

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

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In the Matter of the Arbitration Between:

Karen L. Kasden (Claimant) v. Dreyfus Service Corporation and Michael Papadoulis  
(Respondents)

Case Number: 03-01439

Hearing Site: New York, New York

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Nature of the Dispute: Customer v. Member and Associated Person.

**REPRESENTATION OF PARTIES**

Claimant Karen Kasden ("Kasden") hereinafter referred to as "Claimant": Anthony J. Hom, Esq., New York, NY.

Respondents Dreyfus Services Corporation ("Dreyfus") and Michael Papadoulis ("Papadoulis") hereinafter collectively referred to as "Respondents": Joel S. Forman, Esq., Curtis, Mallet-Prevost, Colt & Mosle, LLP, New York, NY.

**CASE INFORMATION**

Statement of Claim filed on or about: February 26, 2003.

Claimant signed the Uniform Submission Agreement: February 24, 2003.

Joint Statement of Answer filed by Respondents on or about: July 30, 2003.

Respondent Dreyfus signed the Uniform Submission Agreement: April 14, 2003.

Respondent Papadoulis signed the Uniform Submission Agreement: April 28, 2003.

**CASE SUMMARY**

Claimant asserted the following causes of action: violations of federal and state securities laws and NASD rules; breach of fiduciary duty; unsuitability; failure to supervise; negligence; and breach of contract. The causes of action relate to the Dreyfus Short Term High Yield Sec. Fund and the Dreyfus Premier Limited High Income Fund – Class A.

Unless specifically admitted in their Answer, Respondents denied the allegations of wrongdoing set forth in the Statement of Claim and asserted sixteen affirmative defenses to the claims including failure to state a claim and that any alleged losses were as a result of Claimant's own actions and were market driven.

### **RELIEF REQUESTED**

Claimant requested compensatory damages in the amount of \$85,000.00, plus interest from the date the losses were incurred to the date of the arbitration; hearing fees; costs; and any other damages the Panel may deem just and fair.

Respondents requested that the Panel dismiss, with prejudice, the Statement of Claim; that the claims be expunged from Respondent Papadoulis' records with the Central Registration Depository; and that Claimant be required to reimburse Respondents for costs and forum fees, including attorneys' fees.

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

On or about November 8, 2004, the parties advised NASD Dispute Resolution and the Panel that the parties, without admitting liability, amicably settled this matter.

On or about December 1, 2004, counsel for Respondents submitted a Consent Motion For Dismissal and Expungement for the Panel's approval. This document is annexed hereto as Exhibit "A".

The parties agreed that the Award in this matter may be executed in counterpart copies, that the parties may receive conformed copies of the award, or that a handwritten, signed Award may be entered, and that the parties will bear their own respective costs and attorneys' fees.

### **AWARD**

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 an entry of an award, the written stipulation thereto, the Panel grants the motion and enters this award granting the following relief:

1. This arbitration is dismissed with prejudice.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Michael Papadoulis' registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Papadoulis must obtain confirmation from a court of competent jurisdiction before CRD will execute the expungement directive.
3. The parties shall each bear their respective costs and attorneys' fees.
4. 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 = \$225.00

#### **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, Dreyfus Service Corporation is a party.

Member Surcharge = \$1,100.00

Pre-Hearing Process Fee = \$ 750.00

Hearing Process Fee = \$1,700.00

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Total Member Fees = \$3,550.00

#### **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. Forum fees associated with these proceedings are:

One (1) Pre-hearing conference session with the Panel @ \$750.00/session = \$750.00

Pre-hearing conference: January 13, 2004 1 session

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Total Forum Fees = \$750.00

1. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure Claimant has been assessed \$250.00 of the forum fees.
2. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure Respondent Dreyfus has been assessed \$250.00 of the forum fees.
3. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure Respondent Papadoulis has been assessed \$250.00 of the forum fees.

### **Fee Summary**

1. Claimant is solely liable for:

Initial Filing Fee = \$ 225.00

Forum Fees = \$ 750.00

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Total Fees = \$ 975.00

Less payments = \$ 975.00

Balance Due NASD Dispute Resolution = \$ 0.00

*Pursuant to Rule 10332(f) of the NASD Code of Arbitration Procedure, NASD is retaining the total initial amount of the hearing session deposited by the Claimant because this office was notified by the parties that they settled within eight business days of the first scheduled hearing session.*

2. Respondent Dreyfus is solely liable for:

Member Fees	= \$3,550.00
<u>Forum Fees</u>	<u>= \$ 250.00</u>
Total Fees	= \$3,800.00
<u>Less payments</u>	<u>= \$3,550.00</u>
Balance Due NASD Dispute Resolution	= \$ 250.00

3. Respondent Papadoulis is solely liable for:

<u>Forum Fees</u>	<u>= \$ 250.00</u>
Total Fees	= \$ 250.00
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$ 250.00

All balances are due and payable to NASD Dispute Resolution

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Case No. 03-01439  
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Parties' Signatures

Karen Kasden, Claimant

By: Anthony J. Horn  
Anthony J. Horn

12/8/04  
Signature Date

Dreyfus Service Corporation and  
Michael Papadoulis, Respondents

By: Joel S. Forman  
Joel S. Forman

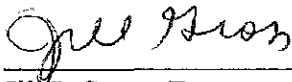
12/07/04  
Signature Date

**ARBITRATION PANEL**

Jill I. Gross, Esq.	-	Public Arbitrator, Presiding Chair
Eugene Tenenbaum	-	Public Arbitrator
Cheryl Feldman	-	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.



Jill I. Gross, Esq.  
Public Arbitrator, Presiding Chair

12/10/04

Signature Date

Eugene Tenenbaum  
Public Arbitrator

Signature Date

Cheryl Feldman  
Non-Public Arbitrator

Signature Date

January 18, 2005  
Date of Service (For NASD office use only)

**ARBITRATION PANEL**

Jill I. Gross, Esq.	-	Public Arbitrator, Presiding Chair
Eugene Tenenbaum	-	Public Arbitrator
Cheryl Feldman	-	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.

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Jill I. Gross, Esq.  
Public Arbitrator, Presiding Chair

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Signature Date



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Eugene Tenenbaum  
Public Arbitrator

12/10/04  
Signature Date

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Cheryl Feldman  
Non-Public Arbitrator

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Signature Date

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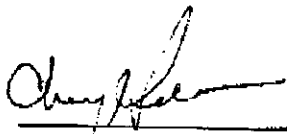
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Jill I. Gross, Esq.  
Public Arbitrator, Presiding Chair

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Signature Date

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Eugene Tenenbaum  
Public Arbitrator

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Signature Date

\_\_\_\_\_  


Cheryl Feldman  
Non-Public Arbitrator

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12/13/04  
Signature Date

\_\_\_\_\_  
January 18, 2005  
Date of Service (For NASD office use only)