

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

First Montauk Securities Corp., (Claimant) v. Ron Harris and Joseph Scurman,
(Respondents)

Case Number: 02-05065

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimant, First Montauk Securities Corp., hereinafter referred to as "Claimant": Joel Levinson, Esq. First Montauk Securities Corp., Red Bank, NJ. Previously represented by Bruce D. Oakes, Law Office of Bruce D. Oakes, Ballwin, MO.

Respondent, Ron Harris ("Harris"): appeared *pro se*.

Respondent, Joseph Scurman ("Scurman") did not appear at the hearings in this matter.

CASE INFORMATION

Statement of Claim filed on or about: September 5, 2002

Claimant signed the Uniform Submission Agreement: August 27, 2002.

Statement of Answer filed by Respondent Harris on or about: November 22, 2002.

Respondent Harris signed the Uniform Submission Agreement: November 17, 2002.

Respondent Scurman did not submit a Statement of Answer or sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: Failure to pay promissory note.

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

RELIEF REQUESTED

Claimant requested:

1. Compensatory damages in the amount of \$85,000.00 representing the principal balance of the Note;
2. Interest in the amount of \$6,800.00 for the interest due on the Note;
3. Reasonable costs, including attorney's fees as contractually agreed to in the Note.

Respondent Harris requested an award in his favor in the amount of funds already paid to Claimant, which are already more than the principal balance of the Note, and costs associated with this arbitration including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

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

Respondent Scurman did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Panel on all issues submitted.

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. Respondents Harris and Scurman are jointly and severally liable for and shall pay to Claimant the sum of \$85,000.00 as compensatory damages.
2. Respondents Harris and Scurman are jointly and severally liable for and shall pay to Claimant interest at the rate of 8% per annum on the total principal amount of the promissory note at issue accruing from October 21, 2001 through July 14, 2003.
3. Any and all relief not specifically addressed herein is 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	= \$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 persons at the time of the events giving rise to the dispute. Accordingly, First Montauk Securities Corp. is a party.

Member surcharge	= \$1,100.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,700.00

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:

One (1) Pre-hearing session with Panel @ \$750.00	= \$ 750.00
Pre-hearing conference: April 14, 2003	1 session

Six (6) Hearing sessions @ \$750.00	= \$4,500.00
Hearing Dates: July 14, 2003	2 sessions
July 15, 2003	2 sessions
July 17, 2003	2 sessions

Total Forum Fees	= \$5,250.00
------------------	--------------

1. The Panel has assessed \$2,625.00 of the forum fees against Claimant.
2. The Panel has assessed \$2,625.00 of the forum fees jointly and severally against Respondents Harris and Scurman.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 3,550.00
<u>Forum Fees</u>	<u>= \$ 2,625.00</u>
Total Fees	= \$ 7,175.00
<u>Less payments</u>	<u>= \$ 5,300.00</u>
Balance Due NASD Dispute Resolution	= \$ 1,875.00

2. Respondents Harris and Scurman are jointly and severally liable for:

<u>Forum Fees</u>	<u>= \$2,625.00</u>
Balance Due NASD Dispute Resolution	= \$2,625.00

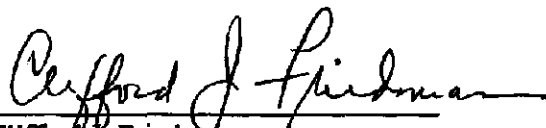
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Clifford J. Friedman	-	Non-Public Arbitrator, Presiding Chair
Daniel B. Berkson, Esq.	-	Non-Public Arbitrator
Tama Traberman	-	Non-Public Arbitrator

Concurring Arbitrators' Signature(s)

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 in which is my award.



Clifford J. Friedman
Non-Public Arbitrator, Presiding Chairperson

Signature Date

Daniel B. Berkson, Esq.
Non-Public Arbitrator

Signature Date

Tama Traberman
Non-Public Arbitrator

Signature Date

August 21, 2003
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

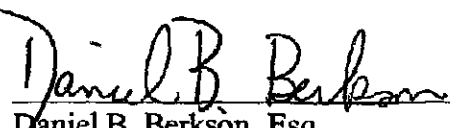
Clifford J. Friedman	-	Non-Public Arbitrator, Presiding Chair
Daniel B. Berkson, Esq.	-	Non-Public Arbitrator
Tama Traberman	-	Non-Public Arbitrator

Concurring Arbitrators' Signature(s)

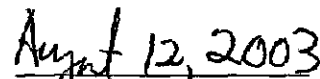
I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument is which is my award.

Clifford J. Friedman
Non-Public Arbitrator, Presiding Chairperson

Signature Date



Daniel B. Berkson, Esq.
Non-Public Arbitrator



Signature Date

Tama Traberman
Non-Public Arbitrator

Signature Date

August 21, 2003
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Clifford J. Friedman	-	Non-Public Arbitrator, Presiding Chair
Daniel B. Berkson, Esq.	-	Non-Public Arbitrator
Tama Traberman	-	Non-Public Arbitrator

Concurring Arbitrators' Signature(s)

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 is which is my award.

Clifford J. Friedman
Non-Public Arbitrator, Presiding Chairperson

Signature Date

Daniel B. Berkson, Esq.
Non-Public Arbitrator

Signature Date



Tama Traberman
Non-Public Arbitrator



Signature Date

August 21, 2003
Date of Service (For NASD Dispute Resolution use only)