

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

United Capital Markets, Inc., Claimant v. Gregory G. Jayson, Respondent
Gregory G. Jayson, Counter-Claimant v. United Capital Markets, Inc., Counter-Respondent

Case Number: 05-05937

Hearing Site: Los Angeles, California

Nature of the Dispute: Member v. Associated Person
Associated Person v. Member

REPRESENTATION OF PARTIES

For Claimant/Counter-Respondent
United Capital Markets, Inc. ("United Capitol"):

Scott E. Rahn, Esq.
Keesal Young & Logan
Long Beach, California

For Respondent/Counter-Claimant
Gregory G. Jayson ("Jayson"):

Ray E. Gallo, Esq.
Gallo & Associates
Los Angeles, California

CASE INFORMATION

Statement of Claim filed: November 18, 2005

United Capitol's Uniform Submission Agreement signed: November 17, 2005

Statement of Answer and Counterclaim filed: January 19, 2006

Jayson's Uniform Submission Agreement signed: January 11, 2006

Statement of Answer to Counterclaim filed: February 2, 2006

CASE SUMMARY

United Capitol alleged breach of contract, money lent, account stated, open book account, money had and received, money paid, and unjust enrichment. United Capitol's allegations involve Jayson's alleged failure to repay the principal due on a promissory note.

Jayson denied the allegations of wrongdoing set forth in United Capitol's Statement of Claim and asserted various affirmative defenses.

Jayson filed a Counterclaim alleging breach of contract, violation of state laws, right to an accounting, unjust enrichment, conversion, and defamation.

United Capitol denied the allegations of wrongdoing set forth in Jayson's Counterclaim and asserted various affirmative defenses.

RELIEF REQUESTED

United Capitol requested \$101,467.76 in compensatory damages, pre- and post-judgment interest and costs, including attorney's fees.

In his Answer, Jayson requested dismissal of the Claimant's Statement of Claim in its entirety.

In his Counterclaim, Jayson requested \$109,000.00 in compensatory damages, unspecified punitive damages, pre- and post-judgment interest and costs, including attorney's fees.

In its Statement of Answer to Jayson's Counterclaim, United Capitol requested dismissal of Jayson's Statement of Counterclaim in its entirety and costs.

OTHER ISSUES CONSIDERED AND DECIDED

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, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Respondent Gregory G. Jayson is liable to and shall pay Claimant United Capitol Markets, Inc. the sum of \$81,249.00 in compensatory damages.
- 2) Counter-Respondent United Capitol Markets, Inc. is liable to and shall pay Counter-Claimant United Gregory G. Jayson the sum of \$58,749.00 in compensatory damages.
- 3) Respondent/Counter-Claimant Gregory G. Jayson may set-off the sum of \$58,749.00 awarded to him against the sum of \$81,249.00 awarded to Claimant/Counter-Respondent United Capitol Markets, Inc., by paying the sum of \$22,500.00 to United Capitol Markets, Inc.
- 4) The parties shall bear their respective costs, including attorney's fees.
- 5) All other relief requested and not expressly granted, including Counter-Claimant's request for punitive damages, is denied.

Fee Summary

1. Claimant/Counter-Respondent United Capitol Markets, Inc. is charged with the following fees and costs:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 5,200.00
Forum Fees	= \$ 2,812.50
Total Fees	= \$ 9,012.50
Less payments	= \$(7,325.00)
Balance Due NASD Dispute Resolution	= \$ 1,687.50

2. Respondent/Counter-Claimant Gregory G. Jayson is charged with the following fees and costs:

Counterclaim Filing Fee	= \$ 300.00
Forum Fees	= \$ 2,812.50
Total Fees	= \$ 3,112.50
Less payments	= \$(1,700.00)
Balance Due NASD Dispute Resolution	= \$ 1,412.50

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.

FEES

Pursuant to the 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
Jayson's Counterclaim	= \$ 300.00

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 United Capital Markets, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$1,700.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$2,750.00</u>
Total Member Fees	= \$5,200.00

Forum Fees and Assessments

The Panel 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 arbitrator(s), including a pre-hearing conference, which lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing conference session with the Panel @ \$1,125.00/session			= \$1,125.00
Pre-hearing conference:	March 16, 2006	1 session	
Four (4) Hearing sessions @ \$1,125.00/session			= \$4,500.00
Hearings:	October 17, 2006	2 sessions	
	October 18, 2006	2 sessions	
Total Forum Fees			= \$5,625.00

1. The Panel assessed \$2,812.50 of the forum fees to Claimant/Counter-Respondent United Capital Markets, Inc.
2. The Panel assessed \$2,812.50 of the forum fees to Respondent/Counter-Claimant Gregory G. Jayson.

ARBITRATION PANEL

Michael M. Hachigian	-	Public Arbitrator, Presiding Chair
Marc S. Joseph	-	Public Arbitrator
Jon A. Bostrom	-	Non-Public Arbitrator

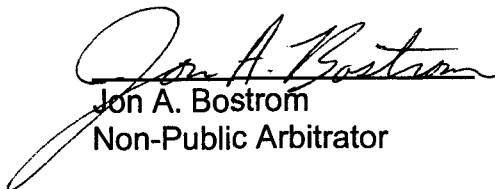
Concurring Arbitrators' Signatures


Michael M. Hachigian
Chair, Public Arbitrator

10/18/2006
Signature Date

Marc S. Joseph
Public Arbitrator

Signature Date


Jon A. Bostrom
Non-Public Arbitrator

10/18/06
Signature Date

10/18/06
Date of Service

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