

**Stipulated Award
NASD Dispute Resolution, Inc.**

In the Matter of the Arbitration Between:

Peter Donohue (Claimant) vs. Prime Charter Ltd., Fahnestock & Co. Inc., Oppenheimer & Co., Inc., Steven Frank Schwartz, Maritsa Electra Varvitsiotes and Christopher Jon Brainard (Respondents)

Case Number: 04-03197

Hearing Site: New York, New York

Nature of Dispute: Customer vs. Members and Associated Persons

REPRESENTATION OF PARTIES

Claimant Peter Donohue hereinafter referred to as "Claimant": Louis F. Burke, Louis F. Burke, P.C., New York, NY.

Respondents Prime Charter Ltd. ("Prime Charter"), Fahnestock & Co., Inc. ("Fahnestock"), Oppenheimer & Co., Inc. ("Oppenheimer"), Steven Frank Schwartz ("Schwartz"), Maritsa Electra Varvitsiotes ("Varvitsiotes"), and Christopher Jon Brainard ("Brainard"), hereinafter collectively referred to as "Respondents": Michael Schwartzberg, Esq., Winget, Spadafora & Schwartzberg, LLP, New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: April 29, 2004.

Amended Statement of Claim filed on or about: June 17, 2005.

Claimant signed the Uniform Submission Agreement: March 24, 2004.

Joint Statement of Answer filed by Respondents filed on or about: June 23, 2004.

Statement of Answer and Motion to Dismiss filed by Respondent on Schwartz filed on or about: June 23, 2004.

Respondent Prime Charter did not submit a signed Uniform Submission Agreement.

Respondent Fahnestock did not submit a signed Uniform Submission Agreement.

Respondent Oppenheimer did not submit a signed Uniform Submission Agreement.

Respondent Schwartz did not submit a signed Uniform Submission Agreement.

Respondent Varvitsiotes did not submit a signed Uniform Submission Agreement.

Respondent Brainard did not submit a signed Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: violation of section 10(b) and Rule 10(b) 5 of the Securities Exchange Act; fraud; excessive trading; failure to supervise;

breach of contract, respondeat superior; breach of fiduciary duty; control person liability; and disgorgement of commissions.

Unless specifically admitted in their Answer, Respondents denied the allegations of wrongdoing set forth in the Statement of Claim and asserted various affirmative defenses.

Unless specifically admitted in his Answer, Respondent Schwartz denied the allegations of wrongdoing set forth in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$313,781.00, disgorgement of commissions in the amount of \$205,000.00 and margin interest in the amount of \$7,000.00, punitive damages in the amount of \$250,000.00, costs, attorneys' fees, forum fees and such other and further relief as the Panel may deem just and equitable.

Respondents requested that the Statement of Claim be dismissed with prejudice in its entirety, that the Panel award Respondents return of attorneys' fees and costs incurred, expungement of Respondents Varvitsiotes and Brainard's CRD records, and for such other further relief as the Panel deems just and proper.

Respondent Schwartz requested that the Panel dismiss him from this proceeding, expungement of his CRD record, attorneys' fees, and costs.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents Prime Charter, Fahnestock, Oppenheimer, Schwartz, Varvitsiotes, and Brainard did not file with NASD Dispute Resolution properly executed submission agreements but are required to submit to arbitration pursuant to the Code and, having answered the claim, appeared and testified at the hearing, are bound by the determination of the Panel on all issues submitted.

On or about January 31, 2006, Claimant dismissed his claims with prejudice against Respondent Schwartz.

On or about January 31, 2006, Claimant entered into a settlement agreement with Respondents Prime Charter, Fahnestock, Oppenheimer, Varvitsiotes, and Brainard.

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of continuing the hearing and upon motion of both parties for entry of an Award, the written stipulation thereto, the Panel grants the Motion and enters this award granting the following relief:

1. Claimant and Respondents Prime Charter, Fahnestock, Oppenheimer, Varvitsiotes, and Brainard have entered into a confidential settlement agreement resulting in the resolution of the matter.
2. Claimant has dismissed all claims with prejudice against Respondents Prime Charter, Fahnestock, Oppenheimer, Schwartz, Varvitsiotes, and Brainard.
3. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Steven Frank Schwartz's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Steven Frank Schwartz must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130, the arbitration panel has made the following affirmative findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous and;

The registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds.

4. Expungement is appropriate because Schwartz had no involvement in the activity at issue. Respondent Schwartz was named in this proceeding in his personal capacity for failure to supervise. However, the unrefuted evidence demonstrates that Schwartz, the Chief Executive Officer of Prime Charter during the relevant time period, did not maintain any supervisory responsibility over any brokers at the firm, including, but not limited to, Varvitsiotes and Brainard. As such, Schwartz bears no personal responsibility with regard to the underlying activity in this proceeding.

5. 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
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated persons at the time of the events giving rise to the dispute. Accordingly, Prime Charter, Fahnestock and Oppenheimer are parties.

Member surcharge	= \$ 2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 4,000.00

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:

February 1-3, March 15-16, 2006 settled by parties	= \$ 300.00
Claimant's share	= \$ 150.00
Respondents' share jointly and severally	= \$ 150.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. 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:

Three (3) Pre-hearing sessions with Panel @ \$1,200.00/session	= \$ 3,600.00
Pre-hearing conferences:	
May 18, 2005	1 session
September 23, 2005	1 session
June 30, 2006	1 session
Nine (9) Hearing sessions @ \$1,200.00/session	= \$10,800.00
Hearing Dates:	
December 6, 2005	2 sessions

December 7, 2005	2 sessions
December 8, 2005	2 sessions
December 9, 2005	2 sessions
July 27, 2006	1 session
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Total Forum Fees	= \$14,400.00

1. The Panel has assessed \$8,400.00 of the forum fees to Claimant.
2. The Panel has assessed \$6,000.00 of the forum fees 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 not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

1. Claimant requested duplicate tape copies = \$ 120.00
2. Respondents requested duplicate tape copies = \$ 120.00

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 375.00
Three-Day Cancellation Fee	= \$ 150.00
Forum Fees	= \$ 8,400.00
Administrative Costs	= \$ 120.00
Total Fees	= \$ 9,045.00
Less payments	= \$ 1,575.00
Balance Due NASD Dispute Resolution	= \$ 7,470.00
2. Respondent Oppenheimer is solely liable for:

Member Fees	= \$ 7,000.00
Total Fees	= \$ 7,000.00
Less payments	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00
3. Respondents are jointly and severally liable for:

Three-Day Cancellation Fee	= \$ 150.00
Forum Fees	= \$ 6,000.00
Administrative Costs	= \$ 120.00
Total Fees	= \$ 6,270.00
Less payments	= \$ 1,620.00

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Balance Due NASD Dispute Resolution

= \$4,650.00

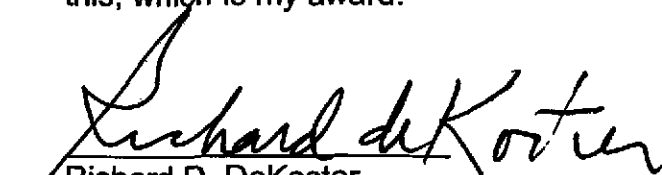
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL


Richard D. DeKoster	-	Public Arbitrator, Presiding Chair
Alvin Green, Esq.	-	Public Arbitrator
Joseph N. Stineman	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

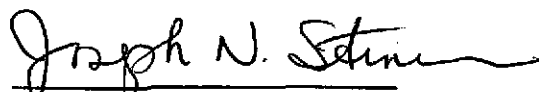
I, the undersigned Arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this, which is my award.


Richard D. DeKoster
Public Arbitrator, Presiding Chair

7/27/06
Signature Date


Alvin Green, Esq.
Public Arbitrator

7/27/2006
Signature Date


Joseph N. Stineman
Non-Public Arbitrator

7/27/2006
Signature Date

August 4, 2007

Date of Service (For NASD office use only)