
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Beatrice Marks

Case Number: 04-03081

Names of the Respondents
Dupont Securities, Inc.
Alex Rabinovich

Hearing Site: Boca Raton, FL

Nature of the Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

For Beatrice Marks ("Marks"), hereinafter referred to as "Claimant": Bruce Katzen, Esq., Kluger, Peretz, Kaplan & Berlin, P.L., Miami, Florida.

Respondent Dupont Securities, Inc. ("DSI") did not appear.
Respondent Alex Rabinovich ("Rabinovich") did not appear.

CASE INFORMATION

Statement of Claim filed on or about: April 26, 2004.
Claimant signed the Uniform Submission Agreement: March 5, 2004.
Respondents did not file Statements of Answer.
Respondents did not file executed Uniform Submission Agreements.

CASE SUMMARY

Claimant asserted the following causes of action: 1) breach of contract; 2) breach of fiduciary duty; 3) fraud; and 4) failure to supervise. The causes of action relate to the purchase of shares of stock in Intel Corp. and Trade the Planet Corp. for Claimant's IRA account.

RELIEF REQUESTED

Claimant requested unspecified compensatory damages, plus interest, punitive damages, and costs.

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made on behalf of Claimant, the undersigned arbitrators (the "Panel") have determined that Respondents have 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 Respondents present in accordance with the NASD Code of Arbitration Procedure (the "Code").

Respondents did not file with NASD Dispute Resolution, properly executed submissions to arbitration but are required to submit to arbitration pursuant to the Code and, are bound by the determination of the Panel on all issues submitted.

At the conclusion of the evidentiary hearing, Claimant's request to allow her to amend her Statement of Claim to include a request for attorney's fees pursuant to Florida Statutes Chapter 517 and Florida Statutes Section 57.105 was granted by the Panel.

The party present at the hearing agreed that the Award in this matter may be executed in counterpart copies.

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. Respondents are liable, jointly and severally, and shall pay to Claimant the sum of \$133,666.37 in compensatory damages, plus pre-judgment interest from October 3, 2001 through October 31, 2004 in the amount of \$31,522.99 and additional interest at the Florida statutory rate from November 8, 2004 until the date of payment of the award. Damages are awarded based upon the claims of breach of contract, fraud, breach of fiduciary duty and failure to supervise.
2. Respondents are liable, jointly and severally, and shall pay to Claimant attorney's fees in the sum of \$15,000.00. Attorney's fees are awarded pursuant to Florida Statutes Chapter 517 and Florida Statutes Section 57.105.
3. Respondents are liable, jointly and severally, and shall pay to Claimant the sum of \$250.00 representing reimbursement of the claim filing fee previously paid by Claimant to NASD Dispute Resolution.
4. Respondents are liable, jointly and severally, and shall pay to Claimant the sum of \$1,250.00 representing reimbursement for miscellaneous costs of the litigation, including but not limited to photocopier charges, facsimile charges and other administrative costs incurred by Claimant.
5. Any and all claims for relief not specifically addressed herein, including Claimant's request for punitive damages, are 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

= \$ 250.00

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, Respondent DSI was a member firm until the termination of its membership with NASD on or about July 2, 2004 and is a party. Therefore, the member fees set forth below accrued prior to the termination of Respondent DSI's membership with NASD and have been assessed.

Member surcharge

= \$1,500.00

All other member fees accrued subsequent to the termination of Respondent DSI's membership with NASD and were waived by NASD Dispute Resolution.

Adjournment Fees

Adjournment fees incurred during these proceedings:

No adjournment fees were incurred during these proceedings.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session.

No three-day cancellation fees were incurred during these proceedings.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

No injunctive relief fees were incurred during these proceedings.

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 the Panel @ \$1,000.00

= \$ 1,000.00

Pre-hearing conference: October 7, 2004

1 session

One (1) Hearing session with the Panel @ \$1,000.00

= \$ 1,000.00

Hearing Date: November 8, 2004

1 session

Total Forum Fees

= \$ 2,000.00

The Panel has assessed the total forum fees of \$2,000.00 jointly and severally to Respondents.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during these proceedings.

Fee Summary

Claimant is solely liable for:

| | |
|--|-------------|
| <u>Initial Filing Fee</u> | = \$ 250.00 |
| <u>Total Fees</u> | = \$ 250.00 |
| <u>Less payments</u> | = \$ 250.00 |
| <u>Balance Due NASD Dispute Resolution</u> | = \$ 0.00 |

Respondent DSI is solely liable for:

| | |
|--|--------------|
| <u>Member Fees</u> | = \$1,500.00 |
| <u>Total Fees</u> | = \$1,500.00 |
| <u>Less payments</u> | = \$ 0.00 |
| <u>Balance Due NASD Dispute Resolution</u> | = \$1,500.00 |

Respondents DSI and Rabinovich are jointly and severally liable for:

| | |
|--|--------------|
| <u>Forum Fees</u> | = \$2,000.00 |
| <u>Total Fees</u> | = \$2,000.00 |
| <u>Less payments</u> | = \$ 0.00 |
| <u>Balance Due NASD Dispute Resolution</u> | = \$2,000.00 |

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

ARBITRATION PANEL

| | | |
|---------------------------|---|--|
| Marc A. Wites, Esq. | - | Public Arbitrator, Presiding Chairperson |
| Bernard J. Kune | - | Public Arbitrator |
| Marissa Miranda McDermott | - | Non-Public Arbitrator |

Concurring Arbitrators' Signatures

/s/

Marc A. Wites, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

/s/
Bernard J. Kune
Public Arbitrator

11/16/04
Signature Date

/s/
Marissa Miranda McDermott
Non-Public Arbitrator

11/16/04
Signature Date

November 19, 2004
Date of Service (For NASD Dispute Resolution office use only)

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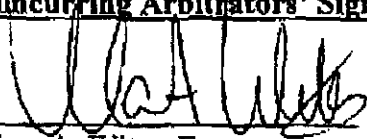
| | |
|--|--------------|
| <u>Forum Fees</u> | = \$2,000.00 |
| <u>Total Fees</u> | = \$2,000.00 |
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Public Arbitrator, Presiding Chairperson

Signature Date

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Bernard J. Kune
Public Arbitrator

10/16/04
Signature Date

Marissa Miranda McDermott
Marissa Miranda McDermott
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution office use only)

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Bernard J. Kone
Public Arbitrator


Marissa Miranda McDermott
Non-Public Arbitrator

Signature Date

11/16/04
Signature Date

Date of Service (For NASD Dispute Resolution office use only)