

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Kevin Doyle, (Claimant) vs. Cambridge Capital LLC, Wexford Clearing Services Corporation, Thomas Rossi, Frances Thomas LLC, Michael Kempner, Barbara Kempner, Steven Etra, Emil Buckner, Gary Granoff, Steven Kobren, Walter Lieb, Warren Sabloff, and Jay Vidders, (Respondents)

Case Number: 00-04615

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimant, Kevin Doyle, hereinafter referred to as "Claimant": Joseph F. Keenan, Esq., McCanliss & Early LLP, New York, NY.

Respondent, Wexford Clearing Services Corporation ("Wexford"): John C. Cannistraci, Esq., First Vice President and Corporate Counsel, Prudential Securities Inc., New York, NY. Previously represented by: Joseph Dolcimascolo, Esq., First Vice President and Associate General Counsel, New York, NY.

Respondent, Thomas Rossi ("Rossi"): Mark F. Magnozzi, Esq., Helfand & Helfand, New York, NY.

Respondents, Michael Kempner ("M. Kempner") and Barbara Kempner ("B. Kempner"), did not appear at the hearings in this matter. M. Kempner and B. Kempner originally appeared *pro se*.

Respondents, Cambridge Capital LLC ("Cambridge"), Frances Thomas LLC ("Frances"), Steven Etra ("Etra"), Emil Buckner ("Buckner"), Gary Granoff ("Granoff"), Steven Kobren ("Kobren"), Walter Lieb ("Lieb"), Warren Sabloff ("Sabloff"), and Jay Vidders ("Vidders"), did not make appearances in this matter.

CASE INFORMATION

Statement of Claim filed on or about: October 16, 2000.

Claimant signed the Uniform Submission Agreement: August 30, 2000.

Statement of Answer filed by Wexford on or about: March 14, 2001.

Wexford signed the Uniform Submission Agreement: March 14, 2001.

Statement of Answer filed by Rossi on or about: July 23, 2002.
Rossi did not sign a Uniform Submission Agreement.

Joint Statement of Answer filed by M. Kempner and B. Kempner on or about: March 16, 2001.

M. Kempner did not sign a Uniform Submission Agreement.

B. Kempner did not sign a Uniform Submission Agreement.

Cambridge did not file a Statement of Answer or sign a Uniform Submission Agreement.

Frances did not file a Statement of Answer or sign a Uniform Submission Agreement.

Etra did not file a Statement of Answer or sign a Uniform Submission Agreement.

Buckner did not file a Statement of Answer or sign a Uniform Submission Agreement.

Granoff did not file a Statement of Answer or sign a Uniform Submission Agreement.

Kobren did not file a Statement of Answer or sign a Uniform Submission Agreement.

Lieb did not file a Statement of Answer or sign a Uniform Submission Agreement.

Sabloff did not file a Statement of Answer or sign a Uniform Agreement.

Vidders did not file a Statement of Answer or sign a Uniform Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: breach of employment agreement; unauthorized transfer of cash and securities from Claimant's personal accounts; unauthorized transactions; and failure to supervise. Claimant's claim involved a variety of stocks, options, and warrants.

Unless specifically admitted in its Answer, Wexford denied the allegations made in the Statement of Claim and asserted the following defenses: the Statement of Claim fails to state any cause of action against Wexford; Wexford's duties as clearing firm for Claimant's account was strictly limited, by contract, to performing the wholly ministerial, post-execution tasks of processing, clearing, and reporting those trades already placed in Claimant's account by Cambridge; and Wexford performed each of its responsibilities timely, reasonably, and in good faith.

Unless specifically admitted in his Answer, Rossi denied the allegations made in the Statement of Claim and asserted the following defenses: Claimant's accounts were liquidated by Cambridge pursuant to the terms of the Association Agreement between Cambridge and Claimant as a result of Claimant's indebtedness to Cambridge; the monies from Claimant's accounts were not transferred to Rossi's personal accounts; Rossi, on behalf of Cambridge and on the advice of counsel, implemented and carried out a set off against Claimant's accounts as was Cambridge's right under the Association Agreement; and the Statement of Claim fails to assert allegations against Rossi personally.

RELIEF REQUESTED

Claimant requested:

- a. Compensatory damages in the amount of \$100,000.00;
- b. Punitive damages in the amount of \$300,000.00;
- c. Interest at the rate of 9%;
- d. Attorneys' fees; and
- e. Such other relief as the Panel deems appropriate.

Wexford requested that the Statement of Claim be dismissed in its entirety.

Rossi requested that the Panel deny Claimant's Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

By letter dated October 17, 2001, Claimant advised NASD Dispute Resolution that he was withdrawing his claims against M. Kempner and B. Kempner.

By letter dated October 31, 2001, Claimant advised NASD Dispute Resolution that he was withdrawing his claims against Etra, Buckner, Granoff, Kobren, Lieb, Sabloff, and Vidders.

On February 2, 2001, the United States District Court for the Eastern District of New York entered an Order granting the application of the Securities Investor Protection Corporation ("SIPC"), Inc. under the Securities Investor Protection Act ("SIPA"). Pursuant to the court's Order, all matters concerning Cambridge were indefinitely stayed.

Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrators (the "Panel") determined that Frances 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 Frances present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Cambridge, Rossi, Frances, M. Kempner, B. Kempner, Etra, Buckner, Granoff, Kobren, Lieb, Sabloff, and Vidders did not file with NASD Dispute Resolution properly executed submissions to arbitration but are required to submit to arbitration pursuant to the Code and are bound by the determination of the Panel on all issues submitted.

During the hearings in this matter, Respondents Wexford and Rossi each made motions to dismiss. The Panel denied said Motions.

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. Rossi be and hereby is solely liable for and shall pay to Claimant the sum of \$24,114.67 as compensatory damages, plus interest at the rate of 9% accruing from June 16, 2000 until the date of payment of this Award.
2. Wexford and Rossi be and hereby are jointly and severally liable for and shall pay to Claimant the sum of \$88,285.49 as compensatory damages, plus interest at the rate of 9% accruing from June 16, 2000 until the date of payment of this Award.
3. Claimant's request for punitive damages is hereby denied.
4. All claims against Frances are hereby denied.
5. All other requests for relief are hereby 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	= \$ 300.00
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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. In this matter, Wexford Clearing Services Corporation is a party.

Member surcharge	= \$1,500.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$2,500.00

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:

One (1) Pre-hearing session with Panel x \$1,125.00	= \$1,125.00
Pre-hearing conference: December 14, 2001	1 session
Five (5) Hearing sessions x \$1,125.00	= \$5,625.00
Hearing Dates: June 4, 2002	2 sessions
June 5, 2002	1 session
July 31, 2002	2 sessions
Total Forum Fees	= \$6,750.00

1. The Panel has assessed \$2,250.00 of the forum fees against Claimant.
2. The Panel has assessed \$2,250.00 of the forum fees against Wexford.
3. The Panel has assessed \$2,250.00 of the forum fees against Rossi.

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.

1. Claimant, requested tapes, \$60.00.

Fee Summary

1. Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$2,250.00
<u>Administrative Costs</u>	= \$ 60.00
Total Fees	= \$2,610.00
<u>Less payments</u>	= \$1,485.00
Balance Due NASD Dispute Resolution	= \$1,125.00

2. Wexford be and hereby is solely liable for:

Member Fees	= \$4,600.00
<u>Forum Fees</u>	= \$2,250.00
Total Fees	= \$6,850.00
<u>Less payments</u>	= \$4,600.00
Balance Due NASD Dispute Resolution	= \$2,250.00

3. Rossi be and hereby is solely liable for:

<u>Forum Fees</u>	= \$2,250.00
Total Fees	= \$2,250.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$2,250.00

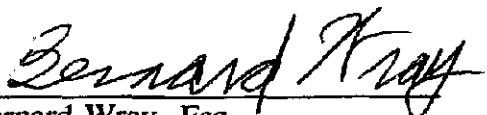
All balances are payable to NASD Dispute Resolution, and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Bernard Wray, Esq.	-	Public Arbitrator, Presiding Chair
Christina Kallas, Esq.	-	Public Arbitrator
Jerome H. Levy	-	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 instrument which is my award.



Bernard Wray, Esq.
Public Arbitrator, Presiding Chair

Sept. 24, 2007

Signature Date

Christina Kallas, Esq.
Public Arbitrator

Signature Date

Jerome H. Levy
Non-Public Arbitrator

Signature Date

October 2, 2002

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

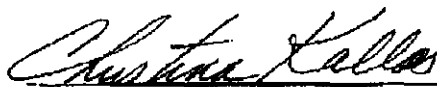
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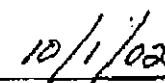
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Bernard Wray, Esq.
Public Arbitrator, Presiding Chair

Signature Date



Christina Kallas, Esq.
Public Arbitrator



Signature Date

Jerome H. Levy
Non-Public Arbitrator

Signature Date

October 2, 2002
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Bernard Wray, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Christina Kallas, Esq.
Public Arbitrator

Signature Date

Jerome H. Levy
Non-Public Arbitrator

Signature Date

October 2, 2002
Date of Service (For NASD Dispute Resolution use only)