

**Stipulated Award**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between:

State Street Securities, Inc. d/b/a Taylor Stuart Financial, (Claimant) vs. Louis M. Gomes and Paula Gomes, (Respondents)

Case Number: 01-01076

Hearing Site: Boston, Massachusetts

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**REPRESENTATION OF PARTIES**

Claimant, State Street Securities, Inc. d/b/a Taylor Stuart Financial, hereinafter referred to as "Claimant": Lawrence S. Leibowitz, Esq., Wexler & Burkhart, P.C., Mitchel Field, NY.

Respondents, Louis M. Gomes ("L. Gomes") and Paula Gomes ("P. Gomes"), hereinafter collectively referred to as "Respondents": Richard M. Gelb, Esq. and Sandra P. Wysocki Capplis, Esq., Gelb & Gelb LLP, Boston, Massachusetts.

**CASE INFORMATION**

Statement of Claim filed on or about: February 27, 2001.

Claimant signed the Uniform Submission Agreement: February 26, 2001.

Statement of Answer filed by Respondents on or about: June 6, 2001.

L. Gomes signed the Uniform Submission Agreement: June 6, 2001.

P. Gomes signed the Uniform Submission Agreement: June 6, 2001.

**CASE SUMMARY**

Claimant asserted the following causes of action: failure to pay for purchase of Globix Corp. stock; breach of contract; and common law fraud.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: Respondents are victims of an unscrupulous broker/dealer and its registered representative; P. Gomes did not interact with Claimant; L. Gomes fell prey to high pressure sales tactics, unauthorized and unsuitable investments, and misrepresentations by the registered representative assigned to Respondents' account; and Respondents terminated their relationship with Claimant and stopped payment on the checks in question in order to protect themselves from further abuse to their account.

### **RELIEF REQUESTED**

Claimant requested compensatory damages in the amount of \$75,291.34, together with interest, costs, and attorneys' fees.

Respondents requested that an Award be rendered in their favor denying Claimant's claims as set forth in the Statement of Claim.

### **OTHER ISSUES CONSIDERED AND DECIDED**

Prior to the conclusion of the hearing, Claimant and Respondents agreed to enter into a Stipulated Award which they executed on November 8, 2001, and which is attached hereto. The Stipulated Award is being submitted to the Panel for its consideration.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

### **AWARD**

On November 8, 2001, the parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for entry of an Award, the written stipulation thereto, the Panel hereby grants the motion and enters this Award granting the following relief:

1. Respondents be and hereby are jointly and severally liable for and shall pay to Claimant the sum of \$75,291.34 as compensatory damages.
2. Respondents be and hereby are jointly and severally liable for and shall pay to Claimant interest at a rate of 9% annum from November 24, 2000.
3. Respondents be and hereby are jointly and severally liable for and shall pay to Claimant the sum of \$5,435.00 as attorneys fees.
4. Respondents be and hereby are jointly and severally liable for and shall pay to Claimant \$3,350 (plus any additional NASD Dispute Resolution fees imposed after the date hereof) as costs for this proceeding.

### 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 = \$1,000.00

#### 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. In this matter, State Street Securities, Inc. d/b/a Taylor Stuart Financial is a party.

Member surcharge = \$1,000.00

Pre-hearing process fee = \$ 600.00

#### 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 \$750.00 = \$ 750.00

Pre-hearing Conference: October 2, 2001 1 session

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Total Forum Fees = \$ 750.00

In accordance with the terms of the parties' Stipulated Award, the forum fees have been assessed jointly and severally against Claimants.

### Fee Summary

1. Claimant be and hereby is solely liable for:

Initial Filing Fee = \$1,000.00

Member Fees = \$1,600.00

Forum Fees = \$ 750.00

Total Fees = \$3,350.00

Less payments = \$3,350.00

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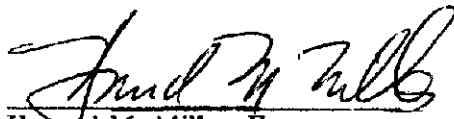
Balance Due = \$ 0

All balances are due and payable to NASD Dispute Resolution, Inc.

**ARBITRATION PANEL**

Howard M. Miller, Esq.	-	Public Arbitrator, Presiding Chair
Gerald Feldman	-	Public Arbitrator
Christine Armstrong, Esq.	-	Industry Arbitrator

**Concurring Arbitrators' Signatures**



Howard M. Miller, Esq.  
Public Arbitrator, Presiding Chair

1/7/02  
Signature Date

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Gerald Feldman  
Public Arbitrator

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

\_\_\_\_\_  
Christine Armstrong, Esq.  
Industry Arbitrator

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

January 22, 2002  
Date of Service (For NASD office use only)

**ARBITRATION PANEL**

Howard M. Miller, Esq.	-	Public Arbitrator, Presiding Chair
Gerald Feldman	-	Public Arbitrator
Christine Armstrong, Esq.	-	Industry Arbitrator

**Concurring Arbitrators' Signatures**


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Howard M. Miller, Esq.  
Public Arbitrator, Presiding Chair

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Signature Date

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Gerald Feldman  
Public Arbitrator

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1-12-02  
Signature Date

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Christine Armstrong, Esq.  
Industry Arbitrator

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Signature Date

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Gerald Feldman  
Public Arbitrator

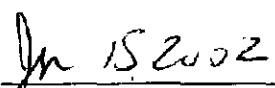
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Signature Date

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Christine Armstrong, Esq.  
Industry Arbitrator

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