

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

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In the Matter of the Arbitration Between:  
Oppenheimer & Co. Inc., Claimant v. Gregg Shawzin, Respondent

Case Number: 04-03820

Hearing Site: Los Angeles, California

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Nature of the Dispute: Member v. Customer

**REPRESENTATION OF PARTIES**

For Claimant:

Eric J. Shames, Esq.  
Oppenheimer & Co. Inc.  
New York, New York

For Respondent:

Gregg Shawzin  
Beverly Hills, California

**CASE INFORMATION**

Statement of Claim filed: May 26, 2004

Claimant's Uniform Submission Agreement signed: May 26, 2004

**CASE SUMMARY**

Claimant alleged breach of customer agreement, fraud, conversion, unjust enrichment, and liability under the California Commercial Code § 3419(d) and the California Civil Code § 1719(a). Claimant's allegations involved the purchase of Endovasc and Stereovision stocks and equity options.

Respondent did not file a Statement of Answer to Claimant's Statement of Claim.

**RELIEF REQUESTED**

Claimant requested \$72,076.20 in compensatory damages, interest at rate of 14% per annum from March 29, 2004 until payment, \$2,850.00 in NASD filing fees, and \$5,000.00 in estimated expenses, including attorney's fees.

### **OTHER ISSUES CONSIDERED AND DECIDED**

On August 16, 2004, Claimant filed a Motion for Default Against Respondent for failure to timely file a Statement of Answer.

On September 1, 2005, NASD Dispute Resolution received a copy of a death certificate for Respondent Gregg Shawzin. On or about September 16, 2005, NASD Dispute Resolution advised the Panel of Respondent's passing in June 2005.

Based on representations made on behalf of the Claimant, the Panel determined it had jurisdiction over Respondent in accordance with the signed Customer Agreement, and, after due deliberation at the conclusion of the pre-hearing conference held on September 26, 2005, the Panel granted Claimant's Motion for Default.

### **AWARD**

After considering the pleadings and representations made on behalf of the Claimant, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent Gregg Shawzin is liable to and shall pay Claimant Oppenheimer & Co. Inc. the sum of \$75,000.00 in compensatory damages.
2. The parties shall bear their respective costs, including attorney's fees.
3. All other relief requested and not expressly granted is denied.

### **FEES**

Pursuant to the *NASD Code of Arbitration Procedure* (Code), the following fees are assessed:

#### **Filing Fees**

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 1,000.00
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**Member Fees**

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Oppenheimer & Co. Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,100.00
<u>Pre-Hearing Process Fee</u>	= \$ 750.00
<b>Total Member Fees</b>	<b>= \$ 1,850.00</b>

**Forum Fees and Assessments**

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair or the parties and the Panel. The following fees are assessed:

Two (2) Pre-hearing conference sessions with the Panel @ \$750.00/session	= \$ 750.00
Pre-hearing conferences: August 22, 2005 1 session	
September 26, 2005 1 session	

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<b>Total Forum Fees</b>	<b>= \$ 1,500.00</b>
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The Panel assessed \$1,500.00 of the forum fees to Claimant Oppenheimer & Co. Inc.

**Fee Summary**

1. Claimant, Oppenheimer & Co. Inc., is charged with the following fees and costs:

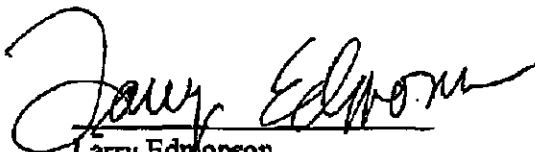
Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 1,850.00
<u>Forum Fees</u>	= \$ 1,500.00
Total Fees	= \$ 4,350.00
<u>Less payments</u>	= \$ (3,600.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 750.00</b>

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

**ARBITRATION PANEL**

Larry Edmonson	-	Public Arbitrator, Presiding Chair
Royal D. Heisser	-	Public Arbitrator
Ronald E. Ogden	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

  
Larry Edmonson  
Chair, Public Arbitrator

9/30/2005  
Signature Date

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Royal D. Heisser  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Ronald E. Ogden  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

10/03/05  
Date of Service

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Chair, Public Arbitrator

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Signature Date

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Royal D. Heisser  
Public Arbitrator

9-30-05  
Signature Date

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Ronald E. Ogden  
Non-Public Arbitrator

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Signature Date

10/03/05  
Date of Service

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Signature Date

  
\_\_\_\_\_  
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Non-Public Arbitrator

10/3/05  
Signature Date

10/03/05  
Date of Service