

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Fahnestock & Co., Inc. (Claimant) v. Patrice A. Kaul (Respondent)

Case Number: 03-05132

Hearing Site: New York, New York

Nature of the Dispute: Member vs. Associated Person.

REPRESENTATION OF PARTIES

Claimant Fahnestock & Co., Inc. ("Fahnestock") hereinafter referred to as "Claimant": Cory M. Sobel, Esq., previously Eric J. Shames, Esq., Fahnestock & Co., Inc., New York, NY.

Respondent Patrice A. Kaul ("Kaul") hereinafter referred to as "Respondent" appeared *pro se*.

CASE INFORMATION

Statement of Claim filed on or about: July 14, 2003.

Claimant signed the Uniform Submission Agreement: July 9, 2003.

Statement of Answer filed by Respondent on or about: October 14, 2003.

Respondent signed the Uniform Submission Agreement: October 13, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: failure to repay monies owed pursuant to the terms of a promissory note.

Unless specifically admitted in her Answer, Respondent denied the allegations made in the Statement of Claim.

RELIEF REQUESTED

Claimant requested the principal amount due on the Note in the amount of \$37,500.00; interest at a rate of 8% per annum from February 5, 2001 through the date of the arbitration award; costs, including NASD filing fees in the amount of \$2,325.00; and attorneys' fees.

Respondent requested that Claimant's request for the principal amount due on the note be denied; the request for interest be denied; and that all costs incurred by Claimant and

Respondent, including NASD filing fees and attorneys' fees, in connection with this matter be the responsibility of the Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

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 \$31,500.00, plus interest at the rate of 4% per annum from May 16, 2003 through November 9, 2004.
2. 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 person at the time of the events giving rise to the dispute. Accordingly, Fahnestock & Co., Inc. is a party.

Member surcharge = \$ 875.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$1,000.00

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 @ \$600.00 = \$ 600.00

Pre-hearing conference: May 10, 2004 1 session

Two (2) Hearing sessions @ \$600.00 = \$1,200.00

Hearing Date: November 9, 2004 2 sessions
Total Forum Fees = \$1,800.00

1. The Panel has assessed \$900.00 of the forum fees against Claimant.
2. The Panel has assessed \$900.00 of the forum fees against Respondent.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$1,000.00
Member Fees	= \$2,625.00
<u>Forum Fees</u>	= \$ 900.00
Total Fees	= \$4,525.00
<u>Less payments</u>	= \$4,225.00
Balance Due NASD Dispute Resolution	= \$ 300.00

2. Respondent is solely liable for:

<u>Forum Fees</u>	= \$ 900.00
Total Fees	= \$ 900.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 900.00

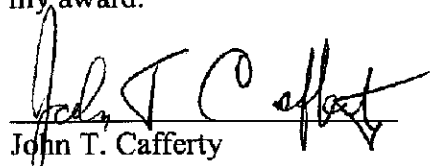
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

John T. Cafferty	-	Non-Public Arbitrator, Presiding Chairperson
Bernard A. Kesselman, Esq.	-	Non-Public Arbitrator
Robert Bennett	-	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.



John T. Cafferty
Non-Public Arbitrator, Presiding Chairperson



Signature Date

Bernard A. Kesselman, Esq.
Non-Public Arbitrator

Signature Date

Robert Bennett
Non-Public Arbitrator

Signature Date

November 17, 2004
Date of Service (For NASD Dispute Resolution use only)

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Signature Date



Bernard A. Kesselman, Esq.
Non-Public Arbitrator

11/11/04

Signature Date

Robert Bennett
Non-Public Arbitrator

Signature Date

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Non-Public Arbitrator, Presiding Chairperson

Signature Date

Bernard A. Kesselman, Esq.
Non-Public Arbitrator

Signature Date



Robert Bennett
Non-Public Arbitrator

11/13/04

Signature Date

November 17, 2004
Date of Service (For NASD Dispute Resolution use only)