

**Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

First Union Securities, Inc. (Claimant) v. Ronald Kramer (Respondent)

Case Number: 02-06730

Hearing Site: New York, New York

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Nature of the Dispute: Member v. Associated Person.

**REPRESENTATION OF PARTIES**

Claimant First Union Securities, Inc. ("FUSP") hereinafter referred to as "Claimant":  
John E. MacDonald, Esq., Stark & Stark, P.C., Princeton, NJ.

Respondent Ronald Kramer ("Kramer") hereinafter referred to as "Respondent" appeared  
*pro se*.

**CASE INFORMATION**

Statement of Claim filed on or about: November 4, 2002.  
Claimant signed the Uniform Submission Agreement: November 1, 2002.

Statement of Answer and Counterclaim filed by Respondent on or about: November 26,  
2003.  
Respondent did not sign the Uniform Submission Agreement.

**CASE SUMMARY**

Claimant asserted the following cause of action: failure to repay monies owed in  
accordance with the terms of a promissory note.

Unless specifically admitted in his Answer, Respondent denied the allegations made in the  
Statement of Claim and asserted various affirmative defenses. In his Counterclaim,  
Respondent asserted the following causes of action: breach of contract and negligent  
misrepresentation.

**RELIEF REQUESTED**

Claimant requested compensatory damages in the amount of \$150,000.00; interest; costs,  
including filing fees and any other fees imposed by NASD; attorneys' fees as provided  
for in the promissory note; and such further relief as the Panel deems just and proper.

Respondent requested that the Statement of Claim be dismissed; unspecified compensatory damages; costs; and other further relief as the Panel deems just and proper.

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

Respondent 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, having answered the claim, and appeared and testified at the hearing, 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, and 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 is liable for and shall pay to Claimant compensatory damages in the amount of \$85,000.00.
2. The Counterclaims of Respondent are denied in their entirety.
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
Counterclaim filing fee	= \$ 250.00

#### **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. Accordingly, First Union Securities, Inc. is a party.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00

**Adjournment Fees**

Adjournments granted during these proceedings for which fees were assessed:

March 22-24, 2004, adjournment by Respondent	= \$1,125.00
Claimant's share	= \$562.50
Respondent's share	= \$562.50

**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 a single arbitrator @ \$450.00	= \$ 450.00
Pre-hearing conference: September 5, 2003 1 session	

Two (2) Pre-hearing sessions with Panel @ \$1,125.00	= \$2,250.00
Pre-hearing conferences: June 27, 2003 1 session	
August 11, 2003 1 session	

Two (2) Hearing sessions @ \$1,125.00	= \$2,250.00
Hearing Date: September 27, 2004 2 sessions	
Total Forum Fees	= \$4,950.00

1. The Panel has assessed \$2,475.00 of the forum fees against Claimant.
2. The Panel has assessed \$2,475.00 of the forum fees against Respondent.

**Fee Summary**

1. Claimant is solely liable for:

Initial Filing Fee	= \$1,000.00
Member Fees	= \$5,200.00
Adjournment Fee	= \$ 562.50
Forum Fees	= \$2,475.00
Total Fees	= \$9,237.50
Less payments	= \$7,325.00
Balance Due NASD Dispute Resolution	= \$1,912.50
2. Respondent is solely liable for:

Counterclaim Filing Fee	= \$ 250.00
Adjournment Fee	= \$ 562.50
Forum Fees	= \$2,475.00
Total Fees	= \$3,287.50
Less payments	= \$1,250.00
Balance Due NASD Dispute Resolution	= \$2,037.50

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

**ARBITRATION PANEL**

Tama Traberman	-	Non-Public Arbitrator, Presiding Chairperson
Jeannette Yvonne Gerber	-	Non-Public Arbitrator
Anthony George Gero	-	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 is which is my award.



Tama Traberman  
Non-Public Arbitrator, Presiding Chairperson

10/5/04

Signature Date

\_\_\_\_\_  
Jeannette Yvonne Gerber  
Non-Public Arbitrator

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

\_\_\_\_\_  
Anthony George Gero  
Non-Public Arbitrator

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Signature Date

October 12, 2004

Date of Service (For NASD Dispute Resolution use only)

**ARBITRATION PANEL**

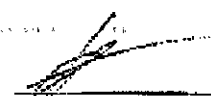
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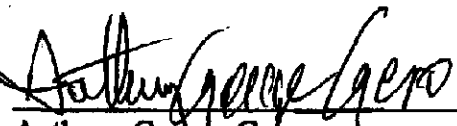
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