Rolin, Esq.
Public Arbitrator

Signature Date



Sheldon M. Jaffe, Esq.
Industry/Non-Public Arbitrator

1/29/2002


Signature Date

2-5-02

Date of Service