

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

David M. Goldblatt (Claimant) vs. Seaboard Securities, Inc. (Respondent)

Case Number: 04-05453

Hearing Site: New York, New York.

Nature of the Dispute: Associated Person vs. Member.

REPRESENTATION OF PARTIES

Claimant David M. Goldblatt hereinafter referred to as "Claimant": Benjamin Geizhals, Esq., Davidoff Malito & Hutcher LLP, Garden City, NY.

Respondent Seaboard Securities, Inc. hereinafter referred to as "Respondent": Marc S. Gottlieb, Esq., Law Offices of Marc S. Gottlieb. New York, NY.

CASE INFORMATION

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

Claimant signed the Uniform Submission Agreement: July 29, 2004.

Claimant's Reply to Respondent's Counterclaim filed on or about: October 21, 2004.

Statement of Answer and Counterclaim filed by Respondent on or about: October 8, 2004.

Respondent signed the Uniform Submission Agreement: October 7, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract with respect to the override commission.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

In its Counterclaim, Respondent asserted the following causes of action: indemnification and failure to supervise.

In his Reply to Respondent's Counterclaim, Claimant denied the allegations made in the Counterclaim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested:

- (A) an accounting from Seaboard of all monies derived by Seaboard from the Department.
- (B) payment from Seaboard for an amount to be determined for the difference between what was paid to him and what should have been paid to him.
 - (i) the amount paid to him was reduced from 50% to 20% of the Override Commission; and
 - (ii) was further reduced without any calculation or accounting being provided; and
 - (iii) for the amounts based upon the commissions generated by the Department which were not included in the calculation of the Override Commission in its remittances to him.
- (C) costs, disbursements and attorneys' fees in this matter; and
- (D) for such further relief as to the arbitrators may deem just and proper.

Respondent requested that the Panel dismiss Claimant's claims in their entirety, and grant Respondent a full accounting to determine how much, if any, commissions remain due and owing to Respondent, as well as an award in favor of Respondent for any sums that are determined to be due and owing Respondent. Respondent also requested attorneys' fees, filing fees, costs, disbursements and any further relief that the Panel may deem just and proper.

Claimant requested that Respondent's Counterclaim be dismissed in its entirety, and grant to Claimant all of the relief requested in his Statement of Claim.

Respondent requested in its Counterclaim, a full accounting to determine how much of the profits it's entitled to as a result of the agreement reached between the parties, as well as indemnification for all costs, fees and attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

At the hearing, the Panel considered Claimant's request to waive the adjournment fee for the hearings dates of June 14 -15, 2005. After due deliberation, the Panel denied the request.

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

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 denied in their entirety.

2. Claimant is liable for and shall pay Respondent compensatory damages in the amount of \$265,500.00.
3. Any and all relief not specifically addressed herein 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	= \$ 250.00
Counterclaim filing fee	= \$ 500.00

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, Seaboard Securities, Inc is a party.

Member surcharge	= \$ 1,500.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$ 2,200.00</u>
Total Member fees	= \$ 4,450.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

June 14 and 15, 2005 adjournment by Claimant	= \$ 1,000.00
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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:

June 14 and 15, 2005 adjournment by Claimant	= Waived
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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:

One (1) Pre-hearing session with single arbitrator @ \$450.00	= \$ 450.00
April 15, 2005 1 session	
Two (2) Pre-hearing sessions with Panel @ \$1,000.00	= \$ 2,000.00
Pre-hearing conferences: November 29, 2004 1 session	
June 14, 2005 1 session	
Nine (9) Hearing sessions @ \$1,000.00	= \$ 9,000.00

Hearing Dates:	November 21, 2005	2 sessions
	November 22, 2005	2 sessions
	November 28, 2005	2 sessions
	November 29, 2005	2 sessions
	November 30	1 session
Total Forum Fees		= \$ 11,450.00

1. The Panel has assessed \$5,725.00 of the forum fees to Claimant.
2. The Panel has assessed \$5,725.00 of the forum fees to Respondent.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 250.00
Adjournment Fee	= \$ 1,000.00
Forum Fees	= \$ 5,725.00
Total Fees	= \$ 6,975.00
Less payments	= \$ 1,250.00
Balance Due NASD Dispute Resolution	= \$ 5,725.00

2. Respondent is solely liable for:

Filing Fee	= \$ 500.00
Member Fees	= \$ 4,450.00
Forum Fees	= \$ 5,725.00
Total Fees	= \$ 10,675.00
Less payments	= \$ 8,200.00
Balance Due NASD Dispute Resolution	= \$ 2,475.00

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

ARBITRATION PANEL

Eric J. Sussman, Esq.
Thomas Caiaffa
Peter M. Pfau

- Non-Public Arbitrator, Presiding Chairperson
- Non-Public Arbitrator
- 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 instrument, which is my award.



Eric J. Sussman, Esq.
Non-Public Arbitrator, Presiding Chairperson

12/12/05

Signature Date

Thomas Caiaffa
Non-Public Arbitrator

Signature Date

Peter M. Pfau
Non-Public Arbitrator

Signature Date

December 15, 2006

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

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Non-Public Arbitrator

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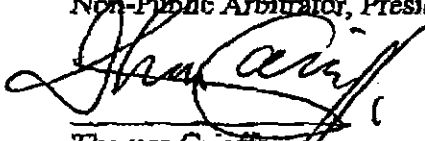
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Non-Public Arbitrator, Presiding Chairperson

Signature Date



Thomas Caiaffa
Non-Public Arbitrator

12/14/05
Signature Date

Peter M. Pfau
Non-Public Arbitrator

Signature Date

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