

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

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In the Matter of the Arbitration Between:

David Barnett (Claimant) v. Harborside Securities, LLC (Respondent)

Case Number: 05-02343

Hearing Site: New York, New York

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Nature of the Dispute: Associated Person v. Member

**REPRESENTATION OF PARTIES**

Claimant David Barnett hereinafter referred to as "Claimant": Michael Kalmus, Esq., New York, NY.

Respondent Harborside Securities, LLC hereinafter referred to as "Respondent": Michael Dobbs, Harborside Securities, New York, NY.

**CASE INFORMATION**

Statement of Claim filed on or about: May 2, 2005.

Claimant signed the Uniform Submission Agreement: April 25, 2005.

Respondent did not submit a Statement of Answer and did not sign the Uniform Submission Agreement.

**CASE SUMMARY**

Claimant asserted the following causes of action: breach of contract and defamation.

**RELIEF REQUESTED**

Claimant requested compensatory damages in the amount of \$50,000.00 representing Claimant's earned but unpaid bonus; compensatory damages in the amount of \$500,000.00 representing the injury to Claimant's professional reputation as the result of Respondent's defamatory statements and lost wages; expungement and reformation of Claimant's Form U-5 to remove the defamatory statements from the records maintained by the NASD CRD; costs and attorneys' fees incurred in the prosecution of this claim; and any other relief as the Panel deems fit.

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

Respondent did not file with NASD Dispute Resolution a properly executed submission agreement but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Arbitrator on all issues submitted.

On or about July 29, 2005, the parties entered into an agreement to present to the Arbitrator a Stipulated Award.

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 a hearing and upon motion of both parties for an entry of an award, the written stipulation thereto, the Panel grants the motion and enters this award granting the following relief:

- 1) The Arbitrator finds that the Claimant's Form U-5 contains information or allegations that are false and erroneous.
- 2) The Arbitrator recommends the expungement of the erroneously entered Form U-5 Reason for Termination filed by Harborside Securities, LLC and accompanying termination comment from Claimant David Barnett's registration records maintained by the NASD Central Registration Depository ("CRD"). Court confirmation of the Stipulated Award is not required as the expungement recommendation is being ordered based on the defamatory nature of the Form U-5 information in the CRD system. The Arbitrator further recommends that the Claimant's Form U-5 be corrected to reflect that Claimant's Reason for Termination from Harborside Securities, LLC was "voluntary." The expungement is based on the defamatory nature of the information contained in David Barnett's CRD record.
- 3) All other relief requests 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	= \$ 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 firm that employed the associated person at the time of the events giving rise to the dispute.

In this matter, the member firm Harborside Securities, LLC is a party.

Member Surcharge	= \$ 2,250.00
<u>Pre-Hearing Process Fee</u>	= \$ 750.00
Total Member Fees	= \$ 3,000.00

**Fee Summary**

1. Claimant is solely liable for:

<u>Initial Filing Fee</u>	= \$ 375.00
Total Fees	= \$ 375.00
<u>Less payments</u>	= \$ 1,725.00
Refund due Claimant	= \$ 1,350.00

2. Respondent is solely liable for:

<u>Member Fees</u>	= \$ 3,000.00
Total Fees	= \$ 3,000.00
<u>Less payments</u>	= \$ 2,250.00
Balance Due NASD Dispute Resolution	= \$ 750.00

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

HARRISON'S ESCORTS LLC

By: [Signature]

Title: Attorney-In-Fact

Date: September 17, 2008

DAVID BARNETT

[Signature]

Date: 7/29/2005

**ARBITRATION PANEL**

Richard S. Peskin, Esq.

Non-Public Arbitrator

**Arbitrator's Signature**

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 is, which is my award.



Richard S. Peskin, Esq.  
Non-Public Arbitrator

10/25/05  
Signature Date

October 27, 2005  
Date of Service (For NASD office use only)