

PACIFIC EXCHANGE, INC.
115 Sansome Street
San Francisco, CA 94104

In the Matter of the Arbitration Between:

Jeff Schneider,

Claimant.

PCX Case No. 02-S042

v.

DECISION

**Cole Roesler Partners, LLC, Cole Roesler
Trading Group, L.P., LIR, LLC, Equitec Group,
LLC, Equitec Proprietary Markets, LLC, Equitec-
Cole Roesler, LLC, J. Michael Cole, Paul J.
Roesler, Vance K. Hillstrom and Shaun D.
Bishop.**

Respondents.

The undersigned Arbitrators, having read and considered the claims and responses submitted by the parties, and considered evidence presented at the hearings held in San Francisco on December 6-10, 2004, and January 24-26, 2005, hereby render the following DECISION pursuant to Rule 12 of the Pacific Exchange, Inc.

REPRESENTATION OF THE PARTIES

**Of Claimant: Patrick Baldwin and Christine McNamara
Balwin and McNamara**

**Of Respondents: Brian Sher and Robert Hoffman
Bryan Cave LLP**

SUMMARY OF ISSUES PRESENTED

Claimant alleges that Respondents, jointly and severally, owe Claimant an estimated \$1,500,000.00 for losses caused by Respondents' fraud and breach of contract, which includes payment pursuant to an oral agreement. In the alternative, Claimant contends damages in an estimated amount of \$2,600,000.00 for his reliance on Respondents'

intentional misrepresentations that were detrimental in that he declined other employment offers.

Claimant also contends he is owed interest on the above noted amounts and punitive damages. Moreover, Claimant asserts an entitlement to an award of attorneys' fees, costs, and Forum Fees.

Respondents deny that anything is owed to Claimant, contending that Respondents paid Claimant according to the terms of his contract, as there was no oral amendment of Claimant's written employment Agreement. Moreover, Respondents deny that they breached any contract or engaged in any fraudulent conduct.

There was no counterclaim or cross-complaint.

OTHER MATTERS

Claimants agreed to dismiss Respondents LIR, LLC; Equitec Group, LLC; and Equitec Proprietary Markets, LLC. The remainder of the Respondents were not dismissed from the Statement of Claim.

The Arbitration Panel determined that California Law shall apply to all procedural and substantive matters relating to this arbitration.


The Arbitration Panel determined that neither Claimants nor Respondents would recover attorneys' fees from the other.

DECISION

1. Claimant Jeff Schneider' claim for damages is denied. There was no finding of an oral agreement between the parties.
2. Respondents Cole Roesler Partners, LLC and Cole Roesler Trading Group, LP shall jointly and severally, pay to the Pacific Exchange, Forum Fees in the sum of \$23,000.
3. Each party to bear their own attorneys fees.

After reviewing the submissions of both the claimant and respondents in this matter, the undersigned Arbitrators make their final determination and decision of the issues presented.


Nancy Hutt, Esq, Arbitration Chair


Dated

Laurel Gothelf, Public Arbitrator

Dated

Richard B. Bullock
Richard Bullock, Industry Arbitrator

2/14/05
Dated

Laurel Gochelf
Laurel Gochelf, Public Arbitrator

2-14-05
Dated

Richard Bullock
Richard Bullock, Industry Arbitrator

Dated