

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Christiane Neuville, Neuville Family Trust dated 4/24/89, and IRA F/B/O Christiane Neuville (Claimants) v. Todd M. Eberhard, Park South Securities, LLC, Clearing Services of America, and Eberhard Investment Associates, Inc. (Respondents)

Case Number: 02-06559

Hearing Site: New York, New York

Nature of the Dispute: Customer vs. Members, Non-Member, and Associated Person

REPRESENTATION OF PARTIES

Claimants Christiane Neuville ("Neuville"), Neuville Family Trust ("Neuville Family Trust"), and IRA F/B/O Christiane Neuville ("Neuville IRA") hereinafter collectively referred to as "Claimants": Elliot Schnapp, Esq., Gordon Gordon & Schnapp, P.C., New York, NY.

Respondent Clearing Services of America, Inc. ("CSA"): David J. Campbell, Esq., Bressler, Amery & Ross, P.C., Florham Park, NJ.

Respondents Todd Eberhard ("Eberhard") and Eberhard Investment Associates, Inc. ("EIA") each appeared *pro se*. Previously represented by: Randy M. Kornfeld, Esq., Stavits & Kornfeld, LLP, New York, NY, and Michael P. Mangan, Esq., Park South Securities, LLC, New York, NY.

Respondent Park South Securities, LLC ("PSS") appeared *pro se*. Previously represented by: Michael P. Mangan, Esq., Park South Securities, LLC, New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: October 30, 2002.

Neuville signed the Uniform Submission Agreement: October 29, 2002.

Neuville signed the Uniform Submission Agreement: November 11, 2002.

Neuville Family Trust signed the Uniform Submission Agreement: November 11, 2002.

Neuville IRA signed the Uniform Submission Agreement: November 11, 2002.

Statement of Answer filed by CSA on or about: January 14, 2003.

Crossclaim filed by CSA on or about: February 7, 2003.

CSA signed the Uniform Submission Agreement: December 9, 2002.

Joint Statement of Answer filed by Eberhard, PSS, and EIA on or about: January 14, 2003.

Eberhard did not sign a Uniform Submission Agreement.
PSS did not sign a Uniform Submission Agreement.
EIA did not sign a Uniform Submission Agreement.

CASE SUMMARY

Claimants asserted the following causes of action: fraud; misrepresentation; omission of material facts; churning; suitability; unauthorized trading; violations of federal securities laws; and breach of fiduciary duty. Claimants' claim involved unspecified common stock, mutual funds, and preferred stock.

Unless specifically admitted in its Answer, CSA denied the allegations made in the Statement of Claim and asserted various affirmative defenses. In its Crossclaim against Eberhard, CSA asserted: indemnification; breach of warranty; and contribution.

Unless specifically admitted in their Answer, Eberhard, PSS, and EIA denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested an award against the Respondents, jointly and severally, for actual damages in an amount to be determined by the arbitrators but not less than \$333,000.00, which damages are to be trebled, plus punitive damages in an amount to be determined by the arbitrators, attorneys' fees, and the costs of this arbitration.

In its Answer, CSA requested that the Statement of Claim be dismissed in its entirety against CSA.

In its Crossclaim against Eberhard, CSA requested an award ordering payment by him to CSA in the amount of any award against CSA, the costs of defending this arbitration and bringing this Crossclaim, as well as CSA's attorneys' fees incurred in defending this arbitration and bringing this Crossclaim.

In their Answer Eberhard, PSS, and EIA demanded judgment dismissing the Statement of Claim against Respondents; awarding Respondents the costs and disbursements of this arbitration, including reasonable counsel fees; awarding Respondents exemplary damages based on Claimants' frivolous Statement of Claim; and granting Respondents such other relief as the Panel deems appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents Eberhard, PSS, and EIA did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to

arbitration pursuant to the Code and, having answered the claim are bound by the determination of the Panel on all issues submitted.

On or about February 10, 2003, NASD Dispute Resolution was notified that PSS filed for bankruptcy protection under the Securities Investor Protection Corporation in the United States District Court for the Southern District of New York. Therefore, all claims against PSS were indefinitely stayed.

On or about September 8, 2003, NASD Dispute Resolution was notified that CSA filed for bankruptcy protection under the Securities Investor Protection Corporation in the United States District Court for the Eastern District of Missouri. Therefore, all claims against CSA were indefinitely stayed.

By Order dated July 25, 2003 from the United States Bankruptcy Court for the Southern District Court of New York all claims against EIA were indefinitely stayed.

Claimant, the only party to participate in the arbitration, 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. Respondent Todd M. Eberhard is liable for and shall pay to Claimants compensatory damages in the amount of \$65,000.00.
2. Any and all relief not specifically addressed herein, including punitive and treble damages, 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	= \$ 375.00
Crossclaim filing fee	= \$1,250.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

September 3 and 4, 2003, adjournment by Eberhard = Waived
September 3 and 4, 2003, adjournment by CSA = Waived

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 @ \$1,200.00	= \$1,200.00
Pre-hearing conference: May 12, 2003 1 session	
Two (2) Hearing sessions @ \$1,200.00	= \$2,400.00
Hearing Date: November 25, 2003 2 sessions	
Total Forum Fees	= \$3,600.00

1. The Panel has assessed \$3,600.00 of the forum fees against Respondent Eberhard.

Fee Summary

1. Claimants are jointly and severally liable for:

<u>Initial Filing Fee</u>	= \$ 375.00
Total Fees	= \$ 375.00
<u>Less payments</u>	= \$1,575.00
Refund Due Claimant	= \$1,200.00

2. Eberhard is solely liable for:

<u>Forum Fees</u>	= \$ 3,600.00
Total Fees	= \$ 3,600.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 3,600.00

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

ARBITRATION PANEL

Arnold Wagner	-	Public Arbitrator, Presiding Chair
William E. Smith	-	Public Arbitrator
Bernard A. Kesselman, Esq.	-	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.



Arnold Wagner
Public Arbitrator, Presiding Chairperson

Signature Date

William E. Smith
Public Arbitrator

Signature Date

Bernard A. Kesselman, Esq.
Non-Public Arbitrator

Signature Date

December 19, 2003

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL


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Public Arbitrator

Signature Date



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Non-Public Arbitrator

12/18/03

Signature Date

December 19, 2003
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