

**Award
FINRA Dispute Resolution**

In the Matter of the Arbitration Between:

Kirlin Securities, Inc. (Claimant) vs. Edward Deicke, Frank Nargentino, Joseph DiSanza, Matthew Senicola, Marcello Lattuca, Edward Wells, and GunnAllen Financial (Respondents) vs. David O. Lindner and Anthony Kirincic (Third Party Respondents)

Case Number: 05-03716

Hearing Site: New York, New York

Initial Claim Nature of the Dispute: Member vs. Associated Persons and Member.

Third Party Claim Nature of the Dispute: Associated Persons v. Associated Persons.

REPRESENTATION OF PARTIES

Claimant Kirlin Securities, Inc., hereinafter referred to as "Claimant": Isaac M. Zucker Esq., Law Offices of Isaac M. Zucker, PLLC, Garden City, NY. Previously represented by Martin Russo, Esq., Nixon Peabody LLP, New York, New York. Previously represented by Barry M. Bordetsky, Esq., Law Offices of Barry M. Bordetsky, Syosset, NY.

Respondents Edward Deicke ("Deicke"), Frank Nargentino ("Nargentino"), Joseph DiSanza ("DiSanza"), Matthew Senicola ("Senicola"), Marcello Lattuca ("Lattuca"), and Edward Wells ("Wells"), hereinafter collectively referred to as "Respondents": Michael Gilmore, Esq., Sims, Moss, Kline & Davis, LLP, Mineola, NY.

Respondent GunnAllen Financial ("GunnAllen"): Jay Israel, Esq., GunnAllen Financial, Lindenhurst, NY. Previously represented by Michael Gilmore, Esq., Sims, Moss, Kline & Davis, LLP, Mineola, NY.

Third Party Respondents David O. Lindner ("Lindner") and Anthony Kirincic ("Kirincic"), hereinafter collectively referred to as "Third Party Respondents": Isaac M. Zucker Esq., Law Offices of Isaac M. Zucker, PLLC, Garden City, NY. Previously represented by Martin Russo, Esq., Nixon Peabody LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: July 18, 2005.

Amended Statement of Claim filed on or about: July 20, 2005.

Statement of Answer to Counterclaims and Third Party Claims and Motion to Dismiss filed on or about: January 27, 2005.

Claimant signed the Uniform Submission Agreement: July 18, 2005.

Joint Statement of Answer, Counterclaims and Third Party Claims filed by Respondents Deicke, Nargentino, DiSanza, Senicola, Lattuca, Wells, and GunnAllen on or about: September 15, 2005.

Opposition to Motion to Dismiss filed by Respondents Deicke, Nargentino, Senicola, Lattuca, and Wells on or about: April 10, 2006.

Deicke signed the Uniform Submission Agreement: September 15, 2005.

Nargentino signed the Uniform Submission Agreement: September 15, 2005.

DiSanza signed the Uniform Submission Agreement: September 15, 2005.

Senicola signed the Uniform Submission Agreement: September 15, 2005.

Lattuca signed the Uniform Submission Agreement: September 15, 2005.

Wells signed the Uniform Submission Agreement: September 15, 2005.

GunnAllen signed the Uniform Submission Agreement: September 14, 2005.

Joint Statement of Answer filed by Claimant and Third Party Respondents on or about: January 27, 2006.

Lindner did not submit a Uniform Submission Agreement.

Kirincic did not submit a Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract, breach of fiduciary duty, tortious interference with business relations, misappropriation of trade secrets, conversion, unfair competition, aiding and abetting breach of fiduciary duty, raiding, and monies due and owing.

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

In their Counterclaims and Third Party Claims, Respondents asserted the following causes of action: improper withholding of wages and commissions, misrepresentations and/or omissions, fraud, breach of fiduciary duty, and breach of express and implied contract.

Unless specifically admitted in their Answer, Claimant and Third Party Respondents denied the allegations made in the Counterclaims and Third Party Claims and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested permanent injunctive relief, unspecified compensatory damages in an amount to be determined at the hearing, compensatory damages in the amount of \$27,231.47 from Respondent DiSanza based upon the Blaha settlement, punitive damages in the amount of \$500,000.00, costs, interest, attorneys' fees, and such other and further relief as the Panel may find appropriate.

Respondents and GunnAllen requested the dismissal of the Statement of Claim in its entirety and that the individual Respondents be granted such other and further relief as the arbitration panel deems just and proper.

In their Counterclaims and Third Party Claims, Respondents requested compensatory

damages in the amount of \$1,700,000.00, additional unspecified damages, costs, disbursements, attorneys' fees, and such other and further relief as the panel deems just and equitable.

Claimant and Third Party Respondents requested the dismissal of the Counterclaims and Third Party Claims in their entirety and that the Panel enters an award in favor of Claimant in connection with the claims set forth in the Statement of Claim.

Respondents requested that the Panel deny the Motion to Dismiss.

OTHER ISSUES CONSIDERED AND DECIDED

Third Party Respondents Lindner and Kirincic did not file with FINRA Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the Code, and having answered the claim, appeared and testified at the hearing, are bound by the determination of the Panel on all issues submitted.

On or about August 19, 2005, FINRA Dispute Resolution was notified that the parties resolved Claimant's claims for injunctive relief. At the hearing, Claimant confirmed its withdrawal of its claims for injunctive relief.

On or about October 13, 2005, Respondent DiSanza filed for bankruptcy under the United States Bankruptcy Code. In accordance with these filings, all claims against Respondent DiSanza are indefinitely stayed. Therefore, the Panel made no determination with respect to the claims against Respondent DiSanza.

By Order of the Supreme Court of the State of New York, dated July 10, 2007, the arbitration of this matter was stayed. By letter dated October 26, 2007, the parties advised FINRA Dispute Resolution that the stay was lifted.

At the hearing, Respondents withdrew their "labor law" claims.

At the hearing, the parties moved to bifurcate the arbitration hearings so that liability issues would be determined before damages testimony was offered. After due deliberation, the Panel granted the Motion and bifurcated the proceedings.

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, 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 are denied in their entirety.
2. Respondents' counterclaims and third party claims are denied in their entirety.

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

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

Initial claim filing fee	= \$1,250.00
Counterclaim/Third Party Claim 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 person at the time of the events giving rise to the dispute. Accordingly, Kirlin Securities, Inc., and GunnAllen Financial are parties.

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$5,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

June 6-9, 13-16, 27-29, 2006 adjournment by all parties	Waived
November 5, 2008 adjournment by all parties	Waived
January 27, 2009 adjournment by Claimant	Waived

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

November 5, 2008 adjournment by all parties	Waived
January 27, 2009 adjournment by Claimant	Waived

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

1. Claimant is assessed:

Injunctive relief surcharge	= \$2,500.00
Additional arbitrator honoraria	= \$ 218.75

2. Deicke is assessed:

Additional arbitrator honoraria = \$ 43.75

3. Nargentino is assessed:

Additional arbitrator honoraria = \$ 43.75

4. Senicola is assessed:

Additional arbitrator honoraria = \$ 43.75

5. Lattuca is assessed:

Additional arbitrator honoraria = \$ 43.75

6. Wells is assessed:

Additional arbitrator honoraria = \$ 43.75

7. GunnAllen is assessed:

Additional arbitrator honoraria = \$ 187.50

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 a single arbitrator @ \$450.00 = \$ 1,350.00
Pre-hearing conferences: May 9, 2006 1 session
June 21, 2007 1 session
March 19, 2008 1 session

Five (5) Pre-hearing sessions with Panel @ \$1,200.00 = \$ 6,000.00
Pre-hearing conferences: May 26, 2006 1 session
December 6, 2006 1 session
January 10, 2008 1 session
June 17, 2008 1 session
February 11, 2009 1 session

Two (2) Injunctive Hearing sessions @ \$1,200.00 = \$ 2,400.00
Hearing Date: August 1, 2005 2 sessions

Thirty-three (33) Hearing sessions @ \$1,200.00 = \$39,600.00
Hearing Dates: August 23, 2005 1 session
May 19, 2008 2 sessions
May 20, 2008 2 sessions

May 21, 2008	2 sessions
May 22, 2008	2 sessions
June 2, 2008	2 sessions
June 3, 2008	2 sessions
June 4, 2008	2 sessions
June 5, 2008	2 sessions
June 11, 2008	2 sessions
November 3, 2008	2 sessions
November 4, 2008	1 session
December 16, 2008	2 sessions
December 17, 2008	1 session
December 18, 2008	1 session
January 28, 2009	2 sessions
February 2, 2009	2 sessions
February 3, 2009	1 session
March 9, 2009	2 sessions

Total Forum Fees = \$49,350.00

1. The Panel has assessed \$17,272.50 of the forum fees to Claimant.
2. The Panel has assessed \$3,454.50 of the forum fees to Deicke.
3. The Panel has assessed \$3,454.50 of the forum fees to Nargentino.
4. The Panel has assessed \$3,454.50 of the forum fees to Senicola.
5. The Panel has assessed \$3,454.50 of the forum fees to Lattuca.
6. The Panel has assessed \$3,454.50 of the forum fees to Wells.
7. The Panel has assessed \$14,805.00 of the forum fees to GunnAllen.

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 are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

1. Respondents requested copies of tapes = \$ 15.00

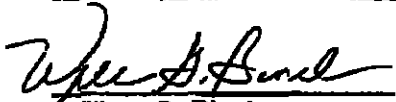
All balances are payable to FINRA Dispute Resolution and are due upon receipt.

ARBITRATION PANEL

William G. Binckes - Public Arbitrator, Presiding Chairperson
Krishna M. Vempaty - Public Arbitrator
Philip M. Mandel - Non-Public Arbitrator

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.

Concurring Arbitrators' Signatures



William G. Binckes
Public Arbitrator, Presiding Chairperson

3/18/09

Signature Date

Krishna M. Vempaty
Public Arbitrator

Signature Date

Philip M. Mandel
Non-Public Arbitrator

Signature Date

March 20, 2009

Date of Service (For FINRA Dispute Resolution use only)

ARBITRATION PANEL

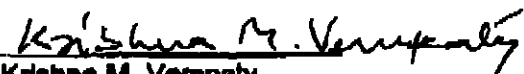
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Signature Date



Krishna M. Vempaty
Public Arbitrator



Signature Date

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Signature Date

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Philip M. Mandel
Non-Public Arbitrator

3/20/09

Signature Date

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