

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

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In the Matter of the Arbitration Between:

David M. Schanzer (Claimant) v. Stephen A. Williams (Respondent)

Case Number: 04-02578

Hearing Site: New York, New York

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Nature of the Dispute: Customer v. Non-Member.

**REPRESENTATION OF PARTIES**

Claimant David M. Schanzer ("Schanzer") hereinafter referred to as "Claimant": Al J. Daniel, Esq., Cowan, DeBaets, Abrahams & Sheppard, LLP, New York, NY.

Respondent Stephen A. Williams ("Williams") hereinafter referred to as "Respondent" appeared *pro se*.

**CASE INFORMATION**

Statement of Claim filed on or about: April 8, 2004.

Claimant signed the Uniform Submission Agreement: April 7, 2004.

Statement of Answer filed by Respondent on or about: August 5, 2004.

Respondent signed the Uniform Submission Agreement on September 15, 2004.

**CASE SUMMARY**

Claimant asserted the following cause of action: breach of the Limited Liability Company Interest Purchase Agreement.

In his Answer, Respondent did not dispute or deny the allegations made in the Statement of Claim.

**RELIEF REQUESTED**

Claimant requested compensatory damages in the amount of \$37,000.00; pre-award interest on each installment in the amount of \$1,406.96, calculated from each due date to the date of the Award and on the total Award at the rate of 9% per annum under New York CPLR §§ 5001-5004; costs and expenses, including reasonable attorney's fees; and all other relief to which Claimant is entitled under applicable law.

**OTHER ISSUES CONSIDERED AND DECIDED**

Claimant moved to waive the hearing and have the case decided solely upon the pleadings and submissions. Pursuant to Rule 10303 of the NASD Code of Arbitration Procedure, the Arbitrator gave the parties the option, before the hearing, to jointly waive the hearing, in writing. Claimant then decided to proceed with the hearing.

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 Arbitrator 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 \$39,884.93, plus simple interest at the rate of 9% per annum from August 15, 2003 (on \$7,500.00), from October 15, 2003 (on \$10,000.00), and from December 15, 2003 (on \$19,500.00) until the date the award is paid.
2. Respondent is liable for and shall pay to Claimant attorney's fees and costs in the amount of \$8,225.25 in accordance with paragraph 13(b) of the Limited Liability Company Interest Purchase Agreement of June 23, 2003.
3. Respondent is liable for and shall pay to Claimant the sum of \$175.00, to reimburse Claimant for the filing fee previously paid to NASD Dispute Resolution.
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	= \$175.00
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**Forum Fees and Assessments**

The Arbitrator has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrator, including a pre-hearing conference with the arbitrator, that lasts four (4) hours or less. Fees associated with these proceedings are:

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One (1) Pre-hearing session with the sole Arbitrator @ \$450.00 = \$450.00  
Pre-hearing conference: July 29, 2004 1 session

One (1) Hearing session @ \$450.00 = \$450.00

Hearing Date: September 15, 2004 1 session

Total Forum Fees = \$900.00

1. The Arbitrator has assessed \$900.00 of the forum fees against Respondent.

**Fee Summary**

1. Claimant is solely liable for:

<u>Initial Filing Fee</u>	= \$175.00
Total Fees	= \$175.00
<u>Less payments</u>	= \$625.00
Refund Due Claimant	= \$450.00

*As stated in the "Award" section above, Respondent is liable for and shall reimburse Claimant for the \$175.00 filing fee.*

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.

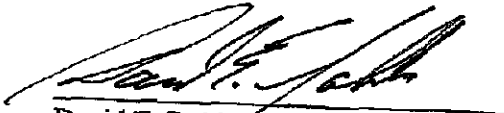
**ARBITRATOR**

David E. Robbins, Esq.

- Sole Public Arbitrator

**Arbitrator's Signature**

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.



David E. Robbins, Esq.  
Sole Public Arbitrator

9/24/04  
Signature Date

September 29, 2004

Date of Service (For NASD Dispute Resolution use only)