

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Pauline Maitoglou (Claimant) v. Continental-Broker Dealer Corp., Anthony Joseph Calascione, Thomas Tiernan, Mark Goetz, Dominick Bianco, Christopher Voccola, Regan Tegge, and Wexford Clearing Services Corp. (Respondents)

Case Number: 02-05290

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimant Pauline Maitoglou ("Maitoglou") hereinafter referred to as "Claimant": Kevin J. Begley, Esq., Parlin, NJ.

Respondent Continental Broker-Dealer Corp. ("Continental"): Dominick M. Bianco, Continental Broker-Dealer Corp., Carle Place, NY. Previously represented by: Timothy Feil, Esq., Finkelstein & Feil, LLP, Garden City, NY.

Respondent Anthony Joseph Calascione ("Calascione") appeared *pro se*.

Respondent Thomas Tiernan ("Tiernan") appeared *pro se*. Previously represented by: Timothy Feil, Esq., Finkelstein & Feil, LLP, Garden City, NY.

Respondent Mark Goetz ("Goetz") appeared *pro se*. Previously represented by: Timothy Feil, Esq., Finkelstein & Feil, LLP, Garden City, NY.

Respondent Dominick Bianco ("Bianco"): Timothy Feil, Esq., Finkelstein & Feil, LLP, Garden City, NY.

Respondent Christopher Voccola ("Voccola") appeared *pro se*. Previously represented by: Timothy Feil, Esq., Finkelstein & Feil, LLP, Garden City, NY.

Respondent Regan Tegge ("Tegge") appeared *pro se*. Previously represented by: Timothy Feil, Esq., Finkelstein & Feil, LLP, Garden City, NY.

Respondent Wexford Clearing Services Corp. ("Wexford") appeared Joseph Dolcimascolo, Esq., Prudential Securities, Inc. n/k/a Prudential Equity Group, Inc., New York, NY.

Continental, Calascione, Tiernan, Goetz, Bianco, Voccola, Tegge, and Wexford are hereinafter referred to as "Respondents".

CASE INFORMATION

Statement of Claim filed on or about: September 4, 2002.

Response to Wexford's Motion to Dismiss filed by Claimant on or about: December 2, 2002.

Claimant signed the Uniform Submission Agreement: September 3, 2002.

Joint Statement of Answer filed by Respondents Continental, Tiernan, Goetz, Bianco, Voccola, and Tegge on or about: February 6, 2003.

Continental did not sign the Uniform Submission Agreement.

Tiernan did not sign the Uniform Submission Agreement.

Goetz did not sign the Uniform Submission Agreement.

Bianco did not sign the Uniform Submission Agreement.

Voccola did not sign the Uniform Submission Agreement.

Tegge did not sign the Uniform Submission Agreement.

Statement of Answer filed by Respondent Calascione on or about: July 28, 2003.

Calascione did not file the Uniform Submission Agreement.

Statement of Answer and Motion to Dismiss filed by Respondent Wexford on or about: October 28, 2002.

Wexford signed the Uniform Submission Agreement: October 10, 2002.

CASE SUMMARY

Claimant asserted the following causes of action: failure to monitor and supervise; breach of fiduciary duty; suitability; statutory fraud; unauthorized trading; breach of contract; unjust enrichment; negligence; common law fraud; and violation of N.J.S.A. 49:3-71, The Civil Liabilities Section of the New Jersey Uniform Securities Act. Claimant's claim involved common stock and options.

Unless specifically admitted in their Answer, Respondents Continental, Tiernan, Goetz, Bianco, Voccola, and Tegge denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

Unless specifically admitted in his Answer, Respondent Calascione denied the allegations made in the Statement of Claim.

Unless specifically admitted in its Answer and Motion to Dismiss, Respondent Wexford denied the allegations made in the Statement of Claim.

RELIEF REQUESTED

Claimant requested:

- A. All commission earned by Respondents Calascione, Continental, and Wexford, in excess of at least \$6,900.00;
- B. All margin account interest earned by Respondents Calascione, Continental, and Wexford, in an amount of at least \$6,900.00;
- C. Recovery of all losses in accounts caused by the excessive, unauthorized, and unsuitable trading, in an amount of at least \$43,046.25;
- D. Interest on the monies invested, compounded annually, until the date of the award, representing the lost investment opportunity;
- E. Emotional distress damages in the minimum sum of \$50,000.00;
- F. Punitive damages in an amount of at least \$100,000.00 as authorized by [NJ, the NASD, and SEC];
- G. Attorneys' fees; costs; and for such other and further relief as is just and proper.

Respondents Continental, Tiernan, Goetz, Bianco, Voccola, and Tegge requested that the Statement of Claim be dismissed in all respects including the claim for punitive damages, which are not permitted by law, and that all disbursements and costs in defending this action be assessed against Claimant.

Respondent Wexford requested that this claim be dismissed in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations on behalf of the Claimant, the undersigned arbitrators (the "Panel") determined that Respondent Calascione 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 NASD Code of Arbitration Procedure (the "Code").

Respondents Continental, Voccola, Bianco, Goetz, Tiernan, Tegge, and Calascione did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the Code and, having answered the claim are bound by the determination of the Panel on all issues submitted.

On or about October 22, 2003, NASD Dispute Resolution was notified that Claimant settled her claims with Wexford, Continental, Voccola, Bianco, Goetz, Tiernan, and Tegge.

Respondent Calascione made a request to adjourn the March 23, 2004 hearing due to his aunt's illness and his alleged need to be with his aunt. After due consideration, the Panel denied Calascione's request.

Arbitrator Larry Kimmel did not attend the hearing on March 23, 2004. Claimant agreed to proceed to hearing with two arbitrators.

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, and 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. Respondent Calascione is liable for and shall pay to Claimant compensatory damages in the amount of \$55,653.57 (which includes reimbursement of the \$300.00 filing fee previously paid to NASD Dispute Resolution), plus interest at the rate of 9% per annum from March 2002 to the date of payment of the award.
2. Any and all relief not specifically addressed herein, including punitive damages, is denied.

FEES

Pursuant to 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	= \$300.00
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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, Continental Broker-Dealer Corp. is a party.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00

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, Wexford Clearing Services Corp. is a party.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00

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:

Three (3) Pre-hearing sessions with Panel @ \$1,125.00	= \$3,375.00
Pre-hearing conferences:	
June 20, 2003	1 session
July 2, 2003	1 session
December 5, 2003	1 session
Two (2) Hearing sessions @ \$1,125.00	= \$2,250.00
Hearing Date:	March 23, 2004
	2 sessions
Total Forum Fees	= \$5,625.00

1. The Panel has assessed \$5,625.00 of the forum fees against Respondent Calascione.

Fee Summary

1. Claimant is solely liable for:

<u>Initial Filing Fee</u>	= \$ 300.00
Total Fees	= \$ 300.00
<u>Less payments</u>	= \$1,425.00
Refund Due to Claimant	= \$1,125.00

As stated in the "Award" section above, Respondent is liable and shall reimburse Claimant for the \$300.00 filing fee.

2. Continental is solely liable for:

<u>Member Fees</u>	= \$5,200.00
Total Fees	= \$5,200.00
<u>Less payments</u>	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Wexford is solely liable for:

<u>Member Fees</u>	= \$5,200.00
<u>Total Fees</u>	= \$5,200.00
<u>Less payments</u>	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

4. Calascione is solely liable for:

<u>Forum Fees</u>	= \$5,625.00
<u>Total Fees</u>	= \$5,625.00
<u>Less payments</u>	= \$5,625.00
Balance Due NASD Dispute Resolution	= \$5,625.00

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

ARBITRATION PANEL

Rebecca A. Novak, Esq. - Public Arbitrator, Presiding Chair
Edward Baer, Esq. - Public Arbitrator

Concurring Arbitrators' Signatures

I, 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.

Rebecca A. Novak, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Edward Baer, Esq.
Public Arbitrator

Signature Date

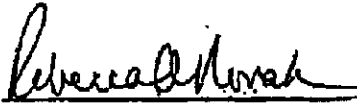
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Rebecca A. Novak, Esq.	-	Public Arbitrator, Presiding Chair
Edward Baer, Esq.	-	Public Arbitrator
Larry A. Kimmel	-	Non-Public Arbitrator

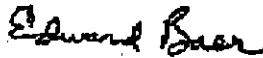
Concurring Arbitrators' Signatures

I, 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.



Rebecca A. Novak, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Edward Baer, Esq.
Public Arbitrator

Signature Date

MARCH 26, 2004

Date of Service (For NASD Dispute Resolution use only)