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**Stipulated Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Name of the Claimant  
Erica Beth Hansen

Case Number: 02-04950

Names of the Respondents  
Daylight Online Brokerage, LLC  
Daylight Holdings, Inc.  
John Anthony Sivo

Hearing Site: Boca Raton, Florida

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Nature of the Dispute: Associated Person vs. Member, Non-Member and Associated Person.

**REPRESENTATION OF PARTIES**

For Erica Beth Hansen, hereinafter referred to as "Claimant": Mathai Jacob, Esq., Katz, Barron, Squitero, Faust & Boyd, P.A., Miami, Florida.

For Daylight Online Brokerage, LLC ("Daylight Online"), Daylight Holdings, Inc. ("Daylight Holdings") and John Anthony Sivo ("Sivo"), hereinafter collectively referred to as "Respondents": Rachel R. Hranitzky, Esq., Hiersche, Hayward, Drakeley & Urbach, P.C., Addison, Texas.

**CASE INFORMATION**

Statement of Claim filed on or about: August 21, 2002.

Claimant signed the Uniform Submission Agreement: August 21, 2002.

Statement of Answer and Counterclaim filed by Respondents on or about: November 9, 2002.

Respondent Daylight Online signed the Uniform Submission Agreement: April 10, 2002.

Respondent Daylight Holdings signed the Uniform Submission Agreement: January 16, 2003.

Respondent Sivo signed the Uniform Submission Agreement: October 28, 2002.

Answer to Counterclaim filed by Claimant on or about: December 10, 2002.

Amended Statement of Claim filed by Claimant on or about: December 10, 2002.

Amended Answer and Counterclaim filed by Respondents on or about: January 15, 2003.

Answer to Amended Counterclaim filed by Claimant on or about: February 4, 2003.

**CASE SUMMARY**

Claimant asserted the following causes of action: 1) breach of employment agreement; 2) unjust enrichment; 3) wrongful termination; and, 4) filing a libelous Form U-5. The causes of action relate to Claimant's termination from her employment.

Unless specifically admitted in their Answers, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses. In addition, in their Counterclaim and Amended Counterclaim

Respondents asserted the following causes of action: 1) conversion; 2) money had and received; and, 3) unjust enrichment.

Unless specifically admitted in her Answers to Counterclaim, Claimant denied the allegations made in the Counterclaim and Amended Counterclaim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

Claimant requested compensatory damages no less than \$22,500.00, punitive damages of \$2,000.00, interest, attorney's fees and costs. In addition, Claimant requested that the Counterclaim be dismissed in its entirety and, to the extent that Respondents recover any monies based upon their allegations, Claimant requested a set-off in the amount of wages owed by Respondents plus the amount of personal funds expended by Claimant for day-to-day expenses.

Respondents requested that the Statement of Claim be dismissed in its entirety. In addition, in their Counterclaim, Respondents requested compensatory damages in the amount of \$18,500.00, costs, attorney's fees, arbitration expenses including filing fees, forum fees and expert witness fees, punitive/treble damages, pre and post-judgment interest and such other and further relief, both at law and in equity, to which Respondents may show themselves justly entitled.

### **OTHER ISSUES CONSIDERED AND DECIDED**

On or about October 20, 2003, the parties notified NASD Dispute Resolution that they had settled this matter and submitted a proposed Stipulated Award with request for expungement of the NASD Central Registration Depository (the "CRD") records of all parties and a request for expungement of Claimant's Form U-5.

The parties have agreed that the Stipulated Award in this matter may be entered in counterpart copies or that a signed handwritten Stipulated Award may be entered.

### **AWARD**

After considering the pleadings and the proposed Stipulated Award with request for expungement, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

NASD CRD is directed to expunge the reason for termination reported on Claimant's Form U-5 filed by Respondent Daylight Online with CRD in May, 2002. All references to the reason for termination should be expunged from Claimant's CRD record. NASD shall replace the reason for termination and any accompanying explanation on the Daylight Online Form U-5 with "voluntary", with the explanation "without cause and without incident". NASD CRD is also directed to expunge the internal review disclosure as reported on the U5 filed by Respondent Daylight Online, any U-5 amendments updating the initial disclosure, and any other references to the internal review disclosure contained in Claimant's CRD record. In addition to deleting all internal review DRPs from the Form U-5 and U-5 amendment filings, the answer to question 7B on the Daylight Online U-5 filing and any subsequent U-5 amendment filings should be changed from "yes" to "no". Further, NASD is ordered to expunge any references to the Daylight Online termination contained in her CRD record and/or reported by Claimant Hansen on any of her Form U-4 filing submissions since the reason for

termination from Daylight Brokerage is now "voluntary" and does not trigger a Form U-4 reporting requirement.

The Panel recommends the expungement of all references to the above captioned arbitration from Claimant Hansen's and Respondents Daylight Brokerage, Daylight Holdings and Sivo's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Claimant Hansen and Respondents Daylight Brokerage, Daylight Holdings and Sivo must obtain confirmation from a court of competent jurisdiction before the NASD CRD will execute the expungement directive.

All references to this Arbitration shall be expunged from the NYSE and SEC records of Claimant and Respondents.

The Form U-5 and amended Form U-5 of Claimant filed by Respondents shall be expunged from Claimant's NYSE and SEC records and a new Form U-5 shall be filed, to apply *nunc pro tunc* as of April 17, 2002, expressly stating that Claimant's departure from Respondent Daylight Brokerage was voluntary, without cause and without incident.

This Award may be confirmed by the Circuit Court of the Eleventh Judicial Circuit in and for Miami-Dade County, Florida, in its current form, without objection from Claimant or Respondents, and a final judgment may be entered in conformity herewith. Notice of the initial application for a Court order shall be served by U.S. mail.

Claimant's and Respondents' claims for relief are dismissed, with prejudice.

The parties shall pay their own remaining taxable costs and attorney's fees.

### **FEES**

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed:

#### **Filing Fees**

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 125.00
Counterclaim 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 person at the time of the events giving rise to the dispute. Accordingly, Daylight Brokerage is a party to this dispute and was a member of NASD at the time the following fees were assessed:

Member surcharge	= \$ 425.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,700.00

**Adjournment Fees**

No requests for adjournments were filed in this matter.

**Injunctive Relief Fees**

No injunctive relief fees were incurred during this proceeding.

**Forum Fees and Assessments**

The Panel has assessed forum 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 @ \$750.00	= \$750.00
Pre-hearing conference: May 8, 2003 1 session	
Total Forum Fees	= \$750.00

The Panel has assessed \$375.00 of the forum fees to Claimant.

The Panel has assessed \$375.00 of the forum fees jointly and severally to Respondents.

**Administrative Costs**

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during this proceeding.

**Fee Summary**

Claimant is solely liable for:

Initial Filing Fee	= \$ 125.00
Forum Fees	= \$ 375.00
Total Fees	= \$ 500.00
Less payments	= \$ 500.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Daylight Brokerage is solely liable for:

Member Fees	= \$ 2,875.00
Total Fees	= \$ 2,875.00
Less payments	= \$ 1,935.00
Balance Due NASD Dispute Resolution	= \$ 940.00

Respondents are jointly and severally liable for:

Counterclaim Filing Fee	= \$ 1,000.00
Forum Fees	= \$ 375.00
Total Fees	= \$ 1,375.00

Less payments	= \$ 1,000.00
Balance Due NASD Dispute Resolution	= \$ 375.00

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

**ARBITRATION PANEL**

<i>John C. Schenck</i>	-	<i>Non- Public Arbitrator, Presiding Chairperson</i>
<i>John A. Brekka, Jr., Esq.</i>	-	<i>Non- Public Arbitrator</i>
<i>Sanford M. Naiditch</i>	-	<i>Non-Public Arbitrator</i>

**Concurring Arbitrators' Signatures**

/s/  
John C. Schenck  
Non-Public Arbitrator, Presiding Chairperson

11/17/03  
Signature Date

/s/  
John A. Brekka, Jr., Esq.  
Non-Public Arbitrator

11/3/03  
Signature Date

/s/  
Sanford M. Naiditch  
Non-Public Arbitrator

10/30/03  
Signature Date

11/19/03  
Date of Service (For NASD Dispute Resolution office use only)

NASD Dispute Resolution  
Arbitration No.02-04950  
Award Page 5

**RECEIVED**

NOV 18 2003

**FL ARBITRATION**

Less payments

= \$ 1,000.00

Balance Due NASD Dispute Resolution

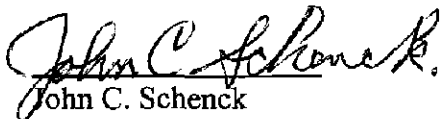
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John C. Schenck

Non-Public Arbitrator, Presiding Chairperson

11-17-03

Signature Date

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Non-Public Arbitrator

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Sanford M. Naiditch  
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Non-Public Arbitrator, Presiding Chairperson

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Signature Date

  
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John A. Brekka, Jr., Esq.  
Non-Public Arbitrator

11/5/03  
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Signature Date

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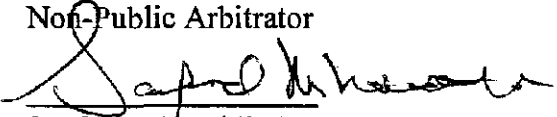
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Signature Date

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John A. Brekka, Jr., Esq.  
Non-Public Arbitrator

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Signature Date

  
Sanford M. Naiditch  
Non-Public Arbitrator

0230, 2003  
Signature Date

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