

**AWARD
NASD DISPUTE RESOLUTION**

In the Matter of the Arbitration Between:

Peter Rogers, (Claimant) vs. Todd M. Eberhard and Jeffrey Paul Cahn (Respondents)

Case Number: 04-02999

SITUS: New York, New York

NATURE OF DISPUTE: Customer vs. Associated Persons.

REPRESENTATION OF PARTIES

Peter Rogers ("Rogers") hereinafter referred to as "Claimant": Jeffrey P. Lendrum, Esq., The Lendrum Law Firm, San Diego, CA.

Respondent Todd M. Eberhard ("Eberhard") hereinafter referred to as "Eberhard": Randy M. Kornfield, Esq., Stavis & Kornfeld, LLP, New York, NY. Eberhard did not file a Statement of Answer in this matter.

Respondent Jeffrey Paul Cahn ("Cahn") hereinafter referred to as "Cahn" did not enter an appearance in this matter.

DATE FILED: March 24, 2003

CASE SUMMARY: Claimants alleged breach of fiduciary duty; misrepresentation or omissions of material facts; common law fraud and intentional misrepresentation; constructive fraud; negligent misrepresentation; negligence; failure to supervise; respondeat superior, vicarious liability, and aiding and abetting; breach of contract; breach of contract – settlement agreement/personal guarantee; and conspiracy. Claimant's claim involved unspecified types of securities.

Claim Data		Award Data	
Claim:	\$4,000,000.00	Award:	\$850,000.00
Interest:	Unspecified	Interest:	@ prime rate from 1/15/03-date of payment of award
Punitive:	Unspecified	Punitive:	\$0.00
Attorney's Fees:	Unspecified	Attorney's Fees:	\$21,000.00
Costs:	Unspecified	Costs:	\$600.00
Disgorgement:	Unspecified	Disgorgement:	\$0.00
Other:	Unspecified	Other:	\$0.00

OTHER ISSUES:

Initially, Claimant's claims against Respondents Todd M. Eberhard and Jeffrey Paul Cahn were arbitrated in NASD Arbitration Case # 03-02120. By letter dated March 8, 2004, Claimant opted to proceed against Respondents Eberhard and Cahn pursuant to Rule 10314(e) of the *NASD Code of Arbitration Procedure* ("Code"). The claims against Respondents Eberhard and Cahn were bifurcated from Case # 03-02120 because Respondents Eberhard and Cahn failed to file Answers. The arbitrator determined that Respondents Eberhard and Cahn were properly served notice of the Statement of Claim and Notification of the Arbitrator by certified mail, and that Respondents Eberhard and Cahn are required to submit to arbitration pursuant to the Code and are bound by the determination of the Arbitrator on all issues submitted.

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) Respondents are jointly and severally liable and shall pay to Claimant \$850,000.00. 2) Respondents are jointly and severally liable and shall pay to Claimant interest at the prime rate beginning January 15, 2003 through the date of payment of the award. 3) Respondents are jointly and severally liable for and shall pay to Claimant attorneys' fees in the amount of \$21,000.00. 4) All requests for punitive damages are denied. 5) All other relief requests are denied. 6) Respondents are jointly and severally liable and shall reimburse Claimant for the \$600.00 filing fee previously paid to NASD Dispute Resolution.


FORUM FEES:

The \$600.00 filing fee previously deposited with NASD Dispute Resolution by Claimant shall be retained by NASD Dispute Resolution.

ARBITRATOR


Edward M. Musho, CPA

Sole Public Arbitrator


Edward M. Musho, CPA
Sole Public Arbitrator

09-28-04
Signature Date

I, Edward M. Musho, CPA, 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 which is my award.


Edward M. Musho, CPA
Sole Public Arbitrator

October 6, 2004

Date of Service (For NASD-DR office use only)