

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

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In the Matter of the Arbitration Between:

Cantone Research, Inc. (Claimant) v. Giovanni Domino and Michael Taranto  
(Respondents)

Case Number: 03-00886

Hearing Site: New York, New York

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Nature of the Dispute: Member vs. Associated Persons.

**REPRESENTATION OF PARTIES**

Claimant Cantone Research, Inc. ("Cantone") hereinafter referred to as "Claimant":  
Walter L. Baumgardner, Esq., Musilli, Brennan, Letvin & Parnell, PLLC, St. Clair  
Shores, MI. Previously represented by: Christine L. Cantone, Vice President, Cantone  
Research, Inc., Tinton Falls, NJ.

Respondents Giovanni Domino ("Domino") and Michael Taranto ("Taranto") hereinafter  
collectively referred to as "Respondents": Charles Hamilton Lake, Compliance  
Consultant, Eatons Neck, NY.

**CASE INFORMATION**

Statement of Claim filed on or about: February 1, 2003.

Claimant signed the Uniform Submission Agreement: February 1, 2003.

Joint Statement of Answer filed by Respondents on or about: April 4, 2003.

Domino did not sign the Uniform Submission Agreement.

Taranto did not sign the Uniform Submission Agreement.

**CASE SUMMARY**

Claimant asserted the following causes of action: failure to repay monies owed pursuant  
to the terms of Respondents' employment agreements.

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

**RELIEF REQUESTED**

Claimant requested entry of an award against Respondents together in the amount of  
\$80,000.00, together with any and all additional relief as the arbitrators may deem just

and equitable.

Respondents requested that Claimant's claims be dismissed in their entirety and that the Panel refer review of this matter to NASD Regulation, Inc. for violations of securities laws.

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

Respondents 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, and appeared and testified at the hearing, are bound by the determination of the Panel on all issues submitted.

Prior to the hearing, Respondents made a motion for sanctions. After due consideration, the Panel denied the motion at the hearing.

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 Domino is solely liable for and shall pay to Claimant compensatory damages in the amount of \$11,649.50.
2. Respondent Taranto is solely liable for and shall pay to Claimant compensatory damages in the amount of \$11,649.50.
3. The Panel recommends that the affirmative answer to Question 7B be changed to "No" on the Form U-5 Amendment filed with NASD Central Registration Depository ("CRD") by Cantone Research, Inc. on November 14, 2002, in connection with the resignation of Respondent Giovanni Domino. The Disclosure Reporting Page associated with question 7B should also be expunged.

The Panel is ordering expungement relief based on the defamatory nature of the information on Giovanni Domino's registration records maintained by CRD.

4. The Panel recommends that the affirmative answer to Question 7B be changed to "No" on the Form U-5 Amendment filed with NASD Central Registration Depository ("CRD") by Cantone Research, Inc. on November 14, 2002, in connection with the

resignation of Respondent Michael Taranto. The Disclosure Reporting Page associated with question 7B should also be expunged.

The Panel is ordering expungement relief based on the defamatory nature of the information on Michael Taranto's registration records maintained by CRD.

5. Any and all relief not specifically addressed herein 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	= \$1,000.00
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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 firm that employed the associated persons at the time of the events giving rise to the dispute. Accordingly, Cantone Research, Inc. is a party.

Member surcharge	= \$1,100.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,700.00

#### **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 @ \$750.00	= \$2,250.00
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Pre-hearing conferences:	September 23, 2003	1 session
	December 8, 2003	1 session
	February 2, 2004	1 session

Two (2) Hearing sessions @ \$750.00	= \$1,500.00
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Hearing Date:	February 10, 2004	2 sessions
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Total Forum Fees	= \$3,750.00
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1. The Panel has assessed \$1,875.00 of the forum fees against Claimant.
2. The Panel has assessed \$937.50 of the forum fees against Domino.
3. The Panel has assessed \$937.50 of the forum fees against Taranto.

**Fee Summary**

1. Claimant is solely liable for:

Initial Filing Fee	= \$1,000.00
Member Fees	= \$3,550.00
Forum Fees	= \$1,875.00
Total Fees	= \$6,425.00
<u>Less payments</u>	= \$5,300.00
Balance Due NASD Dispute Resolution	= \$1,125.00

2. Domino is solely liable for:

Forum Fees	= \$ 937.50
Total Fees	= \$ 937.50
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 937.50

3. Taranto is solely liable for:

Forum Fees	= \$ 937.50
Total Fees	= \$ 937.50
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 937.50


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

**ARBITRATION PANEL**

J. Scott Colesanti, Esq.	-	Non-Public Arbitrator, Presiding Chair
John T. Cafferty	-	Non-Public Arbitrator
William Gerasimos Germanis	-	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.

  
\_\_\_\_\_  
J. Scott Colesanti, Esq.  
Non-Public Arbitrator, Presiding Chairperson

2/27/04  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
John T. Cafferty  
Non-Public Arbitrator

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

\_\_\_\_\_  
William Gerasimos Germanis  
Non-Public Arbitrator

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

March 2, 2004  
\_\_\_\_\_  
Date of Service (For NASD Dispute Resolution use only)

**ARBITRATION PANEL**

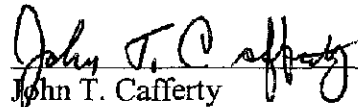
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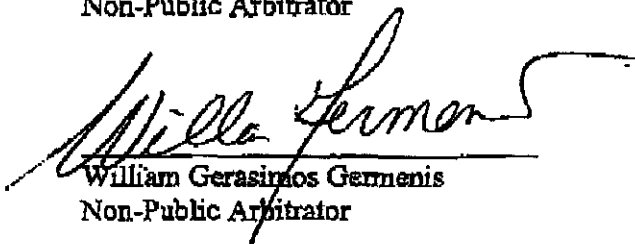
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2/26/04  
Signature Date

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