

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Claimant/CounterRespondent
Gruntal & Company, LLC

Case Number: 01-00720

Respondent/CounterClaimant
William D. Cantrell, Jr.

Hearing Site: Chicago, Illinois

REPRESENTATION OF PARTIES

Claimant/CounterRespondent, Gruntal & Company, LLC ("Gruntal"): Timothy J. Carey, Esq. of the firm Lovells located in Chicago, Illinois.

Respondent/CounterClaimant, William D. Cantrell, Jr. ("Cantrell"): Catherine Burgiss, Esq. with Law Offices located in Oak Brook, Illinois.

CASE INFORMATION

Statement of Claim filed (on or about): February 12, 2001
Amended Statement of Claim filed on or about: March 21, 2001
Answer to Counter claim filed on or about: April 30, 2001
Gruntal signed the Uniform Submission Agreement: February 05, 2001
Gruntal's Motion to Preclude Cantrell from Presenting Evidence filed on or about: June 01, 2002

Statement of Answer filed by Cantrell, on or about: April 19, 2001
Cantrell's Response to Gruntal's Motion to Preclude Cantrell from Presenting Evidence filed on or about: June 01, 2002

CASE SUMMARY

Gruntal asserted the following causes of action: Breach of Promissory Note, Breach of the Agreement's Terms, and Breach of Fiduciary Duty.

Unless specifically admitted in his Answer, Cantrell denied the allegations made in the Statement of Claim and asserted the following affirmative defense: Constructive Discharge

Cantrell asserted the following causes of action: Racial Discrimination, Harrassment, Hostile Work Environment, and Intentional/Negligent Infliction of Emotional Distress.

Unless specifically admitted in its Answer, Gruntal denied the allegations made in the Counter claim and asserted the following affirmative defense: Failure to State a Claim Upon which relief may be granted; Lack of Jurisdiction;

Claims barred by the Doctrine of Laches; Failure to State a *prima facie* case based upon theories of "hostile work environment;" and Gruntal exercised reasonable care.

RELIEF REQUESTED

Gruntal requested:

| | |
|--|--|
| Compensatory Damages | \$ 436,057.00 |
| Punitive Damages | \$1,000,000.00 |
| Interest | to be determined at hearing |
| Attorneys' Fees | to be determined at hearing |
| Other Costs | to be determined at hearing |
| Other Monetary/Non-Monetary Relief if any: | any relief the panel deems appropriate |

Cantrell requested:

| | |
|-----------------------------|----------------|
| Compensatory Damages | \$ 105,000.00 |
| Punitive Damages | \$2,000,000.00 |
| Attorneys' Fees/Other Costs | \$ 90,000.00 |

OTHER ISSUES CONSIDERED AND DECIDED

William D. Cantrell, Jr. did not file with NASD Dispute Resolution, Inc. a properly executed submission to arbitration 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.

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. William D. Cantrell, Jr. is liable to and shall pay to Gruntal & Company, LLC the sum of \$216,058.00.
2. William D. Cantrell, Jr. is liable to and shall pay to Gruntal & Company, LLC interest at the rate of 2% over the Federal Reserve Prime Rate at the time of service. Interest shall accrue from the date of service and ceases to accrue once the award is paid in full.
3. William D. Cantrell, Jr. is liable to and shall pay to Gruntal & Company, LLC the sum of \$36,306.34. In deciding to award attorney's fees the panel considered the parties' submissions, arguments, and relevant law and found that authority exists for such an award.
4. Any and all claims asserted by William D. Cantrell, Jr. are denied in their entirety.
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

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

| | |
|--------------------------|--------------|
| Initial claim filing fee | = \$2,000.00 |
| Counter 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. Gruntal is a party.

| | |
|----------------------------|---------------------|
| Member surcharge | = \$2,500.00 |
| Pre-hearing process fee | = \$ 600.00 |
| <u>Hearing process fee</u> | <u>= \$4,500.00</u> |
| Total | = \$7,600.00 |

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 Panel at \$1,200.00 | = \$3,600.00 |
| Pre-hearing conferences: | |
| February 21, 2002 | 1 session |
| April 18, 2002 | 1 session |
| June 07, 2002 | 1 session |

| | |
|--|---------------------|
| Three (3) Hearing sessions at \$1,200.00 | = \$3,600.00 |
| Hearing Dates: | |
| June 11, 2002 | 2 sessions |
| June 12, 2002 | 1 session |
| <u>Total Forum Fees</u> | <u>= \$7,200.00</u> |

1. The Panel has assessed \$3,600.00 of the forum fees to Gruntal & Company, LLC.
2. The Panel has assessed \$3,600.00 of the forum fees to William D. Cantrell, Jr.

Fee Summary

1. Gruntal & Company, LLC is solely liable for:

| | |
|---|----------------------|
| Initial Filing Fee | = \$ 2,000.00 |
| Member Fees | = \$ 7,600.00 |
| <u>Forum Fees</u> | <u>= \$ 3,600.00</u> |
| Total Fees | = \$13,200.00 |
| <u>Less payments</u> | <u>= \$ 5,760.00</u> |
| Balance Due NASD Dispute Resolution, Inc. | = \$ 7,440.00 |

NASD Dispute Resolution, Inc.

Arbitration No. 01-00720

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2. William D. Cantrell, Jr. is solely liable for:

| | |
|---|----------------------|
| Counter claim Filing Fee | = \$ 500.00 |
| <u>Forum Fees</u> | <u>= \$ 3,600.00</u> |
| Total Fees | = \$ 4,100.00 |
| <u>Less payments</u> | <u>= \$ 1,200.00</u> |
| Balance Due NASD Dispute Resolution, Inc. | = \$ 2,900.00 |

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

ARBITRATION PANEL

| | | |
|-----------------------------|---|-----------------------------------|
| Herbert J. Paske | - | Non-Public, Presiding Chairperson |
| Ann Wilhelmina Kuppe | - | Non-Public Arbitrator |
| Dr. Robert W. Haggarty, III | - | Non-Public Arbitrator |

Concurring Arbitrators' Signatures

/s/ Herbert J. Paske

06/21/02

Herbert J. Paske

Signature Date

Non-Public Arbitrator, Presiding Chairperson

/s/ Ann Wilhelmina Kuppe

06/20/02

Ann Wilhelmina Kuppe

Signature Date

Non-Public Arbitrator

/s/ Robert W. Haggarty

06/20/02

Dr. Robert W. Haggarty, III

Signature Date

Non-Public Arbitrator

07/15/02

Date of Service (For NASD Dispute Resolution office use only)

NASD Dispute Resolution, Inc.
Arbitration No. 01-00720
Award Page 4 of 4

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ARBITRATION PANEL

Herbert J. Paske
Ann Wilhelmina Kuppe
Dr. Robert W. Haggarty, III

Non-Public, Presiding Chairperson
Non-Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures



Herbert J. Paske
Non-Public Arbitrator, Presiding Chairperson

6-21-02

Signature Date

Ann Wilhelmina Kuppe
Non-Public Arbitrator

Signature Date

Dr. Robert W. Haggarty, III
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution office use only)

| | | | | | |
|-------------------|--------------|---------|--------------|------------|---|
| Post-It™ Fax Note | 7671 | Date | 7/1/02 | # of pages | 2 |
| To | Sandra Blane | From | Herb Paske | | |
| Co./Dept. | | Co. | | | |
| Phone # | | Phone # | | | |
| Fax # | 312-236-9239 | Fax # | 847-317-0911 | | |

NASD Dispute Resolution, Inc.

Arbitration No. 01-00720

Award Page 4 of 4

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Ann Wilhelmina Kuppe

Dr. Robert W. Haggarty, III

Non-Public, Presiding Chairperson

Non-Public Arbitrator

Non-Public Arbitrator

Concurring Arbitrators' Signatures

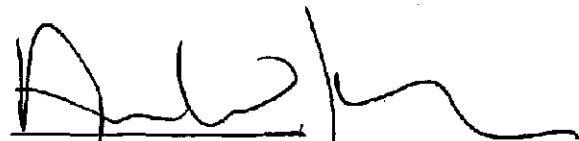
NASD Dispute Resolution, Inc.

R E C E I V E D
JUN 24 2002

Herbert J. Paske

Non-Public Arbitrator, Presiding Chairperson

Signature Date



Ann Wilhelmina Kuppe

Non-Public Arbitrator

6/20/02
Signature Date

Dr. Robert W. Haggarty, III

Non-Public Arbitrator

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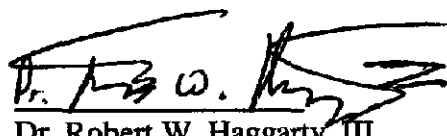
Concurring Arbitrators' Signatures

Herbert J. Paske
Non-Public Arbitrator, Presiding Chairperson

Signature Date

Ann Wilhelmina Kuppe
Non-Public Arbitrator

Signature Date



Dr. Robert W. Haggarty, III
Non-Public Arbitrator



Signature Date

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