

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Dmitry Kardonski (Claimant) v. Wachovia Securities LLC, Theodore Geller, and Liberty Life Assurance Company of Boston (Respondents)

Case Number: 04-04526

Hearing Site: New York, New York

Nature of the Dispute: Associated Person vs. Member, Non-Member, and Associated Person.

REPRESENTATION OF PARTIES

Claimant, Dmitry Kardonski, ("Kardonski") hereinafter referred to as "Claimant": Cirino M. Bruno, Esq., Gusrae, Kaplan, Bruno & Nusbaum, PLLC, New York, NY.

Respondents Wachovia Securities, LLC ("Wachovia") and Theodore Geller ("Geller"), hereinafter collectively referred to as "Respondents": David B. Ross, Esq., Seyfarth Shaw, LLP, New York, NY.

Respondent Liberty Life Assurance Company of Boston did not enter an appearance in this matter.

CASE INFORMATION

Statement of Claim filed on or about: June 25, 2004.

Reply to Counterclaim filed on or about: October 15, 2004.

Claimant signed the Uniform Submission Agreement: June 25, 2004.

Joint Statement of Answer filed by Respondents on or about: October 11, 2004.

Respondent Wachovia signed the Uniform Submission Agreement: October 8, 2004.

Respondent Geller signed the Uniform Submission Agreement: October 8, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: wrongful termination, slander on Form U-5, failure to adhere to terms of forgivable loan, and failure to pay disability benefits.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim. In their Counterclaim, Respondents asserted the following cause of action: breach of promissory note.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$5,000.00; punitive damages in the amount of \$100,000.00; costs; attorneys' fees; a published letter of retraction; expungement; and such other and further relief as may be just and proper.

Respondents requested that Claimant's Statement of Claim is dismissed in its entirety. On their Counterclaim, Respondents requested compensatory damages in the amount of \$462,162.01; interest; costs; attorneys' fees; and such other and further relief as may be just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Liberty Life Assurance Company of Boston is not an NASD member and is not required to arbitrate in this forum, and therefore, declined to submit to NASD Dispute Resolution's jurisdiction.

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

AWARD

After considering the pleadings, 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. Claimant's claims are dismissed in their entirety. However, Respondent Wachovia shall return Claimant's personal property.
2. Claimant is liable for and shall pay to Respondent Wachovia compensatory damages in the amount of \$356,100.00, plus interest at the rate of 5.5% from November 12, 2003 to the date of payment of the award.
3. 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	= \$ 300.00
Counterclaim filing fee	= \$1,000.00

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 persons at the time of the events giving rise to the dispute. Accordingly, Wachovia Securities, LLC is a party.

Member surcharge	= \$ 1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 2,750.00

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 sessions with Panel @ \$1,125.00 = \$1,125.00
Pre-hearing Conference: January 6, 2005

Six (6) Hearing sessions @ \$1,125.00 = \$6,750.00
Hearing Dates: May 25, 2004 2 sessions
May 26, 2005 2 sessions
May 27, 2005 2 sessions

Total Forum Fees = \$7,875.00

1. The Panel has assessed \$5,906.25 of the forum fees against Claimant.
2. The Panel has assessed \$1,968.75 of the forum fees against Respondent Wachovia.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
<u>Forum Fees</u>	= \$5,906.25
Total Fees	= \$6,206.25
<u>Less payments</u>	= \$1,425.00
Balance Due NASD Dispute Resolution	= \$4,781.25

2. Respondent Wachovia is solely liable for:

Member Fees	= \$5,200.00
<u>Forum Fees</u>	= \$1,968.75
Total Fees	= \$7,168.75
<u>Less payments</u>	= \$6,325.00
Balance Due NASD Dispute Resolution	= \$ 843.75

3. Respondents are jointly and severally liable for:

<u>Counterclaim Filing Fee</u>	= \$1,000.00
Total Fees	= \$1,000.00
<u>Less payments</u>	= \$1,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

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

ARBITRATION PANEL

Joseph F. Keenan, Esq.	-	Public Arbitrator, Presiding Chairperson
Fred S. Pieroni	-	Public Arbitrator
Allan N. Taffet, Esq.	-	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 instrument which is my award.

Joseph F. Keenan, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Fred S. Pieroni
Public Arbitrator

Signature Date



Allan N. Taffet, Esq.
Non-Public Arbitrator

6/21/05

Signature Date

JUNE 28 2005

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Joseph F. Keenan, Esq.	-	Public Arbitrator, Presiding Chairperson
Fred S. Pieroni	-	Public Arbitrator
Allan N. Taffet, Esq.	-	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 instrument which is my award.

Joseph F. Keenan, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Fred S. Pieroni
Fred S. Pieroni
Public Arbitrator

6/21/05
Signature Date

Allan N. Taffet, Esq.
Non-Public Arbitrator

Signature Date

JUNE 28, 2005
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Joseph F. Keenan, Esq.	-	Public Arbitrator, Presiding Chairperson
Fred S. Pieroni	-	Public Arbitrator
Allan N. Taffet, Esq.	-	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 instrument which is my award.



Joseph F. Keenan, Esq.
Public Arbitrator, Presiding Chairperson

6-27-2005

Signature Date

Fred S. Pieroni
Public Arbitrator

Signature Date

Allan N. Taffet, Esq.
Non-Public Arbitrator

Signature Date

June 28 2005
Date of Service (For NASD Dispute Resolution use only)