

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

---

In the Matter of the Arbitration Between:

Demetrios Jangarathis (Claimant) vs. Essex National Securities, Inc. (Respondent)

Case Number: 04-06398

Hearing Site: New York, New York

---

Nature of the Dispute: Associated Person vs. Member.

**REPRESENTATION OF PARTIES**

Claimant Demetrios Jangarathis hereinafter referred to as ("Claimant"): Robert F. Van der Waag, Esq., Van der Waag and Gray, Mineola, New York.

Respondent Essex National Securities, Inc., hereinafter referred to as ("Respondent"): Kimberly Klein, Esq., Moses and Singer LLP, New York, New York.

**CASE INFORMATION**

Statement of Claim filed on or about: September 7, 2004.

Answer to the Counterclaim filed on or about: April 1, 2005.

Claimant signed the Uniform Submission Agreement: August 31, 2004.

Answer to the Statement of Claim and Counterclaim filed on or about: March 11, 2005.

Respondent signed the Uniform Submission Agreement: March 4, 2005.

**CASE SUMMARY**

Claimant asserted the following causes of action: wrongful termination, defamation, and erroneous notation/comment provided on his form U-5.

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

Respondent asserted the following causes of action in its Counterclaim: frivolous claim and harassment.

Unless specifically admitted in his Answer, Claimant denied the allegations made in the Counterclaim and asserted various affirmative defenses.

**RELIEF REQUESTED**

Claimant requested compensatory damages in the amount of \$150,000.00, \$1,000,000.00 in punitive damages, injunctive relief, interest, attorney's fees,

expungement of his CRD record, and costs.

Respondent requested that Claimant's claims be dismissed in their entirety.

In its Counterclaim, Respondent requested unspecified damages and costs.

Claimant requested that Respondent's Counterclaims be dismissed in their entirety.

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

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, 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. Claimant's claims for monetary damages are denied in their entirety.
2. The Panel recommends that the existing comment in the reason for termination section on Demetrios Jangarathis' CRD Record be expunged from the registration records maintained by the NASD Central Registration Depository ("CRD") and replaced with the following language: "A customer requested transfers between her two accounts. Registered representative, Demetrios Jangarathis, violated internal policies of Essex National Securities with respect to the execution of wire transfers between that customer's brokerage money market account and her bank checking account." The Panel is ordering this expungement based upon the defamatory nature of the information on Demetrios Jangarathis' CRD Record.
3. 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	= \$	500.00
Counterclaim filing fee	= \$	500.00

#### **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. Accordingly, Essex National Securities, Inc., is a party.

Member surcharge	= \$ 2,800.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 5,000.00

### **Forum Fees and Assessments**

The Panel has assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrator that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing conference sessions with Panel @ \$1,200.00 per session  
= \$2,400.00

Pre-hearing conference: July 12, 2005 1-session  
December 9, 2005 1 session

Eight (8) Hearing sessions with Panel @ \$1,200.00 per session = \$9,600.00

August 29, 2006 2 sessions  
August 30, 2006 2 sessions  
September 13, 2006 2 sessions  
September 15, 2006 2 sessions

---

Total Forum Fees = \$12,000.00

1. The Panel has assessed \$6,000.00 of the forum fees against the Claimant.
2. The Panel has \$6,000.00 of the forum fees against the Respondent.

### **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.

1. Respondent requested duplication of 7 tapes @ \$15.00 per tape = \$ 105.00

### **Fee Summary**

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 500.00
Forum Fees	= \$ 6,000.00
Total Fees	= \$ 6,500.00
Less payments	= \$ 1,700.00
Balance Due NASD Dispute Resolution	= \$ 4,800.00

2. Respondent is solely liable for:

Counterclaim Filing Fee	= \$	500.00
Member Fees	= \$	8,550.00
Administrative Fees	= \$	105.00
Forum Fees	= \$	6,000.00
Total Fees	= \$	15,155.00
Less payments	= \$	10,050.00
Balance Due NASD Dispute Resolution	= \$	5,105.00

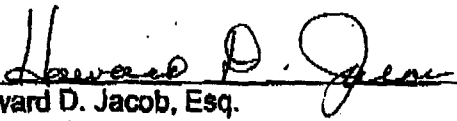
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

**ARBITRATION PANEL**

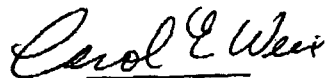
Howard D. Jacob, Esq.	-	Public Arbitrator, Presiding Chairperson
Carol E. Weir, Esq.	-	Public Arbitrator
Paul R. Walsh, Esq.	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

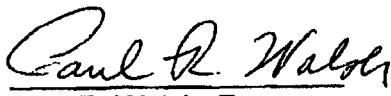
I, the undersigned Arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this is which is my award.

  
Howard D. Jacob, Esq.  
Public Arbitrator, Presiding Chairperson

9/21/06  
Signature Date

  
Carol E. Weir, Esq.,  
Public Arbitrator

9/19/06  
Signature Date

  
Paul R. Walsh, Esq.  
Non-Public Arbitrator

9/19/2006  
Signature Date

September 25, 2006  
Date of Service (For NASD Dispute Resolution use only)