

**Award
NASD Regulation, Inc.**

In the Matter of the Arbitration Between:

Manuel C. and Lucille Pragana (Claimants) vs. USLife Equity Sales Corp, Gary Ferone, First Hanover Securities, Inc. (nka LCP Capital Corp.), Salvatore A. Martorano (Respondents); and

USLife Equity Sales Corp. (Cross-Claimant) vs. First Hanover Securities, Inc. (nka LCP Capital Corp.) and Salvatore A. Martorano (Cross-Respondents)

Case Number: 96-01316

MASTER CASE

Hearing Site: New York, New York

Consolidated With:

In the Matter of the Arbitration Between:

Rita Goepfrich (Claimant) vs. USLife Equity Sales Corp. and Gary Ferone (Respondents)

Case Number: 96-01461

In the Matter of the Arbitration Between:

Mary Pirozzo, Trustee FBO Jeanne Leporisz (Claimant) vs. USLife Equity Sales Corp. and Gary Ferone (Respondents)

Case Number: 96-05064

In the Matter of the Arbitration Between:

Jeanne and Stephen R. Leporisz (Claimants) vs. USLife Equity Sales Corp. and Gary Ferone (Respondents)

Case Number: 96-05797

In the Matter of the Arbitration Between:

Patricia, Sadie, Anne, and John Patrick Ryan (Claimants) vs. First Hanover Securities, Inc. (nka LCP Capital Corp.) (Respondent)

Case Number: 96-05825

In the Matter of the Arbitration Between:

Mary Pirozzo (Claimant) vs. USLife Equity Sales Corp., Gary Ferone, First Hanover Securities, Inc. (nka LCP Capital Corp.), Salvatore A. Martorano (Respondents)

USLife Equity Sales Corp. (Cross-Claimant) vs. First Hanover Securities, Inc. (nka LCP Capital Corp.) and Salvatore A. Martorano (Cross-Respondents)

Case Number: 97-00829

In the Matter of the Arbitration Between:

Jeanne and Stephen R. Leporisz (Claimants) vs. USLife Equity Sales Corp., Gary Ferone, First Hanover Securities (nka LCP Capital Corp.), Salvatore Martorano (Respondents); and

USLife Equity Sales Corp. (Cross-Claimant) vs. First Hanover Securities, Inc. (nka LCP Capital Corp.) and Salvatore A. Martorano (Cross-Respondents)

Case Number: 97-01848

In the Matter of the Arbitration Between:

Rita Goepfrich (Claimant) vs. USLife Equity Sales Corp., Gary Ferone, First Hanover Securities (nka LCP Capital Corp.), Salvatore Martorano (Respondents); and

USLife Equity Sales Corp. (Cross-Claimant) vs. First Hanover Securities, Inc. (nka LCP Capital Corp.) and Salvatore A. Martorano (Cross-Respondents)

Case Number: 97-01948

In the Matter of the Arbitration Between:

Peter and Antoinette Mollicone (Claimants) vs. USLife Equity Sales Corp., Gary Ferone, First Hanover Securities (nka LCP Capital Corp.), Salvatore Martorano (Respondents); and

USLife Equity Sales Corp. (Cross-Claimant) vs. First Hanover Securities, Inc. (nka LCP Capital Corp.) and Salvatore A. Martorano (Cross-Respondents)

Case Number: 97-02877

In the Matter of the Arbitration Between:

G. Howard Taylor (Claimant) vs. USLife Equity Sales Corp., Gary Ferone, First Hanover Securities (nka LCP Capital Corp.), Salvatore Martorano (Respondents); and

USLife Equity Sales Corp. (Cross-Claimant) vs. First Hanover Securities, Inc. (nka LCP Capital Corp.) and Salvatore A. Martorano (Cross-Respondents)

Case Number: 97-04004

In the Matter of the Arbitration Between:

G. Howard and Joan Taylor (Claimants) vs. USLife Equity Sales Corp. and Gary Ferone (Respondents)

Case Number: 97-04751

In the Matter of the Arbitration Between:

Concetta and Benjamin Marano (Claimants) vs. USLife Equity Sales Corp. and Gary Ferone (Respondents)

Case Number: 97-04986

In the Matter of the Arbitration Between:

Concetta Marano (Claimant) vs. USLife Equity Sales Corp., Gary Ferone, First Hanover Securities (nka LCP Capital Corp.), Salvatore Martorano (Respondents); and

USLife Equity Sales Corp. (Cross-Claimant) vs. First Hanover Securities, Inc. (nka LCP Capital Corp.) and Salvatore A. Martorano (Cross-Respondents)

Case Number: 97-04987

In the Matter of the Arbitration Between:

Mary Elliott (Claimant) vs. USLife Equity Sales Corp., Gary Ferone, First Hanover Securities (nka LCP Capital Corp.), Salvatore Martorano (Respondents); and

- USLife Equity Sales Corp. (Cross-Claimant) vs. First Hanover Securities, Inc. (nka LCP Capital Corp.) and Salvatore A. Martorano (Cross-Respondents)

Case Number: 97-05919

REPRESENTATION OF PARTIES

Claimants Manuel C. and Lucille Pragana ("Pragana"), Rita Goepfrich ("Goepfrich"), Jeanne and Stephen Leporisz ("Leporisz"), Mary Pirozzo ("Pirozzo") and Peter and Antoinette Mollicone ("Mollicone"): John A. Astorina, Esq. and James V. Gargan, Esq., New York, New York

Claimants G. Howard and Joan Taylor ("Taylor"), Concetta and Benjamin Marano ("Marano"), and Mary Elliott ("Elliott"): Dominick J. Dorata, Esq., Scarsdale, New York

Claimants Patricia, Sadie, Anne and John Patrick Ryan ("Ryan"): Timothy J. O'Connor, Esq., Ainsworth, Sullivan, Tracy, Knauf, Warner & Ruslander, Albany, New York

Respondent USLife Equity Sales Corp. ("USLife"): Joel M. Miller, Esq., Miller & Wrubel, New York, New York

Respondents First Hanover Securities (nka LCP Capital Corp.) ("First Hanover") and Salvatore Martorano ("Martorano"): Charles M. O'Rourke, Esq., Garden City, New York

Respondent Gary M. Ferone ("Ferone") appeared *pro se*.

CASE INFORMATION

96-01316

Statement of Claim filed on or about: March 25, 1996

Amended Statement of Claim filed on or about: July 1, 1997

Claimants Pragana signed the Uniform Submission Agreement: March 19, 1996

Statement of Answer filed by USLife on or about: July 12, 1996

Amended Statement of Answer and Cross-Claim filed by USLife on or about: April 4, 1997

Respondent USLife signed the Uniform Submission Agreement: June 28, 1996

Statement of Answer filed by Ferone on or about: July 1, 1996

Respondent Ferone signed the Uniform Submission Agreement: July 1, 1996

Joint Statement of Answer to Amended Statement of Claim filed by First Hanover and Martorano filed on or about: December 1, 1997

Joint Statement of Answer to Cross-Claim filed by First Hanover and Martorano on or about: December 1, 1997

Respondents First Hanover and Martorano did not file executed agreements to arbitrate.

96-01461

Statement of Claim filed on or about: April 3, 1996

Claimant Goepfrich signed the Uniform Submission Agreement: October 31, 1996

Statement of Answer filed by USLife on or about: January 16, 1997

Respondent USLife signed the Uniform Submission Agreement: January 24, 1997

Statement of Answer filed by Ferone on or about: August 2, 1996

Respondent Ferone signed the Uniform Submission Agreement: August 2, 1996

96-05064

Statement of Claim filed on or about: December 5, 1996

Claimant Pirozzo signed the Uniform Submission Agreement: November 26, 1996

Statement of Answer filed by USLife on or about: January 27, 1997

Respondent USLife signed the Uniform Submission Agreement: January 21, 1997

Statement of Answer filed by Ferone on or about: March 4, 1997

Respondent Ferone signed the Uniform Submission Agreement: March 4, 1997

96-05797

Statement of Claim filed on or about: December 26, 1996

Claimant Jeannie Leporisz signed the Uniform Submission Agreement: December 17, 1997

Claimant Steve Leporisz signed the Uniform Submission Agreement: December 19, 1997

Statement of Answer filed by USLife on or about: March 20, 1997

Respondent USLife signed the Uniform Submission Agreement: February 13, 1997

Respondent Ferone did not file an Answer or execute an agreement to arbitrate in this matter.

96-05825

Statement of Claim filed on or about: December 30, 1996

Amended Statement of Claim filed on or about: August 4, 1998

Claimants John Patrick and Sadie Ryan signed the Uniform Submission Agreement: April 24, 1997

Claimant Patricia Ryan signed the Uniform Submission Agreement: April 24, 1997

Claimant Sadie Ryan for Anne Ryan signed the Uniform Submission Agreement: April 24, 1997

Claimants Sadie and Anne Ryan signed the Uniform Submission Agreement: May 27, 1997

Statement of Answer filed by First Hanover on or about: July 23, 1997

Respondent First Hanover signed the Uniform Submission Agreement: June 24, 1997

97-00829

Statement of Claim filed on or about: February 18, 1997
Amended Statement of Claim filed on or about: April 11, 1997
Claimant Pirozzo signed the Uniform Submission Agreement: February 27, 1997

Statement of Answer to Amended Statement of Claim and Cross-Claims filed by USLife on or about: May 14, 1997
Respondent USLife signed the Uniform Submission Agreement: January 19, 2000

Joint Statement of Answer to Statement of Claim and Amended Statement of Claim filed by First Hanover and Martorano filed on or about: May 27, 1997
Joint Statement of Answer to Cross-Claims filed by First Hanover and Martorano on or about: December 1, 1997
Respondent First Hanover signed the Uniform Submission Agreement: March 10, 1997
Respondent Martorano signed the Uniform Submission Agreement: March 10, 1997

Respondent Ferone did not file an Answer or execute an agreement to arbitrate in this matter.

97-01848

Statement of Claim filed on or about: April 11, 1997
Claimants Jeanne and Steve Leporisz signed the Uniform Submission Agreement: March 8, 1997

Statement of Answer to Statement of Claim and Cross-Claims filed by USLife on or about: July 1, 1997
Respondent USLife signed the Uniform Submission Agreement: April 24, 1997

Joint Statement of Answer to Statement of Claim filed by First Hanover and Martorano filed on or about: June 24, 1997
Joint Statement of Answer to Cross-Claims filed by First Hanover and Martorano on or about: July 11, 1997
Respondent First Hanover signed the Uniform Submission Agreement: April 25, 1997
Respondent Martorano signed the Uniform Submission Agreement: May 23, 1997

Respondent Ferone did not file a response or an agreement to arbitrate in this matter.

97-01948

Statement of Claim filed on or about: April 17, 1997
Claimant Rita Goepfrich signed the Uniform Submission Agreement: March 17, 1997

Statement of Answer to Statement of Claim and Cross-Claims filed by USLife on or about: July 28, 1997
Respondent USLife signed the Uniform Submission Agreement: June 27, 1997

Joint Statement of Answer to Statement of Claim filed by First Hanover and Martorano filed on or about: July 22, 1997
Joint Statement of Answer to Cross-Claims filed by First Hanover and Martorano on or about: July 25, 1997

Respondent First Hanover signed the Uniform Submission Agreement: June 4, 1997

Respondent Martorano signed the Uniform Submission Agreement: June 4, 1997

Respondent Ferone did not file a response or an agreement to arbitrate in this matter.

97-02877

Statement of Claim filed on or about: June 9, 1997

Claimants Peter and Antoinette Mollicone signed the Uniform Submission Agreement: May 30, 1997

Statement of Answer to Statement of Claim and Cross-Claims filed by USLife on or about: July 24, 1997

Respondent USLife signed the Uniform Submission Agreement: June 23, 1997

Joint Statement of Answer to Statement of Claim (97-02877) filed by First Hanover and Martorano filed on or about: July 18, 1997

Joint Statement of Answer to Cross-Claims filed by First Hanover and Martorano on or about: July 25, 1997

Respondent First Hanover signed the Uniform Submission Agreement: June 18, 1997

Respondent Martorano signed the Uniform Submission Agreement: June 18, 1997

Respondent Ferone did not file a response or an agreement to arbitrate in this matter.

97-04004

Statement of Claim filed on or about: August 13, 1997

Claimant G. Howard Taylor signed the Uniform Submission Agreement: March 15, 1997

Statement of Answer to Statement of Claim and Cross-Claims filed by USLife on or about: November 20, 1997

Respondent USLife signed the Uniform Submission Agreement: January 19, 2000

Joint Statement of Answer to Statement of Claim filed by First Hanover and Martorano filed on or about: November 13, 1997

Joint Statement of Answer to Cross-Claims filed by First Hanover and Martorano on or about: December 1, 1997

Respondent First Hanover signed the Uniform Submission Agreement:

Respondent Martorano signed the Uniform Submission Agreement:

Respondent Ferone did not file a response or an agreement to arbitrate in this matter.

97-04751

Statement of Claim filed on or about: September 29, 1997

Claimant Joan Taylor signed the Uniform Submission Agreement: September 18, 1997

Claimant G. Howard Taylor signed the Uniform Submission Agreement: September 22, 1997

Statement of Answer to Statement of Claim filed by USLife on or about: November 20, 1997

Respondent USLife signed the Uniform Submission Agreement: November 14, 1997

Respondent Ferone did not file a response or an agreement to arbitrate in this matter.

97-04986

Statement of Claim filed on or about: October 16, 1997

Claimants Concetta and Benjamin Marano signed the Uniform Submission Agreement: October 2, 1997

Statement of Answer to Statement of Claim filed by USLife on or about: July 10, 1998

Respondent USLife signed the Uniform Submission Agreement: July 10, 1998

Respondent Ferone did not file a response or an agreement to arbitrate in this matter.

97-04987

Statement of Claim filed on or about: October 16, 1997

Claimant Concetta Marano signed the Uniform Submission Agreement: October 2, 1997

Statement of Answer to Statement of Claim and Cross-Claims filed by USLife on or about: December 26, 1997

Respondent USLife signed the Uniform Submission Agreement: November 14, 1997

Joint Statement of Answer to Statement of Claim filed by First Hanover and Martorano filed on or about: January 2, 1998

Joint Statement of Answer to Cross-Claims filed by First Hanover and Martorano on or about: January 2, 1998

Respondent Ferone did not file a response or an agreement to arbitrate in this matter.

97-05919

97-05919

Statement of Claim filed on or about: December 22, 1997

Claimant Mary Elliott signed the Uniform Submission Agreement: December 11, 1997

Statement of Answer to Statement of Claim and Cross-Claims filed by USLife on or about: March 9, 1998

Respondent USLife signed the Uniform Submission Agreement: March 4, 1998

Joint Statement of Answer to Statement of Claim filed by First Hanover and Martorano filed on or about: January 23, 1998

Joint Statement of Answer to Cross-Claims filed by First Hanover and Martorano on or about: March 11, 1998

Respondent Ferone did not file a response or an agreement to arbitrate in this matter.

CASE SUMMARY

Claimants asserted the following causes of action: fraud; misrepresentations and omissions of material fact; breach of fiduciary duty; breach of contract; unsuitability; churning/excessive trading; failure to supervise; and negligence. The causes of action relate to transactions involving US Health Savings, Inc., Country World Casinos and Protel Communications Corp.

Respondent USLife denied the allegations made in the Statements of Claim and asserted claims of indemnification against First Hanover and Martorano.

Respondent Ferone denied the allegations made in the Statements of Claim.

Respondents First Hanover and Martorano denied the allegations made in the Statements of Claim and in the Cross-Claims.

RELIEF REQUESTED

96-01316

Claimants Pragana requested:

Compensatory Damages	\$48,120.00
Treble Damages	\$96,242.00
Punitive Damages	Amount Not Specified
Interest	9%

Respondent USLife requested that the Statement of Claim be dismissed against them and filed a Cross-Claim for indemnification from First Hanover and Martorano.

Respondent Ferone requested that the Statement of Claim be dismissed.

Respondents First Hanover and Martorano requested that the Statement of Claim be dismissed, as well as the Cross-Claim. In addition, Respondent Martorano requested that all references to these arbitrations be expunged from his registration records maintained by the NASD Central Registration Depository ("CRD").

96-01461

Claimant Goepfrich requested:

Compensatory Damages	\$183,000.00
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Respondent USLife requested that the Statement of Claim be dismissed.

Respondent Ferone requested that the Statement of Claim be dismissed.

96-05064

Claimant Pirozzo requested:

Compensatory Damages	\$100,000.00
Treble Damages	\$200,000.00
Punitive Damages	Amount Not Specified
Interest	9%
Costs	Amount Not Specified
Attorneys' Fees	Amount Not Specified

Respondent USLife requested that the Statement of Claim be dismissed.

Respondent Ferone requested that the Statement of Claim be dismissed.

96-05797

Claimants Leporisz requested:

Compensatory Damages	\$ 75,000.00
Treble Damages	\$150,000.00
Punitive Damages	Amount Not Specified
Interest	9%
Costs	Amount Not Specified
Attorneys' Fees	Amount Not Specified

Respondent USLife requested that the Statement of Claim be dismissed.

Respondent Ferone did not request relief.

96-05825

Claimants Ryan requested:

Compensatory Damages	\$ 23,520.00
Interest	Amount Not specified
Costs	Amount Not Specified

Respondent First Hanover requested that the Statement of Claim be dismissed.

97-00829

Claimant Pirozzo requested:

Compensatory Damages	\$12,632.50
Treble Damages	\$25,265.00
Punitive Damages	Amount Not Specified
Interest	9%
Costs	Amount Not Specified
Attorney's Fees	Amount Not Specified

Respondent USLife requested that the Statement of Claim be dismissed against them and filed a Cross-Claim for indemnification from First Hanover and Martorano.

Respondent Ferone did not request relief.

Respondents First Hanover and Martorano requested that the Statement of Claim be dismissed, as well as the Cross-Claim. In addition, Respondent Martorano requested that all references to these arbitrations be expunged from his registration records maintained by the NASD CRD.

97-01848

Claimants Leporisz requested:

Compensatory Damages	\$ 9,802.50
Treble Damages	\$19,605.00
Punitive Damages	Amount Not Specified
Interest	9%
Costs	Amount Not Specified
Attorney's Fees	Amount Not Specified

Respondent USLife requested that the Statement of Claim be dismissed against them and filed a Cross-Claim for indemnification from First Hanover and Martorano.

Respondent Ferone did not request relief.

Respondents First Hanover and Martorano requested that the Statement of Claim be dismissed, as well as the Cross-Claim. In addition, Respondent Martorano requested that all references to these arbitrations be expunged from his registration records maintained by the NASD CRD.

97-01948

Claimant Goepfrich requested:

Compensatory Damages	\$ 9,822.81
Treble Damages	\$19,645.62
Punitive Damages	Amount Not Specified
Interest	9%
Costs	Amount Not Specified
Attorney's Fees	Amount Not Specified

Respondent USLife requested that the Statement of Claim be dismissed against them and filed a Cross-Claim for indemnification from First Hanover and Martorano.

Respondent Ferone did not request relief.

Respondents First Hanover and Martorano requested that the Statement of Claim be dismissed, as well as the Cross-Claim. In addition, Respondent Martorano requested that all references to these arbitrations be expunged from his registration records maintained by the NASD CRD.

97-02877

Claimants Mollicone requested:

Compensatory Damages	\$ 4,214.70
Treble Damages	\$ 8,429.40
Punitive Damages	Amount Not Specified
Interest	9%
Costs	Amount Not Specified
Attorney's Fees	Amount Not Specified

Respondent USLife requested that the Statement of Claim be dismissed against them and filed a Cross-Claim for indemnification from First Hanover and Martorano.

Respondent Ferone did not request relief.

Respondents First Hanover and Martorano requested that the Statement of Claim be dismissed, as well as the Cross-Claim. In addition, Respondent Martorano requested that all references to these arbitrations be expunged from his registration records maintained by the NASD CRD.

97-04004

Claimant G. Howard Taylor requested:

Compensatory Damages	\$ 9,752.50
Treble Damages	\$19,505.00
Punitive Damages	Amount Not Specified
Interest	9%
Costs	Amount Not Specified
Attorney's Fees	Amount Not Specified

Respondent USLife requested that the Statement of Claim be dismissed against them and filed a Cross-Claim for indemnification from First Hanover and Martorano.

Respondent Ferone did not request relief.

Respondents First Hanover and Martorano requested that the Statement of Claim be dismissed, as well as the Cross-Claim. In addition, Respondent Martorano requested that all references to these arbitrations be expunged from his registration records maintained by the NASD CRD.

97-04751

Claimants Taylor requested:

Compensatory Damages	\$109,752.50
Treble Damages	\$219,505.00
Punitive Damages	Amount Not Specified
Interest	9%
Costs	Amount Not Specified
Attorney's Fees	Amount Not Specified

Respondent USLife requested that the Statement of Claim be dismissed against them and filed a Cross-Claim for indemnification from First Hanover and Martorano.

Respondent Ferone did not request relief.

Respondents First Hanover and Martorano requested that the Statement of Claim be dismissed, as well as the Cross-Claim. In addition, Respondent Martorano requested that all references to these arbitrations be expunged from his registration records maintained by the NASD CRD.

97-04986

Claimants Marano requested:

Compensatory Damages	\$ 31,625.50
Treble Damages	\$ 63,251.50
Punitive Damages	Amount Not Specified
Interest	9%
Costs	Amount Not Specified
Attorney's Fees	Amount Not Specified

Respondent USLife requested that the Statement of Claim be dismissed.

Respondent Ferone did not request relief.

97-04987

Claimant Marano requested:

Compensatory Damages	\$ 6,627.50
Punitive Damages	Amount Not Specified
Interest	9%
Costs	Amount Not Specified

Respondent USLife requested that the Statement of Claim be dismissed against them and filed a Cross-Claim for indemnification from First Hanover and Martorano.

Respondent Ferone did not request relief.

Respondents First Hanover and Martorano requested that the Statement of Claim be dismissed, as well as the Cross-Claim. In addition, Respondent Martorano requested that all references to these arbitrations be expunged from his registration records maintained by the NASD CRD.

97-05919

Claimant Elliott requested:

Compensatory Damages	\$ 2,150.00
Punitive Damages	Amount Not Specified

Respondent USLife requested that the Statement of Claim be dismissed against them and filed a Cross-Claim for indemnification from First Hanover and Martorano.

Respondent Ferone did not request relief.

Respondents First Hanover and Martorano requested that the Statement of Claim be dismissed, as well as the Cross-Claim. In addition, Respondent Martorano requested that all references to these arbitrations be expunged from his registration records maintained by the NASD CRD.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents Ferone, First Hanover and Martorano did not file with the NASD Regulation, Inc. Office of Dispute Resolution properly executed submissions to arbitration in every case, but are required to submit to arbitration pursuant to the Code and having filed answers to some of the claims, and having appeared and testified at the hearing, are bound by the determination of the Panel on all issues and all cases as submitted.

The Panel considered Motions to Consolidate and issued four (4) Orders granting those Motions. The first Consolidation Order, executed November 19, 1997, consolidated the following cases: 96-01316, 96-01461, 96-05064, 96-05797, 97-00829, 97-01848, 97-01948, 97-02877. The Second Consolidation Order, executed February 4, 1998, added the following cases: 97-04004, 97-04751, and 97-04987. The Third Consolidation Order, executed April 20, 1998, added the following cases: 96-05825 and 97-05919. The Fourth Consolidation Order, executed July 2, 1998, added 97-04986.

The panel considered Claimants' Motions for relief pursuant to the Racketeer Influenced and Corrupt Organizations Act ("RICO") and Respondents' Responses thereto, and denied the Motions.

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, and the post-hearing submissions, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. That Respondent Ferone is liable to and shall pay to Claimants Pragana \$48,121.00, pursuant to relief requested in 96-01316, plus 8% interest per annum from April 14, 1993 until paid; and
2. That Respondent First Hanover is liable to and shall pay to Claimants Pragana \$702.00, pursuant to relief requested in 96-01316, plus 8% interest per annum from September 2, 1994 until paid; and
3. That Respondent Ferone is liable to and shall pay to Claimant Goepfrich \$192,822.81, pursuant to relief requested in 96-01461 and 97-01948, plus 8% interest per annum from April 5, 1993 until paid; and
4. That Respondent First Hanover is liable to and shall pay to Claimant Goepfrich \$2,952.00, pursuant to relief requested in 97-01948, plus 8% interest per annum from September 2, 1994 until paid; and
5. That Respondent Ferone is liable to and shall pay to Claimants Pirozzo \$112,632.00, pursuant to relief requested in 96-05064, plus 8% interest per annum from December 14, 1993 until paid; and
6. That Respondent First Hanover is liable to and shall pay to Claimant Pirozzo \$4,465.00, pursuant to relief requested in 97-00829, plus 8% interest per annum from September 2, 1994 until paid; and

7. That Respondent Ferone is liable to and shall pay to Claimants Leporisz \$84,802.50, pursuant to relief requested in 96-05797, plus 8% interest per annum from June 7, 1993 until paid; and
8. That Respondent First Hanover is liable to and shall pay to Claimants Leporisz \$2,977.00, pursuant to relief requested in 97-01848, plus 8% interest per annum from September 2, 1994 until paid; and
9. That Respondent Ferone is liable to and shall pay to Claimants Mollicone \$4,214.70, pursuant to relief requested in 97-02877, plus 8% interest per annum from December 23, 1993 until paid; and
10. That Respondent First Hanover is liable to and shall pay to Claimants Mollicone \$1,327.00, pursuant to relief requested in 97-02877, plus 8% interest per annum from September 2, 1994 until paid; and
11. That Respondent Ferone is liable to and shall pay to Claimants Taylor \$109,752.50, pursuant to relief requested in 97-04751, plus 8% interest per annum from May 10, 1993 until paid; and
12. That Respondent First Hanover is liable to and shall pay to Claimant Taylor \$2,440.00, pursuant to relief requested in 97-04004, plus 8% interest per annum from September 2, 1994 until paid; and
13. That Respondent Ferone is liable to and shall pay to Claimants Morano \$31,625.50, pursuant to relief requested in 97-04986, plus 8% interest per annum from April 28, 1993 until paid; and
14. That Respondent First Hanover is liable to and shall pay to Claimant Morano \$1,252.00, pursuant to relief requested in 97-04987, plus 8% interest per annum from August 23, 1994 until paid; and
15. That Respondent Ferone is liable to and shall pay to Claimant Elliott \$2,150.00, pursuant to relief requested in 97-05919, plus 8% interest per annum from January 19, 1994 until paid; and
16. That Respondent First Hanover is liable to and shall pay to Claimant Elliott \$404.00, pursuant to relief requested in 97-05919, plus 8% interest per annum from September 2, 1994 until paid; and
17. That Respondent First Hanover is liable to and shall pay to Claimant Patricia Ryan \$3,181.00, pursuant to relief requested in 96-05825, plus 8% interest per annum from September 2, 1994 until paid; and
18. That Respondent First Hanover is liable to and shall pay to Claimants John and Sadie Ryan \$865.00, pursuant to relief requested in 96-05825, plus 8% interest per annum from September 2, 1994 until paid; and
19. That Respondent First Hanover is liable to and shall pay to Claimants Sadie and Ann Ryan \$2,656.00, pursuant to relief requested in 96-05825, plus 8% interest per annum from September 2, 1994 until paid; and
20. That Cross-Claims asserted by USLife against Respondents First Hanover and Martorano are denied; and

21. That the panel recommends the expungement of all reference to the above captioned arbitrations from Respondent Martorano's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Martorano must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive; and
21. That each party shall bear their own costs and expenses, with the exception of the forum fees as specified below; and
22. That any and all relief not specifically addressed herein, including RICO, treble and punitive damages, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. will retain or collect the non-refundable filing fees for each claim.

Member Fees

Pursuant to Rule 10333, 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. In this matter, the member firms are parties.

Adjournment Fees

Pursuant to Rule 10319 of the Code, adjournments requested during these proceedings:

December 2, 1996 adjournment by Respondent USLife	= \$400.00
March 10, 1997 adjournment by Respondent USLife	= \$800.00
May 12, 1997 adjournment by Claimants Pragana	= \$400.00

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing 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:

1 Pre-hearing session with a single arbitrator x \$300.00	= \$300.00
Pre-hearing conference: April 3, 1998	1 session
6 Pre-hearing sessions with Panel x \$1,000.00	= \$6,000.00
Pre-hearing conferences: September 9, 1997	1 session
October 21, 1997	1 session
October 29, 1997	1 session
December 23, 1997	1 session
March 30, 1998	1 session
June 29, 1998	1 session
34 Hearing sessions x \$1,000.00	= \$34,000.00
Hearing Dates: February 18, 1999	2 sessions
February 19, 1999	2 sessions

February 24, 1999	2 sessions
February 25, 1999	2 sessions
February 26, 1999	2 sessions
April 6, 1999	2 sessions
April 7, 1999	2 sessions
April 8, 1999	2 sessions
April 13, 1999	2 sessions
April 14, 1999	2 sessions
April 15, 1999	2 sessions
April 20, 1999	2 sessions
April 21, 1999	2 sessions
April 22, 1999	2 sessions
September 21, 1999	2 sessions
September 23, 1999	2 sessions
November 24, 1999	2 sessions
December 20, 1999	2 sessions

Total Forum Fees

= \$40,300.00

The Panel assessed the forum fees of \$40,300.00 jointly and severally to Respondents USLife and First Hanover.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services including, but not limited to, additional copies of arbitrator awards beyond those provided without charge; copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

USLife requested 44 hearing tapes

= \$660.00

Claimants requested 15 hearing tapes

= \$225.00

FEE SUMMARY

96-01316

Claimants Pragana be and hereby are solely liable for:

Initial Filing Fee	= \$120.00
Adjournment Fee	= \$400.00
Administrative Costs	= \$225.00
Total Fees	= \$745.00
Less payments	= \$745.00
Balance Due NASD Regulation, Inc.	= --0--

Respondent USLife be and hereby is solely liable for:

Cross-Claim Filing Fee	= \$ 500.00
Member Fees	= \$ 200.00
Adjournment Fee	= \$1,200.00
Administrative Costs	= \$ 660.00
Total Fees	= \$2,560.00
Less payments	= \$2,560.00
Balance Due NASD Regulation, Inc.	= \$ --0--

Respondent First Hanover be and hereby is solely liable for:

Member Fees	= \$200.00
Total Fees	= \$200.00
Less payments	= \$--0--
Balance Due NASD Regulation, Inc.	= \$200.00

Respondents, USLife and First Hanover, are jointly and severally liable for:

Forum Fees	= \$40,300.00
Less payments by USLife	= \$ 800.00
Balance Due NASD Regulation, Inc.	= \$39,500.00

96-01461

Claimant Goeprich be and hereby is solely liable for:

Initial Filing Fee	= \$200.00
Total Fees	= \$200.00
Less payments	= \$950.00
Refund Due to Claimant	= \$750.00

Respondent USLife be and hereby is solely liable for:

Member Fees	= \$350.00
Total Fees	= \$350.00
Less payments	= \$350.00
Balance Due NASD Regulation, Inc.	= \$--0--

96-05064

Claimant Pirozzo be and hereby is solely liable for:

Initial Filing Fee	= \$200.00
Total Fees	= \$200.00
Less payments	= \$950.00
Refund Due to Claimant	= \$750.00

Respondent USLife be and hereby is solely liable for:

Member Fees	= \$350.00
Total Fees	= \$350.00
Less payments	= \$350.00*
Balance Due NASD Regulation, Inc.	= \$—0—

96-05797

Claimants Leporisz be and hereby are solely liable for:

Initial Filing Fee	= \$200.00
Total Fees	= \$200.00
Less payments	= \$950.00
Refund Due to Claimant	= \$750.00

Respondent USLife be and hereby is solely liable for:

Member Fees	= \$350.00
Total Fees	= \$350.00
Less payments	= \$350.00
Balance Due NASD Regulation, Inc.	= \$—0—

96-05825

Claimants Ryan be and hereby are solely liable for:

Initial Filing Fee	= \$100.00
Total Fees	= \$100.00
Less payments	= \$500.00
Refund Due to Claimant	= \$400.00

Respondent First Hanover be and hereby is solely liable for:

Member Fees	= \$200.00
Total Fees	= \$200.00
Less payments	= \$—0—
Balance Due NASD Regulation, Inc.	= \$200.00

97-00829

Claimant Pirozzo be and hereby is solely liable for:

Initial Filing Fee	= \$120.00
Total Fees	= \$120.00
Less payments	= \$520.00
Refund Due to Claimant	= \$400.00

Respondent USLife be and hereby is solely liable for:

Cross-Claim Filing Fee	= \$500.00
Member Fees	= \$200.00
Total Fees	= \$700.00
Less payments	= \$700.00
Balance Due NASD Regulation, Inc.	= \$--0--

Respondent First Hanover be and hereby is solely liable for:

Member Fees	= \$200.00
Total Fees	= \$200.00
Less payments	= \$200.00
Balance Due NASD Regulation, Inc.	= \$--0--

97-01848

Claimants Leporisz and hereby are solely liable for:

Initial Filing Fee	= \$120.00
Total Fees	= \$120.00
Less payments	= \$520.00
Refund Due to Claimants	= \$400.00

Respondent USLife be and hereby is solely liable for:

Cross-Claim Filing Fee	= \$500.00
Member Fees	= \$200.00
Total Fees	= \$700.00
Less payments	= \$200.00
Balance Due NASD Regulation, Inc.	= \$500.00

Respondent First Hanover be and hereby is solely liable for:

Member Fees	= \$200.00
Total Fees	= \$200.00
Less payments	= \$--0--
Balance Due NASD Regulation, Inc.	= \$200.00

97-01948

Claimant Goepfrich be and hereby is solely liable for:

Initial Filing Fee	= \$100.00
Total Fees	= \$100.00
Less payments	= \$500.00
Refund Due to Claimant	= \$400.00

Respondent USLife be and hereby is solely liable for:

Cross-Claim Filing Fee	= \$500.00
Member Fees	= \$200.00
Total Fees	= \$700.00
Less payments	= \$400.00
Balance Due NASD Regulation, Inc.	= \$300.00

Respondent First Hanover be and hereby is solely liable for:

Member Fees	= \$200.00
Total Fees	= \$200.00
Less payments	= \$—0—
Balance Due NASD Regulation, Inc.	= \$200.00

97-02877

Claimants Mollicone and hereby are solely liable for:

Initial Filing Fee	= \$100.00
Total Fees	= \$100.00
Less payments	= \$400.00
Refund Due to Claimants	= \$300.00

Respondent USLife be and hereby is solely liable for:

Cross-Claim Filing Fee	= \$500.00
Member Fees	= \$200.00
Total Fees	= \$700.00
Less payments	= \$200.00
Balance Due NASD Regulation, Inc.	= \$500.00

Respondent First Hanover be and hereby is solely liable for:

Member Fees	= \$200.00
Total Fees	= \$200.00
Less payments	= \$—0—
Balance Due NASD Regulation, Inc.	= \$200.00

97-04004

Claimant Taylor and hereby is solely liable for:

Initial Filing Fee	= \$100.00
Total Fees	= \$100.00
Less payments	= \$500.00
Refund Due to Claimant	= \$400.00

Respondent USLife be and hereby is solely liable for:

Cross-Claim Filing Fee	= \$500.00
Member Fees	= \$600.00
Total Fees	= \$1,100.00
Less payments	= \$—0—
Balance Due NASD Regulation, Inc.	= \$1,100.00

Respondent First Hanover be and hereby is solely liable for:

Member Fees	= \$600.00
Total Fees	= \$600.00
Less payments	= \$—0—
Balance Due NASD Regulation, Inc.	= \$600.00

97-04751

Claimants Taylor and hereby are solely liable for:

Initial Filing Fee	= \$200.00
Total Fees	= \$200.00
Less payments	= \$950.00
Refund Due to Claimant	= \$750.00

Respondent USLife be and hereby is solely liable for:

Member Fees	= \$1,500.00
Total Fees	= \$1,500.00
Less payments	= \$—0—
Balance Due NASD Regulation, Inc.	= \$1,500.00

97-04986

Claimants Marano be and hereby are solely liable for:

Initial Filing Fee	= \$150.00
Total Fees	= \$150.00
Less payments	= \$650.00
Refund Due to Claimant	= \$500.00

Respondent USLife be and hereby is solely liable for:

Member Fees	= \$1,000.00
Total Fees	= \$1,000.00
Less payments	= \$—0—
Balance Due NASD Regulation, Inc.	= \$1,000.00

97-04987

Claimants Marano and hereby are solely liable for:

Initial Filing Fee	= \$75.00
Total Fees	= \$75.00
Less payments	= \$275.00
Refund Due to Claimants	= \$200.00

Respondent USLife be and hereby is solely liable for:

Cross-Claim Filing Fee	= \$500.00
Member Fees	= \$300.00
Total Fees	= \$800.00
Less payments	= \$—0—
Balance Due NASD Regulation, Inc.	= \$800.00

Respondent First Hanover be and hereby is solely liable for:

Member Fees	= \$300.00
Total Fees	= \$300.00
Less payments	= \$300.00
Balance Due NASD Regulation, Inc.	= \$—0—

97-05919

Claimant Elliott be and hereby is solely liable for:

Initial Filing Fee	= \$25.00
Total Fees	= \$25.00
Less payments	= \$50.00
Refund Due to Claimant	= \$25.00

Respondent USLife be and hereby is solely liable for:

Cross-Claim Filing Fee	= \$500.00
Member Fees	= \$150.00
Total Fees	= \$650.00
Less payments	= \$—0—
Balance Due NASD Regulation, Inc.	= \$650.00


Respondent First Hanover be and hereby is solely liable for:

Member Fees	= \$150.00
Total Fees	= \$150.00
Less payments	= \$150.00
Balance Due NASD Regulation, Inc.	= \$—0—

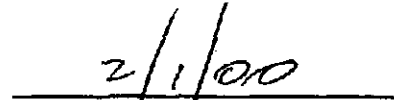
All balances are due to NASD Regulation, Inc. and are payable within 30 days of the service date of this Award.

AFFIRMATION AND CONCURRING ARBITRATOR'S SIGNATURE

I, **DAVID S. BILLET, ESQ.**, do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules of New York, that I am the individual described herein and who executed this instrument, which is my award.



David S. Billet, Esq.
Public Arbitrator, Presiding Chair

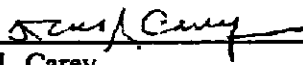


Date Executed

February 8, 2000
Date of Service (For NASD office use only)

AFFIRMATION AND CONCURRING ARBITRATOR'S SIGNATURE

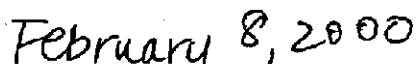
I, NEIL J. CAREY, do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules of New York, that I am the individual described herein and who executed this instrument, which is my award.



Neil J. Carey
Public Arbitrator



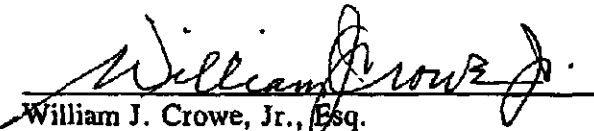
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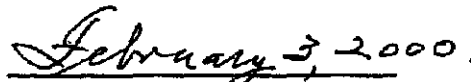


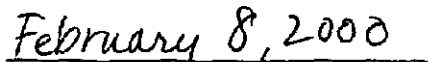
Date of Service (For NASD office use only)

AFFIRMATION AND CONCURRING ARBITRATOR'S SIGNATURE

I, **WILLIAM J. CROWE, JR., ESQ.**, do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules of New York, that I am the individual described herein and who executed this instrument, which is my award.


William J. Crowe, Jr., Esq.
Industry Arbitrator


Date Executed


Date of Service (For NASD office use only)