

**Award
FINRA Dispute Resolution**

In the Matter of the Arbitration Between:

Nicholas Spencer Reeve individually and on behalf of Prostar 2000 (Claimants) vs. Granta Capital Group LLC, Michael Ronald Passero, Ross H. Mandell, Robert Lewis Goss, and Stephen William Shea (Respondents)

Case Number: 09-02329

Hearing Site: New York, New York

Nature of the Dispute: Customers vs. Member and Associated Persons

REPRESENTATION OF PARTIES

Nicholas Spencer Reeve ("Reeve") individually and on behalf of Prostar 2000 ("Prostar"), hereinafter referred to as "Claimants": Nicholas J. Guiliano, Esq., Guiliano Law Firm, Philadelphia, PA.

Granta Capital Group LLC ("Granta") did not enter an appearance in this matter.

Stephen William Shea ("Shea") did not enter an appearance in this matter.

Michael Ronald Passero ("Passero") did not enter an appearance in this matter.

Ross H. Mandell ("Mandell") appeared *pro se*.

Robert Lewis Goss ("Goss") appeared *pro se*.

CASE INFORMATION

Statement of Claim filed on or about: April 23, 2009.

Reeve signed the Submission Agreement on: April 16, 2009.

Prostar signed the Submission Agreement on: April 16, 2009.

Granta did not file an Answer or sign the Submission Agreement.

Shea did not file an Answer or sign the Submission Agreement.

Passero did not file an Answer or sign the Submission Agreement.

Statement of Answer filed by Mandell on or about: October 30, 2009.

Mandell did not sign the Submission Agreement.

Statement of Answer filed by Goss on or about: March 18, 2010.

Goss did not sign the Submission Agreement.

CASE SUMMARY

In the Statement of Claim, Claimants asserted the following causes of action: violation of sections 10(b) and 20 (a) of the Securities Exchange Act of 1934, violation of section 12 of the Securities Act of 1933, suitability, excessive activity, unauthorized trading, violation of the U.K. Financial Services and Markets Act 2000, breach of fiduciary duty, failure to supervise, and fraud. The causes of action relate to unspecified securities.

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

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

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$380,000.00, disgorgement of all commissions, fees, and other income, lost income, punitive damages, interest, attorneys' fees, cost of this suit, and any other relief that is just, fair, and reasonable.

Mandell requested dismissal of the Statement of Claim.

Goss requested dismissal of the Statement of Claim.

OTHER ISSUES CONSIDERED AND DECIDED

The Panel acknowledges that they have each read the pleadings and other materials filed by the parties.

Respondents Granta, Passero, and Shea did not file with FINRA Dispute Resolution a properly executed Submission Agreement but are required to submit to arbitration pursuant to the Code and are bound by the determination of the Panel on all issues submitted.

Respondents Mandell and Goss 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 is bound by the determination of the Panel on all issues submitted.

Upon review of the file and the representations made by the Claimants, the undersigned arbitrators (the "Panel") determined that Respondents Granta, Passero, Mandell, and Shea have 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 Respondents present, in accordance with the Code of Arbitration Procedure (the "Code").

On or about April 21, 2010, Claimants notified FINRA Dispute Resolution that they had settled their claims against Goss.

Claimants, the only parties to appear in this matter, 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. Respondents Granta, Passero, Mandell, and Shea are jointly and severally liable for and shall pay to Claimants compensatory damages in the amount of \$367,295.00.
2. Respondents Granta, Passero, Mandell, and Shea are jointly and severally liable for and shall pay to Claimants interest at the rate of 9% per annum on compensatory damages of \$217,295.00 from July 9, 2006 until payment of the Award.
3. Respondents Granta, Passero, Mandell, and Shea are jointly and severally liable for and shall pay to Claimants interest at the rate of 9% per annum on compensatory damages of \$150,000.00 from August 11, 2004 until payment of the Award.
4. Respondents Granta, Passero, Mandell, and Shea are jointly and severally liable for and shall pay to Claimants \$300.00 to reimburse Claimants for the non-refundable portion of the filing fee previously paid to FINRA Dispute Resolution
5. 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 assessed a filing fee* for each claim:

Initial claim filing fee	= \$1,425.00
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**The filing fee is made up of a non-refundable and a refundable portion.*

As stated in the "Award" section above, Respondents Granta, Passero, Mandell, and Shea shall pay to Claimants \$300.00 to reimburse Claimants for the non-refundable portion of the filing fee previously paid to FINRA Dispute Resolution.

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 event giving rise to the dispute. Accordingly, as a party, Granta Capital Group LLC is assessed the following:

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

Hearing process fee = \$2,750.00

Hearing Session Fees and Assessments

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

Two (2) Pre-hearing sessions with Panel @ \$1,125.00 = \$2,250.00

Pre-hearing conferences: September 23, 2009 1 session
April 7, 2010 1 session

One (1) Hearing session @ \$1,125.00 = \$1,125.00

Hearing Date: July 9, 2010 1 session

Total Forum Fees = \$3,375.00

The Panel has assessed \$3,375.00 of the hearing session fees jointly and severally to Granta, Passero, Mandell, and Shea.

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

ARBITRATION PANEL

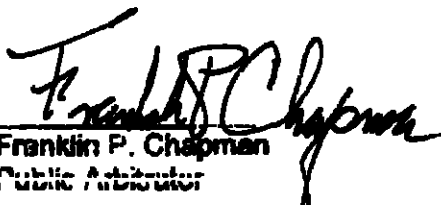
Richard W. Cutler	-	Public Arbitrator, Presiding Chairperson
Franklin P. Chapman	-	Public Arbitrator
Adam M. Kauff	-	Non-Public Arbitrator

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

Richard W. Cutler
Public Arbitrator, Presiding Chairperson

Signature Date



Franklin P. Chapman
Public Arbitrator

7/26/10

Signature Date

Adam M. Kauff
Non-Public Arbitrator

Signature Date

August 4, 2010

Date of Service (For FINRA Dispute Resolution use only)

ARBITRATION PANEL

Richard W. Cutler	-	Public Arbitrator, Presiding Chairperson
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