

**Award  
FINRA Dispute Resolution**

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In the Matter of the Arbitration Between:

Claimant

Harwich East Plaza LLC

Case Number: 12-01608

vs.

Respondents

Victor Rosario Cassone  
Shanon Lane Ford  
Erinn June Ford  
Mark Thomas McCloskey  
Philip Anthony Pizelo  
Multi-Financial Securities Corporation  
Pacific West Securities, Inc.  
Pacific West Financial Group Holding Co.

Hearing Site: Boston, Massachusetts

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Nature of the Dispute: Customer vs. Associated Persons, Members, and Non-Member

The case proceeded under the Optional All Public Panel Rule/ All Public Panel

**REPRESENTATION OF PARTIES**

For Claimant Harwich East Plaza LLC: Bradd L. Milove, Esq., Miller & Milove, San Diego, California.

For Respondent Victor Rosario Cassone ("Cassone"): G. Randall Avery, Esq., Law Offices of G. Randall Avery, Esq., Darien, CT. Previously represented by Chance A. E. Hodges, Esq., Pacific West Securities, Inc., John A. Cassone, Esq., Stamford, CT., and Glenn Bierman, Westport, Connecticut.

For Respondents Shanon Lane Ford ("S. Ford"), Erinn June Ford ("E. Ford"), Mark Thomas McCloskey ("McCloskey"), Philip Anthony Pizelo ("Pizelo"), Pacific West Securities, Inc. ("Pacific Securities"), and Pacific West Financial Group Holding Co. ("Pacific Holding"): Chance A. E. Hodges, Esq., Pacific West Securities, Inc., Renton, Washington.

For Respondent Multi-Financial Securities Corporation ("Multi-Financial"): Cheryl L. Hass-Goldstein, Esq., Sutherland Ashbill & Brennan, LLP, Atlanta, Georgia.

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### CASE INFORMATION

Statement of Claim filed on or about: May 2, 2012.  
Claimant signed the Submission Agreement: April 20, 2012.

Statement of Answer filed by Cassone, S. Ford, E. Ford, McCloskey, Pizelo, Pacific Securities, and Pacific Holding on or about: June 27, 2012.

Cassone did not sign the Submission Agreement.  
S. Ford did not sign the Submission Agreement.  
E. Ford did not sign the Submission Agreement.  
McCloskey did not sign the Submission Agreement.  
Pizelo did not sign the Submission Agreement.  
Pacific West Securities, Inc. did not sign the Submission Agreement.  
Pacific Holding did not sign the Submission Agreement.

Statement of Answer filed by Multi-Financial on or about: June 27, 2012.  
Multi-Financial did not sign the Submission Agreement.

### CASE SUMMARY

Claimant asserted the following causes of action: breach of contract, breach of fiduciary duty, constructive fraud, negligence, misrepresentation, unsuitability, omission of facts, and unfair trade.

The causes of action relate to Tenant in Common real estate investments.

Unless specifically admitted in their Answer, Respondents Cassone, S. Ford, E. Ford, McCloskey, Pizelo, Pacific Securities, and Pacific Holding denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

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

### RELIEF REQUESTED

In the Statement of Claim, Claimant requested compensatory damages in the amount of \$5,800,000.00, rescission, indemnification from any liability in connection with the Mortgage Loans and Guarantee Agreements, punitive damages, pre and post judgment interest, expert witness fees, attorneys' fees, forum fees, costs, expenses, and such other relief as the Panel may deem just and proper.

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Respondents Cassone, S. Ford, E. Ford, McCloskey, Pizelo, Pacific Securities, and Pacific Holding requested dismissal of the Statement of Claim in its entirety, costs, and expungement.

Respondent Multi-Financial requested dismissal of the Statement of Claim in its entirety.

#### OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrators acknowledge that they have each read the pleadings and other materials filed by the parties.

Respondents S. Ford, E. Ford, McCloskey, Pizelo, and Pacific Securities did not file with FINRA Dispute Resolution properly executed 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.

Respondent Cassone did not file with FINRA Dispute Resolution a properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code and, having answered the claim, appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

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

Respondent Pacific Holding is not a member or associated person of FINRA and did not voluntarily submit to arbitration. Therefore, the Panel made no determination with respect to Claimant's claims against Respondent Pacific Holding.

By letter dated September 24, 2012, Claimant withdrew its claims against Multi-Financial.

At the conclusion of its case-in-chief, Claimant notified the Panel it had reached a settlement with Respondents S. Ford, E. Ford, McCloskey, and Pizelo.

Claimant and Cassone, the only parties to appear, have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

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### 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. Respondents Cassone and Pacific Securities are jointly and severally liable for and shall pay to Claimant compensatory damages in the amount of \$2,479,197.53.
2. Respondents Cassone and Pacific Securities are jointly and severally liable for and shall pay to Claimant punitive damages in the amount of \$2,479,197.53 pursuant to Massachusetts General Law (M.G.L.A.) Chapter 93A.
3. Respondents Cassone and Pacific Securities are jointly and severally liable for and shall pay to Claimant attorneys' fees in the amount of \$100,000.00. The Panel awarded attorneys' fees pursuant to M.G.L.A Chapter 93A.
4. Respondents Cassone and Pacific West are jointly and severally liable for and shall pay to Claimant costs in the amount of \$30,000.00.
5. The expungement requests of Respondents Cassone, S. Ford, E. Ford, McCloskey, and Pizelo are denied in their entirety.
6. Any and all relief not specifically addressed herein is denied.

### FEES

Pursuant to the Code, the following fees are assessed:

#### Filing Fees

FINRA Dispute Resolution assessed a filing fee\* for each claim:

Initial Claim Filing Fee	= \$1,800.00
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*\*The filing fee is made up of a non-refundable and a refundable portion.*

#### 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, as parties, Multi-Financial Securities Corporation and Pacific West Securities, Inc. are each assessed the following:

Member Surcharge	= \$3,350.00
Pre-Hearing Processing Fee	= \$ 750.00
Hearing Processing Fee	= \$5,500.00

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**Hearing Session Fees and Assessments**

The Panel has assessed hearing session 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:

One (1) Pre-hearing session with a single arbitrator @ \$450.00/session	= \$ 450.00
Pre-hearing conference: November 14, 2012	1 session
Two (2) Pre-hearing sessions with the Panel @ \$1,200.00/session	= \$2,400.00
Pre-hearing conferences: September 18, 2012	1 session
April 30, 2013	1 session
Five (5) Hearing sessions @ \$1,200.00/session	= \$6,000.00
Hearing Dates: May 13, 2013	2 sessions
May 14, 2013	2 sessions
May 15, 2013	1 session
<b>Total Hearing Session Fees</b>	<b>= \$8,850.00</b>

1. The Panel has assessed \$4,425.00 of the hearing session fees to Claimant.
2. The Panel has assessed \$4,425.00 of the hearing session fees jointly and severally to Cassone and Pacific Securities.

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


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**ARBITRATION PANEL**

Sandor I. Rabkin	-	Public Arbitrator, Presiding Chairperson
Carol Di Natale	-	Public Arbitrator
Paul Peter Nicolai	-	Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument which is my award.

**Concurring Arbitrators' Signatures**

  
 \_\_\_\_\_  
 Sandor I. Rabkin  
 Public Arbitrator, Presiding Chairperson

May 29, 2013  
 \_\_\_\_\_  
 Signature Date

\_\_\_\_\_  
 Carol Di Natale  
 Public Arbitrator

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

\_\_\_\_\_  
 Paul Peter Nicolai  
 Public Arbitrator

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

June 4, 2013  
 \_\_\_\_\_  
 Date of Service (For FINRA Dispute Resolution office use only)

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Arbitration No. 12-01800  
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ARBITRATION PANEL

Sandor I. Rabkin  
Carol Di Natale  
Paul Peter Nicolai

Public Arbitrator, Presiding Chairperson  
Public Arbitrator  
Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument which is my award.

Concurring Arbitrators' Signatures

\_\_\_\_\_  
Sandor I. Rabkin  
Public Arbitrator, Presiding Chairperson

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

*Carol Di Natale*  
\_\_\_\_\_  
Carol Di Natale  
Public Arbitrator

*5/31/13*  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Paul Peter Nicolai  
Public Arbitrator

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

June 4, 2013

\_\_\_\_\_  
Date of Service (For FINRA Dispute Resolution office use only)



**VIA FACSIMILE AND MAIL**

June 4, 2013

**COPY -- SEE RECIPIENT LIST**

Subject: FINRA Dispute Resolution Arbitration Number 12-01608  
Harwich East Plaza LLC vs. Pacific West Securities, Inc., Pacific West Financial  
Group Holding Co., LLC Mark McCloskey, etal.

Dear Mr. Hodges:

Enclosed please find the decision reached by the arbitrator(s) in the above-referenced matter.

FINRA rules provide that all monetary awards shall be paid within 30 days of receipt unless a motion to vacate has been filed with a court of competent jurisdiction. An award shall accrue interest from the date of the award:

- If not paid within 30 days of receipt;
- If the award is the subject of a motion to vacate which is denied; or
- As specified by the panel in the award.

Interest shall be assessed at the legal rate, if any, then prevailing in the state where the award was rendered, or at a rate set by the arbitrator(s).

Firms are required to notify FINRA in writing within 30 days of receipt of an award that they or their associated persons have paid or otherwise complied with the award, or to identify a valid basis for non-payment. **The 30-day period ends on: July 5, 2013.** Associated persons who have changed employment since the arbitration claim was filed are required to notify FINRA directly regarding the payment status of any awards against them. Please review Notice to Members 00-55 for more information on the notification requirement and the sanctions for noncompliance.

Written notification concerning award compliance or lack thereof should be directed to:

David Carey  
FINRA Dispute Resolution  
One Liberty Plaza, 165 Broadway, 52nd Floor  
New York, NY 10006  
212-858-4333 (tel) | 301-527-4706 (fax) | david.carey@finra.org (email)



Should you have any questions, please contact me at the phone number or email address provided below. Parties should not directly contact arbitrators under any circumstances.

Very truly yours,

Archna Curry  
Case Administrator  
Phone: 212-858-4200  
Fax: 301-527-4904  
NEProcessingCenter@finra.org

KA:vw: LC09X  
idr: 08/29/2012

CC:

Bradd L. Milove, Esq., Harwich East Plaza LLC  
Miller & Milove, 750 "B" Street, Suite 1880, San Diego, CA 92101

RECIPIENTS:

Chance A.E. Hodges, Esq., Pacific West Securities, Inc.  
Pacific West Securities, Inc., 555 S. Renton Village Place, Suite 700, Renton, WA  
98057-0860



**VIA FACSIMILE AND MAIL**

June 4, 2013

**COPY -- SEE RECIPIENT LIST**

**Subject: FINRA Dispute Resolution Arbitration Number 12-01608  
Harwich East Plaza LLC vs. Pacific West Securities, Inc., Pacific West Financial  
Group Holding Co., LLC Mark McCloskey, etal.**

Dear Mr. Avery:

Enclosed please find the decision reached by the arbitrator(s) in the above-referenced matter.

FINRA rules provide that all monetary awards shall be paid within 30 days of receipt unless a motion to vacate has been filed with a court of competent jurisdiction. An award shall accrue interest from the date of the award:

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Very truly yours,

Archna Curry  
Case Administrator  
Phone: 212-858-4200  
Fax: 301-527-4904  
NEProcessingCenter@finra.org

KA:vw: LC09X  
idr: 08/29/2012

CC:

Bradd L. Milove, Esq., Harwich East Plaza LLC  
Miller & Milove, 750 "B" Street, Suite 1880, San Diego, CA 92101

RECIPIENTS:

G. Randall Avery, Esq., Victor Rosario Cassone  
Law Offices of G. Randall Avery, Esq., 30 Old Kings Highway South, Darien, CT 06820

FINRA Dispute Resolution  
Northeast Processing Center  
One Liberty Plaza  
165 Broadway, 27th Floor  
New York, NY 10006  
Email: [neprocessingcenter@finra.org](mailto:neprocessingcenter@finra.org)  
Phone: 212-858-4200  
Fax: 301-527-4873



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Number of Pages including the Cover Sheet: 15

Date: 06/04/2013

Case Number: 12-01608

Case Name: Harwich East Plaza LLC vs. Pacific West Securities, Inc., Pacific West Financial Group Holding Co., LLC Mark McCloskey, etal.

To: Bradd L. Milove

Phone: 619-696-5200 Fax: 619-696-5393

From: Archna Curry  
Case Administrator

Message:

*VM*

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