

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

William J. Begley (Claimant) v. Dresdner Kleinwort Wasserstein Group, LLC, Dresdner Kleinwort Wasserstein, LLC and Dresdner Kleinwort Wasserstein Grantchester Securities, Inc. (Respondents).

Case Number: 04-01803

Hearing Site: New York City, New York

Nature of the Dispute: Associated Person v. Member and Non-Members.

REPRESENTATION OF PARTIES

Claimant William J. Begley ("Begley") hereinafter referred to as "Claimant": Arthur V. Nealon, Esq., Entwistle & Cappucci, LLP, New York, NY.

Respondent Dresdner Kleinwort Wasserstein, LLC ("DKW") hereinafter referred to as "Respondent": Lauren Malanga Casey, Esq., Epstein Becker & Green, P.C., New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: March 15, 2004.

Claimant signed the Uniform Submission Agreement: March 9, 2004.

Statement of Answer filed by Respondent on or about: February 4, 2005.

Respondent signed the Uniform Submission Agreement: February 11, 2005.

CASE SUMMARY

Claimant asserted the following causes of action: breach of employment agreement and breach of contract.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$150,000.00 with interest from December 15, 1999; \$150,000.00 with interest from December 15, 2000; and \$300,000.00 with interest from December 15, 2002; and reasonable attorneys' fees and filing fees, an assessment of forum fees, and such other relief as the Panel deems just and proper.

Respondent requested that the Panel render an award dismissing the Statement of Claim and requiring Claimant to pay all of the administrative costs of this arbitration.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents Dresdner Kleinwort Wasserstein Group, LLC and Dresdner Kleinwort Wasserstein Grantchester Securities, Inc. are not NASD members and, therefore, were not required to arbitrate in this forum and did not submit to NASD Dispute Resolution's jurisdiction.

On or about June 24, 2005 Arbitrator John Bevilacqua withdrew from the Panel. The parties agreed to proceed with the two remaining arbitrators.

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, the testimony and evidence presented at the hearing, and the post-hearing submissions, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent Dresdner Kleinwort Wasserstein, LLC is liable for and shall pay to Claimant compensatory damages in the amount of \$600,000.00.
2. Respondent Dresdner Kleinwort Wasserstein, LLC is liable for and shall pay to Claimant interest at the rate of nine percent with interest accruing on the first \$300,000 from December 31, 2001 until paid and interest at the rate of nine percent with interest accruing on the second \$300,000 from December 31, 2002 until paid.
3. Any and all relief not specifically addressed herein, including punitive 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

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 event giving rise to the dispute. Accordingly, Dresdner Kleinwort Wasserstein, LLC is a party.

Member surcharge = \$ 2,250.00

Pre-hearing process fee = \$ 750.00

Hearing process fee	= \$ 4,000.00
Total Member fees	= \$ 7,000.00

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 @ \$1,200.00	= \$ 1,200.00
Pre-hearing conferences: April 6, 2005 1 session	

Three (3) Hearing sessions @ \$1,200.00	= \$ 3,600.00
Hearing Dates: June 27, 2005 2 sessions	
June 28, 2005 1 session	

Total Forum Fees	= \$ 4,800.00
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1. The Panel has assessed \$2,400.00 of the forum fees to Claimant.
2. The Panel has assessed \$2,400.00 of the forum fees to Respondent.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 375.00
<u>Forum Fees</u>	= <u>\$2,400.00</u>
Total Fees	= \$2,775.00
<u>Less payments</u>	= <u>\$1,575.00</u>
Balance Due NASD Dispute Resolution	= \$1,200.00

2. Respondent is solely liable for:

Member Fees	= \$7,000.00
<u>Forum Fees</u>	= <u>\$2,400.00</u>
Total Fees	= \$9,400.00
<u>Less payments</u>	= <u>\$3,000.00</u>
Balance Due NASD Dispute Resolution	= \$6,400.00

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

ARBITRATION PANEL

Richard S. Peskin
Nathan J. Minucci

- Non-Public Arbitrator, Presiding Chairperson
- Non-Public Arbitrator

Concurring Arbitrators' Signature(s)

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.



Richard S. Peskin
Non-Public Arbitrator, Presiding Chairperson

7/19/05
Signature Date

Nathan J. Minucci
Non-Public Arbitrator

Signature Date

July 22, 2005
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Richard S. Peskin	-	Non-Public Arbitrator, Presiding Chairperson
Nathan J. Minucci	-	Non-Public Arbitrator

Concurring Arbitrators' Signature(s)

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.

Richard S. Peskin
Non-Public Arbitrator, Presiding Chairperson

Signature Date

Nathan J. Minucci
Nathan J. Minucci
Non-Public Arbitrator

Signature Date

July 22, 2005
Date of Service (For NASD Dispute Resolution use only)