

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Ladenburg Capital Management, Inc. (Claimant) v. Mauricio Valencia (Respondent)

Case Number: 04-02706

Hearing Site: New York, New York

Nature of the Dispute: Member vs. Associated Person.

REPRESENTATION OF PARTIES

Claimant Ladenburg Capital Management, Inc. ("Ladenburg") hereinafter referred to as "Claimant": David Hirschberg, Esq., Wexler & Burkhart, P.C., Mitchel Field, NY.

Respondent Mauricio Valencia ("Valencia") hereinafter referred to as "Respondent" did not make an appearance in this matter.

CASE INFORMATION

Statement of Claim filed on or about: April 7, 2004.

Claimant signed the Uniform Submission Agreement: April 5, 2004.

Respondent did not file a Statement of Answer or sign the Uniform Submission Agreement.

CASE SUMMARY

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

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$18,964.76; attorneys' fees; and costs.

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrator (the "Arbitrator") determined that Respondent has been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Respondent did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Arbitrator on all issues submitted.

At the hearing on January 5, 2005, Claimant requested a copy of NASD Dispute Resolution's October 21, 2004 letter to the Arbitrator concerning service to Respondent. The Arbitrator agreed, and requested that the letter (redacted to remove Arbitrator contact information) listed as Arbitrator's Exhibit #2 be attached to this Award.

Claimant moved for judgment by default upon Claimant's presentation of its prima facie case in support of its claim. After due consideration, the Arbitrator granted the motion.

Respondent did not appear at the hearing.

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 \$18,964.76.
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 = \$750.00

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, Ladenburg Capital Management, Inc. is a party.

Member surcharge = \$425.00

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:

One (1) Pre-hearing session with the sole arbitrator @ \$450.00 = \$450.00
Pre-hearing conference: October 6, 2004 1 session

One (1) Hearing session @ \$450.00	= \$450.00
<u>Hearing Date:</u> January 5, 2005 1 session	
Total Forum Fees	= \$900.00

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

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 750.00
Member Fees	= \$ 425.00
<u>Forum Fees</u>	= \$ 900.00
Total Fees	= \$2,075.00
<u>Less payments</u>	= \$1,625.00
Balance Due NASD Dispute Resolution	= \$ 450.00

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

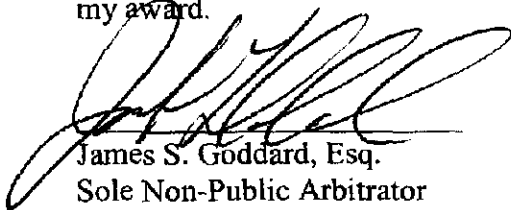
ARBITRATION PANEL

James S. Goddard, Esq.

Sole Non-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 which is my award.



James S. Goddard, Esq.
Sole Non-Public Arbitrator

1/14/05
Signature Date

January 24, 2005
Date of Service (For NASD Dispute Resolution use only)